

# ▶ Getting Africa's youth working. Taking a systems approach to create more & better jobs for young people in sub-Saharan Africa

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Research brief  
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## ▶ Introduction

### The Future is Young and African

Across the world today, there are an estimated 1.2 billion youth aged 15-24 – accounting for one out of every six people globally<sup>1</sup>. This is of particular relevance to Africa, the youngest and fastest-growing continent in the world. At present, 800 million people on the continent are under 25, representing 60% of its total population. **By 2100,**

<sup>1</sup> UN DESA (2019)

**almost half of the world's youth will be African<sup>2</sup>.** These youth will be entering the labour market in growing numbers and putting intense pressure on systems that are already struggling to keep up. So what can be done to defuse Africa's ticking demographic 'bomb' and turn it into an asset?

<sup>2</sup> Ibid.

The development community is already dedicating significant resources to effectively integrating African youth into labour markets. The impact of this support needs to be both sustainable and keep pace with the rapidly growing youth population. One approach that has demonstrated sustainable positive impact on labour market outcomes at scale is the **market systems approach**. However, questions remain over how effectively the approach can address the challenges of youth as a specific demographic within labour markets in the **sub-Saharan African context**.

This research brief looks at characteristics of youth labour markets in sub-Saharan Africa (SSA) and draws on lessons from programmes that use a **market systems approach** to make these markets work better for young people. The brief provides a synthesis of key findings for those looking to take a systemic approach to working with youth and labour markets in SSA or those more broadly engaged with the challenge of decent work for young people. It draws on learnings from six market systems programmes (detailed below). In doing so, it builds on existing research and compares multiple projects across countries and continents to help development practitioners understand how they can more effectively use a market systems approach to create more and better jobs for Africa's youth.

### Box 1. What is the market systems approach?

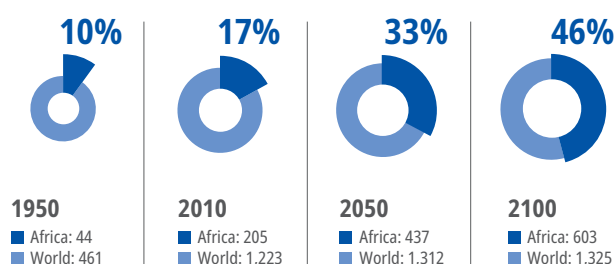
A market system is made up of many '*supporting functions*' and '*rules*' around core supply/demand transactions, which shape how well a market works for women and men. A market systems approach seeks to identify and remove constraints that inhibit the growth of more inclusive markets. The goal of such projects is impact that is both **scalable** – able to be replicated by actors beyond those the project works directly with; and **sustainable** – aligned to people's incentives sufficiently that they continue to adopt new practices and behaviours without the ongoing involvement of the project.

Rather than the 'direct delivery' of key market functions (e.g. building and administering skills training centres), projects usually **partner** with a small number of actors to first **test** out new ways of working (e.g. proving a **viable business case** to private sector skills providers), and, if successful, look to scale these up by getting others to **replicate the innovation**.

For more information, see the Lab's policy brief: [A Systemic Approach to Creating More and Better Jobs](#)

### By 2100, almost half of the world's youth will be African

SHARE OF THE WORLD'S YOUTH (%) 1950-2100



YOUTH POPULATION (MILLIONS)

Source: Africa Ahead: The Next 50 Years, 2013 Ibrahim Forum Facts & Figures

Youth population refers to the population aged between 15 and 24.

Source: UNDESA, 2012



## Infographic map of programmes researched

1

**Programme:** MARKETMAKERS  
**Country:** Bosnia & Herzegovina  
**Donor:** SDC  
**Primary Implementer:** Helvetas  
**Sectors:** ICT, Tourism, BPO  
**Interventions:** Skills development, Job matching, Job creation in private sector  
**Location:** Urban, Rural

2

**Programme:** RISI  
**Country:** Albania  
**Donor:** SDC  
**Primary Implementer:** Helvetas  
**Sectors:** Agribusiness, Tourism, ICT  
**Interventions:** Job creation in private sector, Job intermediation, Non-formal training  
**Location:** Urban, Rural

3

**Programme:** LIWAY  
**Country:** Ethiopia  
**Donor:** SIDA  
**Primary Implementer:** SNV  
**Sectors:** Childcare services  
**Interventions:** Performance of business firms, Performance of support service providers, Responsiveness of enabling environment  
**Location:** Urban

4

**Programme:** EYE  
**Country:** Kosovo  
**Donor:** SDC  
**Primary Implementer:** Helvetas  
**Sectors:** ICT, BPO  
**Interventions:** Skills development, Job matching, Job creation in private sector  
**Location:** Urban

5

**Programme:** DAR URBAN JOBS  
**Country:** Tanzania  
**Donor:** DFID  
**Primary Implementer:** IPE TripleLine  
**Sectors:** Childcare services, Waste management, Manufacturing  
**Interventions:** Skills development, Job creation  
**Location:** Urban

6

**Programme:** KUZA  
**Country:** Kenya  
**Donor:** DFID  
**Primary Implementer:** Adam Smith Int'l  
**Sectors:** Manufacturing, Waste management, Micro-retail, Investment promotion  
**Interventions:** Skills, Development, Job Creation, Job matching, Investment policy support  
**Location:** Urban



## Box 2. What do we mean by a labour market system?

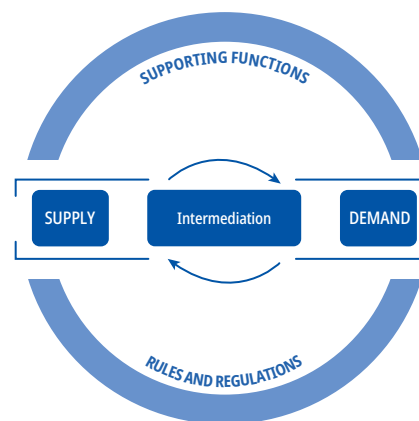
Understanding the labour market through the lens of the market systems approach means taking a holistic view of the entire labour market system.

This can be understood as a system made up of five key dimensions:

1. **Supply** – the provision of appropriately skilled workers, with key actors including education and skills service providers such as schools, universities, and public and private TVETs.
2. **Demand** – the need for such workers in different markets, often from key market players in the private sector.
3. **Intermediation** – linking readily available workers to opportunities, which tends to involve public employment services, private recruitment agencies and other job-matching service providers.
4. **Other supporting functions** – aspects beyond the core supply/demand of the labour market, but which have an effect on it, such as social and physical infrastructure or access to finance.
5. **Rules and regulations** – policies and regulations, representation and social norms related to the labour market.

Typically, market systems projects work mostly on the **demand** side, seeking to develop markets and make them work better for the target group by **partnering** with existing market actors to stimulate demand within certain sectors. On the other hand, traditional labour market programmes are largely **supply-driven** – often using **direct delivery** (e.g. free/subsidised skills training) rather than facilitation or working with existing actors within the system.

An effective approach to labour market interventions should tackle the problem **holistically**, combining supply-side and demand-side interventions with the additional dimensions outlined above. In this case, it can be helpful to treat each dimension as a separate system in its own right: analysing it to determine underlying constraints to better performance and identify key partners to work with.



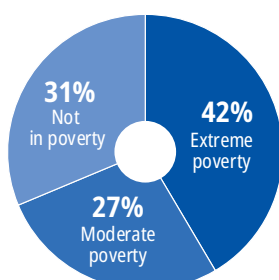
## ► Context

### Youth and Labour Markets in Sub-Saharan Africa

Before exploring how a systems approach can improve the position of SSA's youth in labour markets, some contextual grounding on their common characteristics and challenges is required:

- **Youth are more likely to be underemployed than unemployed:** The unemployment rate for low-income countries in SSA is low. This is because employment is a necessity in the absence of adequate social safety nets. Estimates suggest youth unemployment in SSA sits at 8.7%.<sup>3</sup> Rather than just creating jobs in this context, increasing the security and quality of jobs becomes imperative.

Extreme and moderate working poverty among young workers in SSA



- **They are trapped in working poverty:** SSA has the highest youth working poverty rates in the world at almost 70% of employed youth. What is more, 60% of these working poor – 38.6 million young people – are classified as working in extreme poverty: earning less than US \$1.90 per day<sup>4</sup>.
- **Overwhelming numbers are employed informally:** More than 95% of employed African youth are in informal employment, which is typically characterised by high precarity and low productivity. The figure also reflects the large share of young workers particularly young women – engaged in domestic services and contributing family work<sup>5</sup>.
- **Their life path is strongly governed by their school to work transition:** This transition into the labour market is a pivotal moment setting young people on a path to productive and decent employment or confining them to a lifetime of precarious low-wage, low-productivity jobs, in which the latter is often the case for youth in the region. The average time for transition to a job is longest for young women living in rural areas<sup>6</sup>.
- **They work mostly in agriculture, but increasingly in construction and manufacturing:** More than half of employed Africans work in agriculture. Although

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> ILO (2018)

<sup>3</sup> ILO (2020)

this sector's share of employment has been falling, the relative decline of young workers is small. The fastest growing sectors for youth employment are construction and manufacturing, though clearly agriculture will continue to play a significant role<sup>7</sup>.

- ▶ **Graduate numbers are rising, but also migrating from SSA to find employment:** Sub-Saharan Africa has the highest rate of outbound student mobility of any region, leading to the 'brain-drain' of skills needed to create more productive economies<sup>8</sup>.
- ▶ **Young women are disproportionately excluded from labour markets:** Six out of every ten young Africans not in education, employment or training are women<sup>9</sup>. Women have to navigate additional responsibilities that limit their time, mobility and agency. Nearly 80% have married and given birth by age 25<sup>10</sup>. Childcare and other unpaid care work significantly constrains their labour market choices, while additional gender-based constraints faced by young women can include inadequate access to land ownership rights and financial services.

## ▶ Lessons from delivery

Given the significant challenges facing young Africans entering the labour market – especially so for young women – it is important to understand how practitioners can do better and take the opportunities that might exist to create more and better jobs for Africa's youth. To this effect, we profiled six programmes that use a market systems approach to improving labour market outcomes for youth, in a variety of sectors from both SSA and around the world, to see what can be learned to help donors and practitioners design and implement programmes better. From the research conducted, six key learnings emerged relating to the **design** and **implementation** of youth-oriented programmes.

### PROGRAMME DESIGN

#### Keys learnings:

1. Rethink sector selection
2. Consider an urban setting for faster scale and innovation

## 1. Rethink sector selection

*Sectors that present good opportunities for youth may differ from those chosen for other market systems programmes. Programmes should be willing to work in experimental markets, potentially with a limited evidence base, and adapt selection criteria to focus specifically on opportunities for youth.*

A number of the programmes applied [sector selection criteria](#) specifically adapted for youth. Some programmes identified potential sectors based on the number of



young people – and particularly young women – working in the sector. Others went further and also looked at potential for *future* youth employment rather than only where youth were presently occupied.

RISI Albania, EYE Kosovo and Market Makers all started working in the **information and communication technology (ICT) sector**, based in part on its potential to be a large future employer of young people. According to Helvetas, the primary implementing partner across this portfolio of development projects, they were the only ones working in the ICT sector when these projects started. The sector choice was somewhat unconventional, which can sometimes lead to challenges in convincing one's donor to enter a 'new' sector. Fast forward to today, however, and the ICT sector has grown considerably across the Balkans and has become a common sector for development projects to work on in the region.

Similarly, Dar Urban Jobs and LIWAY in Addis Ababa planned to work in the **childcare services sector**. They saw successful business models in comparable settings that could be replicated, and the potential 'win-win' impact of creating skilled jobs for young women on the one hand whilst enabling other young women, who would otherwise be burdened with care responsibilities, to go out to work. Whilst the sector per se would never be a leading growth industry in Tanzania or Ethiopia, the rationale specifically within the youth labour market was compelling. Despite being relatively nascent in sub-Saharan Africa, the childcare services sector slowly seems to be attracting more interest from donors as a space to promote positive labour market outcomes for young women (see ILO Lab brief on Childcare and MSD, forthcoming).

Finally, some programmes departed from the traditional idea of selecting sectors altogether, instead identifying key **cross-cutting issues** affecting labour markets which, if addressed, could have a significant positive impact on youth across multiple industries. Examples from the projects researched include working on the **skills market** to address challenges with labour supply, and with **intermediation** to address the mismatch between labour supply and labour demand.

<sup>7</sup> ILO (2017)

<sup>8</sup> British Council (2014)

<sup>9</sup> ILO (2020)

<sup>10</sup> Fox et al. (2016)



## CASE STUDY

### 'Unconventional' Sectors for Youth Employment – Dar Urban Jobs, Tanzania

In Dar es Salaam, the unemployment rate was double the national average, with youth unemployment at over 25%. For the Dar Urban Jobs programme, this suggested that they would do best serving the relatively high economic growth potential of the city by focusing on two labour-intensive sectors addressing critical urban services: **solid waste management** and **childcare services**.

As the donor's first urban market systems programme, the chosen sectors were both relatively new areas to work in – which raised some concerns from the donor. Ultimately, the project did not continue working in **childcare services** beyond the inception phase because of a limited evidence base for the sector within existing market systems programmes, and concerns over early childhood development and safeguarding risks. This was disappointing for the team given the sector's strong potential to have a dual impact on young female employment: employing women as paid carers while enabling other women to go out to work. In this instance, an alternative option could have been to begin piloting the intervention while monitoring and assessing progress against a set of relevant indicators – including those related to the concerns raised.

For the solid **waste management** sector, concerns were raised that jobs would not be 'decent' given that workers would be exposed to a dirty work environment and potentially handle hazardous waste. However, the research conducted by the programme suggested that this was a good entry point for young, unskilled migrants and would offer them higher pay than the alternatives available to them.

A month-long micro-pilot on mobile waste transfer stations demonstrated both the business model viability for waste transporters and the income potential for informal solid waste collectors – two strong indicators of long-term sustainability. In a very short time span, several other waste transporters entered the market: scaling up the intervention from one sub-ward to six full wards, covering 57,000 households and creating approximately 140 jobs. These **replication effects** were due to **large market demand** within a growing city and the fact that, given Dar's high **population density**, waste collection activities were **visible** to many potential customers.

Meanwhile, the average daily **income** of informal waste collectors increased by over 200%, moving them from below the poverty line to comfortably above it at \$5.30 by the end of the micro-pilot. It generated not only better income but also **social status** through providing a valuable service to the community – an important motivator for the young collectors, who were also attracted to waste management as it doesn't suffer from **seasonality** in the way that agribusiness and tourism often do.

## 2. Consider an urban setting for faster scale and innovation

*Urban projects often present more opportunities for readily scalable initiatives than those in rural settings, but both are needed to address the present reality of where youth are located and employed in SSA.*

Urbanisation among Africa's youth can be understood through push and pull factors. Youth may feel pushed away from rural areas due to their limited opportunities in the village setting and corresponding lack of dynamic sectors – often only linked to agriculture and agro-industries. On the other hand, they may be pulled towards urban areas with greater employment opportunities in large and diverse markets, which might also tie into their aspirations for a better quality of life.



As SSA's youth are increasingly drawn to metropolises, it makes sense to situate youth labour market development programmes in these rapidly urbanizing cities. Alongside the **ready concentration of youth labour**, densely populated urban settings present opportunities for trialling business models that exploit **agglomeration potential**. Three youth programmes in SSA city contexts – Urban Jobs in Dar es Salaam, Kuza in Mombasa and LIWAY in Addis Ababa – all noted that these urban contexts allowed pilots to be rapidly replicated (see above case study). Conversely, these urban markets were far more **complex** than rural ones and it took teams considerably more time to understand their dynamics and structure. The mapping of system actors was far more extensive and the selection of partners more sensitive, given the range of possible options. Overall, the research suggests that whilst the analysis might be more complex, technically challenging and time consuming, the potential payoffs are greater: it is easier to identify appropriate partners, and the replication effects are faster in urban market systems.

Whilst urban programmes may give ready access to large numbers of youth and dynamic markets to plug them into, it is worth re-emphasizing the significant proportion of youth who remain in rural areas and rely largely on **agricultural markets** for their livelihood. This is particularly the case for **young women**, given that greater rural-to-urban migration of young men leaves a void in rural labour supply that women can fill. To do so, programmes may need to overcome traditional social norms around gender roles that inhibit young women from working in certain jobs or even working at all given their significant unpaid care and domestic responsibilities.

Another opportunity for programmes may be to work in **secondary cities** or **peri-urban areas**, where many youth are still present but fewer development actors are potentially distorting labour market systems.

## IMPLEMENTATION

### Keys learnings:

3. Account for youth aspirations
4. Recognise youth incentives and opportunity cost
5. Understand the risk profile of youth within the sector
6. Work through partners with youth outreach

## 3. Account for youth aspirations

*Interventions should be constantly iterated throughout the lifecycle of a programme as youth perceptions and aspirations become better understood over time. However, these perspectives must be balanced against contextual realities. More sophisticated interventions may look to influence youth aspirations as they are seeded, addressing the expectation/reality gap.*

Youth aspirations in this context can refer to **where young people want to work** – i.e. urban vs. rural, sector/industry, type of role – and **what they value in the workplace** – such as independence, camaraderie, management decision power or the opportunity to develop skills. According to all of the programmes researched, having the voice of young people included from the earliest stages of programme planning is crucial to understanding these aspirations. To do this, it is necessary to establish and maintain strong links with youth groups, where relevant, and understand which channels of engagement will be most effective.

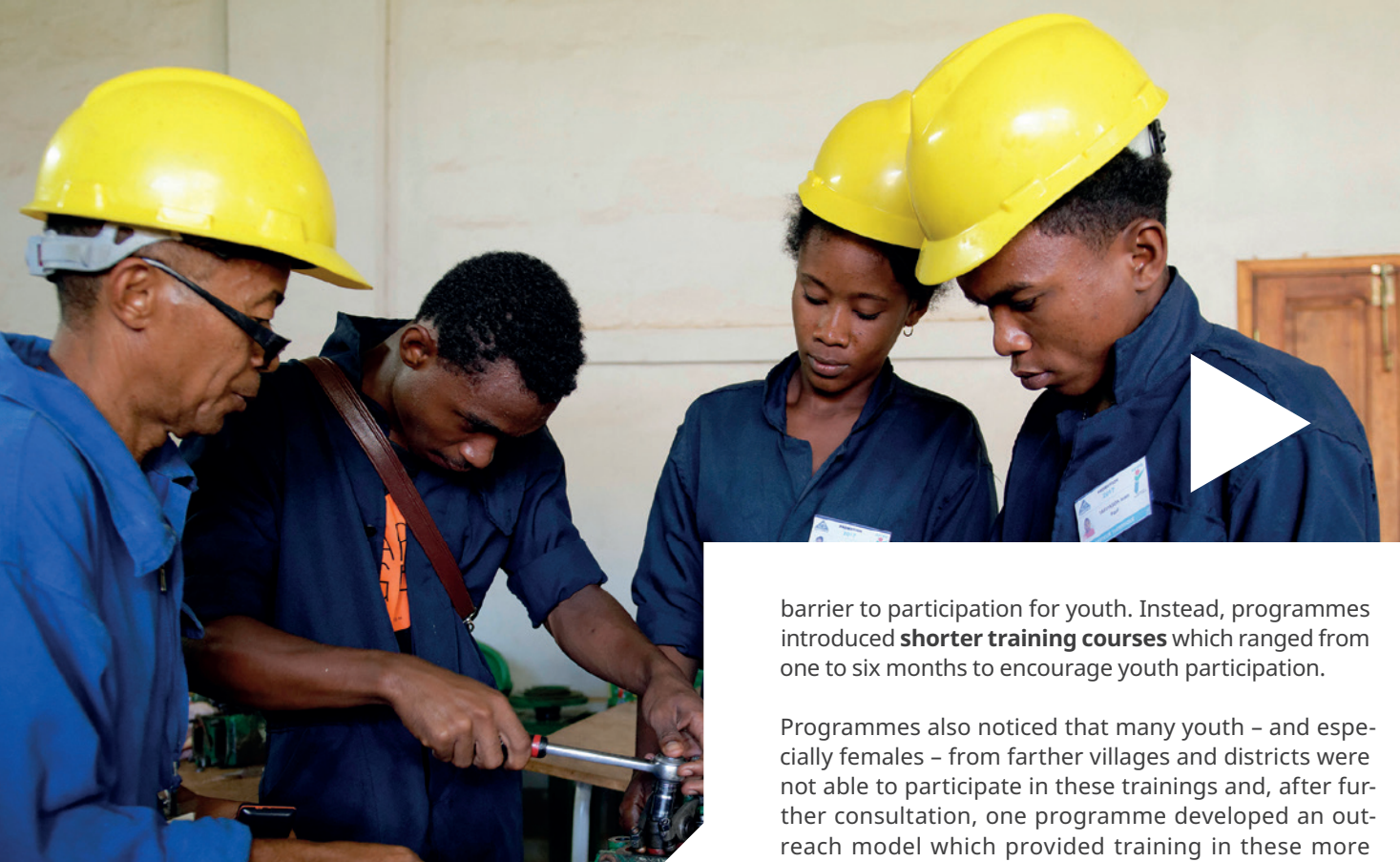
For example, after taking into account youth aspirations and involving youth leaders in intervention design, Kuza worked through youth groups in the waste management sector. The nature of this work aligned to youth aspirations: they did not like the hierarchical management culture of traditional enterprises, with their strict inflexibility and long, fixed hours. By working in **entrepreneurial** youth groups, these young people each had an equal footing within the company and participated in leadership decisions, which allowed them to feel both more **autonomous** in their work and **part of a wider team/community**.

Factors such as having a say in management decisions, on-going skills development opportunities, free lunches, childcare and transportation can be easily overlooked, but can be highly impactful on the **attraction** and **retention** of youth when done right – as experienced by Kuza. Young people are also, understandably, attracted to careers in sectors perceived as lucrative, entrepreneurial, and with the opportunity to acquire new skills.

Whilst understanding youth aspirations is important, it is also important to balance these against the **realities of the job market** – as a mismatch between these two can be a cause of youth unemployment. Programmes can help align them: in the Balkans, a number of successful interventions targeted the factors that influenced aspirations, for instance **career coaching** in schools and **media**







that informed youth perceptions of what the job market looks like. Kuza reflected that **government** can also be a powerful agent in changing labour market choices, citing a rapid spike in quail farming after success stories were circulated by the government and picked up by newspapers and social media. This illustrates that multiple avenues can be used to address a mismatch between perceptions and the reality of the job market.

#### 4. Recognise youth incentives and opportunity cost

*The incentives and opportunity cost of youth may differ from non-youth – often linked to their valuation of time. Factoring these into interventions appears to increase the likelihood of interventions being successfully sustained over time.*

A recurring theme among programmes was the need to understand specific **payment incentives for youth**. Youth consultations by programmes in the agricultural sector, for example, identified that rural youth were unlikely to be interested in long-term crops which require many months to harvest. Instead, programme interventions in the sector were tailored to **short-term cash returns**, focusing on fast-growing fruits and vegetables with multiple growing cycles and cash crops with short maturity periods and ready markets, as well as exploring poultry farming and animal husbandry – which would deliver the rapid income generation that young farmers favoured.

Time also featured prominently as a critical resource for youth across programmes. For instance, the length of skills training interventions with vocational training institutes – one to two years on average – came up as a

barrier to participation for youth. Instead, programmes introduced **shorter training courses** which ranged from one to six months to encourage youth participation.

Programmes also noticed that many youth – and especially females – from farther villages and districts were not able to participate in these trainings and, after further consultation, one programme developed an outreach model which provided training in these more remote areas for those youth not able to travel. Beyond **location**, the team also considered **opportunity cost**: understanding what time of the day the training would be most well attended by young people, and including the provision of **childcare** to remain inclusive for those – mostly young women – who would otherwise not be able to attend due to care responsibilities.

### CASE STUDY

#### Listening to the voice of young micro-distributors – Kuza, Mombasa

One of Kuza's most extensive interventions was working with a network of young micro-distributors within Mombasa's micro-retail sector, linking large suppliers and manufacturers to micro-retail outlets across the city. Through their active results measurement, the project learned what helped incentivise and retain young micro-retail staff, including:

- ▶ How **incentives** were perceived – for example **higher frequency payments** encouraged young workers to stay in jobs longer (e.g. daily/weekly pay in waste management vs. monthly in micro-retail).
- ▶ How much youth valued working in **peer networks** – young sales agents thrived amidst a flat management structure, collaborative decision-making and clear collective goals for the group. They felt less like an 'employee' and more like 'a partner in a growing enterprise'.
- ▶ The importance of **transparency** with payment – it was important that youth sales agents felt their commission was fair, and that the payment system was made clear to all workers.



## 5. Understand the perceived risk profile of youth within the sector

*Risk profiling can help improve the business model proposed to partners, encouraging them to engage more youth. In some cases, such as in agricultural sectors, youth can be seen as higher risk (or less experienced) while in others they may be relatively more attractive for employers – such as service sectors like ICT, business process outsourcing and tourism.*

Whilst youth in general tend to have less experience than their older peers, which can put them at a disadvantage, the reality is more nuanced. On one hand, their relatively weak starting position can be a hindrance. For example, youth are often seen as higher risk in **agricultural sectors** given their **limited experience** with farming and the fact that they are **less likely to own land or have savings to invest**. This perception by market actors of youth as high-risk can represent a root cause of the limited opportunities youth may find in certain labour markets.

On the other hand, youth are generally more conversant with **technology** – which can be valuable in itself, enable the development of other skills such as foreign **languages**, and stimulate **innovation**. For sectors that value these qualities, such as **service sectors** like ICT, business process outsourcing and tourism, engaging youth may instead be seen as lower risk compared to their non-youth peers.

Understanding the perceived risk profile of youth within a sector is important for determining the **business model** to propose to partners. In sectors where youth may be more attractive, this could entail making the '**business case**' to market actors about the relative merits of hiring youth and analysing the reasons why companies are not already hiring more of them. Conversely, in sectors where youth are less attractive to market actors, more **proactive measures** may be required to encourage the latter to engage more youth.

## 6. Work through partners and channels with proven youth outreach

*Local partners can make or break an intervention. It is important to work with those who have good youth outreach and can leverage strong peer-to-peer networks among youth to help sustain and scale up interventions.*

When targeting youth, it is important to work through partners who are able to reach them effectively.

Choosing these partners correctly can have a large impact on mobilising youth and allow interventions to sustain themselves beyond the life of the programme. An obvious choice here is working with **local youth groups** and other relevant **community-based organisations**.

Both Kuza and Dar Urban Jobs established interventions facilitating **youth groups** to provide waste management collection services for their municipalities (see below case study). They noticed the potential of a close concentration of youth already self-organised into groups and the high level of demand for waste collection services from expanding urban populations unable to access government provision.

However, engaging with youth groups might not always be the solution. In cases where local youth groups were perceived to be highly political, and therefore not inclusive, public awareness campaigns through **religious establishments** such as churches and mosques as well as through **local government** offices were found to be more effective.

Another partner with potentially high youth outreach is **local media**. One innovative partnership from the RISI Albania portfolio entails working with mass media companies to **develop content on labour market information for youth**. Media partners see an interest in producing and disseminating this information as a profitable business model through increased audience numbers and **advertisement revenue**, while youth benefit from this information as media has wide outreach (including in rural areas) and is attractive for youth (see case study below).

From an operational perspective, working through partners with good youth outreach requires being **flexible** and **open to new opportunities** as they arise. In this regard, Kosovo EYE set aside around 10% of its programme budget for an 'Opportunity Fund' to finance promising initiatives with new partners. This gave the team the ability to adapt as the dynamics within the market system shifted and invest in big, new ideas – as long as there was co-investment from the partner. Similar funds could be set aside in the SSA context to act as a sort of venture capital, with the dual ambition of social and monetary returns (for the project and partner, respectively).

### CASE STUDY

#### Working with Youth-Led Organisations to Reach Scale – Kuza, Mombasa

Kuza's waste management sector interventions moved at the fastest pace across their portfolio and achieved the most scale. The team found that working with **youth-led organisations** allowed their initial progress to really take off by **testing different business models** with them.

Their pre-existence meant that when a business model worked, the youth groups were able to run it with little input needed from the project team beyond minor technical assistance and guidance. Being in an urban environment meant that people were **densely networked** and **information spread rapidly**. The programme did not even need to push out messages regarding the successful business models to encourage replication.

Instead, the waste management youth groups formed their own **industry association** and started **promoting** their services and **recruiting** amongst their peers and wider networks. They even assisted other areas to form their own associations. Ultimately, there ended up being little needed from the programme for this intervention: working through youth-led organisations with wide outreach allowed them to test what a successful business model could look like, reach greater **scale** with this model and increase the likelihood of long-term **sustainability** through replication effects.

## CASE STUDY

### Cross-Cutting Labour Market Interventions Through Media Outlets – RISI Albania

RISI worked with the independent **commercial mass media** sector in Albania to develop products focused on **employment information**. They supported selected media houses to develop pilot programmes for radio, television, print and online, providing cost-sharing, technical support on content development and access to audience response data.

These interventions have been some of RISI's most successful. Other media companies have since **adopted** similar content independent of the project: the strong youth engagement demonstrating the commercial viability of the business model. As the intervention scales, RISI plans to continue supporting innovative solutions to raise awareness for both media and young people on **policy making on youth employment issues**.

These cross-cutting media interventions that strengthen labour market information and influence labour market policies for youth could be **replicated** by programmes in SSA keen to influence youth perceptions and address unrealistic expectations that steer them towards poor training and employment choices.

## ► Summary of Key Findings

### Programme Design

#### 1. Rethink sector selection

Sectors that present good opportunities for youth may differ from those chosen for other market systems programmes. Programmes should be willing to work in experimental markets with potentially limited evidence base (e.g. ICT, solid waste management, childcare services) – as well as within other aspects of the labour market system – and adapt selection criteria to focus specifically on opportunities for youth.

#### 2. Consider an urban setting for faster scale and innovation

Urban projects present more opportunities for readily scalable initiatives than rural ones, though both are needed to address the present reality of where youth are located and employed in SSA.

### Implementation

#### 3. Account for youth aspirations

Plans should be constantly iterated throughout the lifecycle of a programme as youth perceptions and aspirations become better understood over time. These perspectives must be balanced against contextual realities. More sophisticated interventions may look to influence youth aspirations as they are seeded, addressing the expectation/reality gap.

#### 4. Recognise youth incentives and opportunity cost

The incentives and opportunity cost of youth may differ from non-youth – often linked to their valuation of time.





Factoring these into interventions appear to increase the likelihood of interventions being successfully sustained over time.

#### 5. Understand the perceived risk profile of youth within the sector(s) chosen

Risk profiling can help improve the business model proposed to partners, encouraging them to engage more youth. In some cases, such as in agricultural sectors, youth can be seen as higher risk (or less experienced) while in others they may be relatively more attractive for employers – such as service sectors like ICT, business process outsourcing and tourism.

#### 6. Work through partners and channels with youth outreach

Local partners can make or break an intervention. It is important to work with those who have good youth outreach and can leverage strong peer-to-peer networks among youth to help sustain and scale-up interventions.

## Conclusion

### Achieving Scale and Sustainability

A market systems approach to youth in labour markets should, in theory, bring scalable and sustainable positive change. Whilst there have been examples of helping to create more and better jobs for young Africans through market systems development programmes, **the promise of sustainability and scale has yet to be realised in the sub-Saharan African context.**

This may be partly due to the fact that there are few well-established market systems programmes in Africa focusing explicitly on labour markets. As such, the **evidence base is thin** – which also makes it difficult for programmes to learn from one another.

In addition, SSA programmes have tended to work in economic sectors that were unlikely to be wider drivers of economic growth – unlike in the Balkans where projects supported growth industries and were therefore able to ride the wave of wider economic transformation. This could reflect the difficult **trade-off between immediate poverty alleviation and longer-term structural transformation.** Given the relatively poorer youth demographic in SSA, it seems that the focus of donors and programmes is still largely on fillings gaps in the labour market today rather than moving youth towards the growth industries of tomorrow.

The **maturity** of the programmes in SSA (year 1-3 of implementation) was also much lower than the Balkan portfolio of programmes: all of which were in their second phase of implementation, with at least 7 years of learning to be able to sustain initiatives beyond the continued intervention of the programme. In this case, a **longer time frame** is likely to be needed for SSA programmes to generate long-term sustainable positive change.

In the meantime, however, projects might look to **adapt** their approach by including elements of **direct** interventions to deliver ‘quick wins’. These ‘**quick wins**’ could then



provide the space and time for the ‘**slow burns**’ of wider systems change interventions, while building credibility and social capital with partners, governments and donors.

Encouragingly, whilst there is no comprehensive evidence of programmes influencing systems change in SSA labour markets, there are instances where the market has shown signs of successful **adoption** and rapid **replication** of programme interventions. These include the adoption of waste collection business models by Kuza and Dar Urban Jobs, and Kuza’s investment promotion unit – an idea adopted by the government of Mombasa and still active today.

The challenge of getting Africa’s youth working is one of huge scale and complexity; there are no silver bullets. The lessons from this research brief reinforce that taking a systemic approach to youth labour markets is challenging and iterative, but if applied with opportunism, adaptiveness and proper youth participation, could significantly contribute to improving the working lives of young Africans.

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The Lab is a Swiss SECO-funded ILO project innovating ways to use a market systems approach to improve decent work outcomes. For more information on market systems development for decent work, visit the Lab's website or consult this short brief. Follow the Lab on Twitter at [@ILOTheLab](https://twitter.com/ILOTheLab).

If you have any feedback or follow-up questions, don't hesitate to get in touch at: [thelab@ilo.org](mailto:thelab@ilo.org)



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