

Document:	<u>GC 30/INF.6</u>
Date:	<u>2 February 2007</u>
Distribution:	<u>Public</u>
Original:	<u>English</u>

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Enabling the rural poor  
to overcome poverty

## **Round table 3**

### **Generating remunerative livelihood opportunities for rural youth**

Governing Council — Thirtieth Session  
Rome, 14-15 February 2007

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For: **Information**

## **Note to Governors**

This document is submitted for the information of the Governing Council.

To make the best use of time available at Governing Council sessions, Governors are invited to contact the following focal point with any technical questions about this document before the session:

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## Round table 3

### Generating remunerative livelihood opportunities for rural youth

#### Introduction

1. Youth development, and particularly strategies to address the specific needs of rural youth, has remained at the margins of national development strategies in most countries. There is, however, a resurgence of interest in young people and how to include them in development processes and harness their energy to stimulate economic development. There is also a growing awareness of the seriously negative political, social and economic consequences stemming from the precariousness of youth livelihoods. For many, this amounts to a “youth crisis”, the resolution of which requires innovative, wide-ranging “youth-friendly” policies. For IFAD, young people are a particularly important part of the rural poor since in many of the poorest developing countries – particularly in Africa – they represent some 50 per cent of the population.

#### Key features of rural youth livelihoods

2. The issue of rural youth livelihoods is not so much about unemployment, but rather about serious underemployment in low-productive and predominantly household-based activities. Almost one quarter of young people live in households where income per head is less than one dollar a day. The unemployed are mainly better-educated urban youth who can afford to engage in relatively protracted job searches. It is therefore better to focus on improving the livelihoods of the most disadvantaged young people rather than placing emphasis on the unemployed. Rural children in developing countries become adults quickly mainly because the transition from school to work usually occurs at an early age and is completed in a short space of time. The same is true for poor young rural women with regard to marriage and childbearing. They also tend to be poorly educated, especially in comparison with urban youth, and often face major health problems, including malnutrition and malaria. Although HIV/AIDS prevalence among rural teenagers remains very low, its prevalence among parents in rural areas is resulting in large numbers of orphans and child- or youth-headed households, especially in sub-Saharan Africa. Finally, young people, particularly in rural areas, do not usually constitute an organized and vocal constituency with the economic and social power to lobby on their own behalf.

#### Promoting livelihood opportunities

3. Promoting livelihood opportunities for rural youth revolves around improving their **human and social capital**, increasing their access to **financial and natural capital**, and supporting the appropriate **policies and institutions**. The greatest contribution to improving the future employment/livelihood prospects of disadvantaged children is to make sure that they stay in school until they are at least functionally literate and numerate. Governments and other service providers should focus on delivering basic education of a reasonable quality. The provision of good-quality post-school skills training is also important. The development of a poverty reduction learning network has been proposed as a cost-effective way of providing generic and sector-specific training to widely dispersed service providers in both the public and private sectors. In addition, well-designed interventions should build up the political and social capital of rural youth. The establishment and strengthening of rural youth organizations of all kinds, and particularly rural producer organizations representing the interests of young farmers, should be supported as a key element in building the organizational capacity of the rural poor.

4. In terms of access to financial capital, there is a growing interest in the targeted provision of microfinance for youth, because it is recognized that education and training alone rarely lead to sustainable self-employment. To date, however, services in this area remain limited. The establishment of rural banks in Benin, which has been strongly supported by IFAD, is a good example of a successful initiative to provide finance for enterprise development among youth. Finally, pressures on land resources and land tenure systems are often managed at the expense of poor and vulnerable groups such as women and youth. Increasingly, young people are becoming landless. Lasting solutions to land tenure insecurity among youth could include strengthening legislation and legal services for women and young people so that their rights to land are recognized and defended; developing land markets as mechanisms for accessing land; and, perhaps most importantly, identifying and promoting off-farm economic activities that target young people.

### **Policies and institutions**

5. Given the above, four areas of intervention by IFAD and its partners can be identified: (a) promoting large-scale public works programmes that can perform the role of a guaranteed employment scheme for the disadvantaged of all ages (as in India) and can be used to identify, through self-selection, groups of young workers who are most in need; (b) developing well-targeted cost-effective youth policies that effectively reach out and respond to the needs of rural poor youth; (c) supporting livelihood diversification and the rural non-farm sector, which can be seen as the "ladder" from underemployment in low-productivity smallholder production to regular wage employment in the local economy and from there to jobs in the formal sector; and (d) creating an enabling environment to facilitate the livelihood and income-earning strategies of rural youth, including migration to urban areas and abroad. It is important to prepare young people in rural areas for productive lives in both rural and urban environments.

### **Indicative questions to guide the round-table discussion**

- Are rural youth a key target group for IFAD and its partners, and should they be "mainstreamed" in the same way as gender is?
- What comparative advantage does IFAD have in working with youth? With what other organizations might it need to form partnerships in order to do this effectively?
- Should governments do more to support specific pro-poor youth policies? What would these policies entail?
- Are there specific groups of rural youth that should be prioritized for support? What type of support?

### **Chairperson/moderator**

**Ms Marcela Villarreal**, Director, Gender, Equity and Rural Employment Division, Food and Agriculture Organization of the United Nations

### **Panellists**

**Mr Paul Bennell**, Senior Partner, Knowledge and Skills for Development

**Ms Asha Juma**, Minister for Labour, Youth Development, Women and Children (Zanzibar)

**Mr Samir Radwan**, Former Managing Director, Economic Research Forum

