World Food Programme

SAVING LIVES
CHANGING LIVES

WFP's role in Youth Employment

Report

February 2022

Contents

Acknowledgements

The research for this report was conducted by a team from ODI comprising Joseph Feyertag, Alexandra Löwe, Susan Njambi-Szlapka, Melanie Pinet and Louise Shaxson. The report is informed by two country case studies on WFP's work on youth employment in Jordan and Kenya. These drew upon in-person interviews with young men and women conducted by researchers from Samuel Hall (Kenya) and a team of independent consultants (Jordan).

The team is grateful to Sara Moussavi of WFP for her support and guidance throughout the project and to WFP staff in Rome and the Jordan and Kenya country offices for their time and helpful comments on draft reports. Participants from other country offices and regional bureaux also provided insights into WFP's work as it relates to youth employment.

Suggested citation: Feyertag, J and L Shaxson (2022) WFP's Role in Youth Employment. Rome: World Food Programme.

Executive Summary

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

Many of the young women and men who rely on WFP for assistance do so because of the challenges they face in finding and retaining work that provides them with sufficient income to provide nutritious diets for themselves and sometimes, their families. Young men and women tend to lack the resources, skills and social capital that help them secure decent waged employment in the weak labour markets found in many low- and middle-income countries. They employ mixed livelihood strategies, utilising combinations of subsistence agriculture, self-employment and waged employment in the formal and informal sectors that offer varying degrees of resilience to economic and environmental shocks (see Box 1). These strategies are often unable to provide sufficient income and this has significant implications for their food security – without reasonable and reliable incomes, young women and men struggle and often revert to negative coping strategies. Global statistics show that a common trend among young people is a high level of economic inactivity: in 2019 more than one in five of those aged 15–24 were not in employment, education or training (NEET), totalling 270 million young people globally. For decades, increased enrolment in education caused the rate of young people classified as NEET to decline but this trend reversed in 2016 as slow and uneven economic transformations in low- and middle-income countries failed to create sufficient jobs and as education systems failed to match the changing demands of local job markets, particularly for digital skills. Almost 62 per cent of economically inactive young people now live in low- and low-middle income countries and this number is set to rise further.

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

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

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

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

To date, WFP has supported initiatives that address each of these three causes of youth unemployment. Its Food Assistance for Training (FFT) programmes help young women and men participate in vocational training to build their levels of skills without compromising their food security. WFP works in partnership with public and private sector organisations to strengthen and expand food systems, in some cases, offering young people opportunities to find work across agricultural value chains – from improving farming techniques to logistics and aggregation functions, marketing, finance and risk insurance and more recently through leveraging the benefits of e-commerce for entire value chains. Finally, WFP works to overcome gender and other exclusionary barriers that can hinder the search for resilient livelihoods – targeting groups whose marginalisation directly affects their food security. The two country case studies that inform this report outline specific instances of each that are directly relevant to food-insecure young people. However, there is more that could be done to more closely link WFP's programming to youth employment outcomes and thereby bring a clearer emphasis on the specific needs of young women and men. The organisation's large global footprint in regions where there are many food-insecure young people means it is well placed to work in partnership with governments, development partners, civil society, other UN agencies, International Financial Institutions (IFIs) and the private sector to make a significant difference in young people's ability to access decent and fulfilling work, thereby improving their food security.

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

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

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

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

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

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

DEFINITIONS USED IN THIS REPORT[1]

The **labour force** consists of employed and unemployed people.

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

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

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

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

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

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

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

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

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

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

• Human capital: amount and quality (e.g. skills and knowledge) of labour available.

•Social capital: social resources, such as networks and relationships.

•Natural capital: natural resource stocks from which people can draw.

•Physical capital: basic infrastructure, tools and equipment.

•Financial capital: savings, liquid assets, loans or regular inflows of money.

•Political capital: ability to take part in governance and decision-making.

1 Definitions are drawn from ILO (2003) Decent work: concepts and indicators.

2 Chambers, R. and G. R. Conway (1991). Sustainable rural livelihoods: practical concepts for the 21st century, Institute of Development Studies.

1. Introduction to the Research

WFP's primary vision is to eradicate food insecurity and malnutrition, increase smallholder productivity and community resilience and strengthen the sustainability of food systems. In 2020, WFP directly provided food assistance and cash-based transfers to 115.5 million people in 84 countries. This number included at least 27 million[3] young people aged 15–24 (Box 1), many of whom are economically idle, unemployed or face in-work poverty. Globally, 1.2 billion young women and men live in low- and middle-income countries. In WFP partner countries alone the population of young people currently stands at 512.4 million and is projected to rise to 718 million by 2050.[4] Finding decent work for all these young people is a global priority, not just to meet SDG 8 (Decent Work and Economic Growth) but because prolonged youth unemployment and underemployment affect young women and men's ability to earn sufficient income to afford a nutritious diet.[5]

BOX 1: DEFINING 'YOUTH'

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

Long-term unemployment and underemployment (Box 2) directly prevent young people from securing sufficient income to meet their and their family's essential needs, including access to nutritious foods. Furthermore, the effects of unemployment on young men and women's well-being can be long-lasting, affecting their earnings and employment opportunities and therefore their food security, as much as 20 years later.[7] Unemployment can also act as an indirect driver of food insecurity, as it may encourage risky behaviour, increased criminality, lack of civic engagement and distrust in formal institutions.[8]