





Policy Brief

► ILO brief

May 2024

Elevating the potential of rural youth: Paths to Decent Jobs and Sustainable Futures

Key points

- Rural youth in developing countries constitute a considerable number of the incoming labour market entrants. However, they are often confronted with widespread informality, working poverty, and limited prospects for wage employment, and their voices are not sufficiently heard. Many of them may migrate out of rural areas, posing concerns over the future of many rural economies.
- ▶ The ability of rural youth to achieve successful transitions depends on several factors, but most notably on the quality of schooling, the match between education and labour market demands, economic opportunity and the protection of workers' rights and their engagement in social dialogue.
- An integrated and coordinated approach that is gender-sensitive, rights-based, and underpinned by social dialogue is crucial to boost rural youth employment. Effective partnerships, built on the comparative advantage of each stakeholder, are key to implementing measures that address the labour demand, supply, and matching deficiencies.
- ► The green and blue economy hold enormous potential to create decent work opportunities for rural youth, while materializing their aspiration of being at the forefront to address the climate crisis.

Why now? The call for boosting decent jobs for rural youth

While virtually all countries are undergoing a demographic transition, developing countries are also experiencing a large increase in their working-age population. Youth (15-24) amount to 1.2 billion of the global population, with nearly half living in rural areas¹. However, rural young women and men face major challenges in finding decent employment. They often lack opportunities for skills development and access to productive resources, exacerbated by structural deficiencies².

At the same time, rural youth are a driving force for a path to a better future for all in rural areas. While populations of all ages play a role in revitalizing the agri-food sector and more broadly rural economies, young people have a key role to play, by acquiring the knowledge and skills needed to innovate, use new technologies, and spearhead the just transition to green economies and digital transformation while sharing their innovations to uplift their communities. With their ability to learn fast

¹ United Nations, "Global Issues: Youth"; IFAD, <u>Creating Opportunities for Rural Youth</u>, 2019; Justin Flynn and Thomas Yeboah, <u>Rural Youth Employment in Africa: An Evidence Review</u>, (Include Knowledge Platform, 2021).

² ILO, Advancing Social Justice and Decent Work in Rural Economies, 2022.

and their innovative spirit, the engagement of young people in shaping the future we want in rural areas is key to foster a culture of intergenerational learning and collaboration in the rural communities to embrace modern, sustainable practices.

Policy action is needed to address the significant untapped potential of this sizeable and growing demographic through decent work, while fostering rural economic sectors' competitiveness and the vitality of rural areas. Global challenges such as climate change are affecting rural communities and their livelihoods, and

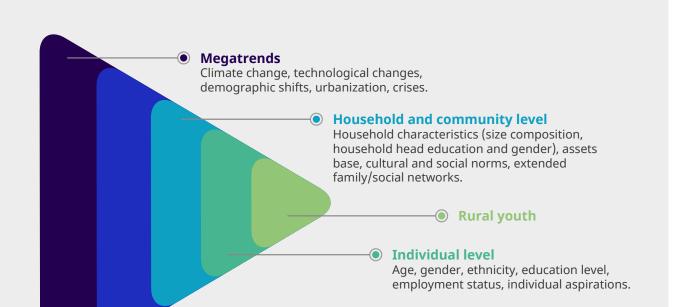
trends such as urbanization, demographic shifts, and technological innovations have profound impacts on the world of work. On the other hand, if properly harnessed, these transformations also present opportunities for creating, decent jobs, while contributing to the transformation of rural economies3. For that, comprehensive and coordinated approaches involving all relevant stakeholders, with decent work at the center, can bring about long-awaited changes and make rural areas attractive to work and live for rural youth, and contribute to advancing social justice for all.

Rural youth: seizing opportunities, facing challenges

Figure 1. Multiple determinants of youth transitions

The ability of rural youth to achieve successful transitions depends on the interrelation of multiple factors at various levels (see figure 1). The structural disadvantages in many rural areas largely determine their employment prospects, and affect both the labour demand and supply side, as well as the functioning of institutions and intermediary structures and processes. At the same time, rural youth are a heterogeneous group with specificities at the individual level, household, and community level.

Overall, rural youth face more barriers in accessing and securing decent employment than their adult counterparts, especially in low- and middle-income countries. Young people in rural areas are typically employed on a casual or seasonal basis, under poor working conditions and with limited or no access to social protection. They also face specific challenges compared to their urban counterparts. For instance, as many rural young workers pick up work where and when they can, they tend to be more exposed to underemployment while unemployment is more prevalent among their urban peers4. Youth in rural areas are also at disadvantage in accessing productive assets, markets, advisory and financial services.



Rural context level

conditions, remoteness.

Agri-food sector activities, rural non-farm economic potential, poverty, food insecurity, informality, environmental degradation, inequalities in access to services and infrastructure, poor working

³ ILO, Advancing Social Justice.

⁴ Bernd Mueller, Rural Youth Employment in sub-Saharan Africa: Moving Away from Urban Myths and Towards Structural Policy Solutions, (ILO, 2021).

Job creation in agriculture and increasingly in other rural economic sectors holds potential... but decent work deficits hinder young people's prospects in rural areas.

While over time youth employment has shifted from agriculture to other sectors, agriculture remains the main employment sector, especially in sub-Saharan Africa (SSA), Asia and the Pacific Region (APR)⁵. Youth aged between 15-35 represent half of the workforce engaged in agriculture in many developing countries, and more than half of the workers engaged in other activities in the agrifood sector⁶. On average, rural youth spend more than 50 per cent of their working time in the agrifood sector, mainly 70 per cent in SSA and APR, and 60 per cent in Latin America and the Caribbean (LAC)⁷. Improving agricultural productivity is necessary in order to enable rural youth to benefit from greater opportunities in this sector. Creating decent jobs for youth in the agri-food sector is

of key importance to building sustainable and resilient food systems able to feed the world's growing population while reducing greenhouse gas emissions, protecting the environment and advancing rural development⁸.

As the process of structural transformation advances, and economic diversification reshapes rural labour markets, employment in rural non-farm activities gains relevance. This is already the case in many regions. For example, in LAC, the rural non-farm economy accounts for around 40 per cent of rural youth employment⁹. Diversification can lead to an improvement in employment prospects for rural youth, such as increased wage employment opportunities¹⁰. Some key rural economic sectors, such as forestry, aquaculture, and tourism, hold potential for the younger generations¹¹. The adoption of digital technologies, as well as the advance of the just transition in rural economies can promote employment creation in the digital, green, and blue economy.



Box 1. Strengthening the evidence base in agriculture to inform policies and programs on youth employment

JobAgri is a collaborative initiative led by the ILO, FAO, CIRAD, and the African Union, aimed at enhancing the understanding of labour dynamics and potential of job creation within Africa's agri-food sector. This initiative gathers and analyzes fresh and innovative data to inform the development of policies that encourage youth employment in agriculture, addressing the gap between employment needs and agricultural development. By integrating insights from government, private sector, academia, and civil society through a multi-stakeholder forum, JobAgri fosters informed policy making and effective collaboration. The initiative's core activities include detailed surveys on employment patterns, value-chain organization, and working conditions to refine policy approaches, and build capacity for agri-food to be attractive and capable enough to deliver on job potential for young people. JobAgri's goal is to create data-driven solutions that spur economic growth and improve job quality for young Africans in the agricultural sector.

Addressing working poverty among rural youth goes hand in hand with the transition to formality in the rural economy.

Informality and working poverty are predominant among youth in many rural economies. Evidence suggests that young workers in poverty often start their working lives in the informal economy and tend to stay in it for the long run¹². Working poverty influences young workers'

decisions to migrate to urban areas. Young people tend to be overrepresented among own-account workers and contributing family workers, which are two employment statuses prevalent in many rural areas and highly exposed to informality, especially in low-income countries where it reaches 89 per cent (see figure 2)¹³. In terms of sectors, globally, 1 in 3 workers in the informal economy work in agriculture¹⁴.

⁵ ILO, *Global Employment Trends for Youth 2022*, 2022.

⁶ FAO, Estimating Global and Country Level Employment in Agrifood Systems, 2021, 34.

⁷ IFAD, Creating Opportunities for Rural Youth, 238.

⁸ ILO, Policy Guidelines for the Promotion of Decent Work in the Agri-food Sector, 2023.

⁹ IFAD, Creating Opportunities for Rural Youth, 238; IFAD, The Rural Youth Situation in Latin America and the Caribbean, 2019, 14.

¹⁰ ILO, Advancing Social Justice; IFAD, Creating Opportunities for Rural Youth, 238; IFAD, *The Rural Youth Situation in Latin America and the Caribbean*, 2019, 14.

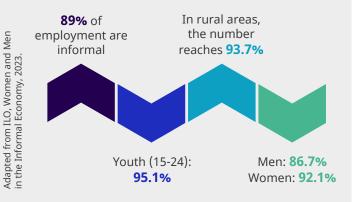
¹¹ ILO, Sustainable Tourism: *A Catalyst for Inclusive Socio-Economic Development and Poverty Reduction in Rural Areas*, 2019; ILO, Conclusions on the Future of Work in Aquaculture in The Context of The Rural Economy, TMFWA/2021/7, 2021; ILO, Conclusions of the Technical Meeting on COVID-19 and Sustainable Recovery in the Tourism Sector, TMSRTS/2022/8, 2022.

¹² Decent Jobs for Youth, <u>Youth Transitioning to the Formal Economy</u>, 2017.

¹³ ILO, <u>Women and Men in the Informal Economy: A Statistical Picture</u>, 2023.

¹⁴ ILO, Women and Men in the Informal Economy.

Figure 2. Informal employment in Low-income countries, by gender, age, and area (%), 2023



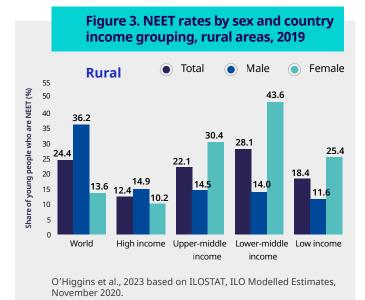
Poverty continues to be overwhelmingly rural and is primarily concentrated in the agricultural sector. Over 80 per cent of the world's extreme poor live in rural areas¹⁵. Overall, youth are more likely to be working poor than adults, especially in Africa. In 2019, 36.8 per cent of working adults (25+) in low-income countries were considered extremely poor, earning less than US\$2.15 a day compared to 40.7 per cent of youth¹⁶.

Upward trends in NEET status among rural young people call for strengthening their employability through gender-responsive solutions.

By disengaging from education or on-the-job training, young people in rural areas who are not in employment, education or training (NEET) are missing out on crucial early formation of human capital while reducing their chances of finding decent employment in the future. Of particular concern is the strong evidence of scarring – being NEET today means one is more likely to be NEET tomorrow. When left unaddressed, evidence shows that NEET status can be transmitted from one generation to another¹⁷. All this suggests the need to intervene early and emphasizes the substantial costs of inaction.

In low-income countries, 27.6 per cent of youth are in NEET, and women are disproportionately affected, accounting for 35.8 per cent (2024)¹⁸. According to ILO evidence, NEET rates are higher among rural youth than urban ones – this is especially true in low- and middle-income countries and for rural young women (see figure 3)¹⁹.

Two main categories can be considered. First, there are young NEETs who face mainly constraints on account of personal circumstances. For example, the significant gap between NEET rates for young men and women is to be considered. While several factors can explain such a gap, it is worth noting the role of social norms affecting both gendered employment segregation, and the pervasive engagement of young women as unpaid caregivers in many rural areas²⁰.



of available jobs or education opportunities. Youth living in rural areas are typically less likely to access training and skill development opportunities beyond formal education such as through incubators, apprenticeships, or vocational training programs²¹. For instance, in 2019, about 10 million young people were enrolled in technical and vocational secondary education across Africa, the percentage of youth (15-24) was 3 per cent²². The cost and accessibility of learning are still an issue for people in rural areas²³. As digital learning expands, infrastructural gaps could further deepen inequality in access to education and training among rural young people. Therefore, inclusive skills development programmes and measures to enhance the employability of rural NEETs emerge as a priority area. In particular, by ensuring that youth have the appropriate skills and access to modern technologies, they can become the forerunners in greening the agri-food sector by moving towards more profitable and sustainable farming practices, and by

bringing the benefits of technology²⁴.

Second, some young NEETs are constrained by the lack

¹⁵ UN, Eradicating rural poverty to implement the 2030 Agenda for Sustainable Development, 2023.

¹⁹ O'Higgins et al., How NEET are Developing, 60.

¹⁶ ILO, "SDG Indicator 1.1.1 – Working Poverty Rate (Percentage of Employed Living Below US\$2.15 PPP (%) – ILO Modelled Estimates, 2019", ILOSTAT database, Accessed 21 April 2024, ILOSTAT, Young people are far more likely to be in working poverty, October 2019.

¹⁷ O'Higgins et al., <u>How NEET are Developing and Emerging Economies? What Do We Know and What Can Be Done About It?</u>, (ILO, 2023)

¹⁸ ILO, "SDG Indicator 8.6.1 – Proportion of youth (aged 15-24 years) not in Education, Employment or Training (%) – ILO Modelled Estimates, 2024", ILOSTAT database, Accessed 21 April 2024; ILO, *World Employment and Social Outlook Trends* 2024, 2024.

 ²⁰ ILO and Mastercard Foundation, *ILO Youth Country Briefs*, 2023.
²¹ ILO, Advancing Social Justice; ILO, <u>Resolution concerning skills and lifelong learning</u>, International Labour Conference, 109th Session, 2021; Malabo Montpellier Panel, <u>Youth Ahead: Policy Innovations to Create Opportunities for Young People in Africa's Agrifood Systems</u>, 2024.

Malabo Montpellier Panel, Youth Ahead, 17.
ILO, Shaping Skills and Lifelong Learning for the Future of Work, ILC.109/VI,2021.

²⁴ ILO, Advancing Social Justice.

Ultimately, as illustrated in figure 1, structural barriers and megatrends of the world of work affecting rural labour markets need to be accounted for as well. The geographic remoteness of rural areas and the nature of employment relationships affect the employment decisions and aspirations of rural youth, as well as their rights at work, and engagement with workers' and employers' organizations. Youth are often constrained by the lack of effective infrastructure and quality services in rural areas²⁵. For instance, limited connectivity can deepen the

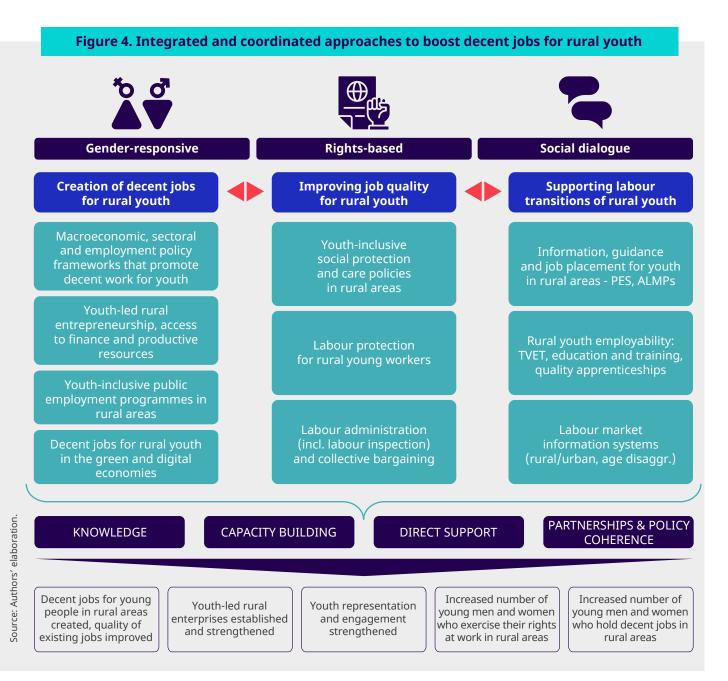
rural-urban divides by hindering access to digital training opportunities, employment services or new agricultural technologies and markets. Rural youth are affected by the transition to environmentally sustainable economies, technological change, demographic shifts, displacement and migration²⁶.

Given the above, promoting decent jobs for rural youth goes hand-in-hand with the goal of achieving inclusive, sustainable, and resilient transformation of rural areas.

Unleashing the potential of rural economies to promote decent jobs for youth

Adopting an integrated and coordinated approach that is gender-sensitive, rights-based, and underpinned by social dialogue is of paramount importance to boost decent jobs for rural youth (see figure 4). As opposed to

stand-alone measures, effective solutions will put forward pathways for change that combine labour demand and supply side measures, as well as labour market matching.



²⁵ ILO, Advancing Social Justice.

5

²⁶ François Dumora, How to Work in the Green Economy? Guide for Young People, Job Seekers and those Who Support Them, (ILO, 2022).

Finding the right balance between youth-specific policies and investments is key, paying particular attention to their specificities, while integrating rural youth issues into broader development policies, such as employment policies as well as rural development and sectoral policies²⁷.

To achieve long-lasting and sizeable impact, these integrated and coordinated approaches need to be actionable, leading to a tangible impact on rural youth lives. The ILO is actively engaged in that regard through policy measures and programmes. These actions include knowledge generation, capacity-building and technical assistance to constituents and other key actors. All actions acknowledge the importance of policy coherence and partnerships, building on ILO's comparative advantage. In particular, the ILO is partnering

with the International Fund for Agricultural Development (IFAD) within the Creating employment opportunities for rural youth in Africa: "Integrated Agribusiness Hubs" initiative co-financed by Germany and VISA Foundation, to boost rural youth employment in the agri-food sector in Africa through integrated agribusiness hubs. This integrated approach equips young people with demand-driven skills, improving the productivity of rural small and medium-sized businesses, linking young people to jobs, both self- and wage employment, and strengthening partnerships with the private sector (see box 2).

In the following sections, this brief provides an overview of key policy areas to consider with concrete examples illustrating lessons learned from projects and relevant initiatives.



Box 2. Creating an enabling environment for job creation in rural areas: JOY and ProAgro Youth projects at a glance

ProAgro YOUTH's goal is to increase self and wage employment for rural youth through integrated agribusiness hubs. The project, funded by IFAD, Germany and VISA Foundation, is implemented by the ILO in collaboration with other stakeholders at the national level. ProAgro YOUTH is implemented in Algeria, Côte d'Ivoire, Madagascar, and Malawi. Through partnerships with government bodies, Technical and Vocational Education and Training (TVET) institutions, and local organizations, the project tailored its approach to each country's specific needs, focusing on identifying integrated solutions to promote rural youth employment in fast-growing agricultural and agri-business value chains.

The **JOY - Boosting Rural Youth Employment Opportunities** project is implementing Integrated Agribusiness hubs in Cameroon and Kenya. The ILO is partnering in a consortium led by PROCASUR, that also includes the AGRO PME Foundation, and USTADI Foundation. In both Kenya and Cameroon, the project achieved significant rural employment promotion by creating more than a thousand²⁸ wage jobs in high-potential sectors. JOY's intervention model builds on strong private sector involvement. Through this, all training modules created were demand-driven aligning skills with market needs while job placements were more effective, fostering a productive.

Stimulating inclusive rural transformation is key to promote decent jobs for young women and men in the agri-food sector.

To fully harness its potential for job creation in rural areas, national youth employment policies, rural development, and relevant sectoral policies, encompassing multiple dimensions, underpinned by social dialogue can be instrumental. Rural youth's views and aspirations would need to be reflected into the policy's vision, as rural youth are also aware of the challenges ahead and wish to contribute to the necessary transformation²⁹.

A youth-inclusive policy framework must be part and parcel of any effort to promote decent employment in rural areas to consider the unique and multidimensional challenges that affect youth. In the agrifood sector specifically, the ILO's policy guidelines for the promotion

of decent work in the agri-food sector is a comprehensive tool that provides key guidance and can be adapted into national contexts.

Given the diversity within the agri-food sector and rural areas, conducting rural labour market diagnostics and market system analysis³⁰ is an important step. Such diagnostics need to also rely on social dialogue and youth-inclusive research methods and instruments (see box 3). To ensure policy coherence and foster coordination, these diagnostics need to be aligned with the overall policy frameworks and aim to address multiple constraints across the youth labour market in an integrated way, working through system actors to drive lasting change³¹. These assessments underpin the identification of agrifood value chains that can generate decent self- and wage employment for rural youth with particular attention to women, while spurring inclusive local economic growth.

²⁷ Decent Jobs For Youth, Youth in the Rural Economy; GIZ, <u>What Works in Rural Youth Employment Promotion? Good Practices and Lessons from GIZ Programmes on Rural Youth Employment</u>, 2020.

²⁸ Source: project's data as of March 2024.

²⁹ François Dumora, <u>How to Work in the Green Economy</u>.

³⁰ The Market System Development (MSD) approach is one of the key tool implemented by the ILO to identify and address the root causes of constraints at different levels of the systems that inhibit the growth of more inclusive markets and job creation.

³¹ Justin Van Rhyn, "<u>A rough guide to the MSD approach for youth employment in sub-Saharan Africa</u>", BEAM Exchange, 2022, ILO, <u>Value Chain Development for Decent Work</u>, 3rd edition, 2021, <u>Getting Africa's youth working</u>, ILO Lab and BEAM Exchange, 2020.



Box 3. Rural Labour Market Diagnostics and Value Chain Analysis to inform programmatic decision-making

The intervention approaches of the projects JOY and ProAgro YOUTH are based on participatory rural employment diagnostics, sector selection, and value chain analysis. They were conducted at the onset of the implementation. The evidence generated informed subsequent interventions at the country level to boost youth employment opportunities in the rural economy. These youth-specific diagnostics assessed the challenges and opportunities for decent work in rural areas, focusing on agricultural value chains and agribusiness, and provided operational advice and recommendations, including in terms of labour demand and supply, as well as intermediation.

Increasing the productivity of the agri-food sector throughout all its value chains, can generate opportunities for youth-led enterprises in rural areas, as well as boosting the creation of wage employment. It will be crucial to provide a conducive policy environment and investment in youth engagement in the sector. This includes exploring branding and marketing initiatives, improving access of youth to land and other productive resources, and investment in rural infrastructure and relevant technology³².

There is potential to harness the non-farm segments of the value chain, considered to be highly labour-intensive³³. For instance, in West Africa, marketing activities account for 68 per cent of the non-farm activities and processing only 22 per cent³⁴. In many rural contexts, investment in processing facilities, combined with policies that promote local demand for processed food and link to markets, can create more employment opportunities for rural youth, including wage employment. In rural areas, as agricultural value chains become more sustainable and inclusive, and the consumer market expands, other non-farm job opportunities emerge, such as in rural tourism³⁵.

Public employment programmes (PEPs) represent another policy instrument that can be used to promote decent jobs in rural areas. Where markets are unable to create productive employment on the required scale, such as in rural areas, these programmes aim at increasing aggregate demand. Rural youth can be targeted in public works related to water management, as well as rural infrastructure. Through local resource-based approaches, PEPs complement employment creation by the private sector and contribute to tackling the problems of unemployment and underemployment (prevalent in rural areas) in developing countries. Their potential to support youth transitions into the labour market is considerable³⁶.

Sizeable climate-related pressures on many rural livelihoods call for prioritizing a just transition towards

environmental sustainability. At the same time, there is significant potential for creating decent employment opportunities for rural youth in the green economy and blue economy. ILO estimates indicate that an additional 8.4 million jobs for young people could be created by 2030 through the implementation of green and blue policy measures, with close to 6 million in Asia and the Pacific, and less than a million in Africa³⁷. In turn, young people are ideally positioned to adopt and implement innovative solutions, thereby becoming key drivers of green transformation in rural economies. For example, green jobs in the agri-food sector can be promoted through the introduction, strengthening, and and implementation of labour-intensive green practices (agroecology, organic farming, "push-pull" farming, etc.) in areas where youth labour is high, whereas laboursaving practices (no-till cultivation, farm mechanization etc.) can be promoted in areas with fewer youth workers. Additionally, certification of green practices for better price negotiation can be supported, preferably together with participatory guarantee systems that ensure that young people are not inhibited by the costs of obtaining certification. Much of the potential for green jobs in forestry and other rural areas is yet to be fully realized.

As part of the blue economy, aquaculture can be a major source of employment, notably for young people, while also helping meet the rising global demand for food. Despite the significant employment potential of aquaculture, attracting young women and men into the sector is particularly challenging and will require targeted interventions, including through modernization of the sector, increased use of new technologies, better wages and raising its status as a source of decent jobs³⁸.

In rural areas, the adoption of digital technologies hold promise for job creation, including by enabling access to skills development and services, while expanding market opportunities. There are also hurdles to overcome, such as for workers' protection, representation, and fair treatment. Harnessing its full potential will thus require policies and measures that respond to these challenges

³² Decent Jobs for Youth, Unleashing the Potential of Rural Economies, 9.

³³ Flynn and Yeboah, Rural Youth Employment in Africa, 7; Kubik Zaneta, "<u>The Challenges of Rural Youth Employment in Africa: A Literature Review</u>", ZEF Working Paper Series No. 212, 2022, 14,35.

³⁴ Allen et al., "<u>Agriculture, Food and Jobs in West Africa</u>", OECD West African Papers No. 14, 2018.

³⁵ ILO, Sustainable Tourism – A Catalyst for Inclusive Socio-Economic Development.

³⁶ Lieuw-Kie-Song et al., "Boosting Youth Employment Through Public Works", ILO Employment Working Paper No. 203, 2016.

³⁷ ILO, Global Employment Trends for Youth 2022.

³⁸ ILO, Future of Work in Aquaculture, TMFWA/2021, 2021.

and opportunities, while paying attention to the vulnerable groups³⁹. Depending on educational attainment and skills, youth may access opportunities in the digital economy⁴⁰. However, despite being labeled as "digital native", many youths do not possess job relevant digital skills. This is particularly true in rural areas, also due to limited digital connectivity. In low- and middle-income countries, only 25 per cent of rural youth have access to home internet compared to 41 per cent in urban areas⁴¹. Therefore, a way forward would be promoting the inclusive adoption of technologies (with special attention to young women and youth with disabilities) and investing in rural connectivity to enable youth to effectively grab employment opportunities⁴². Based on ILO estimates, expanding broadband infrastructure can create 24 million new jobs mostly in low- and middle-income countries, and 6 million of those are projected to be taken by young people⁴³.

Importantly, improved access to new technologies can contribute to boosting the productivity of the agri-food sector, making it more attractive to youth. For instance, it can improve OSH and address the hazardous nature of work in the sector through substitution of labour performance of hazardous tasks, development of more effective OSH management and reduction of exposure to chemicals and pesticides⁴⁴.

Enhancing the opportunities for education, skills development and apprenticeships of rural youth will be crucial to ensure their preparedness for new employment opportunities.

While significant progress has been achieved in terms of educational attainment, more is needed especially to boost the quality of education and to better equip rural youth with the relevant skills for the labour market.

Combining training on technical competencies, business and financial management, leadership and other soft skills is important in rural areas. There is an emerging need for incorporating digital and green skills (climatesmart agriculture, precision agriculture, etc.) into TVET curricula as well. Developing a dual approach through combining skills development programmes with on-the-job training and apprenticeships could be particularly effective in rural areas.

Aligning school and training institutions' curricula with the labour market demand, through close collaboration with employers' and workers' organizations, is crucial to ensuring the relevance of skills development and technical and vocational education training programmes⁴⁵. This involves assessing the type of demand that exists and anticipating the skills that will be needed for the new jobs created locally. It is also important to identify the barriers that rural youth face to access skills development. Posttraining support for micro-enterprise development and access to wage employment is crucial in improving the employability of rural youth. For example, establishing partnerships between TVET institutions and the private sector can provide opportunities for wage employment, while guaranteeing that the skills offered are industry vetted.

Second-chance education programmes are being promoted in some countries to address high levels of rural youth NEETs. Some of these programmes have achieved results also by bridging skills gap⁴⁶. Gender-inclusive approaches have brought results as well; for example, with training modalities that account for the mobility and time constraints faced by young women. Similarly, in rural areas where the underdevelopment of childcare infrastructure is a barrier to young women's reintegration into the labour market, a success factor would be combining skills development with the establishment of childcare centers in rural areas⁴⁷.



Box 4. Building capacity of partners in skills development, education and apprenticeship

Leveraging the ILO's expertise and tools, the JOY and ProAgro YOUTH projects have significantly enhanced partner capabilities through various training initiatives. The Training for Rural Economic Empowerment (TREE) program, conducted in Côte d'Ivoire in collaboration with the ILO GenU project, equipped 25 participants from diverse organizations with skills to support vocational training and job creation in rural areas. Additionally, the ILO's practical Training of Trainers on wage employment delivered in Kenya, Cameroon, and Madagascar, focused on facilitating youth transitions to wage employment, covering employment services, engagement with the private sector, and core skills development. In Algeria, workshops on decent work in agrifood value chains and the recognition of prior learning furthered the capacity of partners, emphasizing the need for formalization and targeted support for rural youth, all rooted in ILO's proven methodologies and frameworks.

- ³⁹ For more on the challenges, opportunities and policies to address regulatory gaps, see also Charles et al., <u>Digitalization and Employment:</u> <u>A Review</u>, (ILO, 2022)
- ⁴⁰ Solutions for Youth Employment, *Digital Jobs for Youth: Young Women in the Digital Economy*, 2018, 34; Charles et al., Digitalization and Employment, 33.
- ⁴¹ Charles et al., Digitalization and Employment, pp. 33-34.
- ⁴² ILO and Fundación ONE, *An Inclusive Digital Economy for People with Disabilities*, 2021.
- ⁴³ Charles et al., Digitalization and Employment, 33.
- 44 ILO, Policy Guidelines in the Agri-food Sector; ILO, Advancing Social Justice.
- ⁴⁵ OECD, "The G20 Initiative for Rural Youth Employment: A Better Future for Rural Youth", OECD Development Policy Papers No. 48, 2023.
- ⁴⁶ ILO, <u>Public Employment Services and Active Labour Market Policies for Transitions</u>, 2023.
- ⁴⁷ ILO, <u>Public Employment Services and Active Labour Market Policies for Transitions</u>, 2023.

Building the capacity of constituents and implementing partners is key to enhance the employability of rural youth. The ILO provides relevant tools, such as the Start and Improve Your Business (SIYB) toolkit, and the ILO's Training for Rural Economic Employment (TREE) methodology. Such tools require the development of business development service providers, the provision and coordination of extension services, and skills development programmes specifically targeted at youth in rural areas.

Ultimately, strengthening the capacity of TVET institutions in rural areas is key. It is often a challenge to get skilled and motivated teachers to work in rural areas, especially if they are in remote locations⁴⁸.

How can we enhance young people's access to Active Labour Market Policies and Employment Services in rural areas?

Active labour market policies (ALMPs) and expanding public employment services (PES) to rural areas is key to reach out not just to the unemployed but also the inactive youth, and to increase employability of rural youth through job matching and skills⁴⁹.

Effective employment activation strategies would combine ALMPs with social protection measures, including unemployment benefits, and expand the outreach of effective labour market institutions, including through partnerships between employment services and agricultural extension and advisory services.

PES provide labour mediation services and engage in career guidance and lifelong learning. There is need for PES to have a focused and inclusive approach in order to reach subgroups within the rural youth (women, NEET,

youth with disabilities)⁵⁰. This can be done with profiling and segmentation to better understand their needs and provide a differentiated, tailored service. Increased use of data analytics can facilitate this process and provide more accurate information and identify opportunities for improvement in their services and programmes. Some rural youth may face barriers related to low levels of digital literacy, basic workplace skills, or family/care responsibilities.

Multichannelled approaches with the involvement of various partners operating in rural areas have shown positive results⁵¹. These partnerships are established between PES and specialized government and nongovernment agencies, as well as young people themselves. These approaches have contributed to reduce the risks of missing a certain group, as well as recidivism. It is key to ensure that rural youth jobseekers get continuous support from PES and other government agencies or specialists. Workplace mentors and business coaches are also being considered to improve job-matching and provide sustained support to rural youth who start their work life, either as wage worker or self-employed (see box 5).

In terms of PES delivery, mobile units have been costeffective in rural areas with connectivity challenges. Another approach in rural areas has been one-stop shops providing multiple services located in places frequented by rural youth⁵².

Digital technology is also being used to strengthen the outreach and delivery of PES in some rural areas. Inclusive digital solutions can help in improving the offer of services to the specific needs of rural youth, the job-matching and counseling through online interviews, as well as the monitoring and coordination with other service providers⁵³.



Box 5. "Immersion Découverte" Model in Algeria: a pathway to professional discovery

The "Immersion Découverte en Entreprise" (IDE) in Algeria is an innovative initiative supported by the ILO through the ProAgro YOUTH project in Algeria. IDE aims to bridging the gap between job seekers and employers through practical, on-site job exploration. Focused on sectors with high employment demand, IDE enhances job matching by allowing individuals to demonstrate their skills and companies to evaluate potential hires within their actual work settings.

This model allows youth to engage directly with companies for 2 to 5 days, offering a firsthand look at various professions and workplace realities. Participants, under the guidance of a workplace mentor, are introduced to daily operations and assessed. This process brings mutual benefits: candidates validate their career interest and suitability, while employers gain insight into the capabilities and fit of prospective employees. This structured engagement is backed by a formal agreement involving the employment agency (ANEM), which ensures a legal and beneficial arrangement for both parties.

9

⁴⁸ ILO, <u>Public Employment Services and Active Labour Market Policies for Transitions</u>, 2023.

⁴⁹ ILO, <u>Public Employment Services and Active Labour Market Policies for Transitions</u>, 2023.

⁵⁰ ILO, <u>Technology in Public Employment Services to Promote Youth Employment in Asia and The Pacific</u>, 2023.

⁵¹ ILO, Public Employment Services and Active Labour Market Policies for Transitions, 2023.

⁵² Zulum Avila, <u>Public Employment Services that Work for Young People</u>, 2021.

⁵³ ILO, Advancing Social Justice, 20, ILO, *The Future of Work in the Digital Economy*, 2020; ILO, *Public Employment Policies Pressing Ahead with Digitalization Should Be Aware of the Digital Divide*, 2021; Zulum Avila and Javier Omar, *Public Employment Services Diagnostic Tool and Guide*, (ILO, 2021).

What do rural youth need to run a successful rural enterprise?

Combining training, such as training on business management and agricultural marketing, with mentorship on technical and financial aspects of agribusiness, agricultural extension, information and communications technology, with financial support for start-ups could be particularly effective in enhancing rural young people's engagement in rural entrepreneurship.

To boost success among rural young entrepreneurs, it is important that their first self-employment experience leads to formalization⁵⁴. A key area to supporting decent work for young people in rural areas is to promote the transition from the informal to the formal economy, in line with the <u>ILO Recommendation No. 204</u> (2015).

Rural youth-led enterprises often suffer from low labour productivity and low capacity for job creation, especially when compared to adult-run enterprises⁵⁵. This is linked to youth-specific constraints such as the lack of experience and expertise, which makes financial institutions consider them high risk, thus constraining youth access to finance. Other structural constraints such as lack of roads and markets in rural areas, limited electricity, and digital connectivity, further pose barriers to starting and successfully operating youth-led enterprises. These barriers reemphasize the need for properly functioning infrastructure. Ensuring access to productive resources, including land, finance and technology, is key to promoting youth-led business opportunities in rural areas.

Additional measures to create an enabling environment include removing or lowering administrative, fiscal, and legal barriers for youth. More concretely, governments can shorten business registration timelines while reducing costs for rural youth, simplify procedures, and set up one-stop shops to allow rural youth to save time and money⁵⁶. These reforms have proven to be effective⁵⁷. Funding incubators or providing the necessary technical support to already present organizations in rural areas and turning them into hubs, can help address multiple barriers all at once for rural youth entrepreneurs. Such organizations can provide information to rural entrepreneurs regarding potential segments of the value chain with entrepreneurial opportunities, registering their business and acquiring business licenses, providing them with space for knowledge exchange with other entrepreneurs, and linking them to opportunities for access to finance. As a result, rural youth-led enterprises can be successful and trigger momentum for youth-led job creation, given that youth primarily hire their peers⁵⁸.



Box 6. Empowering rural women: Mafe farm in Malawi

Mafe Farm, a pioneering female-owned dairy, is one of the Hub's satellites of ProAgro YOUTH in Malawi. Through innovative training and employment initiatives, it is also championing rural women's empowerment. Building on partnerships with the ILO and TVET, Mafe developed Malawi's first dairy curriculum, elevating the quality of vocational training, and establishing itself as a TVET-certified training hub.

Since August 2023, Mafe has employed youths in both part-time and full-time positions, while modernizing its infrastructure to enhance production and workplace conditions. In addition, the farm launched its 2024-2028 strategic plan focusing on increasing youth and women's participation as farmers and employees to sustain farm growth. This includes establishing a Milk Bulking Group center with cooling facilities to ensure farmers can sell their milk profitably and efficiently. Mafe's commitment extends beyond local boundaries, advocating for youth employment and entrepreneurship nationally and gaining substantial social capital as a reputable employer and skill-developer.

It is crucial to protect and promote the rights at work of rural youth.

As rural youth embark on their transition to the world of work, it becomes crucial to uphold their fundamental rights to decent wages, safe working conditions, freedom of association, as well as access to social protection⁵⁹. However, many young people in rural areas have limited knowledge of the legal standards, norms and the fundamental principles and rights at work governing workplace relations and conditions.

⁵⁴ ILO, "<u>Business formalization training for young agripreneurs from Nigeria, Rwanda and Uganda</u>", 24 September 2021.

⁵⁵ IFAD, Creating Opportunities for Rural Youth, 187.

⁵⁶ Solutions for Youth Employment, Blue Economy: Structural Transformation and Implications for Youth Employment, 2023, 32.

⁵⁷ Decent Jobs for Youth, <u>Youth Entrepreneurship and Self-Employment: Unleashing the Potential of Youth to Succeed in Business and to Access</u> Decent Work, 2017.

⁵⁸ Decent Jobs for Youth, Youth Entrepreneurship and Self-Employment, 4.

⁵⁹ ILO, Policy Guidelines in the Agri-food Sector.

Against this backdrop, the ILO has developed the <u>Work Wise Youth Guide</u> that serves as an instrument to protecting the rights of youth at work. It sheds light on their rights at work, including wages, working time, prevention of violence and harassment etc. and is tailored to the current and evolving shifts in the labour market driven by technological advancements, climate change and other trends⁶⁰.

Ensuring the occupational safety and health of today's generation of young workers is an investment in the safety of the future generations of rural workers, and it can contribute to making agriculture more productive and rural areas more attractive. Action is needed at the various levels, including by improving data and information, ensuring legal protections to young workers, fostering tripartite collaboration concerning the safety and health of young workers, raising public awareness and mainstreaming safety and health in the workplace as an integral part of education⁶¹.

Efforts to expand social protection coverage in rural areas are key to ensure that rural young workers in all types of employment are included in social insurance mechanisms, supplemented where necessary by noncontributory mechanisms⁶². Informal status prevents rural youth from accessing social protection in the event of shock or crisis, skills development opportunities and business support schemes, or employment injury in the case of injury. Therefore, coordinating unemployment benefits with ALMPs for instance is an important way to maximize their efficiency, and key to protecting vulnerable segments of the population that are in or at risk of slipping into poverty and informality. Examples include programmes that combine cash transfers with support for entrepreneurship training, wage subsidies for internships and job-matching for youth⁶³.

Raising awareness of social security programs and their benefits is equally important for rural youth who often lack this information. Information about social protection can be integrated into the education curricula, as well as skills development efforts to promote entrepreneurship⁶⁴.

Engaging rural youth in social dialogue is vital for their meaningful contribution to policy processes shaping the future of work in rural areas.

Given that youth are the present and most importantly the future of rural areas, it is of paramount importance to pursue their engagement in policy processes through social dialogue. Any engagement with them must go beyond partial consultation on youth-specific topics, but rather full engagement in social dialogue. However, rural youth voices are not sufficiently heard. They tend to have low engagement with workers' and employers' organizations, weakening their position in social dialogue. They also lack the necessary knowledge and skills to take part in social dialogue and other public consultations.

Some of the key actions to strengthen youth engagement in social dialogue are⁶⁵:

- Supporting the establishment of inclusive youth associations and advisory committees in rural areas that account for the heterogeneous nature of rural youth and the specific barriers they face in engaging in social dialogue. And once established, investing in the organizational, institutional, and technical capacities of youth-led organizations, as well as rural non-youth organizations.
- Strengthening the collaboration between rural youth-led organizations and social partners, especially given the evolving and interconnected challenges ahead. Encouraging linkages with national employers' and worker's organizations can also contribute to enabling their access to opportunities of capacity building initiatives, training programmes, and other resources provided by these organizations.
- Ensuring rural youth's direct and meaningful participation throughout the different stages of policy processes, especially in relation to youth-specific policies. Rural employment programmes benefit from the meaningful engagement of rural youth organizations in terms of relevance and effectiveness. They can play a role in (i) developing a sound and socially inclusive targeting strategy and profiling of rural youth beneficiaries, with specific emphasis on the most vulnerable of youth; (ii) addressing specific barriers to employment in a more effective and capillary way (e.g., communication, access to market, network, career guidance, mentoring, coaching, etc.); (iii) building ownership and strengthening local communities⁶⁶. (See box 7)

11

⁶⁰ ILO, Work Wise Youth: A Guide to Youth Rights at Work, 2024.

⁶¹ ILO, SafeYouth@Work Colombia: Constuyendo una Generacion de Trabajadores Seguros y Saludables, 2018-2019.

⁶² ILO, Policy Guidelines in the Agri-food Sector; ILO and FAO, <u>Extending Social Protection to Rural Populations: Perspectives for A Common FAO and ILO Approach</u>, 2021; ILO, <u>Social Protection Floors Recommendation</u>, 2012 (No. 202)

⁶³ ILO, World Social Protection Report, 162.

⁶⁴ ILO and FAO, Extending Social Protection, 22.

⁶⁵ ILO, Social Dialogue With and For Youth: Challenges and Opportunities in the Evolving World of Work, 2023.

⁶⁶ Marjoke Oosterom and Thomas Yeboah, <u>Promoting Youth Engagement for Decent Employment: Addressing the Disconnects</u>, (Include Platform, 2022).

Box 7. Meaningful rural youth engagement in action: Three examples from JOY and ProAgro YOUTH

Across diverse regions, these initiatives demonstrate a shared commitment to enhancing the skills, opportunities, and active participation of rural youth, making significant strides in their personal and professional development:

- In **Algeria**, the ProAgro Youth project emphasizes a participatory and inclusive approach, ensuring mobilization and ownership by key stakeholders and youth groups. This strategy includes engaging actors capable of facilitating access to services for underrepresented rural youths. Thus, the project collaborates with women's associations, local radios, and community cells.
- In **Madagascar**, the Youth Observatory has successfully networked young job seekers from the Analamanga and Vakinankaratra regions, enhancing their soft skills through comprehensive training in personal development, CV writing, and job interview techniques.
- In **Kenya** and in **Cameroon**, the JOY project facilitated youth participation in forums and platforms focusing on entrepreneurship, business development, and the digital economy. Activities like a Bootcamps for youths and a Business Challenge for 45 aspiring entrepreneurs provided hands-on experiences, developing their business acumen, technological skills, and leadership abilities. As of August 2023, through these initiatives, 20 promising young digital entrepreneurs were identified and supported, fostering a vibrant pipeline of talent.

Charting the next steps towards actionable approaches for and with rural youth

Boosting rural youth's access to decent jobs requires first the acknowledgement of the specific barriers that they face. While some are structural to rural economies, other barriers are related to the labour demand and supply side, as well as weak functioning institutions and intermediary structures and processes. In addition to that, rural youth are diverse. Factors at the individual, household, and community levels play a significant role in their access to decent employment. As discussed throughout, many rural youths will be joining the labour market while being key actors for the revitalization of many rural economies, especially those facing ageing population and outmigration, but also for the transition to green and digital economy.

The ILO and IFAD have a long-standing commitment and partnership to promote decent work for youth in rural areas. The ILO has significant experience with many tools and work in the area of promoting decent work and advancing social justice in the rural areas⁶⁷. Moreover, building on the 2012 ILC Resolution on "The youth employment crisis: a call for action", the ILO pursues a balanced policy mix to encourage investment and job creation, while ensuring young workers rights at work and engagement in social dialogue.

Given the scale of the challenge, a key takeaway is to strengthen partnerships and collaborations between national and international stakeholders as a means to address the issue effectively. Coordinating efforts while capitalizing on the unique strengths of each stakeholder is crucial for promoting rural youth employment. The ILO plays a key role in multi-stakeholder efforts to boost decent jobs for rural youth through initiatives like the Global Initiative on Decent Jobs for Youth⁶⁸, and the Global <u>Donor Platform on Rural Development</u>. Leveraging its technical leadership and tripartite structure, the ILO facilitates effective coordination among partners, each bringing their comparative advantages to the forefront. Additionally, Projects such as JobAgri, ProAgro YOUTH and JOY exemplify how the ILO and its partners effectively implement strategies that secure pathways for a just transition for rural youth, showcasing their capacities to lead and coordinate impactful employment promotion efforts.

A balanced and coherent approach needs to be promoted to, on the one hand, empower youth to drive change and, on the other hand, address the demand and supply sides of the labour market to promote decent jobs in sustainable agri-food systems, including access to social protection and paying particular attention to rights and social dialogue.

⁶⁷ For more information, see: www.ilo.org/rural-economy.

⁶⁸ In May 2024, IFAD officially announced at the <u>Global Conference "Young, Green and Digital"</u> its commitment to join the Global Initiative on Decent Jobs for Youth to scale up action on rural youth employment.