

WFP's role in Youth Employment

Report February 2022



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Executive Summary

In 2020, WFP provided direct assistance to 115.5 million people in 84 countries, delivering food assistance and cash-based transfers to those it identified as vulnerable and food-insecure. A significant proportion of these were young women and men aged 15–24, making their transition to adulthood. Approximately 88 per cent of the 1.2 billion young people around the globe live in low- and low-middle income countries. United Nations estimates put the number of young people in WFP's partner countries at 512.4 million in 2020, rising to a projected 718 million by 2050 as demographic pressures contribute to a 'youth bulge', particularly in Africa where over 70 per cent of young men and women currently subsist at or below the poverty line of US\$2 per day.

Many of the young women and men who rely on WFP for assistance do so because of the challenges they face in finding and retaining work that provides them with sufficient income to provide nutritious diets for themselves and sometimes, their families. Young men and women tend to lack the resources, skills and social capital that help them secure decent waged employment in the weak labour markets found in many low- and middle-income countries. They employ mixed livelihood strategies, utilising combinations of subsistence agriculture, self-employment and waged employment in the formal and informal sectors that offer varying degrees of resilience to economic and environmental shocks (see Box 1). These strategies are often unable to provide sufficient income and this has significant implications for their food security

- without reasonable and reliable incomes, young women and men struggle and often revert to negative coping strategies. Global statistics show that a common trend among young people is a high level of economic inactivity: in 2019 more than one in five of those aged 15-24 were not in employment, education or training (NEET), totalling 270 million young people globally. For decades, increased enrolment in education caused the rate of young people classified as NEET to decline but this trend reversed in 2016 as slow and uneven economic transformations in low- and middle-income countries failed to create sufficient jobs and as education systems failed to match the changing demands of local job markets, particularly for digital skills. Almost 62 per cent of economically inactive young people now live in low- and low-middle income countries and this number is set to rise further.

Finding decent work for these 270 million young women and men is an urgent global issue: the youth unemployment crisis is compounded by the high number of young people in informal jobs characterised by poor working conditions, low pay and limited ability to access social protection services. The Covid-19 pandemic has worsened the crisis further by disproportionately affecting young people in low-income countries, especially young women. The ILO notes that 40 per cent of young people reported a drop in income: 17 per cent of those who had been employed stopped working altogether and those who remained in work saw their hours reduced by 25 per cent. Unemployment can have long-term and irreversible

effects on young people's psychosocial well-being and life outcomes, limiting their economic mobility, increasing mistrust in political institutions and contributing to instability and conflict. Together, these present a significant barrier to sustainable development in low- and middle-income countries.

These trends have made tackling youth employment a growing priority for governments and international organisations. WFP's imperative to think more strategically about how it can contribute to youth employment derives from the fact that a large proportion of the people WFP serves are young men and women suffering high levels of food insecurity, linked to their inability to find decent work. Appropriate efforts to address youth inclusion in WFP's programming could positively contribute to the overall economic uplifting of young people, delivering on WFP's mandate of saving and changing lives.

This report summarises three main causes of the youth employment challenge. First, economic growth in low and low-middle income countries (LLMICs) has not created jobs at the same rate at which young people enter the job market. The global population of young people has increased from 1 billion to 1.3 billion over the last 20 years. It is projected to increase further to nearly 1.4 billion, driven especially by demographic trends in sub-Saharan Africa. Second, there is a general mismatch between the skills required and those available in the labour market. Economic growth generally requires jobs to move from low-productivity to high-productivity sectors, increasing the need for technological and problem-solving skills (increasingly digital), as well as soft skills related to communication or business acumen. The responses of education systems in LLMICs have not kept pace with these changes in skills needs, meaning that most labour markets are still being flooded with the types of low, general skills that will increasingly be made redundant by automation and digitalisation. Third, some young people continue to face both 'hard' (legal, physical) and 'soft' (stigma, norms) barriers to accessing education and training or entering employment, even where opportunities exist. Young women and refugees are particularly affected by these intersecting obstacles.

To date, WFP has supported initiatives that address each of these three causes of youth unemployment. Its Food Assistance for Training (FFT) programmes help young women and men participate in vocational training to build their levels of skills without compromising their food security. WFP works in partnership with public and private sector organisations to strengthen and expand food systems, in some cases, offering young people opportunities to find work across agricultural value chains – from improving farming techniques to logistics and aggregation functions, marketing, finance and risk

insurance and more recently through leveraging the benefits of e-commerce for entire value chains. Finally, WFP works to overcome gender and other exclusionary barriers that can hinder the search for resilient livelihoods - targeting groups whose marginalisation directly affects their food security. The two country case studies that inform this report outline specific instances of each that are directly relevant to food-insecure young people. However, there is more that could be done to more closely link WFP's programming to youth employment outcomes and thereby bring a clearer emphasis on the specific needs of young women and men. The organisation's large global footprint in regions where there are many food-insecure young people means it is well placed to work in partnership with governments, development partners, civil society, other UN agencies, International Financial Institutions (IFIs) and the private sector to make a significant difference in young people's ability to access decent and fulfilling work, thereby improving their food security.

First, it can bring a sharper focus to its vocational training and other support to skills development by ensuring training programmes are developed based on detailed labour market assessments. Working with specialist organisations to understand local job markets and their likely future skills requirements will help outline what types of competencies are likely to be needed in future in both the public and the private sector. Once identified, WFP can partner with governments, international organisations, the private sector and specialist providers to offer vocational training more closely targeted to labour market needs. This could range from formal apprenticeships, grassroots training programmes and farmer-to-farmer field schools to programmes dedicated to strengthening digital and entrepreneurship skills, providing a school-based digital infrastructure where access is limited or helping training organisations strengthen their curricula in areas where WFP can offer its considerable expertise and robust operational footprint at country level.

Second, WFP could more purposefully align the support it provides to young women and men with national job creation strategies. It could engage in high-level debates around economic transformation and job creation to ensure the voices and needs of young, food-insecure men and women are heard and represented. Facilitating and connecting young people to jobs in the private sector can be resource-intensive but WFP is well placed to connect people living along 'the last mile' to job-oriented sector and infrastructure programmes. Labour market assessments could help understand where hiring is likely to happen and how vocational training could be shaped to increase the likelihood that young people from food-insecure communities are employed. This could be in both public and private sectors: the accelerating digitalisation

of the public sector in many developing countries offers opportunities for young people in both urban and rural areas to work in (for example) enumeration, data management and operational support. Digitalisation also offers significant possibilities for employment and business creation in the private sector, notably in agri-food systems. Through its innovation hubs, WFP is developing expertise in bringing entrepreneurial thinking and digital skills closer to young people, which could help them find opportunities in e-commerce (logistics, transport, aggregation, marketing and fintech provision) that could strengthen agri-food systems and better link rural and urban value chains. Vocational training focused on youth employment will need to emphasise both digital and financial literacy to ensure that whether in waged employment or practising mixed livelihood strategies, young women and men can use digital technologies to spot business opportunities, apply for credit, manage their finances, resist scams and stay safe online.

Third, WFP is in a strong position to tackle labour market exclusion as part of its ongoing operations. Labour market assessments and subsequent work in support of job creation strategies could specifically focus on the needs of young, food-insecure women and men, particularly those in marginalised groups. WFP's significant operational footprint means it can contribute a good deal to ongoing efforts to collect reliable data on where and how a focus on youth employment can best help reduce young people's food insecurity. Bringing a "youth lens" to existing programming by strengthening young men and women's agency by involving them in problem diagnosis will help them, and WFP, recognise the barriers they face and find innovative ways of overcoming them. It can begin with a subtle shift of its internal narrative around young people as creative, confident problem-solvers and agents of change. A special emphasis needs to be given to strengthening young women's digital skills as they face exceptional challenges in the labour markets where WFP works.

Finally, SDG 2 (zero hunger) will not be achievable unless young men and women are able to find decent and fulfilling work that provides them with sufficient and reliable income to achieve food security. Youth employment is a national priority for many governments and WFP could make an important contribution to the design of their labour market programmes by documenting examples of its work on youth employment, developing a strong and convincing evidence base of how unemployment, underemployment or in-work poverty affect young people's food security and overall development.

Central to all the above should be a strong approach to partnership – with governments (at all levels), international financial institutions (IFIs), other UN organisations, organisations focused on young people and the private sector. Increasing employment is by nature long-term and cross-sectoral, requiring sustained attention from across the spectrum of development actors within a country. WFP should first look to understand and then build on the longstanding work that governments and their development partners have already been doing to support young people in the field of employment creation. This will ensure that WFP's programming is framed within successful strategies and practices appropriate to national and local economies, better defining the organisation's complementarity and value-added within the existing ecosystem of actors. Second, due to the multi-sectoral nature of employment policies and programmes, they are typically designed and led at the central government level or by a central ministry such as planning or finance. This will require building and maintaining relationships with government outside of the line ministries that WFP country offices traditionally engage with, being able to listen to and speak the language of youth employment across government and earning a place as a trusted advisor. This should be accompanied by close and regular coordination with development financiers, such as IFIs, who help shape and effectuate good public policy and budgetary spending. Building on its core relationship with national and local leadership, as well as other upstream actors such as IFIs and sister UN agencies, which work on relevant normative issues (e.g. ILO and FAOs, among others), WFP could then leverage and extend its strong traditional relationships with community-based organisations, also including the private sector, to help put policies into operation, thereby building larger coalitions of support on the issue of youth employment.

DEFINITIONS USED IN THIS REPORT

The labour force consists of employed and unemployed people.

Employment refers to people working in jobs to produce goods or services for pay or profit for at least one hour per week. Employment may be self-employed or waged (for another employer), full- or part-time, formal or informal and high- or low-skilled. The SDGs aim to improve employment by eradicating in-work poverty (SDG 1.1.1), assessed as being employed but earning less than \$1.90 per day.

A job is a set of tasks and duties performed by a single person. A person can have several different jobs as part of their employment.

Decent work is defined by ILO as productive work for women and men in conditions of freedom, equity, security and human dignity. This is a broader definition of formal employment as it goes beyond basic rights (e.g. freedom of association) to include opportunities for social dialogue (e.g. collective bargaining) or social security (e.g. protection against the risk of sickness, unemployment, etc.).

Formal employment is typically covered by temporary or permanent contracts and statutory employment legislation covering basic rights, such as the right to freedom of association.

Informal employment is a key feature in less developed labour markets. It can refer to people who are (self-) employed directly in the informal sector, including unpaid family workers or caregivers. Subsistence work (producing goods or services exclusively for one's own final use by the household) is also included, for example, subsistence agriculture, collecting firewood or fetching water. Finally, informal employment may refer to employees in the formal sector but who are "off the books" (e.g. not given a contract or covered by national legislation).

Unemployment occurs when a working-aged person (15–74 years of age) is without work but available to work and seeking work.

People who are in **underemployment** are those who are in part-time jobs (formal or informal) but who want to and are available to work additional hours.

People who are outside the labour force are described as **economically inactive**. Among other things, this may refer to informal workers in unpaid domestic or caregiving roles. People aged 25 or over in full-time education or training may also be included.

For young people aged 15–24, a narrower measure of economic inactivity is used known as the **NEET rate – not in education**, **employment or training**. This recognises that most young people are preparing for employment by being enrolled in education or training programmes. The NEET rate is used as a key indicator to track progress against SDG 8 (Decent Work and Economic Growth).

Resilient livelihoods comprise the capabilities, assets and activities required for a means of living: a livelihood is resilient when it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets and provide livelihood opportunities in the long term.² Central to livelihoods are six assets, two of which (human and political capital) are emphasised in WFP's 2022–2025 strategy:

- Human capital: amount and quality (e.g. skills and knowledge) of labour available.
- •Social capital: social resources, such as networks and relationships.
- •Natural capital: natural resource stocks from which people can draw.
- •Physical capital: basic infrastructure, tools and equipment.
- •Financial capital: savings, liquid assets, loans or regular inflows of money.
- •Political capital: ability to take part in governance and decision-making.
- 1 Definitions are drawn from ILO (2003) Decent work: concepts and indicators.
- 2 Chambers, R. and G. R. Conway (1991). Sustainable rural livelihoods: practical concepts for the 21st century, Institute of Development Studies.

1. Introduction to the Research

WFP's primary vision is to eradicate food insecurity and malnutrition, increase smallholder productivity and community resilience and strengthen the sustainability of food systems. In 2020, WFP directly provided food assistance and cash-based transfers to 115.5 million people in 84 countries. This number included at least 27 million³ young people aged 15–24 (Box 1), many of whom are economically idle, unemployed or face in-work poverty. Globally, 1.2 billion young women and men live

in low- and middle-income countries. In WFP partner countries alone the population of young people currently stands at 512.4 million and is projected to rise to 718 million by 2050.⁴ Finding decent work for all these young people is a global priority, not just to meet SDG 8 (Decent Work and Economic Growth) but because prolonged youth unemployment and underemployment affect young women and men's ability to earn sufficient income to afford a nutritious diet.⁵

BOX 1: DEFINING 'YOUTH'

It is important to recognise that 'youth' is a social construct: not all young men and women make the transition to adulthood in the same way or at the same time and different societies mark the transition to adulthood in different ways, including through marriage. Young men and women, therefore, do not form a homogeneous group: the opportunities and challenges they face in their search for decent work will differ depending on their background and their position in a community. In most societies, the end of youth is achieved through the acquisition of culturally defined markers of adulthood, including parenthood, marriage and – importantly in this context – meaningful work and income.⁶ Ideally, youth employment programming should be sufficiently context-specific to take local definitions of youth and adulthood into account but in this report, we mainly use the UN definition (15–24) for consistency. Yet, readers should recognise that age-based definitions need to be treated with care. It is also worth noting that the word 'youth' has often been used pejoratively, associated with discussions about radicalism or criminality. While phrases such as 'youth employment' and 'youth labour force' are widely accepted, the preferred terminology in this report is 'young women and men' or 'young people'.

Long-term unemployment and underemployment (Box 2) directly prevent young people from securing sufficient income to meet their and their family's essential needs, including access to nutritious foods. Furthermore, the effects of unemployment on young men and women's well-being can be long-lasting, affecting their earnings

and employment opportunities and therefore their food security, as much as 20 years later.⁷ Unemployment can also act as an indirect driver of food insecurity, as it may encourage risky behaviour, increased criminality, lack of civic engagement and distrust in formal institutions.⁸

This calculation is based on the total figure of 115.5 million beneficiaries that WFP assisted in 2020 according to the Annual Performance Report for 2020 (WFP, 2020a). Of the 115.5 million, 43.4 million were aged 5-17 and 48.9 million were aged 18+. To calculate the number of beneficiaries aged 15-24, we assumed a) that between 20 and 25 percent (on average 23 percent) of beneficiaries aged 5-17 were aged 15-17 (10 million) and b) that between 30 and 40 percent (on average 35 percent) of beneficiaries aged 18+24 (17 million). The assumptions take into account that food-insecure refugees tend to be younger and that WFP's programmes target young people, but it is a probably a conservative estimate. The need for these very approximate calculations reflects a wider lack of consistent data on the number of young women and men in the UN-specified age range, because different countries and UN organisations record data differently. It will be important for WFP to develop its own, more accurate, figures of the numbers of young women and men it serves.

⁴ UN Population Division (2019) <u>World Population Prospects 2019</u>, Standard Projections, Medium Fertility. The figures for WFP partner countries do not include China and India where operations are primarily focused on technical support.

⁵ FAO (2021) The State of Food Security and Nutrition in the World.

⁶ Boateng, E and Löwe, A (2018) <u>Aspirations matter: what young people in Ghana think about work.</u>

⁷ OECD (2015) Setting objectives for achieving better youth employment outcomes.

⁸ For example, Carcillo, S., Fernandez, R., Königs, S. Minea, A. (2015), NEET Youth in the Aftermath of the Crisis: Challenges and Policies

BOX 2: THE COMPLEX NATURE OF 'EMPLOYMENT'

The distinction between 'employment' and 'unemployment' is becoming increasingly blurred due to the rise of atypical or non-standard forms of employment, fuelled by one of the most important transformations in the world of work: the "gig" or "platform" economy. In rich and poor countries alike, more and more men and women find themselves in multi-party employment relationships, often on-call. Multi-party employment relationships can be a volatile source of income and typically offer little to no social protection. This is especially the case in low-income settings where young people combine multiple types of formal and informal economic activities to generate income under a 'mixed livelihood'. However, digitalisation can help make multi-party employment relationships more dignified by formalising them, improving pay and social protection and allowing for greater flexibility as well as a better work-life balance than standard employment relationships.

Demographic pressures are resulting in a "youth bulge" that will peak in the next decade, when up to 22 per cent of the total population in some of the regions in which WFP operates will be aged 15–24 (Figure 1). Meanwhile, the availability of decent work is not keeping pace with

the demand, due to mismatches between young people's skills and the job market. Where opportunities do exist, young men and especially women may face multiple, intersecting forms of exclusion from both education and employment.

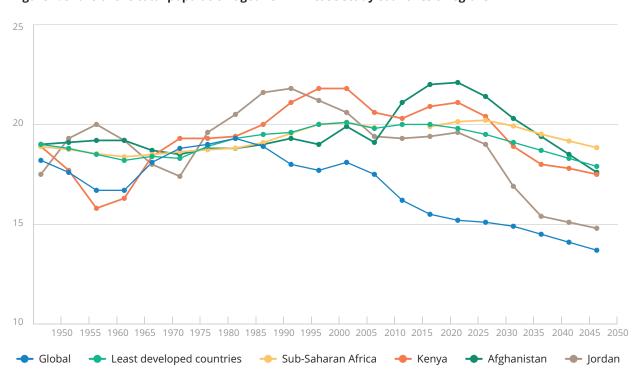


Figure 1: Share of the total population aged 15-24 in case study countries & regions¹⁰

Supporting young people's transition to employment is an increasingly important route WFP can take to address food insecurity in the countries in which it operates. The size of the youth employment crisis poses a significant risk to achieving zero hunger (SDG 2). The UN SecretaryGeneral's recent Quadrennial Comprehensive Policy Review¹¹ has highlighted the need for all UN Agencies to strengthen their programming for young people to meet the commitments outlined in the UN's Youth 2030 strategy.¹²

⁹ ILO (2016) Non-standard employment around the world: Understanding challenges, shaping prospects.

¹⁰ UN Population Division (2019) World Population Prospects 2019, Standard Projections, Medium Fertility.

¹¹ UNGA (2021) Implementation of General Assembly resolution 75/233 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system Report of the Secretary-General.

¹² UN (no date) <u>UN Youth Strategy</u>.

WFP is debating how to further develop its programming for young people to mitigate the direct and indirect effects of the youth employment crisis on food insecurity. This will also help it maximise its impact on the youth employment challenge as captured under SDG 8.6.1,¹³ linking it to WFP's core objectives under SDG 2. However, to achieve this, WFP needs to consider how its existing interventions, including the provision of school meals, nutrition support, Food Assistance for Training (FFT), social protection and other support schemes, can best support young people's transition to dignified work and how it can partner with governments, international institutions, civil society and the private sector to do so (SDG 17).

This report offers a series of operational recommendations to WFP on how it could help young people improve their food security through finding dignified and fulfilling work. The guiding questions for the research were: how can WFP effectively engage in youth employment and inclusion programming in different contexts? What works to build young people's capacity for accessing decent work and different forms of employment? How are these lessons relevant for WFP's work? A global literature review of youth employment programmes and WFP programming was

undertaken, with a more limited review of the literature on prevention of conflict and violent extremism and on disaster risk reduction programmes in conflict settings. It identified three main causes of youth unemployment: a mismatch between job growth and population growth, a mismatch between education and the job market, and structural factors that exclude young people from labour markets. Based on this, two country case studies were conducted in Kenya,¹⁴ and Jordan¹⁵ to highlight the different challenges and opportunities young people face in their search for decent work. These case studies are not reviews of WFP programmes, rather, the evidence they contain contributes to this overview report, which draws together global insights on youth employment to highlight recommendations of wider relevance to WFP's other programmes.

The report is structured as follows. Section 2 introduces the youth employment crisis, including the rise of 'NEETs' – young people not in employment, education or training – and in-work poverty. Section 3 distinguishes and discusses the three causes of youth unemployment identified in the global literature review and WFP's role in addressing each. Section 4 concludes the report with recommendations for WFP programming.



¹³ Percentage of young people (aged 15–24 years) not in education, employment or training (NEET).

¹⁴ Shaxson, L. (2022) WFP's role in youth employment and inclusion programming: Kenya case study.

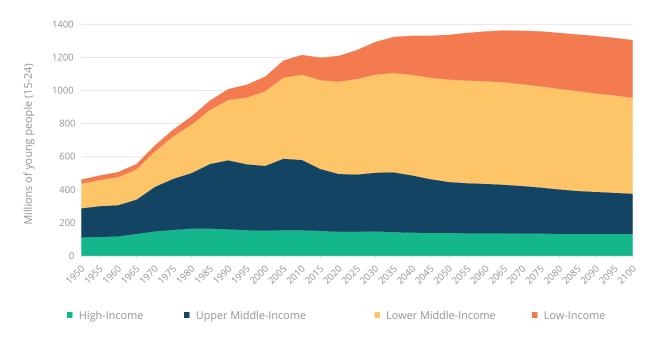
 $^{15 \}qquad \text{Feyertag, J (2022) WFP's role in youth employment and inclusion programming: Jordan case study} \; .$

2. Youth Unemployment: A Global Problem

According to the UN, the number of young people will grow from 1.2 billion in 2020 to peak at over 1.36 billion by 2065. A large part of this growth will come from low-and low-middle income countries (LLMICs), where high fertility rates in the last two decades have contributed

towards a "youth bulge" (Figure 2). The share of young people living in low-income settings will grow from 59 per cent in 2020 to 71 per cent by 2085. By then, close to a billion young people will live in LLMICs, especially in sub-Saharan Africa.

Figure 2: Population of young people (aged 15-24) by regional income group. Source: UNDESA¹⁷



Of the 1.2 billion young people around the world, 497 million are considered part of the youth labour force.¹⁸ This number declined from 568 million in 1999 due to a rise in enrolment in post-secondary and tertiary education, which reduced the number of young people entering employment. However, not all young men and women seeking jobs or education are able to access them. In 2019, around one in five (22.3 per cent), nearly 270 million, were not in employment, education or training (NEET).¹⁹ This rate is expected to increase further,²⁰ especially in LLMICs, where over 170 million NEETs now live, up from 138 million in 2005 (Figure 3).

Covid-19 has added to this development: the International Labour Organisation (ILO) estimates that global youth employment fell by 8.7 per cent in 2020 compared with 3.7 per cent for adults.²¹ This has forced jobless young people or those who were about to enter the labour market to drop out of the labour force or delay their entry into it.²² These negative effects have been greatest for young women,²³ who face a double burden due to widespread school closures and a lack of affordable childcare.²⁴

- 16 UNDESA (2019) World population prospects 2019.
- 17 UN Population Division (2019) World Population Prospects 2019, Standard Projections, Medium Fertility.
- 18 ILO (2020) Global employment trends for youth 2020; technology and the future of jobs.
- 19 ILO (2020) ILOSTAT: Share of youth not in employment, education or training (NEET) by sex ILO modelled estimates, Nov. 2020.
- 20 ILO (2020) Global employment trends for youth 2020: technology and the future of jobs.
- 21 ILO (2021) An update on the youth labour market impact of the COVID-19 crisis.
- 22 ILO (2021) ILO Monitor: COVID-19 and the world of work. Seventh edition. Updated estimates and analysis.
- 23 ILO (2021) ibid.
- 24 ILO (2021) ibid.



Figure 3: Population of young people (aged 15-24) NEET by regional income group. Source: ILO²⁵

NEET rates are highest in some of the regions and countries in which WFP operates. In parts of sub-Saharan Africa, nearly a third of young people are now seeking education or employment. It is especially young women that are affected by economic inactivity: in South Asia and the Arab States, nearly half of young women - 48.4 per cent and 52.8 per cent respectively - are considered economically idle.²⁶ Being classified as NEET does not mean that young people are not active or that they do not wish to work: it means they are not able to participate in employment or education opportunities on offer because they need to take care of dependents at home or because those opportunities are unavailable. Such marginalisation and exclusion increase the likelihood of being poor. This reduces young people's purchasing power, including for food.

Where young people do find employment, it is often characterised by poorer working conditions, low pay and weak social protection.²⁷ Of the 429 million young workers around the world, 55 million (13 per cent) suffer from extreme poverty, earning less than \$1.90 per day. In low-income countries where WFP operates, the inwork poverty rate for young people is 41.7 per cent.²⁸ This makes it impossible for young women and men to afford the cost of a healthy diet, estimated at \$4.06 per day in low-income countries.²⁹

The situation is likely to worsen as a result of Covid-19: 43 per cent of young workers have reported a decline in their incomes since the start of the pandemic.³⁰



²⁵ ILO (2020) ILOSTAT: Share of youth not in employment, education or training (NEET) by sex – ILO modelled estimates, Nov. 2020.

²⁶ ILO (2020) Ibid.

²⁷ ILO (2020) Global employment trends for youth 2020: technology and the future of jobs.

²⁸ ILO (2019) ILOSTAT: Working poverty rate (percentage of employed living below USUS\$1.90 per day PPP).

²⁹ FAO (2021) The State of Food Security and Nutrition in the World, Table 5.

³⁰ ILO (2020) ILO Monitor: COVID-19 and the world of work. Fourth edition. Updated estimates and analysis.

The impact on young people's income earning opportunities is likely to persist in the long-term, especially in low- and middle-income countries^{31,32} if young workers are not helped to find decent work.³³ The medium- to long-term "scarring" impacts of recessions and youth unemployment are well-documented in the literature: periods of unemployment affect young people's earnings potential decades later³⁴ but they can also destabilise food systems by damaging social cohesion, leading to civil unrest and migration.³⁵ In this way, youth unemployment can also act as a reinforcing

driver of conflict and fragility. Research shows that youth unemployment, among other factors, may lead young people to explore extremist views and engage with violent extremist groups. However, the process of youth radicalisation is highly complex, nuanced and gender-, location- and context-specific (Box 3). 36,37,38 Unemployed young people were more likely to be involved in drug use and illicit activities than to join extremist groups, though if such activities are controlled by extremists this could raise the likelihood that they will be exposed to their views and join the cause. 39,40

BOX 3: THE NUANCED RELATIONSHIP BETWEEN ECONOMIC IDLENESS AND VIOLENCE

The ILO estimates that approximately 600 million young men and women live in conflict-affected or fragile contexts around the world.⁴¹ Conflict and fragility can affect young men and women's access to employment in two ways. First, it can lead to physical and psychological scarring, causing intergenerational effects that affect young people's relationships and employment prospects for decades. Disruption to education, for example, can cause illiteracy, the effects of which persist from parents to children.⁴² Second, it can force young people to migrate from conflict-affected areas in search of decent employment. Over the last 30 years, the number of young people migrating has increased from 22 million to nearly 32 million in 2020.⁴³ Young migrants are at increased risk of exposure to trafficking, recruitment by armed groups or other forms of exploitation in illicit or informal sectors. As the case examples of Kenya and Jordan show, young migrants are often legally excluded from the labour market in their host countries. Despite their spending on goods and services, young migrants can be seen as a burden in countries where unemployment is already high, resources are scarce and young migrants undercut local wages.

This large cohort of young women and men in low- and low-middle income countries all need to find dignified and fulfilling work to be able to support themselves and their families and to be able to afford nutritious diets. Creating these jobs, as part of a wider process of economic

transformation, is an urgent priority for governments across the world. The rest of this report outlines three specific challenges that contribute to high rates of youth unemployment and suggests roles for WFP in addressing them.

- 31 ILO (2020) Youth and Covid-19: impacts on jobs, education, rights and mental well-being.
- 32 Marcus, R., Gavrilovic, M. (2010) The impacts of the economic crisis on youth: review of the evidence.
- 33 ILO (2021c) ILO Monitor: COVID-19 and the world of work. Eighth edition. Updated estimates and analysis.
- 34 Gregg, P. and Tominey, E. (2005) <u>The wage scar from male youth unemployment</u>.
- 35 ILO (2021) World Employment and Social Outlook: Trends 2021.
- 36 Mayhew, L., McCullough, Al, El Taraboulsi-McCarthy, S., Allen, M. and Levine, S. (forthcoming) The intersection between socioeconomic conditions and youth radicalisation: implications for programming in the G5 Sahel countries. FAO.
- 37 Wallner, C. (2021) The contested relationship between youth and violent extremism.
- 38 Mayhew et al (ibid).
- 39 Wallner, C. (2021) <u>The contested relationship between youth and violent extremism.</u>
- 40 See Schmeidl, S. & Bose, S. (2016). Youth Interrupted: The Consequences of Urban Displacement for Young Men and Women in Afghanistan.
- 41 Selva, E. & Negro, F (2021) Youth employment in conflict and fragile settings.
- 42 ILO (2016) Employment and decent work in situations of fragility, conflict and disaster.
- 43 Migration Data Portal (2021) Child and young migrants.

2.1 The 'missing jobs' problem

The youth unemployment problem in LLMICs reflects a long-term demographic trend: while the global population of 15–24 year-olds increased from 1 to 1.2 billion between 1999 and 2019, the youth labour force decreased from 568 to 497 million people. ⁴⁴ This has resulted in more than half of young people – around 776 million – being outside the labour force, neither in employment nor looking for a job. In High and Upper-Middle Income Countries (HMICs) this has come about largely due to an increasing proportion of young people pursuing

education or training. However, in low- and low-middle income countries there has been a sharp increase of young people who are neither in employment, education or training – also known as NEET (Figure 4). Since 2005, the total number of young people classified as NEET has remained stable at 269 million but the share of NEETs in LICs and LMICs has increased from 51 per cent (138 million) to 64 per cent (170 million). Of the 170 million NEETs in LICs and LMICs, over 70 per cent (121 million) are young women. The number of NEETs is expected to grow, driven especially by trends in regions where WFP operates.⁴⁵

BOX 4: IS THERE A SPECIFIC 'YOUTH EMPLOYMENT' CRISIS?

There is a live debate about whether the problem of youth unemployment is specific to young people or whether it reflects a broader jobs crisis that affects all age cohorts. While some employment experts argue that interventions targeting young people need to be prioritised, others push for a more general effort to create good-quality jobs as part of countries' long-term (low-carbon) economic transformation.⁴⁶ A middle ground is emerging,⁴⁷ which proposes that economic transformation needs to be carried out with an understanding of which sectors and activities offer the most potential for both high growth and youth employment and that active labour market programmes need to be designed with appropriate targeting and conditionality depending on the youth employment multipliers in each sector.⁴⁸

Whether the crisis is specific to young people or not, young people are disproportionately affected as they lack the political, social and economic power to access the limited number of jobs available. ⁴⁹ WFP can engage in this macro-level debate, bringing its own evidence on youth employment outcomes to the table. Doing so will help it think strategically about its role in fostering youth employment and strengthening labour markets, and its ability to represent the voices of people living in food insecurity will carry weight in debates about how economic transformation plays out across all geographical areas.

Another widespread issue within the youth labour force is underemployment. Low productivity has held back growth in key economic sectors, thereby reducing opportunities for waged employment for young men and women. They tend to fall back on the informal

sector, especially own-account or contributing family work. Globally, more than three-quarters (77 per cent) of young workers are in informal employment and nearly half (46 per cent) are own-account or contributing family workers.⁵⁰ Own-account work can be attractive where it is associated with technological entrepreneurship, provided that young people have access to market opportunities, finance and the relevant financial, entrepreneurial and digital literacy skills. However, own-account work can also be linked to subsistence agriculture or the proliferation of new forms of atypical, less secure and potentially exploitative forms of employment associated with the "gig", "platform" or "on-demand" economy, especially in urban areas. A similar trend can be seen for waged or salaried employment: although a majority (54 per cent) of young people are in waged or salaried work, it is frequently casual and associated with low pay, limited legal and social security and poor working conditions.⁵¹

- 44 ILO (2020) Global employment trends for youth 2020: technology and the future of jobs
- 45 ILO (2020) ibid.
- 46 Fox L., Mader P., Sumberg J., Flynn, J., Oosterom, M (2020) Africa's 'youth employment' crisis is actually a 'missing jobs' crisis.
- 47 ILO (2020) ibid.
- 48 Te Velde, D. (forthcoming) Supporting jobs for young women and men in Africa: a framework for country-level analysis. Nairobi: AERC.
- 49 Boateng, E and Löwe, A (2018) <u>Aspirations matter: what young people in Ghana think about work.</u>
- 50 ILO (2020) ibid.
- 51 ILO (2020) ibid.

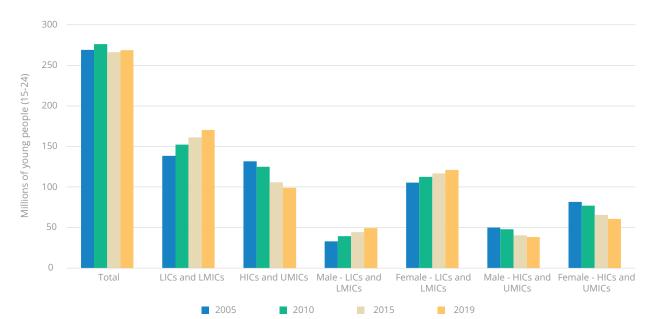


Figure 4: Number of young people classified as NEET in low- and high-income countries⁵²

2.2 The mismatch between skills and the job market

Employers are increasingly demanding the types of non-repetitive cognitive and socio-behavioural skills that are associated with problem-solving, critical thinking, perseverance, collaboration and empathy. ⁵³ They are also increasingly looking for skills associated with STEM (science, technology, engineering and mathematics) subjects and digital expertise. Demand for these skills has been high as economies are transitioning towards the "Fourth Industrial Revolution". This has been particularly obvious with the emphasis on digitalisation to combat the effects of the Covid-19 pandemic and the increasing investment in green infrastructure and technologies.

In the regions where WFP operates, most labour markets demand routine skills that are tied to specific jobs.⁵⁴ However, many of these skills are low-level and associated with jobs that will be automated and digitalised in the coming decades.

In addition, many young people are effectively overeducated as take-up of university education is often concentrated in "white-collar" subjects such as social sciences or the humanities, while the STEM studies crucial for the Fourth Industrial Revolution are underrepresented. In Africa, enrolment in engineering, natural sciences, mathematics and statistics is under 10 per cent and under 5 per cent in information and communication technologies.⁵⁵

Close to half of Africa's employed young people report that their skills are mismatched to their jobs. 56 Interviewees from both case study countries noted that formal education systems do not prepare them well for the world of work. Stigma can also prevent young men and especially women from developing the skills needed in the job market: Kenyan interviewees thought that government-run TVET (technical and vocational education and training) was for young men and women who did not do well at school. In Jordan, interviewees noted that young women tend to take degrees in the social sciences and humanities, even though there is little demand for these skills in the labour market.

⁵² ILO (2020) ibid.

Montalvao, J; Frese, M; Goldstein, M Kilic, T. 2017. <u>Soft Skills for Hard Constraints: Evidence from High-Achieving Female Farmers.</u>

⁵⁴ African Development Bank (2020) <u>African Economic Outlook 2020: Developing Africa's Workforce for the Future.</u>

⁵⁵ African Development Bank (2020) ibid.

⁵⁶ African Development Bank (2020) ibid.

2.3 Exclusion from the job market

Young men and women are often excluded from the labour market through structural forms of exclusion.⁵⁷ These barriers are both 'hard' and 'soft'. Soft constraints include a lack of social capital and discriminatory cultural norms and stigma, which particularly affect women (Box 5). The social capital that is built through dense and wellconnected social networks are key to finding employment or building businesses but young men and women often struggle to form these networks, particularly when they come from low-income households whose other members also have few connections that can be leveraged in the search for work.58 Cultural norms can mean young people suffer multiple forms of exclusion: young women and men from ethnic minorities, for example, may be excluded by language barriers, weak connections outside their own communities and by political discrimination that impacts the strength of their collective voice and the economic choices they are able to make.⁵⁹ More generally, women generally have less education than men; they struggle to access land, livestock, finance, transport and digital technologies by themselves; they may suffer from genderbased violence and often have more demands made on their time due to early marriage and early childbirth.60 Interviewees in Kenya outlined the significant mental health problems young women can suffer as a result, with consequences for both them and their families. Social stigma, particularly when related to health (such as HIV-positive status)⁶¹ or disability can further marginalise young people, leaving them unable to access the services that could help reduce their vulnerability.

Hard barriers include a lack of childcare (Box 6), limited financial resources to pay for education or training and a lack of access to digital infrastructure or public transport to get to and from employment or education opportunities. Focus groups for young people and interviewees in Jordan consistently mentioned the challenges associated with transport to and from work, echoing research that shows that a lack of safe transportation is the primary reason for young women's low participation in the labour market.⁶⁷

BOX 5: YOUNG WOMEN'S SOCIAL AND CULTURAL EXCLUSION FROM THE LABOUR MARKET

There are clear gendered dimensions to how people are excluded from participating in labour markets, with both economic and social consequences for women. Cultural norms shape strongly where women can work and the type of work they can do, especially in regions such as the Middle East and North Africa, where NEET rates among young women are comparatively high.62 However, the reasons vary: while in Arab states and North African countries being married or having a partner reduces female labour market participation, in most low-income countries the economic necessity to work increases women's participation regardless of marital status.63 This does not mean that women are more economically independent: they may be confined to agricultural or home-based work, unable to access finance and dependent on their spouses for permission to participate in groups that would increase their economic agency. For many married and unmarried women, social convention or religious teaching can encourage them to identify closely with their roles as wives and mothers by limiting the types of work that are considered appropriate and masking restrictions on their ability to look for work as concerns for their physical safety.64 Although home gardening, livestock production, handicrafts or other home-based forms of work might be allowed, women who are permitted to work outside the house may still face discrimination over what they can do. Gender norms, such as norms that women should not be the primary breadwinners, continue to suppress female employment and intimate partner violence often reduces women's ability to work.65 The gender norm that women should do the bulk of housework and childcare is entrenched in poor and rich countries alike. Moreover, once in work, women can be disadvantaged by workplace discrimination, sexual harassment, lower average wages than men, barriers to advancement within companies and an inability to access the male-dominated networks that could help them create social capital.66

- 57 ILO (2020) Global employment trends for youth 2020: technology and the future of jobs.
- 58 Löwe, A., Njambi-Szlapka, S. & Phiona, S. (2019) <u>Youth associations and co-operatives: getting young people into work.</u>
- 59 Alcorta, L., Swedlund, H and Smits, J (2020) <u>Discrimination and ethnic conflict: a dyadic analysis of politically excluded groups in sub-Saharan Africa.</u>
- 60 See, for example, IFAD (2020) <u>Brief on gender and social inclusion: East and Southern Africa</u>.
- 61 ILO (2013) <u>HIV/AIDS</u>: overcoming discrimination and economic inclusion.
- 62 UN Women (2020) Meta-analysis on women's participation in the labour force in Jordan.
- 63 UN Women (2020) ibid.
- 64 Fernandez, R. (2007) Women, work and culture.
- Jayachandran, S. (2021) Social Norms as a Barrier to Women's Employment in Developing Countries.
- 66 UN Women (2020) ibid.
- 67 ILO (2017) World employment social outlook: trends for women 2017.

Access to digital technologies can be highly gendered within the household, affecting their ability to learn, to search for or create their own jobs, access finance, strengthen their networks and build their businesses.⁶⁸

BOX 6: ACCESS TO CHILDCARE

Childcare is one of the primary concerns of parents balancing work with domestic responsibilities. While better-off families might be able to afford domestic help with children, poor families cope by leaving children with older siblings, leaving them home alone or taking the children to work with them. All these options have implications for their children's social and educational development. Studies have shown that, globally, up to 50 per cent of women bring their children to work but those who do are likely only to be able to find informal or agricultural work as a result. 69 The Covid-19 pandemic further restricted access to childcare, forcing women to take on greater childcare and other home-based responsibilities, which limited their ability to work outside the home. The long-term effects of this are

hard to predict but it is likely that women will return to work at a slower rate than men. In East Africa, recent evidence has shown a strong link between economic hardship and the school drop-out rate due to teenage pregnancies resulting from transactional sex. Social protection and livelihood programmes aimed at enabling young women to access the labour market through wage subsidies or childcare programmes are key to helping young women back into the labour force.

Young refugees, informal young migrants and the returnees with whom WFP works in Jordan and Lebanon face legal constraints that follow international conventions on taking employment that could displace young citizens also seeking work (see Box 7).⁷²

A further hard constraint is the effect refugee status has on young people's ability to participate in financial institutions.⁷³ Refugees are generally unbanked or underbanked which limits their options for accessing finance, starting businesses and pushes them into the informal sector.

BOX 7: THE CHALLENGES REFUGEES FACE FINDING WORK

Young migrants are the most mobile, driven to move by unemployment, working poverty and a lack of decent work opportunities. This is especially so in Africa, where up to 78 per cent of young people want to emigrate. In their host countries, international conventions limit refugees' ability to take on work that would displace jobs for local people. This constrains them from participating in job creation programmes outside camps and limits them to entrepreneurial and self-employment activities. UNHCR estimates that, of the close to 26 million refugees globally, 70 per cent live in countries where the right to work is restricted or prohibited, 66 per cent in countries where freedom of movement is restricted or prohibited and 47 per cent in countries where possession of bank accounts is either restricted or prohibited. These restrictions limit refugees to working in the informal economy, in sectors that have been highly impacted by the pandemic. However, these restrictions can be negotiated: the status of Syrian refugees in Jordan changed in 2016 when the government of Jordan and the European Union reached a bilateral agreement (the Jordan Compact), accompanied by financial assistance, to create a work permit programme specifically for Syrian refugees. This allows them to apply for waged employment in certain sectors as long as they have the correct documentation and a sponsor (i.e. an employer). Internally displaced young people (IDPs) suffer from similar forms of exclusion. Those without family or social networks to protect them are particularly vulnerable, forced to rely on seasonal or irregular, informal employment, which is often unregulated, poorly paid, unpredictable and exploitative. The biggest challenge for young IDPs wanting to access employment is a lack of documentation proving their legal identity. In Afghanistan, for example, only one-third of young IDPs have an Afghan identity document.

- 68 GSMA (2021) Connected women: the mobile gender gap 2021.
- 69 Cassirer, N., & Adati, L. (2007) Expanding women's employment opportunities: informal economy workers and the need for childcare.
- 70 ILO (2021) Building forward fairer: women's rights to work and at work at the core of the COVID-19 recovery.
- 71 World Bank (2020) Gender dimensions of the COVID-19 pandemic.
- 72 Zetter, R. and Raudel, H. (2016) <u>Refugees' right to work and access to labor markets: an assessment.</u>
- 73 Zetter, R. and Raudel, H. (2016) ibid.
- 74 ILO (2020) Global employment trends for youth 2020: technology and the future of jobs.
- 75 Zetter, R., Ruaudel, H. (2016) <u>Refugees' right to work and access to labor markets: an assessment.</u>
- 76 UNHCR (2020) <u>Livelihoods and economic inclusion</u>.
- 77 Dempster, H., Ginn, T., Graham, J., Ble, M.G., Jayasinghe, D, & Shorey, B. Locked down and left behind: the impact of Covid-19 on refugees' economic inclusion.
- 78 UNHCR (2016) The Jordan Compact.
- 79 See Schmeidl, S. & Bose, S. (2016). Youth Interrupted: The Consequences of Urban Displacement for Young Men and Women in Afghanistan.
- 80 Tull, K (2019) <u>Civil documentation places Internally Displaced Persons (IDPs) in protracted displacement</u>. K4D Helpdesk Report 636. Brighton, UK: Institute of Development Studies.

3. WFP's Role in Supporting Youth Employment

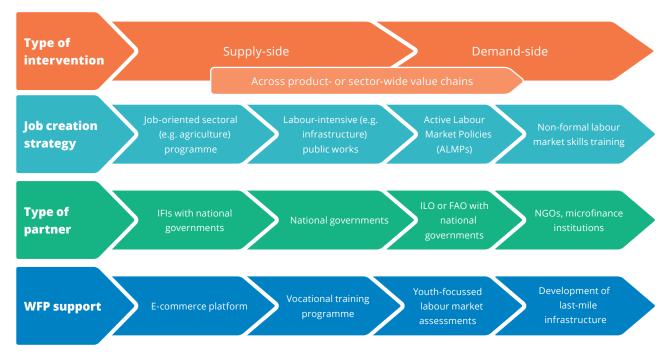
WFP's extensive operational reach brings it into contact with young people whose searches for decent work face a range of intersecting challenges that can only be addressed by parallel efforts at local and national levels. This section summarises how WFP can use its comparative advantage to bring the voices of young, food-insecure people into debates about youth employment and how it can use the tools at its disposal to contribute to responses that deliver long-term, sustainable change.

3.1 Addressing the missing jobs crisis

As noted earlier in the report, youth unemployment is widely recognised as a critical issue for national governments. It is part of a wider problem of unemployment across all age cohorts, linked to weak economic growth and the challenges of economic transformation. There are extensive initiatives by national governments, working with International Financial Institutions (IFIs) such as the World Bank and Regional Development Banks, as well as with other UN organisations (notably the ILO, UNDP and FAO), to identify which sectors (and within those sectors, which activities) are most likely to deliver high levels of economic growth while creating decent jobs for young women and men.

An internal WFP review of employment-focused programmes in a range of countries noted that governments and IFIs strongly prefer to concentrate employment creation efforts on specific sectors to implement strategies for diversifying, modernising and increasing productivity. It identified at least 136 such programmes worth \$13.33 billion, 58 per cent of which (\$7.67 billion) targeted the agri-food sector which, as noted earlier, has a positive multiplier effect on job creation. The review found that while previous employment creation strategies have emphasised either supply or demand mechanisms, countries are increasingly using multiple tools simultaneously to develop productand sector-wide value chains. Figure 5 outlines a basic schema of the types of intervention WFP could support in this context, using a range of tools to contribute along value chains.

Figure 5: Developing job creation strategies focusing on young people: roles for WFP and its partners.



Source: authors

The case studies of WFP's work in Kenya and Jordan show how work within WFP's food systems portfolio is already looking along specific value chains to identify where and how support can best be targeted towards youth employment. Three other actions could help WFP make more use of its operational reach and core competencies to support national employment creation strategies. The first is to engage in national and regional debates about youth employment. WFP has close relationships with national and subnational governments and is able to build trusted links to remote communities. This means that it has a role to play in macro-level debates, ensuring that the voices of foodinsecure, marginalised young women and men are represented and helping target employment creation programmes towards food-insecure communities in general and food-insecure young people in particular. SDG 2 (zero hunger) cannot be attained for all unless the youth employment problem is addressed through SDG 8.6.1. WFP is well-positioned to make a meaningful contribution to national, regional and global debates about how youth unemployment, underemployment and in-work poverty affect food insecurity and the effectiveness of different labour strategies.

The second is to conduct detailed and forward-looking labour market assessments using them to reshape existing programmes towards youth employment outcomes and to ensure that new programmes are designed through a youth employment lens. Such assessments could be value-chain specific: WFP teams working on food systems are increasingly conducting gender-sensitive value chain assessments (VCAs) from farming to downstream activities, rural service provision and digital innovations. With some adjustments, these VCA techniques could be expanded to integrate a youth employment focus within a programme to strengthen particular value chains. WFP's expertise could (for example) increase jobs in local SMEs by supporting local production of equipment that is currently brought in from elsewhere, such as small silos and improved storage bags to reduce post-harvest losses. At a larger scale, it could harness its capacity and competencies in technology-backed operations and supply chain management to improve e-commerce platforms, drawing on its expertise in the Farm to Market Alliance (FtMA).81 The internal review referenced earlier noted that WFP could use its operational footprint to help connect the 'last mile' to the food value chain.

This refers to the remote rural communities with whom WFP works, helping them engage more effectively in food systems and their local economies by supporting physical infrastructure and supply chain management (roads, water, storage, warehousing and transport), digital infrastructure (electricity and connectivity) and financial infrastructure (credit, insurance, digital wallets and other types of fintech that facilitate their participation in ALMPs and other forms of social protection). Furthermore, labour market assessments conducted at the beginning of refugee operations could identify skills most likely to be needed both inside and outside the camps, help understand how the private sector could be engaged most effectively and determine how WFP modalities could be combined to support local employment and economic growth.82

In addition, broader labour market assessments could ascertain what infrastructure and skills a particular food-insecure community will need to access the current and future jobs in their area. Digital technologies are increasingly being used in food value chains to connect rural, peri-urban and urban areas (in provincial towns, not just capital cities) creating opportunities for work in input supply, warehousing, delivery and customer fulfilment, supply chain management and other forms of business support such as marketing and fintech.83 A recent internal assessment conducted in Côte d'Ivoire noted the public sector's need for people with digital and data skills such as survey enumerators and data managers to help catalogue public records and logistical skills in the postal network. Broad-based labour market analyses would help anticipate where such skills could exist in future: although many of these jobs are currently in urban areas, as the public sector digitalises, there is likely to be an increasing need for them in provincial towns and cities. These broader assessments will need to be conducted by labour market specialists and include non-traditional partners for WFP such as ministries of planning and labour, business councils and other private sector bodies. Framing these labour market assessments within the macro debates about youth employment will help WFP devise programmes of support that anticipate future employment opportunities in food systems and other areas such as green jobs and digital jobs.

⁸¹ See <u>www.ftma.org</u>.

⁸² Husain, A., Bauer, J-M. and Sandström, S (2014) Economic impact study: direct and indirect impact of the WFP food voucher program in Jordan.

⁸³ Dolislager, M., Reardon, T., Arslan, A., Fox, L., Liverpool-Tasie, S., Sauer, C. & Tschirley, D.L. (2020). <u>Youth and Adult Agrifood System Employment in Developing Regions: Rural (Periurban to Hinterland) vs. Urban</u>.

For these recommendations to be strategic and effective, WFP will need to gather evidence on the medium- and long-term youth employment effects of its ongoing programming. At present, only short-term data is collected to know the numbers trained and the proportion of trainees who have moved into a regular job. However, medium- and long-term data that provide evidence of job quality, job retention and wider job creation is not collected systematically. This makes it difficult to understand which WFP activities have helped young women and men find and remain in decent work and how they have done so. Engaging in national and regional debates about youth employment will require evidence, disaggregated by age and gender, which will allow it to monitor its own work and to represent the voices of food-insecure young people in national, regional and global debates. A few examples exist: an assessment of a WFP voucher system in Palestine found that it injected sufficient liquidity into the local dairy market to increase employment by up to 45 per cent in participating firms and up to 20 per cent in non-participating firms.84 A 2014 study of WFP's food voucher programme for Syrian refugees in Jordan found a significant effect on job creation in the local food retail sector, with both participating and non-participating stores hiring new staff.85 A more consistent commitment to collecting the evidence of how WFP's work influences youth employment would allow for cross-programme and crosscountry aggregation and lesson learning. Data collection on youth employment in food systems would be a useful beginning but WFP could also include evidence from asset creation activities through to programmes such as EMPACT, which provides digital skills training and job matching within national and international markets. Asset creation activities are not specifically directed towards employment but can have indirect employment effects through greater production capacity, helping reduce the push factors that encourage young people to migrate.

3.2 Addressing the mismatch of skills

The global mandate for addressing the mismatch of skills rests with national governments with support from international organisations such as the ILO and UNESCO. WFP's Food Assistance For Training (FFT) programme is a large scale and complementary effort to build human capital focused on food security and livelihoods. It provides transfers on the condition that the FFT participant attends skills development training, with the transfers ensuring that participating in the training does not compromise the trainees' food security status. FFT programmes work across primary (agricultural production and environmental rehabilitation), 86 secondary (industry and manufacturing) and tertiary (services) sectors, with WFP often playing the role of a matchmaker, ensuring that low-income and food-insecure households are aware of job opportunities and enabling them to learn the appropriate skills.

Training is delivered by specialist skills providers: technical and vocational training can be complemented by other skills development around basic literacy and numeracy, digital and financial literacy, entrepreneurship and business skills, job search services, asset transfers and access to finance. Training can be conducted through apprenticeships and internships, on-the-job training, mentoring and coaching or classroom-based exercises, often with a formal certification awarded at the end of the programme.87 It can be delivered by national Technical and Vocational Education Training (TVET) institutions, other educational organisations, NGOs or the private sector. WFP works in partnership with a broad set of actors to create bridges between trainers, trainees and potential employers including government entities, international organisations, financial institutions, research institutes, civil society associations and the private sector.

⁸⁴ WFP (2018) Secondary impact of the cash based transfer-voucher: key findings from 4th round measurement (Palestine).

⁸⁵ Husain, A., Bauer, J-M. and Sandström, S (2014) ibid.

⁸⁶ Rehabilitation of environmental and other physical infrastructure is generally associated with WFP's Food Assistance For Assets programme but it can have knock-on employment effects as improved assets encourage greater productivity.

⁸⁷ Feyertag, J (2022) WFP's role in youth employment and inclusion programming: Jordan case study.

Training can last from a few days (such as in a work placement) to several months (such as in an apprenticeship). Complementary interventions such as transport, childcare, or psychosocial support can be important to ensure retention of trainees, particularly for women and people disadvantaged through disability, mental health issues, social isolation or the results of trauma. Novel types of training are being developed, taking advantage of the opportunities offered by digital technologies, such as the EMPACT programme that offered digital skills training accompanied by support in job matching, to help vulnerable populations access work in the global digital economy via microwork platforms. Piloted with refugees in three countries (see Box 8), EMPACT is in the process of being scaled up to non-refugee and urban populations in several other countries.88

BOX 8: DIGITAL SKILLS TRAINING FOR REFUGEES

Most refugees are constrained in the types of employment they are able to access outside camps and the range of employment activities inside camps is limited. IT skills allow refugees to sell their services online as freelancers or employees in local firms, where available – even reaching international markets. The Norwegian Refugee Council, for example, trains refugees in Kenya's Dadaab refugee camp to become 'online freelancers', working in digital value chains. ⁸⁹ However, it is unclear for how long the employment effects of such digital skills training last. Given the length of time it takes for trainees to find employment and go through the necessary steps to secure a job, it is important to increasingly focus on the medium-term impacts of such programmes.

In some countries, skills building is conducted through youth groups, which are seen as an increasingly important way for young women and men to build their human capital. The Kenya case study outlines the extensive work WFP does with county governments to support youth groups. Groups register to access support services ranging from the provision of asset financing and training in financial literacy, entrepreneurship and

business development through to the development of digital, leadership and networking skills. Youth groups are not just vehicles for accessing resources, the process of forming groups can help young women and men develop social capital in the form of networks and greater bargaining power, personal capital in the form of skills and psychological resilience, as well as financial capital that enables them to take out loans and begin or expand businesses. They can also be a useful vehicle for exploring gender and equity issues. In some cases, youth groups can be mentored by more experienced people in their communities who can help them build their confidence, develop a stronger feeling that their work matters and understand how to spot opportunities, set goals, make plans and overcome setbacks.⁹¹

However, youth groups are not homogenous. The Jordan case study highlighted how paying close attention to gender and social norms in designing FFT programmes can help women and men consider how life skills and soft skills training could change perceptions of women's productivity outside the home and their contributions to family well-being. The Kenya case study highlights how gender differences can have significant implications for how easy it is to set up youth groups and how long they function effectively. Kenyan interviewees noted that youth groups do not always reach the most foodinsecure. Young men and women with no capital (who are likely to be food-insecure) are often unable to afford the up-front investment needed to join these groups while those whose businesses begin to struggle can get caught in a downward spiral.92 Young women and men need the psychosocial resources to attend group meetings; this can be particularly challenging for young women suffering from poor mental health or with extensive childcare responsibilities. While these observations may be country-specific, they emphasise the need to understand the longer-term outcomes of working with youth groups to ensure that the support they receive is effectively tailored to the needs and aspirations of both genders.

⁸⁸ See EMPACT project overview.

⁸⁹ NRC (2021) Meet the refugees joining the digital economy.

⁹⁰ Löwe, A., Njambi-Szlapka, S., and Phiona, S. (2019) ibid.

⁹¹ See also ILO (2011) Co-operatives for people-centred rural development. Co-operatives share many of the same social functions as youth groups.

⁹² Löwe, A. & Njambi-Szlapka, S. and Phiona, S (2019) ibid.

The challenges WFP faces in designing effective human capital development programmes targeted at young people is that for many of them, their livelihood strategies depend on their gender and where they are in their course of life. Not all are looking for stable, waged employment in a particular sector, which makes targeting skills training most challenging. WFP has extensive experience in building a wide range of partnerships to deliver vocational and other forms of skills training focused on food systems and livelihoods in rural areas where most WFP support is provided. A stronger emphasis on conducting value chain- and wider labour market assessments will offer it the opportunity to tailor its human capital development more closely to where jobs are likely to exist. 93,94 However, accompanying this more targeted approach, gender-sensitive but broadbased training in financial and digital literacy (such as how to build a good credit history online) will ensure that young women and men are able to manage their family and business finances effectively, thus avoiding financial scams and staying safe online (Box 9). Moreover, where access to finance is severely limited, WFP can help deepen financial inclusion by building on efforts to offer digital cash-based transfers (CBT), linking these to broader financial ecosystems. WFP's EMPACT project is working with unbanked populations, piloting blockchain wallets to give them access to online and remote income-generating opportunities. Cash assistance programmes could also be used as a basis to provide low- or zero-interest bridging loans.

BOX 9: THE GENDERED NATURE OF ACCESS TO DIGITAL TECHNOLOGIES

Access to digital technologies is often highly gendered. Work to enhance financial literacy – such as digitalising savings for young people and loan associations so that members can use online savings apps rather than attend group meetings – may benefit young men more than young women, whose access to mobile phones while at home tends to be more limited. 95 While this can be offset through well-designed programmes with youth groups, WFP

can play a wider role in national-level advocacy to reduce the digital divide in the remote regions where it works. The 'schools as platforms' approach, in which digital infrastructure is centred around schools, could offer gender-equitable access to digital equipment, training and services. As with entrepreneurship training, general training in digital skills will take young men and women only so far and needs to be accompanied by more training in market-specific skills such as e-commerce, e-marketing, website design and app development.⁹⁶

Within food systems, VCAs will help focus training more closely on specific agricultural value chains.

This will help ensure that the types of generic training outlined above can be accompanied by 'deep dives' into the specific needs of each value chain including product characteristics and the range of possibilities for value addition. WFP's matchmaking of individual trainees to job opportunities helps people see a direct route between training and employment but a more focused approach could augment this by using training to build communities of young people to work together on solving bottlenecks in food systems. This includes strengthening value chains that link rural and urban areas, responding to the rapid change in food systems brought about by urbanisation, e-commerce and the increasing number of food-insecure young people who live in towns and cities. E-commerce platforms have been shown to act as job diversifiers and multipliers, having exponential growth potential.⁹⁷ However, opportunities for job creation along supply chains depend on good connections between rural areas and urban or peri-urban markets, particularly in agriculture and particularly where cold chains are needed to transport fresh produce.98 The Kenya case study notes how the growth of provincial towns presents an opportunity to build a range of agrifood value chains that could be served by networks of young people, taking advantage of their complementary skills, resources and connections to co-create businesses that would allow them to remain in their communities while being part of a larger enterprise.

⁹³ Betcherman, G. and Khan, T. (2015) Youth employment in sub-Saharan Africa: taking stock of the evidence and knowledge gaps.

⁹⁴ Glick, P., Huang, C. and Mejia, N. (2015) The Private Sector and Youth Skills and Employment Programmes in Low and Middle-Income Countries.

⁹⁵ Löwe, A. & Njambi-Szlapka, S. and Phiona, S (2019) ibid.

⁹⁶ See Carboni, I and Schiff, A. (2020) How do we develop work-ready youth in a digital age?

⁹⁷ Krishnan, A., Banga, K. and Feyertag, J. (2020) Platforms in Agricultural Value Chains: Emergence of new business models, ODI AgriTech Report Series 2.

Wiggins, S. and Keats, S. (2013) <u>Leaping & Learning: Linking smallholders to markets</u>.

In some countries, the fiscal response to the Covid-19 pandemic contributed to changes in the way e-commerce platforms operate, creating a demand-pull on food systems whose effects could outlast the pandemic and offer business opportunities for young people. Given that digital learning competencies are strongly correlated with age,99 raising awareness of and helping to improve such platforms to the benefit of those most in need could create opportunities for young men and women to learn and pass on knowledge or build new connections in supply and value chains (see Box 10). Digital platforms can help young men and women build creditworthiness with financial institutions and access finance, as evidenced by recent initiatives to deepen the financial sector development in East Africa.¹⁰⁰ WFP is also developing considerable expertise in fostering innovation in food systems and using digital technologies to deliver better products and processes, economies of scale, production efficiencies and greater market access.¹⁰¹

Young people are increasingly disaffected by smallholder agricultural production which contributes to rural-urban migration. A focus on innovation, which harnesses the benefits of digital technologies, could help rebrand agricultural production as a growth area for innovative businesses that are particularly suited to young women and men's needs. At present, WFP's innovation function is new and relatively centralised, focusing on opportunities for innovation at scale. Decentralising its approach to innovation could bring innovative and entrepreneurial thinking skills to rural areas (and to the urban areas where WFP is beginning to work), thereby combining this with local knowledge to ensure that innovations emerge from the local context (see Box 10). However, it will be important to understand how fostering new and exciting innovations could reshape power relations in local business ecosystems, to guard against elites capturing the value from programmes intended to benefit young people.

BOX 10: THE LIMITS OF ENTREPRENEURSHIP AS A SOLUTION TO THE EMPLOYMENT PROBLEM

While support to develop entrepreneurship is well received by individual recipients, the ILO is cautious about overpromoting entrepreneurship at a programme level, as it tends to create self-employment in microenterprises, rather than employment for others. ¹⁰² Focusing on supporting individual value chains where the supply chain is relatively short could help establish small enterprises that can take on employees and have a chance of growth. However, this is a long-term approach to job creation. It will need to be carried out in partnership with the relevant ministries, ILO, FAO and other long-term programmes such as those supported by GIZ. These can offer ongoing support to young people to overcome the inevitable bumps in the road associated with growing small businesses and take over where WFP's mandate ends.



- 99 For evidence from Kenya, see Dalberg (2019) Youth not in education, employment and training in Kenya: Understanding values, capabilities and barriers towards achieving career and life goals.
- 100 Krishnan, A., Banga, K. and Feyertag, J. (2020) ibid.
- 101 See for example WFP Innovation Hub for East Africa.
- 102 ILO (2020) <u>Global employment trends for youth 2020: technology and the future of jobs.</u>

3.3 Addressing the exclusion of young people from labour markets

Young women and men can be excluded from labour markets in a range of ways, reflecting the fact that neither is 'young people' a homogeneous group nor is 'youth' a stable definition. All young people face an intersecting mix of hard and soft barriers to finding work: hard barriers include the cost and availability of transport, low levels of appropriate skills and restricted access to financial institutions. Soft barriers include poor social capital, stigma issues related to poverty, disability or health status, or discriminatory cultural norms around gender, ethnicity or language barriers. 103 Young people have also had little time to build up the social networks that are so important to finding work and building thriving businesses. This can be particularly challenging for impoverished, food-insecure young men and women and those from ethnic minorities whose families have few connections.104

Even with similar levels of education and training as men, young women face greater challenges in finding employment. In many countries cultural norms pressure young women to marry and start a family: the subsequent childcare responsibilities limit access to education and training (and, as noted above, with youth groups) that often restricts them to unskilled, low-waged employment in the informal sector.¹⁰⁵ Women often have limited rights to land, which can make it difficult for them to leave abusive relationships and leaves them vulnerable to poverty as a result of divorce, widowhood or (in some countries) polygamy. Women with poor health status can be further marginalised, unable to access the health services that could help reduce their vulnerability. Moreover, once in work young women can face sexual harassment and informal barriers to advancement. These multiple intersecting challenges mean that many women may prefer self-employment to waged work even though their working conditions may be poorer and the type of work may be more precarious.

WFP's mandate to serve the needs of the most foodinsecure has a strong focus on overcoming discrimination, particularly for women and refugees. This means that all its programming implicitly aims to increase inclusion, thereby helping the most vulnerable engage with the processes of economic growth in ways that build resilient livelihoods. This report and the accompanying case studies have highlighted the importance of considering food-insecure young people as a group who face a particular set of exclusionary barriers that limit their ability to find decent and fulfilling work. They suggest four levels at which WFP can work to overcome the exclusion of young people from the labour market: addressing underlying structural issues, addressing specific issues, strengthening the agency of young people in its programming and setting an example in its own operations.

WFP works in close collaboration with national and subnational governments in all its programmes. Given that many characteristics used to exclude young women and men from labour markets are structural (such as ethnicity or gender), it has a role to play in addressing the underlying causes of exclusion from labour markets by supporting the development of human rights legislation, which is the basis for empowerment, voice and accountability.

WFP is already aware of this through its work on building resilient livelihoods and its involvement in ALMPs. However, in its national-level discussions, it could bring a clearer focus on ensuring that employment legislation addresses barriers to the inclusion of young people in labour markets and on improving financial and digital inclusion for young people – particularly women, refugees and internally displaced persons.

To engage in these discussions WFP will need to continue to build its evidence base about what works in youth employment programming for the food-insecure. As well as collecting monitoring data for medium-term youth employment outcomes, evidence can also be gathered from value chain assessments and wider labour market assessments that view specific issues through a youth employment lens and that examine the structural and context-specific barriers to the inclusion of young people. Attention needs to be paid to understanding the political economy of each value chain – the elite networks and power relationships that could capture the benefits of what young people have built and undermine the sustainability of youth employment outcomes.

¹⁰³ ILO (2020) Youth exclusion from jobs and training on the rise.

¹⁰⁴ Löwe, A., Njambi-Szlapka, S. & Phiona, S. (2019) ibid.

¹⁰⁵ See, for example, IFAD (2020) <u>Brief on gender and social inclusion: East and Southern Africa</u>.

Young women and men are often keen to be agents of change within their own communities, rather than simply being the beneficiaries of aid programmes. As part of its operations, WFP can strengthen the agency of young people across all its programming: involving young people in diagnosing their own problems, raising their voices in debates that affect their employment prospects and building the evidence base for the short- and long-term benefits of including young people in labour markets.

It can also help **create structures for the participation of young people in governance at all levels in the organisation**. This could involve country offices involving youth advisors in the details of programme planning and design, and work within headquarters to strengthen the voice of young women and men throughout WFP programming.



4. Concluding Recommendations

Globally, young people account for approximately 24 per cent of the working poor. Of the 115.5 million food-insecure people WFP directly served in 2020, at least 27 million were young men and women classified as not in employment, education or training (NEET). These 27 million are part of a broader global issue: globally, 270 million young people are NEET, facing significant challenges finding work that provides sufficient income to help ensure their food security. Unemployed and underemployed young people are a wasted resource in the search for sustainable development and a potential store of resentment and frustration that can lead to deeper social-, economic- and political marginalisation, engagement in illicit activities, conflict and migration.

WFP works in communities with high NEET rates among young women and men: they are food-insecure due to being displaced by conflict or disasters, marginalised because of their low access to education and other resources and vulnerable because of factors contributing to their structural exclusion from job markets, due to such factors as gender, ethnicity or disability. While WFP's mandate is not specifically around creating jobs, it has a long history of implicitly supporting youth employment and entrepreneurship using a range of modalities. That being said, this on its own is not enough: the youth employment crisis poses a significant risk to achieving the Sustainable Development Goal of zero hunger (SDG 2), a key aim for WFP. If WFP is to significantly advance its own efforts to reduce poverty and food insecurity, it will need a more deliberate, focused approach to addressing youth employment.

The analysis in this report suggests four ways WFP can begin to mainstream support for youth employment within its work: first, internally within existing activities and operations but then more purposefully and proactively within the wider plans and programmes of governments and their partners.

The first is to strengthen the institutional narrative around young people as confident, creative agents of change within their own communities, people who fully understand the problems they face and have a vested interest in identifying and implementing solutions. Doing this in a gender- and conflict-sensitive way will help build young people's agency within any structural barriers they may face in the home and job market. This means

explicitly recognising the relationship between WFP's Changing Lives agenda and youth employment, outlining this in an organisational strategy for addressing youth employment that addresses the intersectional barriers young women and men face and how best WFP can use its programming to improve their employment prospects:

- Providing ongoing support for efforts by governments and partners to encourage adolescents to remain in school to receive the full benefit of their education.
- Maintaining a focus on gender norms, as a long-term approach to changing the narrative about what it means to be a young person.
- Taking this holistic approach in supporting young people through to FFT-supported vocational training and working with youth groups, complementing technical training with soft and critical thinking skills that build young people's confidence.
- Modelling the inclusion of young people in WFP's own operational and governance structures, by:
- Developing a team of young people based in WFP headquarters. This team would bring the voices of young people to the fore in programme design, monitoring and evaluation while helping anticipate how youth employment issues will evolve with urbanisation and other global and local changes.
- Creating an advisory board of young people to contribute to the organisation's policy direction, helping mainstream youth employment and inclusion of concerns by ensuring that decisions made on behalf of young people also involve young representatives.

Building on this sharpened institutional narrative around young people's capacities, WFP could **conduct more systematic assessments of employment prospects for young, food-insecure young people in food systems, value chains and broader labour markets**. This will help target human capital development towards local labour markets and potential entrepreneurial opportunities within innovation, food and wider business ecosystems:

- Engaging in national debates about youth employment to ensure the voices of food-insecure young people are represented and to understand how macroeconomic initiatives could target them better.
- Working with governments, partner organisations and specialist analysts to conduct gender-sensitive labour market assessments, including in ongoing value chain analyses. Young men and women in WFP-supported

youth groups or refugee camps could take part in local diagnoses to strengthen their agency within their communities.

- Linking labour market assessments and human capital development to WFP's wider social protection and labour market programming. Youth employment is a cross-cutting issue for WFP and it will require organisational effort to ensure this developing understanding is well coordinated internally.
- Ensuring that the results of VCAs and labour market assessments feed directly into the design and targeting of training programmes, to prepare young women and men for likely future job opportunities. As the digital economy expands into rural areas, training in financial and digital literacy and online safety will become increasingly important, not just as skills that improve employability but as skills that will help young people manage their family finances more effectively and stay safe online.

Clarifying the operational implications for WFP with a focus on youth employment. Specific observations about operational programming are highlighted in this report and the accompanying country case studies. Nevertheless, with dedicated support within headquarters and at country level, WFP could develop a consistent and systematic focus, embedding work to improve youth employment outcomes across WFP's activities:

• Recognising that WFP is not starting from scratch and where programmes and country offices have experience that could be brought together systematically. This means creating an evidence base to underpin the design of interventions with youth employment outcomes, structured so that it can be aggregated across programmes and between countries. It will need to be compatible with national labour market information systems and capture the medium-term effects of WFP programming on youth employment. The team of young people proposed above could coordinate this effort.

- Making better use of WFP's ability to connect the 'last mile' in food value chains to develop operational programmes that support the development of the physical, digital and financial infrastructure that underpins young people's search for decent work. This would enhance local opportunities for job creation, particularly in rural areas, while strengthening important rural-urban links that contribute to broadbased economic growth.
- Contributing to decentralising innovation capability in partner countries, strengthening innovation capacity at subnational levels and identifying opportunities to link young rural and urban innovators to build value chains. This decentralisation will need to be set within a detailed understanding of the potential for WFP-supported innovation programmes to disrupt local power structures in the business ecosystem, particularly where regulatory environments are weak.

Developing and strengthening institutional partnerships with a focus on youth employment for the food-insecure. WFP already partners with national and subnational governments, bilateral development partners, other UN organisations, international financial institutions, global philanthropists, civil society and the private sector – many of whom have longstanding programmes around youth employment. It can build on these programmes to set its own work within locally-appropriate strategies and develop a reputation as a trusted adviser on issues affecting young people:

- Understanding the full breadth of national and international debates about youth employment, engaging with non-traditional partners and developing a clear sense of where and how it can best add value by complementing existing work and analyses.
- Engaging in high-level debates around the SDG 8.6.1, bringing evidence about the relationship between youth employment and food insecurity to these discussions and ensuring that the voices of all young people who are vulnerable and food-insecure are not overlooked in the global effort to find them decent work.

Acronyms

CBT Cash-Based Transfers
EMPACT Empowerment in Action

FAO Food and Agriculture Organisation

FFA Food Assistance for Assets
FFT Food Assistance for Training

Fintech Financial technologies (digitally enabled)

FtMA Farm to Market Alliance

HMIC High and Upper-Middle Income Countries

IFIInternational Financial InstitutionILOInternational Labour OrganisationLLMICLow- and Low-Middle Income Countries

NGO Non-Government Organisation
SDG Sustainable Development Goal

STEMScience, Technology, Engineering and MathematicsTVETTechnical and Vocational Education and Training

Not in Employment, Education or Training

UN United Nations

NEET

UNDP United Nations Development Programme

UNESCO United Nations Education, Scientific and Cultural Organisation

VCA Value Chain Assessment
WFP World Food Programme

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