



# YOUTH EMPLOYMENT

in Africa

## SCHOOL-TO-WORK TRANSITION

The school-to-work transition of youth in LDCs is weak. Among young people aged 15 to 24 in the LDCs, an estimated 42 million were not in employment, education, or training (NEET) in 2019. Given the limited job creation in the LDCs, most youth are engaged in low-quality employment in the informal sector. As a result, the problem of youth unemployment and underemployment is a serious concern for governments, development partners and society.

**15M** jobs needed in Africa each year

“The LDCs youth population aged 15-24 is expected to soar to 336 million by 2050. The challenge is daunting and requires a concerted effort from governments, private sector, development partners and society. UNCDF is looking forward to collaborations in the field of youth employment and entrepreneurship that leverage the strengths and expertise of like-minded organizations.”

*Henri Dommel, UNCDF Director  
Inclusive Digital Economies*




## YOUTH DEMOGRAPHIC CHALLENGE

Today, the world counts 1.8 billion young people between the ages of 10 and 24; the largest generation in history. Close to 60 per cent of the population under 25 years live in Least Developed Countries (LDCs). The African Development Bank estimates that 12-15 million new jobs are needed annually for young people entering the labour market. African youth are the most financially excluded groups, of which 263 million may lack an economic stake in the system by 2025.

**60%** of young people under 25 live in LDCs

## HOW ARE WE HELPING

The UN Capital Development Fund (UNCDF) believes that if youth can leverage the benefits coming from the digital economy:

-  to adapt their skills to the needs of the market in the 21st century
-  to access appropriate financial services, including seed financing
-  to better link to market opportunities and clients

Then, youth will more easily access decent employment opportunities and will be better equipped to launch and develop their own entrepreneurial initiatives, therefore reducing youth unemployment rates.

# AFRICA YOUTH PROGRAMME: WHAT WE DO



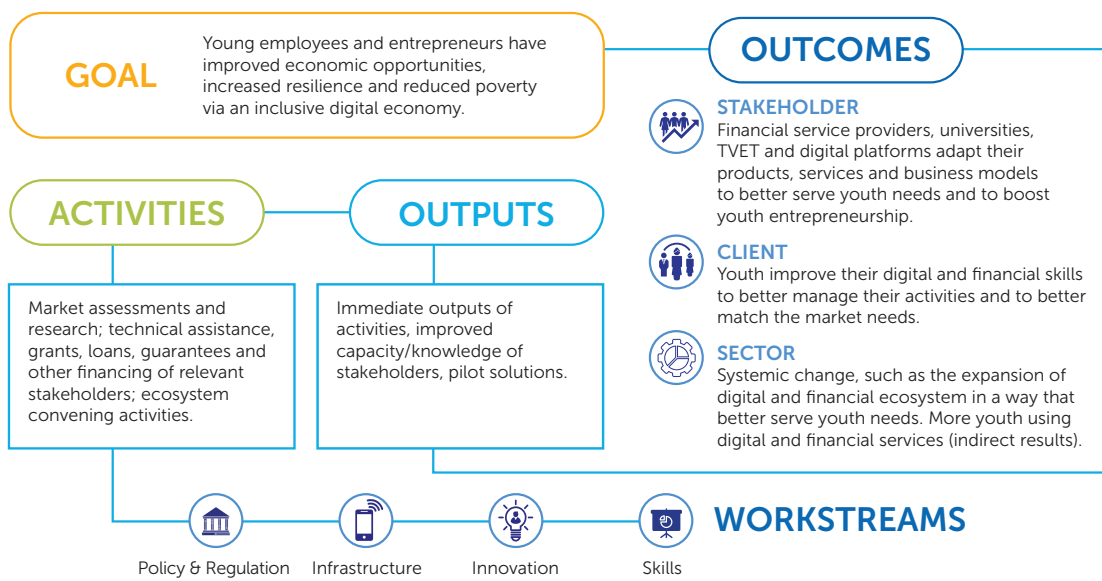
Youth in school 

Youth looking for a job 

Young entrepreneurs 

<b>Capital needs &amp; Financial services</b>	Savings-led approach (such as youth savings account)	Investment continuum and support to financial services providers to develop products and services aimed at accessing capital, including book keeping apps, loans, savings accounts, insurance, and other financial products.
<b>Skills needs</b>	Adapt school, technical and vocational training and university curriculum in digital and financial skills	Improve financial and digital skills to better manage their activities.
<b>Access to market and information</b>	Information on job opportunities via digital platforms	Improve access to clients, and integration of value chain through digital platforms, ecommerce, online job opportunities.

## THEORY OF CHANGE



UNCDF works with the public and the private sector to promote digital economies that leave no one behind. We place particular emphasis on harnessing the potential of youth in their different life transition moments all the way to their working life. Here under are some examples of projects and results we have reached in collaboration with key players for different youth segments since 2018.



## ENTREPRENEURS, START-UPS, AND UNIVERSITY GRADUATES



**Advanced digital skills:** the roll-out by [Digital Ethiopia Learning](#) of IBM online platform helped train over 1,300 young people in advanced digital skills in Ethiopia; similar training has been expanded to youth in Uganda and Zambia.



**Digital tools:** in the Ashanti and Western Regions of Ghana, the [bookkeeping app](#) developed by the fintech OZÉ improves young entrepreneurs' financial record-keeping capabilities and has become a quick-win feature to access credit at Ecobank Ghana. By end of 2022, the OZÉ app had registered 14,321 young entrepreneurs.



**Crowdfunding:** to provide an innovative alternative financing option for young entrepreneurs in the Gambia we partnered with Thundafund, a South African fintech, to pilot a crowdfunding platform. The platform now counts 8,769 users in the Gambia for a credit volume of nearly \$140,000.

## YOUTH IN AGRICULTURE AND WITH LIMITED OR NO EDUCATION



**Basic digital and financial skills:** multiple project partners ranging from fintechs to mobile network operators and financial service providers helped provide basic training modules for more than 128,000 young people in West Africa.



**Digital tools:** the partnership between Baobab Senegal, and Dimagi contributed to improving the platform [CommBanane](#), piloted with 472 smallholders active in the banana value chain in rural areas of Senegal to track their business records and help them access credit.



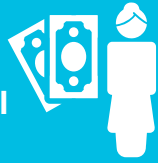
**Agriculture extension services:** the agritech [Cabral Tech](#) launched a call centre with our support in the West Nile region of Uganda, using a combination of technology and a network of «digital extension agents» providing agronomy services to farmers in the last mile, where a single extension worker can reach around 2,000 farmers.



# RESULTS FOR 2018-2022

**188,000**

youth accessed financial services of which 113,000 young women

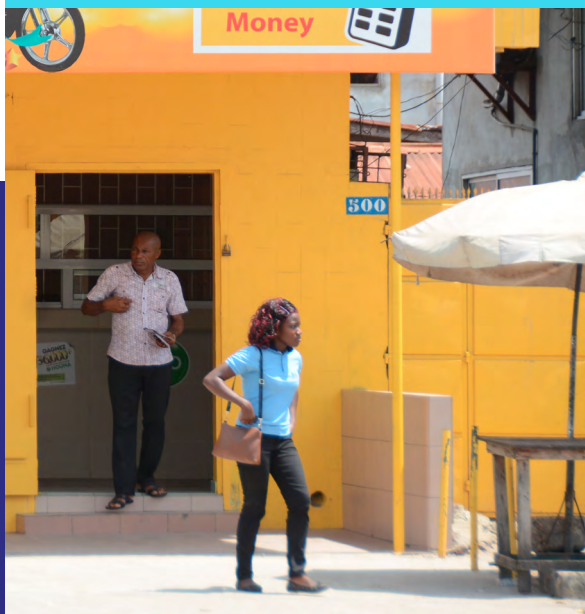


**20,000**

youth projects supported by crowdfunding

**128,000**

young people trained in digital and financial skills



## KEY PARTNERSHIPS

Key partnerships include IBM, Dimagi, Google digital skills for Africa, fintechs, mobile network operators, financial service providers, technical and vocational training and universities in Uganda and Ethiopia, other UN agencies such as UNICEF or WFP, in collaboration with local youth associations.



**1.2M**

youth accessed financial education and services in 10 years



## YOUTH PORTFOLIO IN AFRICA OVER THE LAST DECADE



### About UNCDF

The United Nations Capital Development Fund (UNCDF) is the United Nations' flagship catalytic financing entity for the world's 46 Least Developed Countries (LDCs). With its unique capital mandate and focus on the LDCs, UNCDF works to invest and catalyse capital to support these countries in achieving the sustainable growth and inclusiveness envisioned by the 2030 Agenda for Sustainable Development and the Doha Programme of Action for the least developed countries, 2022–2031.

UNCDF builds partnerships with other UN organizations, as well as private and public sector actors, to achieve greater impact in development, specifically by unlocking additional resources and strengthening financing mechanisms and systems contributing to transformation pathways, focusing on such development themes

as green economy, digitalization, urbanization, inclusive economies, gender equality and women's economic empowerment.

A hybrid development finance institution and development agency, UNCDF uses a combination of capital instruments (deployment, financial & business advisory and catalysation and development instruments (technical assistance, capacity development, policy advice, advocacy, thought leadership, and market analysis and scoping) which are applied across five priority areas (inclusive digital economies, local transformative finance, women's economic empowerment, climate, energy & biodiversity finance, and sustainable food systems finance).