

# Mobilizing Support for the Call for Action on the Youth Employment Crisis

## Contents

|    | Pa   | ge  |
|----|--|-----|
| 1. | Introduction   | . 3 |
| 2. | Ten facts on the youth employment crisis                   | . 5 |
| 3. | The 2012 Call for Action: A global framework               | 9   |
| 4. | The Office follow-up strategy                              | 12  |
| 5. | Highlights of the proposed technical cooperation portfolio | 17  |
|    | 5.1 Global proposals                                       | 17  |
|    | 5.2 Regional, sub-regional and country-level proposals     | 17  |

"Youth unemployment is the sharpest edge of the global labour crisis... But it is a challenge we must meet head on... In these times of crisis, governments are obviously concerned about the additional spending, but they should bear in mind the far higher cost that would come from young unemployed people permanently losing touch with the labour market".

Guy Ryder, ILO Director-General

#### 1. Introduction

The International Labour Conference (ILC) adopted on 14 June 2012 the Resolution "The youth employment crisis: A call for action" with accompanying conclusions which supplement the Resolution and conclusions concerning youth employment that were adopted by the ILC in 2005. The Call for Action underlines the urgency for immediate and targeted interventions to tackle the unprecedented youth employment crisis that is affecting most countries across all regions. Section 2 of this paper summarizes the main facts that characterize the current youth employment crisis.

The Call for Action contains guiding principles and a comprehensive set of conclusions describing policy measures that can guide constituents in shaping national strategies and action on youth employment. It affirms that a multi-pronged and balanced approach which takes into consideration the diversity of country situations is the desired way to respond to the highest global priority of generating decent jobs for youth. This approach should foster proemployment growth and decent job creation through macroeconomic policies; education, training and skills; labour market policies; entrepreneurship and self-employment; and rights for young people. These five main policy areas are briefly described in Section 3.

The conclusions also highlight the role that the International Labour Office can play in providing global leadership and acting as a centre of excellence on youth employment, as well as in supporting action by governments, social partners and the multilateral system to address the youth employment crisis and promote decent work for youth at national, regional and global levels. Building on the existing 2005 action plan, the Office is requested to take account of the impact of the crisis – and the experience it has gained – to enhance its capacity in the five policy areas highlighted by the Resolution and to expand its action on knowledge development and dissemination; technical assistance; and partnerships and advocacy for decent work for youth. The Office follow-up strategy is presented in Section 4 of this paper.

In November 2012, the Governing Body endorsed the Follow-up Plan (see Appendix I) prepared by the Office to give effect to the provisions of the Resolution. This Plan includes the main components for ILO action over a seven-year period (2013-19). Concrete activities are proposed under the following headings: (i) promotion of the call for action; (ii) knowledge development and dissemination; (iii) technical assistance and capacity building at country

<sup>&</sup>lt;sup>11</sup> The full text of the 2012 Resolution "The youth employment crisis: A call for action" can be found on the ILO website at <a href="http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS\_185950/lang--en/index.htm">http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS\_185950/lang--en/index.htm</a>.

level; (iv) partnerships and advocacy; and (v) implementation arrangements and resource mobilization.<sup>2</sup>

One of the priorities of the Follow-up Plan is the mobilization of extra-budgetary resources to meet the increased requests for assistance and capacity building from ILO constituents in all the regions and to fully implement the cutting-edge research and tools highlighted in the Resolution. For this purpose, the Office has organized a meeting of ILO development partners to mobilize support for the Call for Action on the youth employment crisis. This meeting will take place in Geneva on 22 February 2013. The proposed technical cooperation portfolio is summarized in the last Section of this document, while a second document entitled "The Call for Action on the Youth Employment Crisis: Technical Cooperation Portfolio" describes the global, regional and national technical cooperation projects that are proposed to support the implementation of the Call for Action. These proposals were developed through an Office-wide collaboration that involved ILO staff at headquarters and in the Regional Offices, Decent Work Teams and Country Offices.

 $<sup>^2</sup>$  The document GB.316/INS/5/2 can be found on the ILO website at: www.ilo.org/youth http://www.ilo.org/wcmsp5/groups/public/---ed\_norm/--relconf/documents/meetingdocument/wcms\_191163.pdf

# 2. Ten facts on the youth employment crisis

The salient features of the youth employment crisis are summarized in the ten main facts that follow.<sup>3</sup>

## FACT 1. There are over 1.2 billion people in the world between 15 and 24 years of age

Globally the share of youth in the overall population is declining but continues to be high in many developing countries. It still makes up approximately one fifth of the total population in many developing regions, including the Middle East (20.5 per cent), Sub-Saharan Africa (20.3 per cent), North Africa (20.0 per cent), and South Asia (19.5 per cent). This means that almost one person in five is young (15-24 years of age). About 90 per cent of young people live in developing countries. Fifty-five per cent of them live in Asia. Between 2010 and 2015 the number of youth living in Sub-Saharan Africa is expected to increase by 19.4 million, followed by South Asia with an increase of 12.1 million. In Latin America and the Caribbean the youth population will continue growing until 2020 and in North Africa until 2035.

## FACT 2. Forty per cent of the world's unemployed are young people

There are currently about 74 million young people looking for a job around the world. The young population was hit hard by the recent economic crisis. The youth unemployment rate saw its largest annual increase on record between 2008 and 2011: it rose from 11.8 to 12.6 per cent, e.g. 4 million more young unemployed compared to 2007. With respect to regional trends, youth unemployment remains historically highest in the Middle East and North Africa, followed by the countries of the Commonwealth of Independent States (CIS) and of Eastern and Central Europe (non EU), where youth unemployment rates increased by 4.7 points during the crisis.

## FACT 3. On average, young people are nearly three times more likely to be unemployed than adults

In 2012, the average ratio of youth-to-adult unemployment rate was estimated at 2.7 globally. In the Middle East and North Africa the same ratio was four and 3.9 respectively, while it was 4.5 in the Pacific. Unemployment rates among young people in Egypt, Indonesia and Sri Lanka were more than five times those of adults.

<sup>&</sup>lt;sup>3</sup> If not otherwise cited, the data of this section are from ILO, *Global Employment Trends for Youth*, Geneva, May 2012

## FACT 4. Young women face more difficulties than young men

Despite decreasing gaps in male-to-female labour force participation rates and employment-to-population ratios, unemployment among young women remains higher than for young men. In the Middle East and North Africa, for instance, less than four out of ten young men were working in 2011, compared to less than two out of ten young women. Segregation in traditional "male" and "female" occupations results in young women being more disadvantaged than their male counterparts even when they work. For instance, young women generally earn lower wages than young men.

## FACT 5. More than 220 million young workers today are working poor

About 40 per cent of all young workers cannot escape poverty as they earn less than the equivalent of US\$2 a day. In the 52 countries for which data are available, youth accounted for 23.5 per cent of the total working poor, but only 18.6 per cent of non-poor workers. Young workers are also disproportionately represented in low-paid work (e.g. work that pays less than two-thirds of the median wage). For example, in Brazil over a third of young workers are in low-paid work compared to 18.5 per cent of adult workers. In the countries of the European Union and in the United States young women and men are between 2.5 and 5.8 times more likely to be in low-wage employment than the overall national average.

## FACT 6. Most young workers in developing countries are in the informal economy

Generally, young workers are more exposed to informality compared to their adult counterparts. In Latin American countries, the share of young workers in the informal economy is over 30 percentage points higher than that of adults. In Europe, the share of youth in the informal economy is about 17 per cent, compared to 7 per cent of prime-age workers, while estimates for Eastern Europe show that one-third of total youth employment is in the informal economy. In many countries of the African continent, the informal economy is the largest provider of jobs for youth. For instance, in the Democratic Republic of the Congo 96.2 per cent of young workers are informally employed; in Cameroon the percentage is 88.6.

### FACT 7. There is an increasing incidence of nonstandard jobs among youth

The deterioration in the quality of jobs available to young workers is also evidenced by the progressive expansion of involuntary part-time and temporary employment. For instance, in the European Union part-time employment among young people rose from 25.6 to 29 per cent during the period 2007-2010, with nearly a third of young part-time workers in involuntarily part-time work. In 2011, about 42.5 per cent of young workers in the European Union were working in temporary jobs: one-third of them because they could not find a stable job.<sup>4</sup>

<sup>&</sup>lt;sup>4</sup> EUROSTAT online database.

## FACT 8. The transition from school to work is becoming increasingly difficult

The deterioration of a number of indicators (youth unemployment rate over time; the incidence of long-term unemployment among young people; the proportion of young people neither in employment nor in education or training – NEETs) points to increasing difficulties in the young people's transition from school to work. In Indonesia, for instance, the average job search period of unemployed youth rose from 6.9 months in 2001 to 14.7 months in 2009. Over the same period the share of long-term unemployed Indonesian in total youth unemployment rose from 41.6 per cent to 62.1 per cent. In OECD countries the NEET rate climbed from 10.8 per cent in 2008 to 12.5 per cent in 2010. Unemployment among educated youth, and especially among graduates of tertiary educational institutions increased in many countries.

# FACT 9. Young people are more prone to unemployment, under-employment, informality and discouragement than other age groups

Available data shows that unemployment, underemployment and informality tends to fall with increasing age. In Costa Rica, for example, the unemployment rate of teenagers is three times that of young adults, while it is more than double in Peru. In 2010, the rate of informality among teenagers in Latin America was 82.4 per cent, compared to 56.5 per cent for young adults. Furthermore, the number of young people aged 15-17 engaged in hazardous jobs has substantially increased over the past few years, from 51 million young people in 2004 to 62.5 million in 2008. This is in contrast with the overall decrease in child labour. Generally, youth unemployment, underemployment and informality are higher among less educated youth: the exceptions are the Middle East and North Africa where unemployment affects more "educated" youth than those with lower schooling. National and ethnic origin is often a cause of poor labour market outcomes and decent work deficits. In Australia, for instance, young indigenous people are nearly four times more likely to be unemployed than non-indigenous youth. Similarly, the incidence of informal employment among young Roma and internally displaced persons in the Western Balkans is much higher than for other young people. Young persons with disabilities are less likely to attend school and to find employment compared to their peers. In United States, for instance, the employment rate of youth with disabilities is 15 percentage points lower than other young Americans. Similarly, the 5 million young people living with HIV are particularly vulnerable to unemployment, underemployment and poverty. Young people 15 to 24 years old represent today one third of all international migrants worldwide. This group has been particularly affected by the global crisis, with their unemployment level nearly doubling in 2009 compared to national workers in Ireland, Spain and the United Kingdom.

# FACT 10. Youth are increasingly discouraged. The number of 'youth neither in employment nor in education or training' is growing

Currently, some 35 per cent of all young unemployed have been out of work for six months or longer in advanced economies, up from 28.5 per cent in 2007. As a consequence, an increasing number of young people have become discouraged and left the labour market. Among European Union countries – where this problem is particularly severe – some 7.5 million youth are neither in employment nor in education or training, an increase of almost 2 percentage



# 3. The 2012 Call for Action: A global framework

The Call for Action and its accompanying conclusions provide a global framework for countries to shape national strategies and take context-specific and targeted action on youth employment.

This Resolution affirms that high rates of overall job creation are required to meet the employment needs of young people. It calls on policymakers to include employment creation as a major goal of economic policies, while addressing the specific employment problems faced by young people with targeted interventions with a view to improving both quantity and quality of jobs.

The conclusions provide guidance on how to pursue pro-employment growth and decent job creation through a multi-pronged and balanced approach that is based on the following five main policy areas: i) employment and economic policies to increase aggregate demand and improve access to finance; ii) education and training to ease the school-to-work transition; iii) labour market policies to target employment of disadvantaged youth; iv) entrepreneurship and self-employment to assist potential young entrepreneurs; and v) labour rights that are based on international labour standards to ensure that young people receive equal treatment and are afforded rights at work.

## i) Stimulate demand and create jobs through pro-employment macroeconomic policies

The basic condition for creating jobs is to stimulate demand through pro-employment macroeconomic policies. Countries should consider options that aim to support stronger aggregate demand, increase productive investments and access to finance. These options can have a positive impact on young people's employment prospects.

Higher investment in industrial and sectoral policies that ease structural transformation and contribute to an environmentally sustainable economy, may improve the capacity of the private sector to create more and better jobs for young people. An enabling regulatory framework that supports private sector development and promotes the transition to formal employment can reduce the job quality gaps faced by young workers. Fiscally sustainable demand-side interventions and counter-cyclical policies can boost youth employment. These interventions can include employment guarantee schemes, targeted wage and training subsidies, public employment programmes and labour-intensive infrastructure schemes.

Assigning priority to youth employment in national development frameworks can ensure long-term, sustained and concerted action for the promotion of decent work for youth. Such priority should be operationalized by setting measurable targets and achievable policy outcomes that address both the quantity and the quality of jobs available for young people. Time-bound youth employment plans, supported by adequate resources, could help convert youth employment priorities into concrete action. Broad-based partnerships involving public authorities and the social partners would strengthen coordination and increase effectiveness of youth employment interventions.

# ii) Invest in education and training to enhance employability and facilitate the school-to-work transition.

Access to high quality and relevant education and training is central in determining the employability of the labour force and influencing the investment climate of an economy.

Increasing employability requires that young people acquire the skills, knowledge and attitudes that allow them to find work and cope with unpredictable labour market changes throughout their working lives. Broad vocational education and training should include core employability skills to meet the requirements of the labour market. The introduction of work experience components increases the capacity of trainees to practise their skills in a real work setting. To be responsive to labour market requirement, training strategies need to anticipate skills needs and effectively redress mismatches. Improvements of the vocational education and training system should include: the standardization of qualifications; apprenticeship and other work experience; job-search techniques; entrepreneurship education; and rights of young workers in schools' curricula. This could provide young people with the skills demanded by the labour market.

Apprenticeship systems that complement institution-based learning with work experience, include literacy training and livelihood skills and involve the community can ease transitions to decent work for young men and women.

To prevent school dropout and social exclusion, countries should intervene as early as possible and persist with interventions to give young people at risk the best chances to overcome multiple disadvantages. For young people who left school early or never attended school, second-chance initiatives can be particularly relevant as they facilitate the acquisition of basic knowledge and competencies for labour market entry.

# iii) Improve labour market integration of young people with well-targeted labour market policies

Labour market policies and programmes that mediate between labour supply and demand can improve the labour market integration of young people, especially if well targeted and sequenced. When accompanied by income support and other social protection measures, these comprehensive packages of measures help mitigate education and labour market failures, promote the efficiency and equity in the labour market, sustain aggregate demand and promote the transition to formality. Active labour market policies (ALMPs) focusing on employment planning and job search assistance have proven to be effective in helping young people find jobs. Labour market training enhances the employability of disadvantaged youth, especially when it includes on-the-job training components. Self-employment and entrepreneurship measures offering business start-up assistance and access to credit can be more successful if supplemented by vocational and entrepreneurship training. Public employment programmes can create employment across a range of skills and yield significant multiplier effect for the economy, as well as develop the infrastructure at local level.

Member States should consider linking income support for young jobseekers with active labour market programmes – through a combination of unemployment insurance, employment

guarantee schemes, labour market information, job search assistance and skills training – as this has proven effective in addressing the needs of youth at risk of marginalization and in keeping them connected to the labour market.

Finally, the involvement of the social partners in the design, implementation and monitoring can contribute to the effectiveness of labour market programmes and help connect youth with the world of work.

# iv) Provide career options to young people by supporting entrepreneurship and self-employment

Entrepreneurship can provide career options for young people by unleashing their economic potential. It can also offer greater independence, higher income potential and job satisfaction.

Countries may consider pursuing youth entrepreneurship promotion strategies that: (i) support an entrepreneurial culture by including entrepreneurship education and training in school; (ii) enact regulations that promote micro and small enterprises, cooperatives and social businesses; (iii) ease access to finance, including by subsidizing credits (e.g., guaranteeing loans and supporting microcredit initiatives); and (iv) increase the range of support services (marketing, distribution chains, exports, public procurement) available to young entrepreneurs.

Interventions to support the transition of young entrepreneurs to the formal economy need to include measures to increase enterprises' efficiency, the capacity to innovate and raise productivity.

## v) Ensure that young people receive equal treatment and are afforded rights at work

Young people continue to suffer disproportionately from decent work deficits and low-quality jobs measured in terms of working poverty, low pay and/or employment status, and exposure to occupational hazards and injury. Increasingly, young workers lack opportunities to move to full-time employment from part-time, temporary, casual or seasonal employment. In the informal economy, young people frequently work under poor conditions in both urban and rural areas. National youth employment policies that embrace a rights-based approach, therefore, can ensure that young people receive equal treatment and are afforded rights at work.

The enforcement of labour laws and collective agreements should be strengthened – including through a stronger and more effective sanctioning mechanisms – as means to protect young workers and facilitate their transitions into stable and decent employment. The development of a coherent wage-policy framework that takes account of the observance of minimum wage set by law or collective agreement can give many young people the opportunity to overcome poverty and low paid work.

Greater participation of young people in employers' and workers' organizations and in social dialogue, as well as increased awareness about young workers' rights – including through modules in schools' curricula – are key instruments to raise young people's voices and concerns and to improve the quality of jobs available to them.

## 4. The Office follow-up strategy

A Follow-up Plan was developed by the Office to give effect to the 2012 Resolution. This Plan was submitted for guidance to and endorsed by the ILO's Governing Body in November 2012 (see Appendix I for the areas of work of the Plan). The following sections outline the overall goal and main outcomes that are part of the Office's follow-up strategy.

The overall goal of the Follow-up Plan is to support governments, social partners, the multilateral system and all relevant national, regional and international organizations in taking urgent and renewed action to address the youth employment crisis.

In order to achieve this overall goal, the seven-year Follow-up Plan identifies the main components for Office's support to member States in the implementation of the ILC Resolution. More specifically, the Plan's initiatives aim to increase ILO's capacity to provide global leadership and act as centre of excellence on youth employment, enhance its capacity in the five policy areas of the 2012 ILC Resolution and expand action on knowledge development and dissemination, technical assistance, and partnerships and advocacy for decent work for youth.

The elements of the strategy have been clustered under three main outcomes that are instrumental to achieve the overall goal. These outcomes correspond to the three pillars of the Plan: (i) knowledge development and dissemination, (ii) technical assistance and capacity building, and (iii) partnerships and advocacy. The results produced under these outcomes will expand ILO's capacity to support member States in the implementation of the ILC Resolution, as well as to act as centre of excellence and provide leadership at national, regional and global levels. The work envisaged under these outcomes can be summarized below.

# Outcome 1: The design of youth employment policies and programmes is improved through the use of evidence and good practice

This outcome aims to improve the design of youth employment policies through knowledge development and dissemination on key youth employment areas. Work under this outcome includes the following action:

a) The ILO will strengthen its research agenda to better inform policy-making by detecting youth employment trends and emerging issues. The collection, analysis and dissemination of youth employment data will be expanded through the school-to-work transition surveys that are being conducted in 28 countries. Research will be initiated to explore emerging issues and better understand the determinants of employment and conditions of work among specific groups of young people, as well as to analyse gender-differentiated transitions to decent work. Thematic analyses will be conducted to assess the impact of macroeconomic policies on youth employment, entrepreneurship, wage developments, informality, labour market inequalities and contractual arrangements, internships, quality apprenticeships, migration trends, social dialogue and the green economy. The findings of this research will be synthesized and published through periodic reports to be disseminated among policy-makers, the social partners and other actors.

- b) Another set of deliverables will revolve around youth employment policy reviews and evaluation of programmes. The Office will conduct reviews of youth employment policies and programmes, including through South–South collaboration, and deepen evaluations of youth employment programmes to improve the effectiveness of future interventions and capitalize on lessons learned. A special focus will be laid on rigorous impact evaluation of youth entrepreneurship programmes.
- c) The pilot global databases on youth employment policies and on good practices will be further developed and expanded to include policies and practices from several institutions and agencies. The results of the reviews and evaluations will be included in these global databases and knowledge-sharing platforms that will be available on-line.

### Outcome 2: The capacity of countries to improve decent work prospects for youth is strengthened through the implementation of multi-pronged youth employment strategies

The main outcome of the strategy revolves around technical and policy advisory support to governments, employers' organizations and trade unions in developing and implementing national policies and strategies that are conducive to decent work creation for young people.

Youth employment is a priority in most Decent Work Country Programmes (DWCPs). There are 53 countries and three regions that have currently identified it as a priority for ILO assistance. This provides an immediate opportunity to support the implementation of the multipronged strategy guided by the global framework of the 2012 ILC Resolution and conclusions. The following work is included in the implementation strategy as key to provide technical assistance and strengthen national capacity:

- a) Subject to the necessary resources, the Office will deepen and expand its advisory services and capacity-building activities to countries for the development of integrated, action-oriented and time-bound youth employment plans, mindful of the priorities listed in the global framework and its adaptations to specific country requirements. These include prioritization of youth employment in national development frameworks, economic strategies and employment policies. Technical support will also be provided to: (i) collect age- and gender-disaggregated labour market information; (ii) strengthen the links between training provision and labour market requirements, including through apprenticeships and employment services for youth; (iii) design and implement national and sectoral public investment and public employment programmes, including in the green economy; (iv) develop integrated packages of entrepreneurship, cooperative and social enterprise programmes that include entrepreneurship education and training, mentorships and access to finance and other services; (v) design labour market programmes and capacity building of Public Employment Services; and (vi) target labour market measures through profiling mechanisms.
- b) The Office will pay special attention to strengthening monitoring and evaluation functions of national institutions through the development of tools and the implementation of capacity building programmes. In this respect, a set of learning modules on performance monitoring and impact assessment of youth employment interventions will be developed. Tools will also be developed to support countries in the implementation of profiling systems with a view to improving effectiveness of programmes and targeting mechanisms. The Office, including the Bureaus of

Employers' and Workers' Activities, will develop specific products and guides of respective interest to employers' and workers' organizations to be used for capacity building. Such work will be implemented together with the International Training Centre of the ILO through residential and distance-learning programmes.

## Outcome 3: Partnerships are established to mobilize support on decent work for youth

The 2012 Resolution and conclusions highlight the ILO's leadership role in promoting partnerships for decent work for youth at global, regional and national levels. The severity of the youth employment crisis is generating widespread interest across the multilateral system and regional institutions. The Resolution provides a sound, balanced and comprehensive framework for establishing partnerships with a view to creating synergies and promoting coherence among multiple actors and initiatives. In this respect, several member States have expressed interest in having the ILC Resolution as the framework of reference for UN action on youth employment. The concept notes for technical cooperation that are contained in the document "The Call for Action on the Youth Employment Crisis" assign high importance to several partnerships that have been identified for the implementation of the proposed projects. The following action is envisaged to mobilize broad-based support for the promotion of decent work for youth:

- a) As a step in the direction of providing global leadership on youth employment, the Office has taken up the coordination of the employment and entrepreneurship priorities of the System-Wide Action Plan on Youth that has been developed, under the request of the UN Secretary General, by the United Nations Inter-Agency Network on Youth Development as a tool for strengthening UN programmes on youth. To implement the employment priorities of the Action Plan, the ILO will lead global and regional partnerships for decent work for youth.
- b) Partnerships are also being strengthened at the regional level. For example, the ILO will collaborate with the European Commission on the promotion of youth employment in Europe. In the African region, the ILO, jointly with the African Development Bank, the African Union and the UN Economic Commission for Africa, are identifying a number of African countries that will be supported by the regional Youth Employment Initiative. Together with the Asian Development Bank, the ILO is initiating a new partnership supporting employment policy diagnostics in selected Asian countries, with a particular focus on youth.
- c) The Office will continue to advocate for partnerships for decent work for youth at country level. This work will build on the fruitful cooperation with several UN Agencies for the implementation of youth employment programmes and on the expanded cooperation with UN country teams. The ILO will also pursue the review of effective youth employment partnerships at national and local levels to develop and disseminate innovative and cost-effective models.
- d) In line with the Resolution's call to partner with young people themselves, the ILO will set up a virtual platform to engage with young people and advocate for decent work. Since the adoption of the Resolution in June 2012, the Office has promoted the call for action at the international, regional and national levels. The participation in several international and regional forums provided the opportunity to present the policy messages and the multi-pronged approach contained in the global framework but also

to draw the attention on the urgency of action to address the youth employment crisis. A promotional campaign is being implemented by the Office to profile the content of the Resolution.

e) In addition, a more systematic regional awareness-raising plan for ILO constituents and other relevant institutions will be developed by the Office as a component of new technical cooperation proposals on youth employment.

#### Resource mobilization

The Call for Action underlines the urgency of immediate and targeted action to tackle the unprecedented youth employment crisis that is affecting all regions. Stronger efforts, increased collaboration and partnerships are required at national, regional and global levels to effectively tackle this crisis. It is in this context that the Director-General has identified jobs and skills for youth as one of the ILO's critical areas of importance in his proposals to the Governing Body for the 2014-15 Programme and Budget.

The current technical cooperation programme of the ILO has some 50 youth employment related projects under implementation across different regions for a total of approximately USD130 million. Most of these projects support the implementation of the priorities and outcomes of the Decent Work Country Programmes (DWCPs). They focus on various aspects that are crucial to address the youth employment challenge. An increasing number of these projects combine institutional development with the implementation of pilot programmes directly improving the livelihood of young people (see Box 1 for examples of recently evaluated projects of the ILO).

#### Box 1: Results from selected ILO projects on youth employment

The results of recent mid-term and final evaluations of youth employment projects demonstrated impact in terms of policy and institutional change, as well as action for improving employment of young people. More specifically:

The Education and skills training for youth employment project in Indonesia achieved the following results: i) more than 70,000 youth benefited from job and education counselling, employability and entrepreneurship services through the education system and employment centres; ii) around 65 per cent of youth who attended skills training sessions are already (self) employed, 47 per cent of them are women iii) The Ministry of National Education introduced reforms in the provision of non-formal competency-based training by private providers and NGOs.

The **Youth employment programme in Timor Leste** generated 1,046,014 work days for 35,533 people in rural areas. About 70 per cent of young participants in the employment-intensive projects improved literacy and numeracy skills. More than 12 thousand young jobseekers received counselling and job placement services, internships and self-employment assistance. Funding was also provided by the Employment and Training Fund that was established to support disadvantaged youth.

The regional programme on **Promoting youth employment in Latin America** provided cost-effective employment and training programmes to more than 17,000 disadvantaged youth. The institutional development component of the same programme managed to produce systemic change by placing youth employment high in the development agenda of the eight countries of Latin America that benefitted from the same programme.

In Peru, the youth employment action plan (2009-2012) developed by the government with the technical support of the ILO has assisted more than 260,000 disadvantaged youth in finding a job. In line with the action plan, the government has introduced the following institutional reforms: reduction of the "red tape" and costs relating to job applications through the introduction by the Public Employment Service (PES) of a "one-stop-shop" and a free of charge single certificate that contains all pieces of information (Certi Joven); modernization of career guidance services; establishment of a training programmes targeting young entrepreneurs, alongside an information system that simplifies market assessments and an online information and orientation service for young migrants living abroad and young Peruvians planning to seek work abroad.

Source: ILO: The youth employment crisis: Time for action, Report V, ILC, 101st Session (Geneva, 2012), p. 96.

Mobilization of additional extra-budgetary resources is needed for the Office to meet the increased requests for assistance and capacity building from ILO constituents in all the regions, fully implement cutting-edge research and develop tools.

As briefly summarized in the following section of this document and described in the concept notes included in the document "The Call for Action on the Youth Employment Crisis: Technical Cooperation Portfolio", the new technical cooperation proposals have a focus on technical support and policy advisory to governments and employers' and workers' organizations in developing and implementing national policies and strategies that are conducive to decent work creation for young people, in line with the policy areas that are included in the Call for Action.

The extra-budgetary resource mobilization strategy developed by the Office in support of the implementation of the priorities listed in the 2012 ILC Resolution and in DWCPs includes the convening of the first meeting of development partners. This meeting will take place at ILO headquarters on 22 February 2013.

# 5. Highlights of the proposed technical cooperation portfolio

The extra-budgetary proposals to support the implementation of the 2012 ILC Resolution are included in the document "The Call for Action on the Youth Employment Crisis: Technical Cooperation Portfolio". They comprise both concept notes that have global, regional and country-level coverage. The total amount that is required for the implementation of the proposals included in this package is USD 163.2 million.

This section provides a brief summary of these proposals (see Table 1 for a list of the 48 concept notes included in this technical cooperation portfolio).

### 5.1 Global proposals

The global proposals for which donor support is sought have been included in seven concept notes. These proposals revolve around: (i) knowledge development and capacity building on youth employment policies for ILO constituents; (ii) research and advisory services to strengthen the linkages between macroeconomic policies and youth employment; (iii) research to strengthen policy advice with a view to reducing inequalities and improving conditions of employment of young workers; (iv) analysis of youth employment policies and dissemination through a global database and publications; (v) identification and dissemination of good practices on youth employment; (vi) the strengthening of monitoring and evaluation functions of youth employment programmes and a measurement of results of youth entrepreneurship interventions; (vii) the establishment of a global platform and community of practice to promote decent work for youth.

These proposals will support the implementation of the action that is required to support the achievement of the knowledge development and dissemination outcome, the capacity-building components of the second outcome and the global-level advocacy and partnerships. Donor support for the implementation of the above-mentioned priority proposals is sought for the total amount of USD 20.7 million.

## 5.2 Regional, sub-regional and country-level proposals

The regional and country-level proposals include 41 projects that cover several countries across all regions with a financial requirement for implementation that equals USD 142.5 million. It will support the implementation of the action included under the technical assistance outcome and the regional and country-level advocacy activities and partnerships that are envisaged under the third outcome.

The 20 proposals relating to the **Africa region** are framed in the Decent Work Agenda for Africa that covers the period 2007-15. They focus on the implementation of the Call for Action in the following areas: (i) employment and economic policies for youth employment; (ii) skills training to enhance youth employability; (iii) gender-sensitive labour market policies; (iv) youth entrepreneurship and self-employment; and (v) rights for young people. A regional concept note proposes to establish a peer- review mechanism for youth-targeted business support services.

The total of USD 68.5 million is required for the implementation of these proposals.

The proposals for the **Arab States** consist of a regional programme and two concept notes that cover the occupied Palestinian territory and Yemen. The regional programme is based on a multi-

pronged approach that supports the implementation of the Call for Action in the following areas: (i) development of evidence-based youth employment policies; (ii) education, training and skills, (iii) labour market policies, (iv) youth entrepreneurship and self-employment; and (v) rights for young people. Discrimination in employment and occupation is a cross-cutting area of this regional programme.

The amount required to implement the package of proposals for the Arab States is USD12.5 million.

A total of nine proposals have been formulated for the **Asia and the Pacific** region. These proposals consist of a regional project on green jobs for youth, a sub-regional project covering the countries of the Pacific and seven country-level proposals. The priorities that have been identified to support the implementation of the Call for Action in the Region include the: (i) strengthening of national capacity to collect data for the formulation of youth employment policies and programmes; (ii) support in the design and implementation of coherent policies for better jobs for young people; (iii) enhancement youth employability; (iv) strengthening the effectiveness of labour market policies to respond to the needs of disadvantaged youth, (v) promotion of sustainable youth entrepreneurship and self-employment, (vi) improvement of the coverage of social protection; (vii) strengthening institutional capacity in the area of youth labour migration; and (viii) promotion of green jobs for youth.

The package of technical cooperation proposals for the Asia and the Pacific requires a financial contribution of USD 31.8 million.

The priorities in **Europe and Central Asia** revolve around: (i) improving labour market information for evidence-based policymaking; (ii) formulating inclusive employment policies; (iii) improving effectiveness and coverage of labour market programmes; (iv) addressing skills mismatches to improve youth employment outcomes; (v) providing employment services to young people; and (vi) supporting youth entrepreneurship development. These priorities are being addressed by a number of activities of the Office, including ongoing technical cooperation projects. The new proposals have two specific country targets: the Former Yugoslav Republic of Macedonia and Turkey.

The total amount required to implement these two proposals is USD 3.5 million.

In Latin America and the Caribbean the following priorities have been identified as key to support the implementation of the Call for Action: (i) employment and economic policies to promote youth employment; (ii) development of youth employment policies and programmes that are effective in easing the transition from school to work; (iii) labour market policies to support transition to formality as well as target measures for disaffected young people; (iv) support to increase productivity of young self-employed living in rural areas; (v) promotion of employment policies that contain provisions to expand the coverage of social protection measures for young people. The package for this Region consists of seven concept notes: a regional, three subregional and three country-level proposals.

The financial contribution for the implementation of these seven proposals is estimated at USD 26.2 million.

## **Table 1: Technical cooperation portfolio**

| Title  | Geographical coverage             | Budget<br>(in US\$) |
|--|-----------------------------------|---------------------|
| Global proposals   |                                   | 20,700,000          |
| Knowledge development on youth employment policies and capacity building for ILO constituents  | Global                            | 8,500,000           |
| Analysing the linkages between macroeconomic policies and youth employment   | Global                            | 600,000             |
| Policies to reduce inequalities and improve conditions of employment of young workers  | Global                            | 2,000,000           |
| Analysis of youth employment policy and dissemination through global database and publications                                       | Global                            | 1,500,000           |
| Review and dissemination of good practice on youth employment  | Global                            | 1,800,000           |
| Strengthening monitoring and evaluation of youth employment programmes and measuring results of youth entrepreneurship interventions | Global                            | 4,500,000           |
| Reaching out to young people to promote decent work  | Global                            | 1,800,000           |
| Regional and country proposals   |                                   | 142,500,000         |
| Africa   |                                   | 68,500,000          |
| A regional peer review mechanism and guidelines for youth targeted business support services   | Regional                          | 700,000             |
| Skills training for road construction in West Africa   | Sub-regional                      | 2,600,000           |
| Promoting a culture of youth entrepreneurship in Southern Africa   | Sub-regional                      | 2,900,000           |
| Accelerating youth employment in Zambia and Malawi   | Sub-regional                      | 6,100,000           |
| Supporting the promotion of decent jobs for youth in Chad  | Chad                              | 3,300,000           |
| Decent work for Egyptian youth in priority Governorates  | Egypt                             | 6,000,000           |
| Youth employment opportunities through rehabilitation of community areas   | Ivory Coast                       | 3,900,000           |
| Youth employment and employability project   | Kenya                             | 3,200,000           |
| Placing youth employment at the centre of Libyan recovery process  | Libya                             | 3,900,000           |
| National reconstruction and peace building through youth employment  | Madagascar                        | 1,000,000           |
| Green jobs for youth through locally led sustainable waste management and territorial preservation initiatives                       | Mauritania                        | 3,400,000           |
| Creation of decent jobs for young women and men in Mozambique  | Mozambique                        | 3,500,000           |
| Promotion of decent work for young working poor in the artisanal sector  | Senegal                           | 2,200,000           |
| Youth employment through natural resource management in Puntland   | Somalia                           | 3,000,000           |
| Enhancing youth employment through strengthening cooperatives and economic associations for inclusive growth in South Sudan          | South Sudan                       | 3,900,000           |
| Learn and earn programme   | Tanzania                          | 4,400,000           |
| Programme to support rural employment of young people  | Togo                              | 4,300,000           |
| Decent work for Tunisian youth   | Tunisia                           | 6,000,000           |
| Social and economic inclusion of youth working in the informal economy in Tunisia  | Tunisia                           | 1,500,000           |
| Promoting youth employment through career guidance and skills development  | Zimbabwe                          | 2,700,000           |
| Arab States  |                                   | 12,500,000          |
| Decent jobs for Arab youth   | Regional                          | 8,000,000           |
| Promoting decent work for young men and women in the occupied Palestinian territory  | occupied Palestinian<br>territory | 1,800,000           |

| Title  | Geographical coverage                 | Budget<br>(in US\$) |
|--|---------------------------------------|---------------------|
| Supporting Yemeni young people in the development of sustainable enterprises   | Yemen                                 | 2,700,000           |
| Asia and the Pacific   |                                       | 31,800,000          |
| Generating responsible entrepreneurship and enhancing new social, economic and environmental development for young people  | Regional                              | 3,500,000           |
| Enterprise development for young people in the Pacific through entrepreneurship education and access to employment services  | Sub-regional                          | 3,000,000           |
| Afghanistan young entrepreneurs project  | Afghanistan                           | 4,300,000           |
| Improving supportive measures for employment of Chinese university graduates   | China                                 | 1,300,000           |
| Effective apprenticeship and entrepreneurship programmes to enhance the employability of young people  | Indonesia                             | 3,000,000           |
| Youth employment solutions   | Nepal                                 | 6,000,000           |
| Youth for peace: Youth at work   | Pakistan                              | 4,000,000           |
| Promoting youth employment in rural areas  | Sri Lanka                             | 3,000,000           |
| Promoting employment of young graduates  | Vietnam                               | 3,700,000           |
| Europe and Central Asia  |                                       | 3,500,000           |
| Youth employment promotion in the former Yugoslav Republic of Macedonia  | former Yugoslav Republic of Macedonia | 1,500,000           |
| Decent work for youth: Supporting the implementation, review and update of the national youth employment action plan   | Turkey                                | 2,000,000           |
| Latin America and the Caribbean  |                                       | 26,200,000          |
| Regional programme for the promotion of decent work for youth in Latin<br>America and the Caribbean  | Regional                              | 12,000,000          |
| Inclusion of decent work for youth as a key component of peace building and citizen security in Central America (El Salvador, Costa Rica, Guatemala, Honduras, Nicaragua, Panama and Dominican Republic) | Sub-regional                          | 4,000,000           |
| Promoting labour market inclusion of Andean Youth (Colombia, Ecuador, Bolivia and Peru)  | Sub-regional                          | 2,600,000           |
| Youth Employment in the Caribbean (Belice, Barbados, Bahamas, Jamaica, Santa Lucia, Surinam, Trinidad y Tobago)  | Sub-regional                          | 1,500,000           |
| Rural youth employment in Bolivia  | Bolivia                               | 2,400,000           |
| Reconciling education, employment and family life in the context of Brazil's national decent work agenda for youth   | Brazil                                | 1,200,000           |
| Rural youth employment in Peru   | Peru                                  | 2,500,000           |
| Total budget   |                                       | 163,200,000         |

# Appendix I: Follow-up plan 2012 ILC Resolution "The youth employment crisis: A call for action"

#### Areas of work

#### 1. Knowledge development and dissemination

#### **Employment trends**

- Data and analysis of global, regional and national youth employment trends with collection of primary data on the school-to-work transition in 28 countries
- Data and analysis of wages and conditions of work of youth
- Labour market segmentation and contractual arrangements

#### **Emerging issues**

- Systems for learning and work, data and analysis of the skills mismatch
- Reducing informality and improving quality of jobs
- Targeting disadvantaged groups
- Combination of labour market and social protection policies
- Social dialogue
- Green economy

#### Macroeconomic and industrial policies

■ Employment impact of macroeconomic and industrial policies

### Youth employment policies and programmes

- Analyse effectiveness of country employment policies and programmes
- Collect information and disseminate through global databases
- Conduct multi-country peer reviews on youth employment

#### **Fvaluation**

- Evaluation to distil lessons of effective interventions
- Special focus on the evaluation of youth entrepreneurship and self-employment programmes

#### Good practice

- Databases and mechanisms to review and disseminate good practices
- Mutual learning and South–South cooperation
- Publication of periodic synthetic reports on effective policies for youth employment

#### II. Technical assistance and capacity building

### National development frameworks and employment policy

- Integration of youth employment priorities into national development frameworks and employment policy
- Better complementarities of labour market and social protection measures
- Macroeconomic policy options that favour employment creation

### National action plans

Development of integrated and time-bound national action plans on youth employment

#### Labour market information

Systematic collection of age- and gender-disaggregated data

#### **Profiling systems**

Development and implementation of systems to improve targeting and cost-effectiveness

#### Public investment and employment programmes

Targeted public investment and employment interventions for young people

### Skills development systems

Strengthen links between training provision and labour market requirements

#### Comprehensive labour market programmes

■ With a focus on disadvantaged youth

### Entrepreneurship, cooperative and social enterprise development

■ Education, access to financial and other services, mentorships

#### **Public employment services**

Tailored to the needs of young people

#### Areas of work

- Outreach to rural areas
- Partnerships between employment offices and municipal offices, social services and private employment agencies

#### Capacity building and tools development

- Strengthen monitoring and evaluation functions of governments
- Specific tools for workers and employers

#### III. Partnerships and advocacy

#### Global leadership

- Placing youth employment at the centre of the global development agenda, including in the post-2015 MDG framework
- Promoting alignment and coordination of employment policies of the United Nations and other multilateral institutions

#### Regional and national partnerships

Youth networks of employers' organizations, trade unions and youth organizations

#### Advocacy

- Raise awareness among young people on international labour standards and rights at work, employability and youth entrepreneurship
- Establish networks for decent work for youth
- Monitor and report on rights for young workers globally

#### Promotion of the call for action

#### Resource mobilization strategy