

Briefing Notes to the

**Expert Group Meeting
and
Youth Roundtable**

***Strategies for Creating Urban Youth Employment:
With a particular focus on Solutions for Urban Youth in Africa***

NAIROBI, 21-25 June 2004

a) BACKGROUND

The unemployment of young people is a pressing economic and social issue in both developed and developing countries alike. The ILO estimates that the 74 million young women and men who are unemployed throughout the world represent roughly two-fifths of all unemployed persons globally. In general, young people are two to three times more likely than adults to be unemployed. Yet, the severity of the youth unemployment situation is understated because many of these young employed people are underemployed. In many economies, young women are particularly disadvantaged because they have higher rates of unemployment than young men. Of the young people who are employed, many are required to work long hours for low pay, often in the informal economy. An estimated 59 million young people between 15 and 17 years of age are currently engaged in hazardous forms of work.

Youth unemployment, particularly in Sub Saharan Africa, Latin America and the Caribbean and Asia has reached potentially acute levels. In sub-Saharan Africa, the share of youth unemployment in total unemployment is very high, reaching as much as nearly 80 per cent of total unemployed in some countries. In the 1990s both sub-Saharan Africa and North Africa recorded the world's highest youth unemployment and total unemployment rates. In countries where data are available, it is estimated that only 5 to 10 per cent of new entrants into the labour market can be absorbed by the formal economy, while the bulk of new jobs is generated by the informal economy. Evidence from studies in the 1990s in various sub-Saharan countries shows that the informal economy is by far the main source of employment in urban areas in most countries. In countries such as Mali, Uganda and Zambia, over 70 per cent of urban workers were informally employed. The percentage of women in informal employment was particularly high in the countries sampled; in many cases, women dominated the lower echelons in the sector.

Sustained unemployment can make youth vulnerable to social exclusion, as youth who enter the workforce with limited job prospects, underdeveloped skills, and inadequate education are most at risk for long-term unemployment, intermittent spells of unemployment and low-wage employment throughout their working lives. Furthermore, youth unemployment and poor jobs contribute to high levels of poverty. Focusing employment creation efforts on youth and urban governance could help reverse these trends, and spell the start of active and productive workforce participation and the promotion of social integration. It is argued that urban

governance is inextricably linked to employment creation. Through good urban governance, citizens are provided with the platform, which will allow them to use their talents and skills to the full to improve their social and economic conditions.

Cities have transformed into magnets for those seeking a promise of a better life. Yet, rapid urbanization in the 20th century left the majority on the fringes of urban society with limited access to basic services, employment, and housing. Youth are perhaps those most affected by this urban transformation. The urban environment provides a space that can promote development and improve livelihoods, but it can also aggravate despair. Integrating youth into local economies is vital to the sustainability of urban areas. In this context, the importance of highlighting urban youth employment on the policy agenda, reducing the alienation that many youth feel, empowering youth through inclusive employment strategies, and taking heed of the particular needs of vulnerable urban youth such as urban slum youth and street children cannot be overemphasised. In addition, it is not enough to make urban youth employment a priority on the policy agenda. In this respect, there is need to further understand who this urban youth are, ameliorate the alienation they feel, and include them in the development process.

Cities in developing countries suffer from high unemployment among their youth population reinforcing high and rising crime rates, a loss of feelings of safety, neighbourhood decay, etc. Local and national governments are responding to these challenges by adopting urban development programmes in order to increase employment, security, the quality of life, access to basic utilities, housing conditions and services. Nevertheless, with minimal economic growth and economies unable to absorb the available labour supply, a high unemployed, underemployed and disenchanted urban youth population has often undermined the positive contribution of such urban programmes, whose impacts are reduced to meagre 'drops in the ocean'. For instance, in the informal sectors of many developing countries, self-employment schemes are being implemented but often do not provide adequate and sustained income levels necessary to drive young people out of urban poverty into decent shelter and decent livelihoods. Many self-employed young people live and support families in squatter settlements and form the majority of squatter populations. With reduced perspectives of income levels, often doubled up with the lack of effective utilisation of one's creativity, thoughts and insights, many young people have resorted to illegal income avenues such as drug trafficking while others have migrated to the streets often turning to petty crime.

As a way to avert this situation, it is argued that urban youth employment programmes at the local level must centre around employability, equity, employment creation and entrepreneurship within a framework of public-private partnership, involving young people themselves. In these local partnerships, central government sets the general goals - (i) to create conditions for a long term sustainable growth in the city regions, and (ii) to break down the social segregation in the city regions and to promote equality and equal living conditions for the residents of the cities - while the local governments translate these goals into action. In the above context, local governments have a comparative advantage in four areas in the quest to create employment. These are in facilitating a favourable regulatory environment, improving youth prospects for work in the informal economy, encouraging infrastructure

investments and the ability to create local alliances. In this way, promoting youth employment as an issue of good urban governance is worth consideration.

Notwithstanding, the solutions to urban youth unemployment are not as simple as one of partnerships between central and local government. *UN HABITAT's Safer Cities Strategy on Urban Youth at Risk in Africa* states that it requires a multi-dimensional (multi-sectoral, multi-actor and multi-level) approach which takes into account not only international and national urban policies and programmes, but also non-public and neighbourhood activities to realise effective youth employment policies affecting a particular city, town or smaller community. Since the informal sector is the entry point for many young people, it is vital that policymakers take heed of such realities. In an effort to devise long term solutions, studies have shown that it is important to target the poorest of poor and fostering stronger stay-in-school incentives. Also a focus on young women who are particularly vulnerable to the burden of urban youth employment needs to be emphasised. All of these challenges suggest that it is imperative to make municipal governments more sensitive to the peculiar problems of youth unemployment and to increase the capacity of municipal governments and civil society organisations to deal with the policy challenges urban youth represent.

In the Millennium Declaration adopted by the General Assembly in September 2000, Heads of State and Government resolved to “develop and implement strategies that give young people everywhere a real chance to find decent and productive work.” In pursuit of these goals, the Secretary-General of the United Nations, together with the heads of the World Bank and the International Labour Organization, launched the Youth Employment Network (YEN). The Secretary-General convened a High-level Panel of the Youth Employment Network, comprised of twelve eminent persons drawn from leadership positions in private industry, civil society and economic policy, to advise him on strategies and policies to achieve the Millennium Development Goal for youth employment. The High Level Panel has met twice since the Youth Employment Network was launched and has developed a set of recommendations on youth employment, calling for a global alliance and a guide to action for achieving decent work for young people. A permanent Secretariat of the Youth Employment Network has been established and is located in the ILO in Geneva.

Along with other United Nations organizations supporting the Secretary-General's initiative for youth employment, UN-HABITAT is working to devise strategies that identify areas for youth participation and ensure the active engagement of young people in addressing issues related to sustainable urbanization. UN HABITAT had formulated normative positions youth and human settlements, including a global policy dialogue on youth, children and urban governance and a strategy paper on urban youth at risk in Africa. At the operational level, the Global Partnership Initiative on Urban Youth Development in Africa is one such project being developed by UN-HABITAT that will focus specifically on urban youth at risk and urban youth employment.

This expert group meeting and youth roundtable is organized by the Department of Economic and Social Affairs of the United Nations Secretariat in

collaboration with UN-HABITAT and the YEN Secretariat, and will bring together experts in youth employment from different regions of the world, as well as young people from African countries to address the challenges of urban youth employment and young people's hopes for decent employment and reduced social exclusion.

b) OBJECTIVES

The youth roundtable and expert group meeting have the overarching objective of supporting the goals and objectives of the Youth Employment Network and focus on the ways individuals and institutions, public and private, plan and manage youth employment creation in cities. In doing so, it will take into account formal institutional processes as well as informal arrangements and the social capital of young citizens.

The youth roundtable seeks to:

- Facilitate dialogue and networking among young people to promote greater awareness and understanding of youth employment issues in general, and urban youth employment in particular;
- Involve young people in policy discussions relating to the formulation and implementation of national strategies to address urban youth employment, with particular reference to urban youth unemployment in Africa, the UN HABITAT Global Policy Dialogue on Youth, Children and Urban Governance and the UN HABITAT Safer Cities Strategy on Urban Youth at Risk in Africa;
- Build the capacity of young people to participate in this and other policy discussions relating to urban youth employment;
- Contribute to the preparations for the 2005 General Assembly ten-year review of the World Programme of Action for Youth.

The expert group meeting seeks to:

- Identify and review trends in urban youth employment in the context of the 4 E's identified by the SG's YEN;
- Identify obstacles to creating jobs for young people in urban areas, particularly in Africa focusing on the capacity of cities to stimulate/create jobs for youth;
- Share regional/national experiences and develop new approaches in addressing urban youth employment, including lessons learned;
- Share knowledge and good practices for achieving decent and productive employment for young people in Africa;
- Provide policy recommendations for the creation of employment for young people in urban areas, particularly in Africa through Local Economic Development policies and frameworks.