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Area of critical importance on jobs and skills for youth

Purpose of the document

The document presents the main elements of the strategy of the area of critical importance (ACI) “Jobs and skills for youth”. It focuses on identifying interventions that “work for youth employment” and the circumstances in which this is the case. It is intended to support member States in the implementation of the conclusions of “The youth employment crisis: A call for action” adopted by the International Labour Conference in June 2012. This strategy covers the biennium 2014–15. It seeks guidance from the Governing Body on focus and strategic orientation (see the draft decision in paragraph 29).

Relevant strategic objective: Create greater opportunities for women and men to secure decent employment and income.

Policy implications: The guidance of the Governing Body will inform the implementation of the Office strategy concerning the area of critical importance “jobs and skills for youth”

Legal implications: None.

Financial implications: Extra-budgetary resource mobilization for the implementation of the strategy.

Follow-up action required: Integration of the guidance provided by the Governing Body in the strategy and workplan.

Author unit: Employment Policy Department (EMPLOYMENT).

Related documents: “The youth employment crisis: A call for action”, resolutions and conclusions of the 101st Session of the International Labour Conference, 2012; GB.304/PFA/2 (Rev.); Programme and Budget Proposals for 2014–15; and GB.316/INS/5/2.

I. Vision, rationale and focus of the area of critical importance “Jobs and skills for youth”

1. The area of critical importance (ACI) “Jobs and skills for youth” is one of the eight ACIs approved by the International Labour Conference in the framework of the Programme and Budget for 2014–15,¹ in response to the high priority accorded in national and global policy agendas to the question of youth employment. This paper presents the vision and strategy for implementation and the key expected deliverables of this ACI in 2014–15.
2. The broad vision and background for this ACI is embedded in the 2012 ILC resolution “The youth employment crisis: A call for action”.² The call for action underlines the urgency of immediate and targeted action to tackle the unprecedented youth employment crisis that is affecting all regions. The latest edition of the Global Employment Trends report, released in January 2014, shows the continued crisis in youth labour markets. At the end of 2013 there were 74.5 million unemployed young people. This is almost 1 million more than the year before. The global youth unemployment rate has reached 13.1 per cent, which is almost three times as high as the adult unemployment rate,³ and the share of young people in long-term unemployment is increasing (currently one third of total youth unemployment). In advanced economies, temporary work and involuntary part-time are on the rise. A growing number of young people have lost hope and have abandoned their job search.
3. The “call for action” provides a global framework for countries to shape national strategies and take context-specific and targeted action on youth employment. It identifies ways to respond to the priority of generating decent jobs for young women and men through a multi-pronged and balanced approach that fosters pro-employment growth and decent job creation through: (1) macroeconomic policies; (2) employability and skills; (3) labour market policies; (4) entrepreneurship; and (5) rights for young people.
4. In November 2012, the Governing Body endorsed the Office’s seven-year follow-up plan that aims to support ILO constituents in the implementation of the resolution,⁴ under the main pillars of knowledge development and dissemination, technical assistance and capacity building, and partnerships and advocacy.⁵
5. Although constituents’ needs and requests in relation to youth employment vary across countries and regions, the requests that are most frequently submitted to the Office concern policy learning and lessons from interventions that have proven effective in improving both the quantity and quality of jobs for young people.

¹ Report II, Supplement, 102nd Session of the International Labour Conference.

² The text of the resolution and conclusions can be found on the ILO website at: http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS_185950/lang--en/index.htm

³ ILO: *Global Employment Trends 2014: Risk of a jobless recovery?* (Geneva, 2014)

⁴ GB.316/PV(&Corr.), para. 81. The document GB.316/INS/5/2 can be found on the ILO website at: http://www.ilo.org/gb/GBSessions/GB316/ins/WCMS_191163/lang--en/index.htm.

⁵ GB.316/INS/5/2, paras 13–33.

6. Responding to the key question of “what works?” requires continuous knowledge development, taking into account the shifting structural trends in youth labour markets, the context specific challenges and disadvantages, and the consequences of the global economic slowdown, which is having a disproportionate effect on the labour market opportunities of young women and men, with long-term consequences.
7. Against this background and on the basis of an extensive consultation process including field offices, headquarters and external partner organizations, the strategy for the ACI focuses on building knowledge on “what works for youth employment” and building constituents’ capacity or know-how to enable them to implement effective strategies in their specific contexts.
8. The rationale for this strategic focus is threefold. First, this question is the main priority for ILO constituents in all regions as they strive to develop or reform their policies, programmes and approaches to promote jobs and skills for young people. Second, while the ILO has substantial experience and knowledge in a number of areas, gaps are identified in others, in particular with respect to impact evidence and new emerging issues. Third, the demand for hands-on capacity building and a mutual know-how learning process is prominent in the conclusions of recently held regional meetings and in numerous country requests from developing and emerging economies and developed countries.
9. This strategic focus will enable the ILO to strengthen its lead as the centre of excellence on youth employment as mandated by the 2012 call for action, and to expand its partnerships with other multilateral and regional organizations that are giving a high priority to the theme of “what works for youth employment”.
10. The ultimate outcome of this ACI is to provide ILO constituents with a deeper evidence-based understanding of the most effective and promising approaches in selected policy areas and to increase the capacity and know-how of key institutions and practitioners, taking into account the need for contextualization and targeted action.

II. Strategic areas of intervention and main deliverables

11. The strategic focus of “what works for youth employment” builds on substantial existing ILO work including the development of knowledge and tools, as well as technical cooperation at country-level, developed over many years.
12. The ambition of the ACI on jobs and skills for youth is to expand such expertise by: (1) filling the key knowledge and research gaps identified under each of the five policy areas of the 2012 call for action; (2) taking a balanced approach to demand- and supply-side interventions; (3) evaluating the effectiveness of policy packages and field testing innovative approaches in selected countries; and (4) disseminating these findings through additional knowledge and policy tools, global repositories and expanded capacity building. While resource availability limits the number of countries where evaluation and field testing will be carried out, the strategy for the implementation and dissemination of the ACI is designed in such a way as to enable its use in a broad range of countries. This ACI proposes to identify interventions that are likely to achieve critical mass and impact, and that yield policy learning that can be adapted to other contexts. The outcomes of the ACI under all the above streams will inform and improve the ILO’s entire youth employment programme.
13. A knowledge mapping exercise conducted by the Office at the end of 2013 pointed to the need to intensify research on the impact of macroeconomic, sectoral and, in particular,

fiscal policies on youth employment outcomes, labour market segmentation and polarization, wage development, skills mismatch, quality apprenticeships and internships.

14. The strategy places a high premium on the evidence-based assessment of policies and approaches through a variety of methods, including the rapid assessment of new trends in policies and particular anti-crisis measures such as youth guarantees; deep and rigorous impact evaluation of policy packages and tools that are applied in a number of countries in particular in the Training for Rural Economic Empowerment (TREE) and entrepreneurship packages; and field testing innovative approaches in selected countries, for example with respect to effective measures for young people in the informal economy to bridge the gaps between informal and formal apprenticeships and jobs.
15. The strategy also emphasizes work on interactions and complementarities across policies and institutions. This work will pay particular attention to interactions between employment and social protection policies for young people (for example minimum wages, labour legislation, and active and passive labour market policies) with a view to developing activation strategies and other policy packages that can be applied to countries with different institutional settings and economic contexts.
16. A major focus of research and policy will be on disadvantaged young people, to better understand the specific needs of certain groups of young women and men, including those living in rural areas and/or working in the informal economy, low skilled young people and early school leavers, young people belonging to ethnic groups and young people with disabilities. This work will be informed by the data and results of the national school-to-work transition surveys that the ILO has conducted in 28 countries. The results of this research will inform the design of targeting and profiling tools and approaches that are effective in different institutional and economic contexts.
17. The capacity-building and mutual learning deliverables aim to increase the capacity of ILO constituents and practitioners as regards “what works” for youth employment and know-how at global, regional and national levels.
18. To accelerate this process, the Office is packaging a number of existing capacity-building tools and training programmes on youth employment in a learning guide on decent work for young people that will be available at the end of April 2014.
19. An expanded capacity-building programme for ILO constituents on “what works” will be undertaken in consultation with the Bureau for Employers’ Activities (ACT/EMP) and the Bureau for Workers’ Activities (ACTRAV) and in collaboration with the International Training Centre of the ILO (ITC–ILO).
20. An expanded set of capacity-building tools and training modules will be designed to systematize the knowledge and new lessons learned over the course of the ACI strategy on “What works” for youth employment and made available for participants in residential and distance learning ITC programmes.
21. A series of thematic mutual learning activities addressing specific approaches to youth employment topics will be organized for policy-makers and practitioners to facilitate exchange of knowledge and hands-on experience. These will focus inter alia on employment services targeting young people, quality apprenticeships and other work-experience programmes, youth guarantees and youth employment activation strategies, youth entrepreneurship and private sector engagement. Such capacity-building initiatives started in 2013, for example through the support of quality apprenticeships in selected European countries and a regional event on youth employment and productivity for the countries in the Middle East and North Africa. The Office also supported the promotional

work of the Business 20 and Labour 20 to increase quality apprenticeships and completed a feasibility study with the International Organisation of Employers (IOE) for the Global Apprenticeships Network. The knowledge and good practices stemming from these thematic events will be fed into capacity-building tools and used for technical advisory support.

III. Implementation modalities of the ACI

- 22.** An important innovative feature of the ACI rests on the mobilization of an extraordinary range of inter-disciplinary expertise from across the Office, including through its network of specialists in the field and at headquarters. The action under the ACI on jobs and skills for youth requires pooling expertise from several technical domains, resources and implementation capacity through Office-wide collaboration and teamwork.
- 23.** In July 2013, a joint field–headquarters task team comprising more than 30 specialists from different areas that are critical in addressing the multi-faceted youth employment challenge started work on the strategy and on the preparation of the workplan. This was followed by Office-wide consultations and dialogue with all staff organized by the Director-General to identify the main issues and the approaches through which the ILO could make a difference. The work of this multi-disciplinary task team from the field and headquarters, led by the Employment Policy Department, resulted in the identification of the strategic focus, key deliverables (see appendix) and division of labour.
- 24.** Effective implementation will be monitored through the institution of a community of practice. Regular exchanges within this community will ensure interdisciplinary and interregional exchange, a broad dissemination of findings, the application of lessons learned from a large number of situations, and will upgrade the ILO’s own internal expertise in the process. It will aim to promote a strong knowledge-sharing culture across the Office and with constituents with regards to jobs and skills for young people.
- 25.** As mentioned earlier, in order to achieve a real impact with available resources, develop robust and coherent strategies, and deliver relevant and high-quality services to constituents, the initiatives of this ACI will initially be implemented in a limited number of countries. When approaches are tested and results validated, the lessons learned will inform and improve the broad range of the ILO’s advisory and technical cooperation activities. The Office will promote the establishment of knowledge-sharing platforms and communities of practice on the topic of the ACI on jobs and skills for youth. The results of the reviews and evaluations will be included in global databases on youth employment policies, the Youth Employment Inventory and the Skills for Employment Global Public-Private Knowledge Sharing Platform. They will also be disseminated through policy briefs and inputs to main policy events. The ITC–ILO is developing a learning “hub” to share knowledge and provide learning opportunities on this topic within and outside the Office.
- 26.** Several deliverables of the ACI “Jobs and skills for youth” for the 2014–15 biennium are linked to the work carried out under other ACIs. These linkages and joint work with other ACIs are clearly identified to maximize synergies and avoid duplication. For example, the work on youth employment-friendly macroeconomic policies and on inclusive labour market institutions is linked to the ACI on promoting more and better jobs for inclusive growth; approaches for young people in rural areas or working in the informal economy are linked to the ACI on the formalization of the informal economy, and to the ACI on decent work in the rural economy. The work on policy complementarities and activation strategies will be linked to the ACI on creating and extending social protection floors.

27. Expanding external partnerships is a strong component of the strategy for this ACI. In this respect, the ILO has taken the lead to broaden its youth employment partnership with the World Bank and the United Nations Department of Economic and Social Affairs (UN DESA) with a view to bringing other United Nations system organizations to focus on the topic of “what works for youth employment”. Consultations are under way to expand the ILO/World Bank Youth Employment Inventory interventions with the outcomes of this ACI. Recent ILO-led UN work at country-level and joint programming on youth employment offer important opportunities for testing evidence-based approaches that are implemented through the coordination of a wide range of actors from the multilateral system. Similar arrangements are being explored with regional organizations and research and evaluation institutions. The ILO is cooperating with the European Commission, on youth guarantees and apprenticeships, and with the Organisation for Economic Co-operation and Development (OECD), among others. Preliminary consultations are under way to expand South-South and triangular cooperation in this area.

Conclusion

28. In conclusion, the ambition of this ACI is to support constituents with cutting-edge knowledge, policy tools and advice to address the youth employment challenge with a clear focus and implementation strategy to ensure high impact, and broad outreach and dissemination.

Draft decision

29. *The Governing Body requests the Director-General to take account of its guidance in implementing the strategy for the ACI on “Jobs and skills for youth”.*

Appendix

Examples of ACI “Jobs and skills for youth” deliverables for 2014–15

“What works for youth employment?”

Areas of work	Deliverables
1. Knowledge development and dissemination	
Knowledge development <ul style="list-style-type: none"> ■ Country analysis and assessment of impact of macroeconomic, industrial and fiscal policies on youth employment outcomes ■ Review of trends in youth pay ■ Labour market segmentation ■ Interaction and complementarities across policies and institutions ■ Skills development systems, including apprenticeships ■ Analysis of skills gaps and testing of tools on skills anticipation ■ Meta-analysis of youth employment interventions around the world ■ The role of quality internships in the school-to-work transition ■ Labour market intermediation and employment services for young people ■ Employment and social protection for youth activation strategies ■ Linkages between child labour and youth employment ■ Approaches to improve targeting of disadvantaged young people through integrated employment and skills development strategies ■ Role of business support services in youth employment strategies 	Policy briefs, research publications and guidelines
Knowledge dissemination <ul style="list-style-type: none"> ■ A global web-based repository ■ Expansion of the Youth Employment Inventory and good practices database ■ Thematic and global reports (e.g. Global Report on child labour, 2014) ■ Youth employment sections in major ILO global reports (e.g. Global Wage Report, 2014) 	Web-based platforms and databases, thematic, regional and global reports
2. Capacity building, mutual learning and peer reviews	
Capacity building <ul style="list-style-type: none"> ■ Experiences from initiatives by employers’ organizations to establish and support networks of young entrepreneurs ■ Strategies to promote the participation of young people in trade unions ■ Standard training course on effective youth employment strategies ■ Training programme for ILO constituents on performance monitoring and impact evaluation ■ Development and implementation of quality apprenticeships ■ Review and advocacy of quality internships ■ Recognition of prior learning for young people in the informal economy ■ Integrated strategies for training and business development services ■ Approaches to improve profiling and targeting of measures for disadvantaged youth ■ Web-based learning hub for distance learning and what works for youth employment ■ Guide on international labour standards and youth employment 	Inter-regional and regional capacity-building training programmes and tools

Areas of work	Deliverables
<ul style="list-style-type: none"> ■ Guide on rights at work for young people 	
<p>Inter-regional mutual learning</p> <ul style="list-style-type: none"> ■ Demand-side policies and youth employment outcomes ■ Employment services targeting young people, including strategies to profile disadvantage and expand outreach ■ Youth employment activation strategies, including youth employment guarantees ■ Private sector engagement in the development of sustainable youth employment strategies ■ Quality apprenticeships and work experience measures to improve the school-to-work transition ■ Interventions to increase youth labour productivity through skills development and labour market policies ■ Youth employment generation through public employment programmes ■ Strategies and integrated packages for youth entrepreneurship ■ Approaches to increase youth employment outcomes through green jobs ■ Role of business support services for young people 	<p>A series of thematic inter-regional thematic mutual learning workshops</p>
<p>Peer reviews</p> <ul style="list-style-type: none"> ■ Multi-country peer reviews of youth employment policies and strategies (e.g. in the Commonwealth of Independent States) 	<p>Regional workshop and peer review reports</p>
3. Country-level approaches	
<p>Impact evaluation</p> <ul style="list-style-type: none"> ■ Evaluation of selected youth entrepreneurship interventions ■ Evaluation of methodologies and results relating to interventions on Training for Rural Economic Empowerment (TREE) ■ Evaluation of impact of interventions on green jobs for young people 	<p>Evaluation reports with lessons to inform expansion or replication of measures</p>
<p>Field testing of innovative approaches and expansion or replication of effective interventions</p> <ul style="list-style-type: none"> ■ Integrated policy packages based on the multi-pronged strategies of the 2012 ILC resolution ■ Quality apprenticeships, job creation measures, labour market policies and services ■ Strategies to support youth transitions to the formal economy ■ Effective approaches for labour market intermediation and recruitment practices ■ Strategies to promote labour market integration of disadvantaged young people 	<p>New or revised policy packages and integrated national strategies</p>