

Ten focus areas for youth employment policies

INCLUDE, the knowledge platform on inclusive development policies, focuses on youth employment as one of the key challenges for Africa. By connecting various types of knowledge and stakeholders active in this field, INCLUDE has gathered a diverse set of insights into how to improve youth employment in African countries.

Part of this was the [INCLUDE working conference on youth employment](#) held in October 2015, which brought together more than 80 Dutch and African participants from policy, civil society and academia. Based on systematic studies conducted by [Kluve et al.](#), [the UN Foundation](#) and [the International Labour Office](#), INCLUDE has formulated 10 focus areas for policy makers, which are set out below. The specific findings of these studies are presented in the supplementary policy brief '[The evidence base on what works to promote youth employment](#)'.

Focus areas

- 1) **Develop skills and knowledge for youth:** [Skills training](#), such as in technical or communication skills, increases employment and income prospects. To provide all youth, including those working in the informal sector, with the opportunity to develop such skills requires comprehensive policies addressing access to quality education for all and other types of inequality. An important role can be played by trade unions and public-private partnerships in this regard.
- 2) **Invest in (agricultural) entrepreneurship:** Productive entrepreneurship is essential for economic development. Investment in skills and knowledge needs to be complemented by investment in access to credit, land and safety nets. In particular, [the agriculture sector](#) provides potential for new entrepreneurship, but substantial [investment in agricultural science](#) is required. In agriculture the need for improved access to land, financial services and training is high.
- 3) **Address the role of trade policies:** As part of a comprehensive view of youth employment, the role of [import and export policies](#) should be addressed. In exporting sectors, it is essential that wages are low enough to be competitive in the global market, but high enough to provide decent living standards. Furthermore, the integration of businesses within global value chains is essential for employment in the long term.
- 4) **Focus on the informal sector:** In many developing countries, most employment can be found in the [informal sector](#). Jobs in the informal sector often provide better earnings than in the formal sector. Therefore, policies aimed at improving productivity and infrastructure and facilitating trade (among other things) need to target the informal sector as well. In the meantime, structural change is required to provide more opportunities in the formal sector.
- 5) **Focus on rural areas:** In developing countries, the lack of decent employment opportunities is mostly prevalent in rural areas. Many people in these areas are either unemployed or have very low earnings, insecure work environments or other insufficiencies in their conditions of employment. As a result, rural youth [migrate](#) to urban areas, hoping to find decent and long-term employment. The labour market in rural areas is complex, particularly as the formal and informal sectors are intertwined. A better understanding of these areas, keeping in mind the heterogeneity outlined above, is essential to develop specific interventions in these areas. Finding incentives for youth to engage in agriculture will be particularly important.
- 6) **Focus on young women:** [Young women](#) are disempowered in employment opportunities compared to their male counterparts. The drivers of this are very diverse and need to be both politically and culturally explained. Therefore, interventions should aim to change both social norms and legal discrimination, and empower young women within their households. Cash grants or incentives for education can improve educational outcomes, demand-oriented skills trainings can increase

employability, and more substantial and unconditional cash transfers can help increase decent employment and incomes for young women.

- 7) **Comprehensive policies:** Employment policies need to not only focus on interventions within labour markets, but also need to relate to the socio-cultural and socioeconomic contexts in which individuals function. Achieving employment targets is closely related to achieving other targets, such as decreasing inequality and improving access to education and gender equality. [The more integrated the packages, the more impact they have in terms of changing outcomes](#). However, comprehensive policies are more challenging in terms of implementation. They require coordination, teamwork and partnerships between stakeholders.
- 8) **No one-size-fits-all approach:** Youth between 15-29 years old make up a quarter of the world's total population. In developing countries this share increases to a third of the population. This is a very diverse group, operating within different contexts. Inequalities within these contexts severely impact on the success of interventions for youth employment. [Recognizing heterogeneity and developing tailor-made policy interventions are, therefore, essential](#).
- 9) **Generate more knowledge in diverse contexts:** Recognizing the heterogeneity of youth and the contexts in which they operate, and acknowledging that interventions should be tailor-made, means that generating more knowledge on this heterogeneity is required. This involves the continuation of [existing research](#) in different places to identify the differences in the impact of interventions in different contexts.
- 10) **Generate more knowledge on specific interventions:** [The ILO evidence gap map on youth employment](#) shows that the impact of several types of interventions has not gained much attention in the research. For instance the relationship between access to markets, value chains, credit and grants and the outcomes employment, earnings and business performance needs further investigation. For a better overview of the impact of the different sets of policy options available, research needs to shift its focus to these blind spots.

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