

# ▶ ILO Youth Country Briefs

June 2023

## Kenya<sup>1</sup>

### Key points

- ▶ Kenya has had a variable growth performance during the new millennium, but nevertheless has maintained moderate average real economic growth of 4.4 per cent per annum (p.a.) since 2000.
- ▶ Kenya's employment to population ratio of 64.4 per cent in 2019 is comparable to the Sub Saharan African (SSA) average of 63.6 per cent in the same year, as is the gender gap in the ratio which in Kenya stands at 9.9 percentage points (p.p.) compared to 10.8 p.p. in SSA.
- ▶ At 26.7 per cent in 2019, the share of young women not in employment, education or training (NEET) was nearly twice as high as the male rate (14.9 per cent) and the NEET gender gap has widened slightly since 2016.
- ▶ Nearly one half of young Kenyans are in transition between school and satisfactory employment. This is a fairly high share even for Africa, which has a higher prevalence of young people 'in transition' than other regions.
- ▶ The Covid-19 pandemic had a greater impact on the labour market outcomes of young women compared to young men. The increase in NEET rates for young women was nearly twice as large as that of young men in the first six months of 2020. Whilst young women and men were more or less equally likely to lose jobs during the pandemic, the disparity arose because young women were both: a) less likely to regain their jobs once they lost them; and, b) more likely to experience interruptions to their education or training during the pandemic.
- ▶ The youth employment strategy in Kenya is anchored in the Vision 2030 and successive five-year Medium-Term Plans (MTPs) that incorporate youth employment objectives and set annual employment creation targets. The successive national policies that form the youth employment framework, including the Sessional Paper No. 4 of 2013 on Employment Policy and Strategy (EPS) and the Kenya Youth Development Policy (KYDP) 2019, seek to address the demand and the supply side constraints on young people accessing productive and decent employment. Subsequent development policies support specific sectors to absorb young workers in decent jobs and attempt to address the labour market constraints on the most disadvantaged youth.
- ▶ There is also a positive trend of mainstreaming gender within Kenya's youth employment strategy. Still, an explicit focus of youth employment policy on other disadvantaged groups such as youth with disabilities or rural youth, is limited. Youth employment outcomes in Kenya would benefit from integrating gender and diversity into the youth employment strategy.

<sup>1</sup> This brief was prepared by a team lead by Niall O'Higgins and including Vipasana Karkee, Karina Levina, Marcelo Cuautle Segovia and Anna Barford. The brief is based primarily on an analysis of the available micro-data and a desk review of policy documents. Helpful comments and suggestions were provided by Mallory Baxter (MCF), and Jonas Bausch, Steve Kapsos and Bernd Mueller (ILO).

**Key points** *continued*

- A major challenge lies in understanding the impact of youth employment policies on labour market outcomes of young people in Kenya. Little evidence is available on systematic monitoring and evaluation of relevant policies and programmes which could support the development of evidence-based forward-looking youth employment interventions.

## ► 1. Introduction: Contextual indicators

This brief summarises youth<sup>2</sup> labour markets and the school-to-work transition (SWT) in Kenya and its evolution in recent years. This introduction provides an overview of the aggregate economic and labour market context in the country. This is followed in section 2 by a discussion of the main characteristics of, and trends in, the country's youth labour market. Section 3 looks more explicitly at the SWT in Kenya seen through the lens of the ILO's SWT indicators and section 4 considers the impact of the Covid-19 pandemic on youth labour market outcomes in the country. Section 5 briefly discusses key youth employment related policy initiatives and section 6 summarises the main issues and challenges identified in the preceding analysis.

Since the beginning of the new millennium, Kenya has had a rather variable growth performance year-on-year, but maintaining on average moderate real economic growth of 4.4 per cent p.a.<sup>3</sup> between 2000 and 2022, still significantly above the average rate of population growth over the same period of 2.6 per cent.<sup>4</sup> The onset of the COVID-19 pandemic brought with it negative economic growth in 2020 of -0.3 per cent, but this was more than balanced by real growth of 7.5 per cent in 2021 with a return to a growth rate closer to trend of 5.1 per cent in 2022. Overall, real growth in the country in the new millennium has been close to that witnessed in sub-Saharan Africa (SSA) as a whole. In particular, a relatively good growth performance since the onset of Covid-19 has brought the country close to overall growth in the new millennium for the region as a whole (figure 1).

### ► Box 1: YouthSTATS, a partnership between the ILO and the Mastercard Foundation

The ILO, in partnership with the [Mastercard Foundation](#), has created a regularly updated dataset called [YouthSTATS](#), available on [ILOSTAT](#). The dataset was first produced by the ILO as part of its partnership with the Mastercard Foundation on the "[Work4Youth](#)" project which concluded in 2016. Initially composed of labour indicators for young people aged 15-29 derived from [school-to-work transition surveys](#) conducted through the partnership, the dataset now benefits from the ILO's stock of [harmonized labour force survey micro-datasets](#). It serves as a central repository of international youth labour statistics.

This brief is one of seven country briefs undertaken under the new partnership. The countries covered are Ethiopia, Ghana, Kenya, Nigeria, Rwanda, Senegal and Uganda.

Kenya is relatively prosperous compared to its neighbours and is ranked as a lower middle income country<sup>5</sup> with a purchasing power parity (PPP) adjusted gross domestic product (GDP) per capita of US\$5,203 in 2022.<sup>6</sup> This is over 30 per cent higher than the corresponding average for SSA as a whole of US\$3,926.

<sup>2</sup> Throughout the brief, youth are defined as young people aged 15-29.

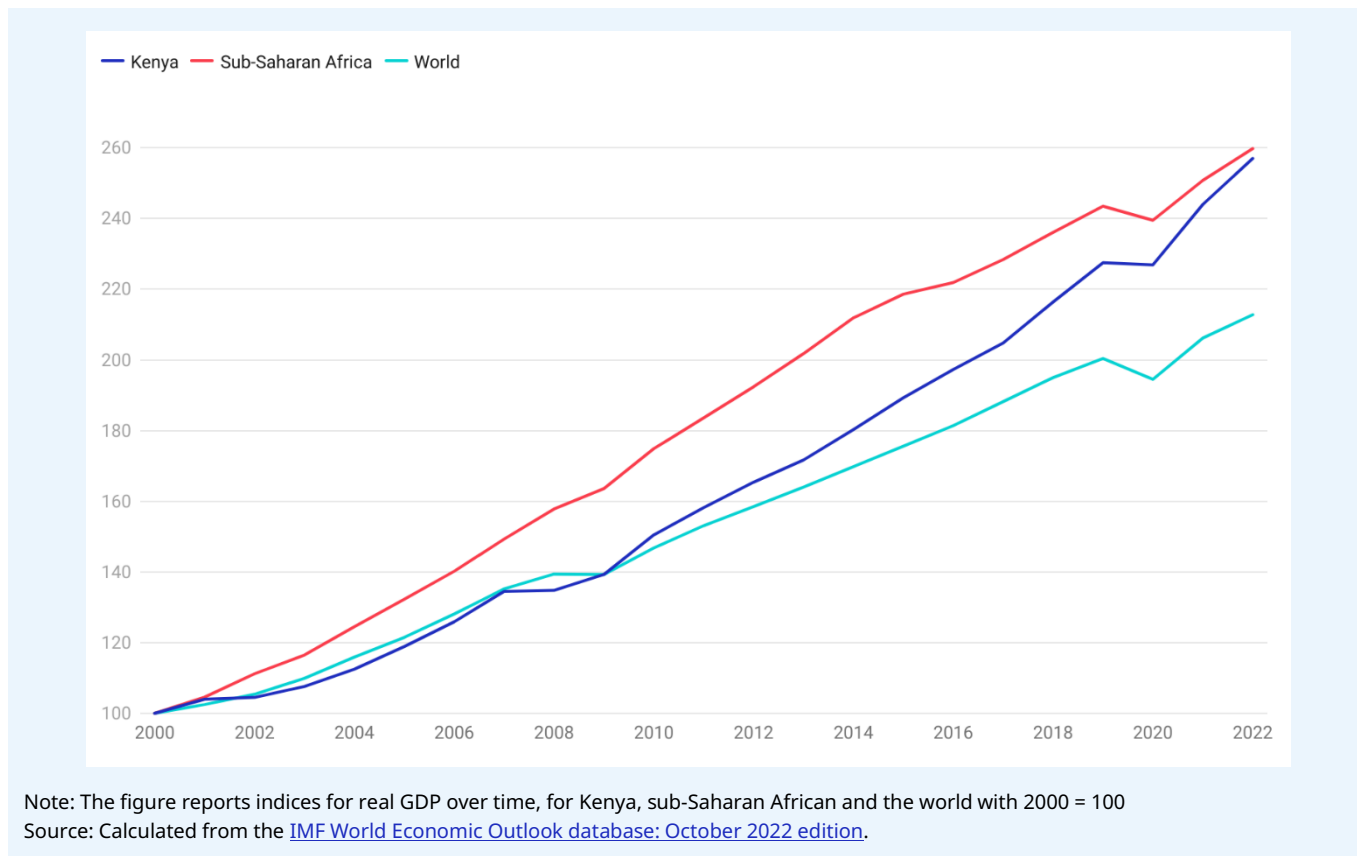
<sup>3</sup> [IMF World Economic Outlook database](#).

<sup>4</sup> [United Nations - World Population Prospects](#).

<sup>5</sup> [WB Country income groupings](#).

<sup>6</sup> The PPP adjusted GDP p.c. estimates used in this brief are from the [IMF World Economic Outlook database](#).

► **Figure 1. Real GDP, Kenya, Sub-Saharan Africa and the World, 2000-2022; 2000=100**



The employment to population ratio in Kenya, 64.4 per cent in 2019, is a little above the SSA average of 63.6 per cent in the same year (table 1), and the gender gap in the ratio in Kenya stood at 9.9 percentage points (p.p.), a little narrower than the SSA gap of 10.8 p.p., as well as being significantly less than the African regional (18.1 p.p.) or global (24.0 p.p.) gaps.

► **Table 1. Employment to population ratio by sex in Kenya, SSA, Africa, and the World, 2019 (age 15+)**

	Male	Female	Total
Kenya (LFS)	69.5	59.6	64.4
Africa (ILO Modelled Estimates)	67.6	49.5	58.5
Sub-Saharan Africa (ILO Modelled Estimates)	69.1	58.3	63.6
World (ILO Modelled Estimates)	68.9	44.9	56.9

Source: Authors' calculations based on ILO Modelled Harmonized Microdata, <https://ilostat.ilo.org/>.

Of course, getting a job does not guarantee sufficient income to escape poverty, and, given its relatively high per capita GDP, Kenya has a moderately low extreme working poverty rate (EWPR) which stood at 26.4 per cent in 2022. This is below the average rate for the African continent as a whole (31.1 per cent) and significantly below the rate of 35.5 per cent for SSA. Over the entire millennium, however, the rate has only fallen by 7.3 p.p. This is the smallest reduction in EPWR of all the seven countries covered by these briefs and is well below the average reduction in EWPR in the continent as a whole of 16.0 p.p.<sup>7</sup> This has much to do with the increase in working poverty in Kenya witnessed during the first decade of the

<sup>7</sup> [ILO modelled estimates](#), November 2022. For example, Kenya's EWPR is significantly below that of the corresponding rate in Nigeria, which is also classified as a lower middle income country and which has a comparable GDP per capita (USD5,000 in 2022) was 34.3 per cent. The working poverty rate identifies the share of the employed population who are living in poverty despite being employed, implying that their employment-related incomes are not sufficient to lift them and their families out of poverty and ensure decent living conditions. Extreme working poverty is defined as the

new millennium. In fact, in 2010 the EWPR in Kenya was 2.5 p.p. higher than it had been in 2000. The COVID-19 pandemic also has not helped leading to an increase of 1.0 p.p. in the EPWR between 2019 and 2020.

The service sector employs the majority (51.4 per cent) of workers in the country. Around one-third (33.6 per cent) of workers are employed in agriculture, and the remaining 15.0 per cent are engaged in industry. Women are more likely than men to work in agriculture or services, which account for 35.8 per cent and 53.8 per cent of female employment respectively compared to 31.6 per cent and 49.2 per cent of male employment. The reverse is true for industry which accounts for 19.2 per cent of male and 10.4 per cent of female employment (Table 2).

► **Table 2. Employment distribution by economic activity by sex in Kenya, 2019 (age 15+)**

	Male	Female	Total
Agriculture	31.6	35.8	33.6
Industry	19.2	10.4	15.0
Services	49.2	53.8	51.4

Source: Author's calculations based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Accounting for 86.5 per cent of workers, informal employment is extensive in Kenya but not markedly so compared to other countries in the region. It is more prevalent amongst young people (at 88.3 per cent) than those aged 30 and over (at 85.7 per cent), and is also much higher amongst women of all ages compared to men, accounting for 90.1 per cent of young female workers and 90.2 per cent of female workers aged 30 and above.

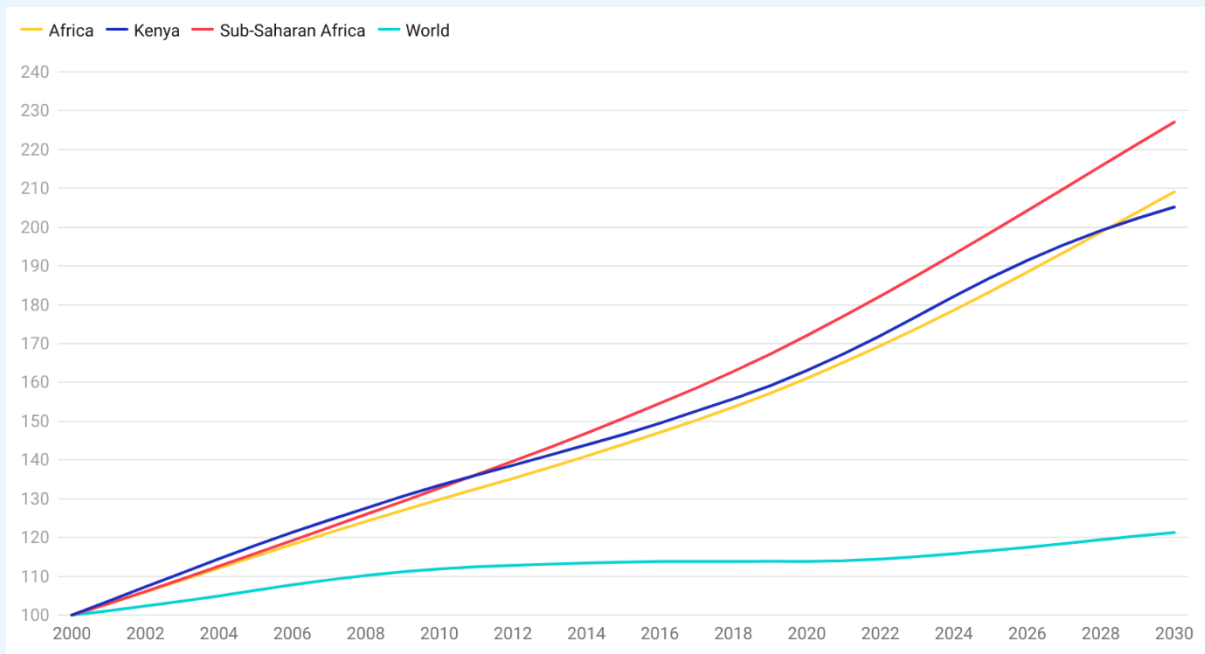
## ► 2. Youth labour market trends

Africa is a relatively young continent, with a youth population that continues to grow with all the potential and challenges this brings with it (ILO, 2020). Between 2000 and 2022, the youth population in the country is estimated to have increased at an average annual rate of 2.5 per cent, a little below the rate of growth of the youth population in SSA of 2.8 per cent but slightly above the rate of growth of the youth population in Africa as a whole (2.4 per cent) (figure 2).

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percentage of the employed population living in households with a per capita income of under US\$1.90 PPP (2011 prices) per day (ILO, 2019a). See also, <https://ilostat.ilo.org/topics/working-poverty/>.

► **Figure 2. Youth population in Kenya, Sub-Saharan Africa, Africa and the World, 2000-2030; 2000=100**



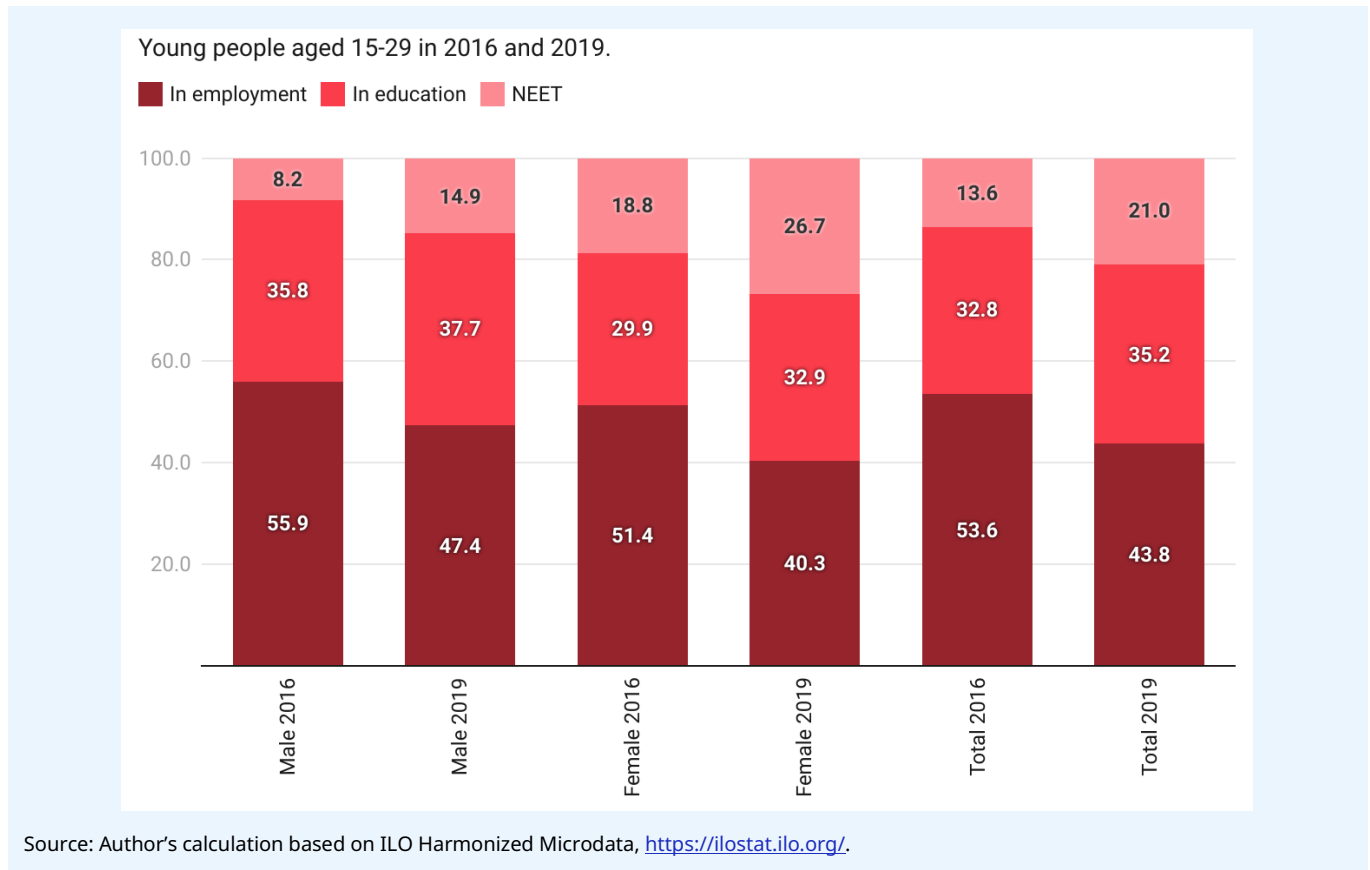
The figure reports indices for the youth population (age 15-29), for Kenya, sub-Saharan Africa, Africa and the World with 2000 = 100 in each case. Source: Population indices are calculated on [UN estimates and projections of population by age and sex](#), July 2022.

Educational attainment in the country is high compared to the regional average. UNESCO estimates that the primary completion rate in Kenya in 2019 was 74.1 per cent; 11.6 p.p. above the corresponding SSA average of 62.5 per cent.<sup>8</sup> Completion rates for lower and upper secondary education were 65.8 and 38.8 per cent respectively, which compare even more favourably with the corresponding SSA averages of 43.9 and 26.3 per cent. Educational attainment was already relatively high in 2012 and consequently change since then has been modest, albeit positive. Improvements in educational attainment have, however, been significantly stronger amongst girls than boys. Between 2012 and 2019, primary completion rates for girls increased from 75.7 per cent to 80.9 per cent whilst over the same period, the primary completion rates of boys increased from 64.7 per cent to 66.6 per cent thus widening the female advantage at this level. The positive – and widening - gender imbalance is maintained also at lower secondary levels, with completion rates of girls increasing from 62.1 to 71.9 per cent and for boys from 51.6 per cent to 57.5 per cent over the same period. At upper secondary level, however, the imbalance is reversed with boys having higher completion rates than girls, although here too the improvements over time have been a little stronger for girls. The upper secondary completion rates of girls were below those of boys in 2012 (32.6 per cent against 35.3 per cent) but by 2019 were close to equality (39.2 per cent against 40.0 per cent).

At higher levels of education, young men clearly dominate. In 2019, 32.9 per cent of young women were participating in education compared to 37.7 per cent of young men (figure 3). Mirroring the positive developments in female educational participation at lower levels, the gap has narrowed very slightly since 2016, when 29.9 per cent of young women and 35.8 per cent of young men reported still being in education, however, in 2019 there was still a 4.8 p.p. gap in participation rates.

<sup>8</sup> <http://sdg4-data.uis.unesco.org/> [accessed December 7, 2022].

► **Figure 3. Youth status in Kenya by sex (%)**



There are also substantial gender gaps in both employment and the share of young people not in employment, education or training (NEET). In 2019, 47.4 per cent of young men aged 15-29 had a job compared to 40.3 per cent of young women. Also significant, the employment to population ratios of both sexes have fallen since 2016; by over 8 p.p. for young men and over 10 p.p. for young women. Some of this decrease was the result of increased educational participation, but there was also a substantial increase in NEET rates, especially for young women.<sup>9</sup> In 2019, the female NEET rate of 26.7 per cent was nearly twice as high as the male rate (14.9 per cent). Hence, the NEET gender gap has widened slightly over this three year period.

<sup>9</sup> For a discussion of the concept of NEET and its usefulness in examining youth labour markets, see for example, ILO (2019b). O'Higgins et al. (2023) contains a more extensive discussion.

► **Box 2. NEET**

With the establishment in 2015 of the 2030 Sustainable Development Goals, the NEET rate – the share of young people not in employment, education or training – became the [target indicator \(SDG8.6.1\)](#) to measure progress in youth labour markets. Although NEETs also include (most of) the young unemployed,<sup>10</sup> the NEET rate is a broader concept encompassing all young people who are, for whatever reason, not studying or working for pay or profit. NEETs are consequently a much larger, as well as a more heterogenous, group than the young unemployed.

Inter alia, the shift from the unemployment rate to the NEET rate as the focus of policies to promote decent work amongst young people leads naturally to a broadening of the scope of interventions. Reducing the NEET rate can be achieved both by increasing entry into employment, but also by increasing participation in education and training. Moreover, there are many factors underlying (different types) of NEET status. These include the obstacles to obtaining decent work faced by specific groups – such as young women and/or young people with disabilities.

Source (and for further information): O’Higgins et al. (2023).

The employment of young people (aged 15-29) – especially young women - is heavily concentrated in services. The service sector accounts for 52.3 per cent of the jobs held by young men, and 60.2 per cent of those of young women. For both young men and young women, agriculture accounts for a little over 28 per cent of employment, whilst the remainder – 19.4 per cent of young men’s employment and 11.3 per cent of young women’s – comes from industry. This is a broadly similar pattern to that found in the working age population as a whole. Amongst older workers, a slightly larger share workers are employed in agriculture and a correspondingly smaller share in services, with industrial employment accounting for a rather similar portion of youth and adult workforces (table 3).

► **Table 3. Youth (age 15-29) employment distribution by economic activity and sex in Kenya, 2019**

	Male	Female	Total
Agriculture	28.3	28.5	28.4
Industry	19.4	11.3	15.6
Services	52.3	60.2	56.0

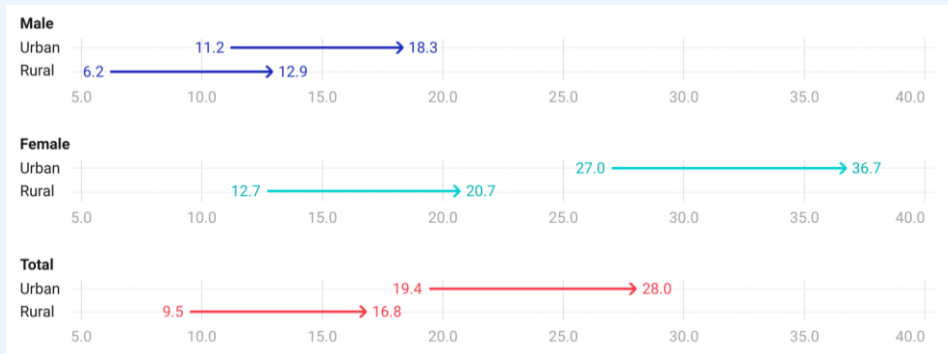
Source: Author’s calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

A substantial share, 66.5 per cent of young male and 80.2 per cent of young female NEETs, are inactive; that is, they are not actively seeking work and so do not appear among the ranks of the unemployed. These are, however, rather lower shares of inactivity than are found in many other countries in the region. Between 2016 and 2019 the share of inactive NEETs increased slightly amongst young men (from 63.5 per cent in 2016) and fell amongst young women (from 82.1 in 2016) leading to a small reduction of just over one p.p. in the share of inactive NEETs (from 76.6 to 75.4 per cent) over the period. The substantial majority of NEETs who are inactive does nonetheless serve to emphasize the importance of looking at NEET as opposed to unemployment as a key indicator of the labour market status of young people.

In contrast to the much of the world, especially low and middle income countries (O’Higgins et al., 2023), NEET rates are significantly higher in urban, as opposed to rural, areas for both young women and young men (figure 4). They have increased significantly for all between 2016 and 2019.

<sup>10</sup> Excluding a relatively small but increasingly significant group of young people who are both unemployed and in education.

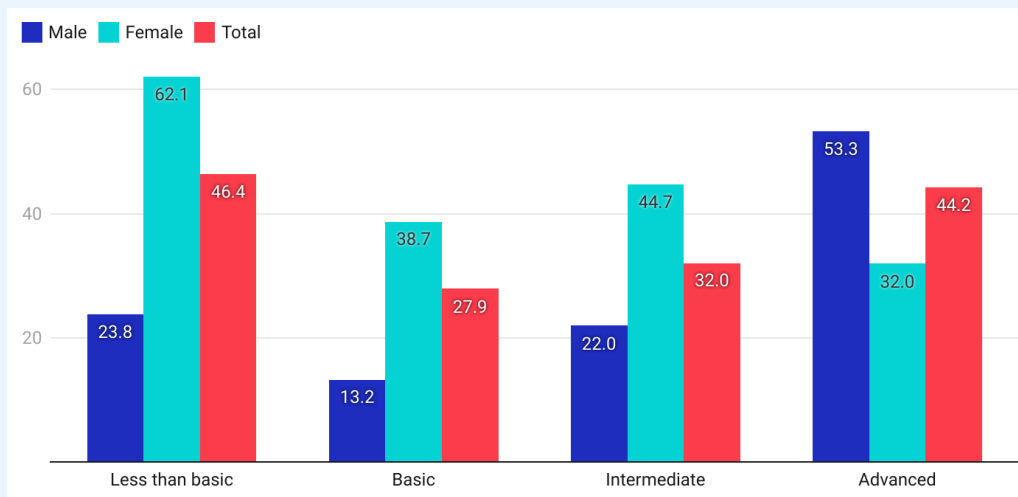
► **Figure 4. Share of young people (aged 15-29) not in education, employment or training by sex and urban-rural location, 2016 to 2019 (%)**



Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Educational attainment strongly affects the likelihood of being NEET. Globally, NEET rates typically fall with higher levels of educational attainment, although this inverse relation between educational attainment and the likelihood of being NEET is on average less pronounced in low income countries than it is in middle and high income ones (O'Higgins, et al., 2023). In Kenya, this is not the case. Amongst young women, there is a broadly inverse relationship between educational attainment and NEET rates with, more or less, NEET rates falling as educational attainment increases (figure 5). For young men, however, the situation is very different; the NEET rates of young adult men with tertiary qualifications are over twice as high as they are for their less educated fellows.<sup>11</sup>

► **Figure 5. Share of young people (aged 25-29) not in education, employment or training by sex and educational attainment, 2019 (%)**



Note: The figure uses the 25-29-year-old age group to avoid giving a misleading impression, which would arise using age-groups where educational participation is (potentially) substantial. NEET (or unemployment) rates by educational attainment for 15 to 24-year-olds are subject to systematic differences not due to educational attainment per se. For example, 15 to 24-year-olds with tertiary educational attainment will systematically be older, on average, than those with basic or secondary education. See also O'Higgins et al. (2023)

Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

<sup>11</sup> Although, it is well to be aware that in 2019, young adult men with tertiary (advanced) education comprised just 7.1 per cent of their sex specific age-group. A similar albeit slightly smaller share (6.4 per cent) of young adult women were tertiary educated.



## ► 3. School to work transition indicators

The ILO's school-to-work transition (SWT) indicators have been designed to give a more detailed classification of young people's transition path in the labour market. The two key indicators are the school-to-work transition **stage** and the school-to-work transition **form**. The first indicator classifies youth into three groups according to their stage in SWT: (I) transitioned, (II) in transition, and (III) transition not yet started (box 3). The second concerns the specific form of the transition outcome of those who have completed the transition – stable wage employment on the one hand, satisfactory self-employment, or a satisfactory temporary job on the other.

### ► Box 3: Stages and forms of transition from school to work

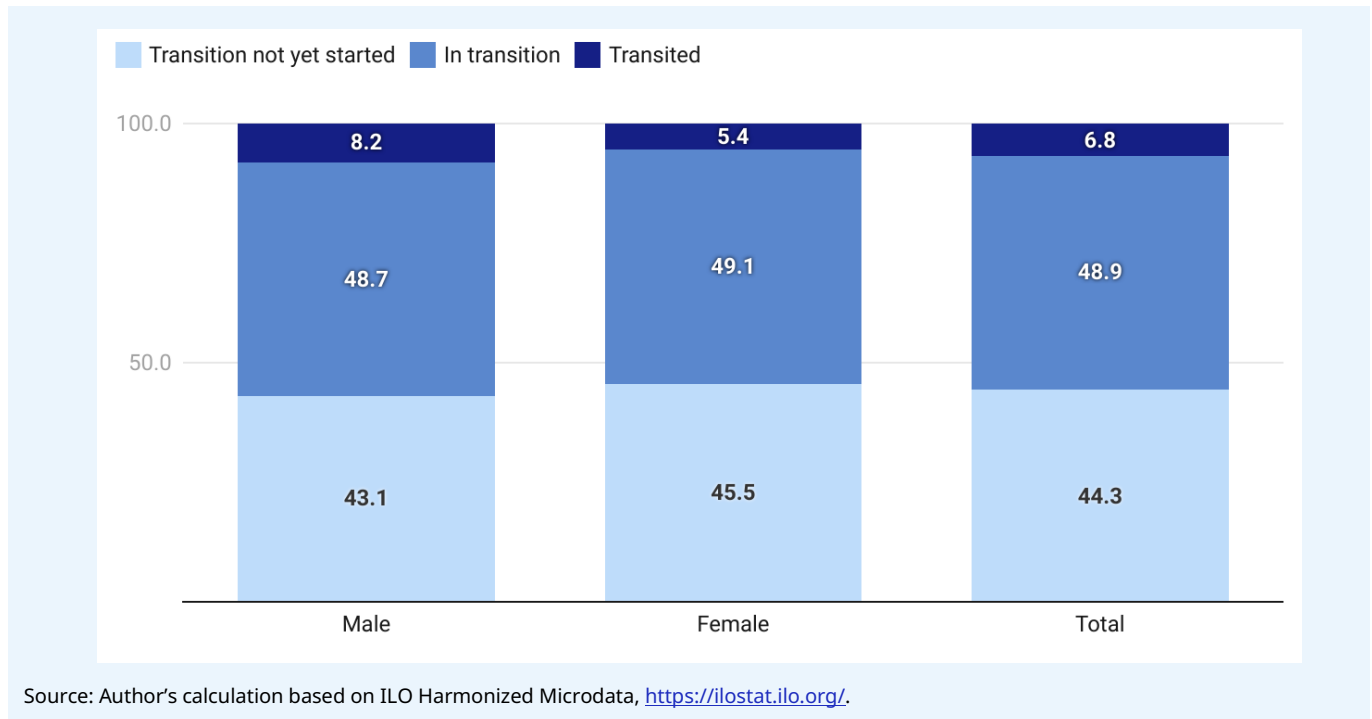
- I. Transitioned** – A young person (aged 15 to 29) who is not in school and currently employed in:
  - a. A stable job, or
  - b. Satisfactory self-employment or a satisfactory temporary job
- II. In transition** – A young person (aged 15 to 29) who is:
  - c. In school and currently employed or unemployed (in the labour force)
  - d. Not in school and unemployed
  - e. Not in school and currently employed in a temporary and unsatisfactory job (*unsatisfactory work*)
  - f. Not in school and not in employment but aiming to be employed later (*potential labour force*)
- III. Transition not yet started** – A young person (aged 15 to 29) who is:
  - g. Still in school and outside the labour force
  - h. Not in school, outside the labour force and with no intention of looking for a job

Information on the stage of transition and NEET status are clearly interrelated. Some young NEETs are in transition captured by group d.: those who are “not in school and unemployed”, and group f.: those who are “not in school and not in employment but aiming to be employed later”. They also comprise some of those whose transition has not yet started; specifically, group h.: young people who are “not in school, outside the labour force and with no intention of looking for a job”

A large proportion – nearly one half – of young Kenyans are in transition (figure 6). This is a fairly high share even for Africa, which has a higher prevalence of young people ‘in transition’ than other regions (ILO, 2019c).<sup>12</sup> A significant minority of young people in transition (24.0 per cent in 2019) are NEET; 19.2 per cent of young men and 28.2 per cent of young women. Nearly as many again – 43.1 per cent of young men and 45.5 per cent of young women – have not yet started the transition. This reflects the relatively high participation in education amongst young people, but also a significant portion of young people who are NEET but who are not seeking employment. This group comprises 28.3 per cent of young women whose transition hasn't started and 12.8 per cent of young men in that situation. Very few young people in Kenya – well under 10 per cent – have actually completed the transition.

<sup>12</sup> The ILO brief referred to also discusses the youth transition indicators in more detail. Another useful discussion is to be found in the blog, <https://ilostat ilo.org/transition-from-school-to-work-remains-a-difficult-process-for-youth/>.

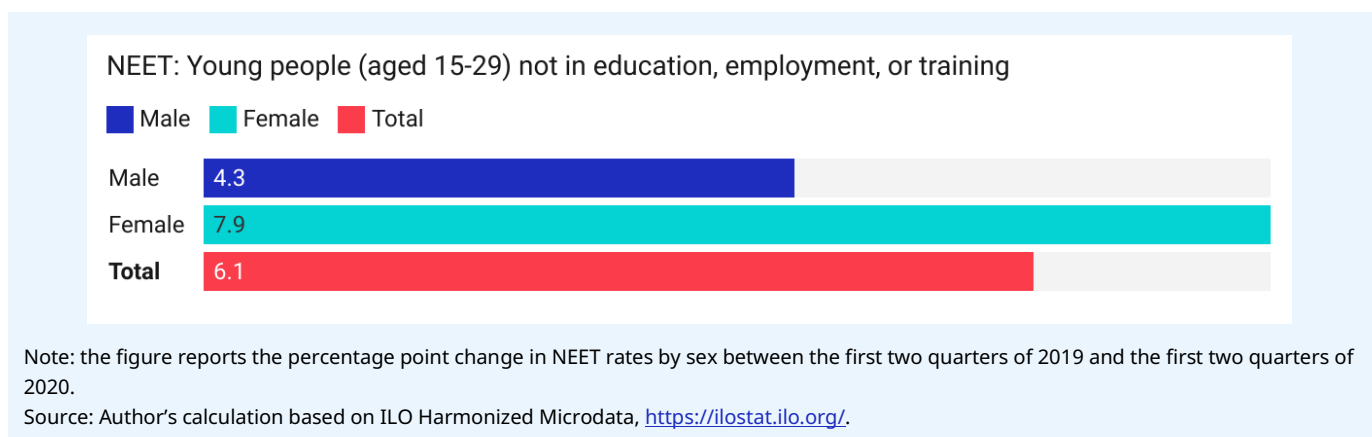
► **Figure 6. Distribution of youth men and women (aged 15-29) by stage of transition in Kenya, 2019 (%)**



## ► 4. The impact of the COVID-19 pandemic

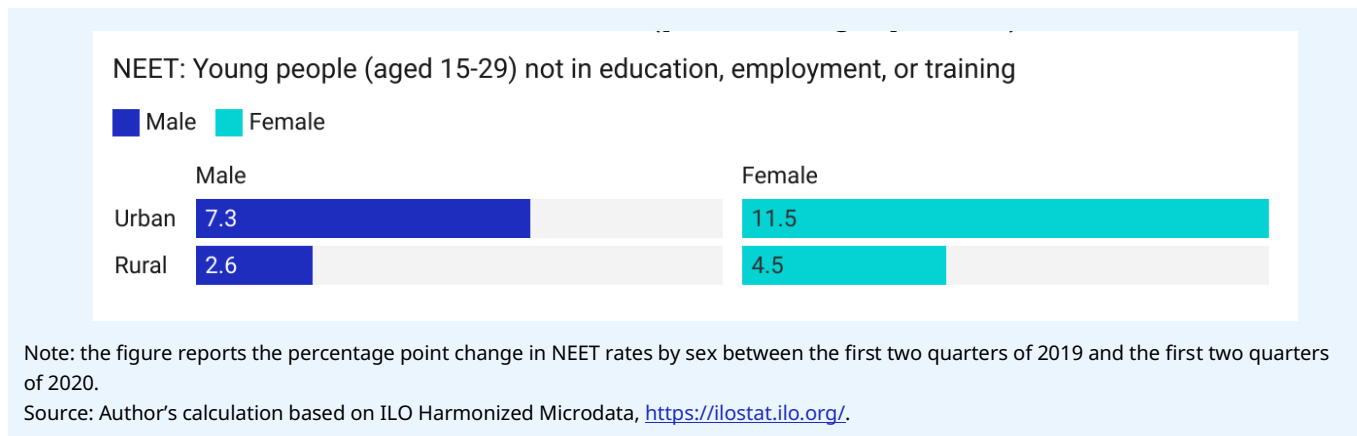
In early 2020, the COVID-19 pandemic started to impact countries throughout the world. For Kenya, data for the first six months of 2020, allows a picture of the initial impact of the pandemic on NEET rates. These increased substantially, especially for young women, who experienced a 7.9 p.p. increase in NEET rates, compared to the substantial albeit much smaller increase of 4.3 p.p. experienced by for young men (figure 7a).

► **Figure 7a. Change in NEET rates by sex from 2019 to 2020 (percentage points)**



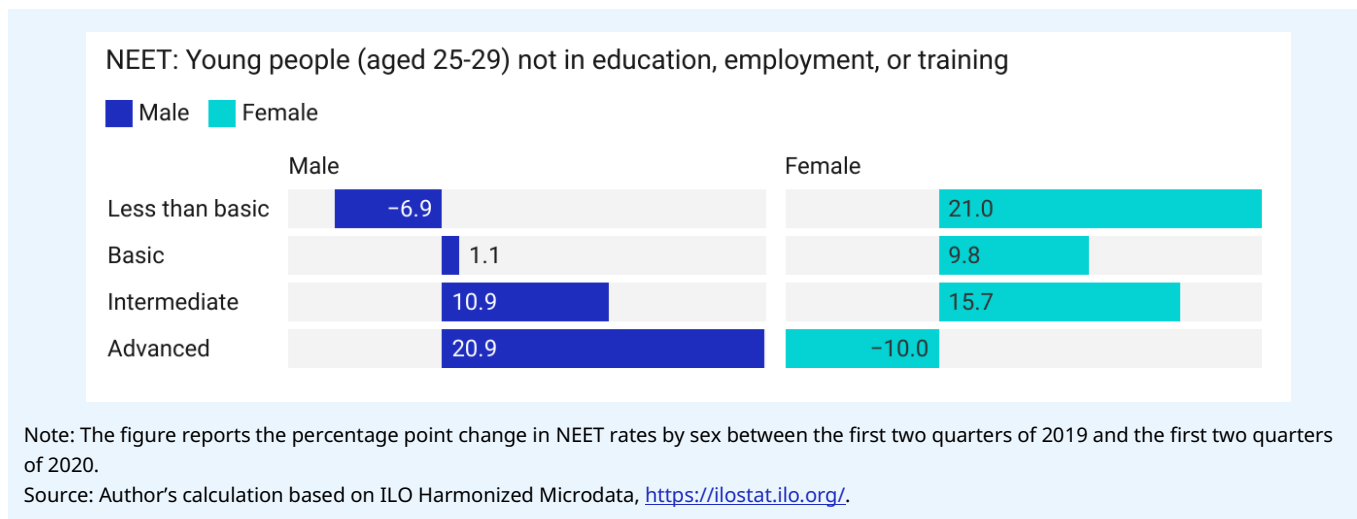
This increase was felt first and foremost in Urban areas – but in both urban and rural areas, young women bore the brunt (figure 7b).

► **Figure 7b. Change in NEET rates by sex and geographic location from 2019 to 2020 (percentage points)**



As regards the differential impact by educational attainment, NEET rates fell amongst young male adults (aged 25-29) with low levels of education and increased significantly amongst those tertiary education thereby exacerbating the gap between young men at lower and higher levels of educational attainment (figure 7c). Amongst young women, the picture was quite the opposite with most of the increases in NEET rates being felt by those at lower levels of education. It would be highly desirable to investigate further the factors that are driving the Gender differences in NEET rates by educational attainment and in the changes in these arising with the onset of the Covid-19 pandemic.

► **Figure 7c. Change in NEET rates by sex and educational attainment from 2019 to 2021 (percentage points)**



► **Box 4: ILO Global Survey on COVID-19 impacts in the world of Work**

In collaboration with Ipsos, this multi-country survey was conducted between November 2021 and March 2022 in order to study the impacts of COVID-19 on education and labour markets in 40 different countries. The study looks at the impact of the COVID-19 outbreak on current employment and education, job loss and interrupted enrolment in education, and future work aspirations. The data-gathering process was targeted at 1,000 respondents in each country using three methods of data collection: online, telephone, and face-to-face.

Among the seven African countries covered by the ILO youth country briefs, four were included in the Global survey, namely: Ethiopia, Kenya, Nigeria, and Senegal.

Evidence from the ILO-IPSOS Covid-19 survey (box 4) undertaken between November 2021 and March 2022, complements the information above (tables 4-6). The results confirm the greater impact of the pandemic on young women compared to young men.<sup>13</sup> Moreover, it shows that this was not due to gender disparities in exits from employment since young women and men were more or less equally likely to lose jobs during the pandemic or indeed to face other pandemic related impacts on employment or income (table 5). Rather, the disparity arose because young women were both: a) less likely to regain their jobs once they lost them (table 4); and, b) more likely to experience interruptions to their education or training during the pandemic (table 6).

► **Table 4. Job loss among youth (age 15-29) due to the COVID-19 outbreak and subsequent job recovery by sex (%)**

	Male	Female	Total
Lost a job at some point since March 2020 due to the COVID pandemic	27.2	23.6	25.3
Regained employment after job loss	80.7	52.5	67.2

Source: Author's calculation based on ILO Global Survey on COVID-19 impacts in the world of work.

► **Table 5. Impacts of COVID-19 outbreak on employment among youth (age 15-29) by sex (%)**

	Male	Female	Total
Took leave or stopped working for 1 week or longer	66.2	66.9	66.5
Reduced hours worked	67.6	65.6	66.7
Worked extra hours	30.2	22.8	27.1
Started working from home or from home more	16.9	21.6	18.9
Reduced pay or income from employment	66.9	70.3	68.3
Faced at least one of the aforementioned events	91.4	90.1	90.9

Source: Authors' calculations based on ILO Global Survey on COVID-19 impacts in the world of work.

► **Table 6. Impact of COVID-19 outbreak on education among youth (age15-29) by sex (%)**

	Male	Female	Total
Stopped attending classes, in person, for 1 week or more	80.5	89.4	85.1
Switched to online classes or distance learning	47.5	54.5	51.1
Dropped out without completing your studies	20.9	17.9	19.4
Gave up plans to enrol in education or training	14.9	13.2	14.0
Faced at least one of the aforementioned events	88.2	96.4	92.5

Source: Authors' calculations based on ILO Global Survey on COVID-19 impacts in the world of work.

<sup>13</sup> Except for young women with tertiary educational qualifications.

## ► 5. Youth employment policy in Kenya: an overview

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In summarising key features of the school-to-work transition and youth labour market outcomes in Kenya, it is important also to briefly consider the main youth employment policy initiatives in the country. This section seeks to do just that. Youth employment policies have most to offer when they are well-designed, involve strong collaboration between the relevant ministries and engage other stakeholders, including social partners, complement other policies, are properly resourced, and have realistic implementation plans alongside robust evaluation and reporting. Moreover, as the brief has illustrated in the previous sections, young people are a highly heterogeneous group, and for maximum benefit policies should address the needs of especially disadvantaged groups, such as young people with disabilities and those with low levels of education. What follows is a review of the main policies relating to youth employment in Kenya compiled in late 2022.

Since 2008, youth employment strategy has been anchored in Kenya Vision 2030. It is a vision of “a newly-industrializing, middle income country” to which wellbeing and empowering vulnerable groups including young people are central. Other youth-related policies include the Sessional Paper No. 4 of 2013 on Employment Policy and Strategy, the State Department of Labour Strategic Plan 2018-2022, the Third Medium-Term Plan 2018-2022 and the Youth Development Policy 2019. Youth employment is mainstreamed into the Agriculture Sector Development Strategy; Green Economy Strategy and Implementation Plan; Kenya Digital Economy Blueprint; National Disability Mainstreaming Strategy; and Kenya National Policy on Gender and Development.

### Youth employment policy framework

#### Sessional Paper No. 4 of 2013 on Employment Policy and Strategy in Kenya (EPS)

Kenya Vision 2030 requires a strong, dynamic workforce, hence EPS aims to “enable the economically active population to attain and secure sustainable livelihood through productive and freely chosen employment by the year 2030” (Government of Kenya 2013). To this end, the policy seeks to: i) promote decent job creation; ii) create green jobs; iii) build a skilled, adaptable, self-reliant and enterprising labour force; iv) pursue short, medium and long-term job creation and poverty reduction; v) improve labour market efficiency; vi) strengthen labour administration and social dialogue; and vii) promote public-private partnership in job creation. The objective on youth employment uses investments in labour intensive public works programmes (targeting poor and disadvantaged youths), mentoring and entrepreneurial exchanges, a shift from a culture of job seekers to job creators, and information and communication technologies (ICT) for employment creation and job searches. The EPS calls for ongoing integration of youth into national employment policies.

#### State Department of Labour Strategic Plan (SDLSP) 2018-2022

Aligned with other policies, the SDLSP aims “to promote decent work, skills development and sustainable job creation” (Government of Kenya 2018a). Employment interventions offer policy guidance on human resource planning, development and utilization; promoting productivity and competitiveness; skills supply to industry; and labour market policies, legislation and programmes for employment and sustainable job creation. Young people are a target group, yet the focus on gender and disability inclusion is limited.

#### Medium-Term Plans (MTPs)

Kenya Vision 2030 is implemented through five-year MTPs, the third of which (2018-2022)<sup>14</sup> emphasises competitive and adaptive human resources (Government of Kenya 2018b). Productive, decent and sustainable jobs for youth are critical,

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<sup>14</sup> The previous MTPs covered the periods of 2008-2012 and 2013-2017

and MTP III aims to create 6.5 million new jobs by 2022 (1.3 million per year), mainly targeting young people, with 40 per cent in the formal economy. Youth-sensitive and -specific flagship projects will strengthen ties between industry and training, implement internship programmes, develop skills and employability, and promote employment and micro-, small and medium-sized enterprises (MSMEs). Other flagship projects engage the youth employment potential for the green and digital economies: Ajira Digital Programme aims to create 1 million online jobs for youth; the Modern Agriculture Programme integrates youth and women into agribusiness value chains. Note that the MTP III employment targets were formulated prior to the disruptions wrought by the COVID-19 pandemic.<sup>15</sup>

### Kenya Youth Development Policy (KYDP) 2019

The KYDP aims “to promote holistic empowerment and participation of the youth in socio-economic and political development” (Government of Kenya 2019a). Two of the ten objectives focus on employment. One is to build a qualified and competent youth workforce, through formal and informal education, training and skills development. The other is to create opportunities for youth to earn decent and sustainable livelihoods by investing in productive sectors, enhancing youth entrepreneurial capacities, and promoting education, training, and apprenticeships. KYDP acknowledges the specific employment and labour market needs of young women, youth with disabilities, youth living with HIV/AIDS, and NEET youth. The Ministries of Labour, the Economy, and Education, plus social partners, the private sector and civil society organizations are engaged.

### Other national policies contributing to youth employment: agriculture, green, digital, disability and gender

Agriculture is seen as a sector with a strong potential for economic growth and productive and decent jobs, including for youth. The *Agriculture Sector Development Strategy (ASDS) 2010-2020* seeks to encourage more young workers into agriculture, through sensitizing youth on lucrative agriculture (including processing for value addition), while stemming youth rural-urban migration by improving rural ICT and rural resource centres. The Strategy emphasises coordination between the Ministry of Public Service, Youth and Gender Affairs and governmental institutions working in agriculture and rural development to attract youth in productive farming (Government of Kenya 2010).

Complementing this, the *Kenya Youth Agribusiness Strategy (KYAS) 2018-2022* and the *National Agricultural Policy (NAP) 2021*, both seek to engage young people in agriculture and agricultural value chains. KYAS uses training, financial services, and climate-smart technology to support youth “agri-preneurship” and inclusive green jobs (Government of Kenya 2018c). KYAS targets 384,450 young people, including NEET and young persons with disabilities, and aims to benefit 1,153,350 young people indirectly. Limited gender sensitivity means young women in agribusiness may miss out. NAP focuses on disseminating transformative agricultural technologies among youth, improving agricultural knowledge and skills, strengthening agricultural guidance, and developing the institutional and legal framework for youth in agriculture (Government of Kenya 2021). NAP encourages inter-ministerial collaboration and engages private sector stakeholders.

The *Green Economy Strategy and Implementation Plan (GESIP) 2016-2030* aims for green growth and higher productivity, through mainstreaming green skills in education, technical and vocational education and training (TVET), apprenticeships and entrepreneurship training (Government of Kenya 2016). Further, GESIP supports green technology start-ups and MSMEs, seeking to increase the attractiveness of green jobs. Young people are a target, yet there is little tailoring to young women or youth with disabilities.

*Kenya Digital Economy Blueprint (KDEB) 2019* recognizes ICT skills gaps as barriers to youth digital employment (Government of Kenya 2019b). The response is developing an ICT curriculum, internships, apprenticeships and mentorships in advanced digital skills, and creating digital online work opportunities. The Kenya National Digital Masterplan 2022-2032 aims to create 2,000,000 ICT-related short- and long-term jobs for youths by 2032, by developing digital infrastructure, building

<sup>15</sup> Under the First MTP 2008-2012, on average 511,000 jobs were created per year against a target of 740,000. MPT II's annual target of 1,034,000 jobs was not reached, with 826,600 jobs created per year 2013-2017. See: Government of Kenya 2013b and Government of Kenya [2018b](#)

skills and stimulating innovation, entrepreneurship and businesses (Government of Kenya 2019c). Both policies target youth, but without the gender or disability sensitivity needed to fully tackle the digital divide.

The *National Disability Mainstreaming Strategy (NDMS) 2018-2022* focuses on: improving job-matching, enhancing access to skills and entrepreneurship training, business and financial services for self-employment, and home-based employment opportunities for people with disabilities (Government of Kenya 2018d). There are no youth-specific provisions.

The *Kenya National Policy on Gender and Development 2019 (KNPGD)* seeks to reduce the burden of unpaid care and domestic work on women (Government of Kenya 2019d). Skills programmes are used to support women's access to decent jobs and enable female entrepreneurs, and women are linked to start-up capital. KNPGD also promotes mentoring in schools and sensitizing girls on careers in science, technology, engineering and mathematics (STEM). The *Women Economic Empowerment Strategy (WEES) 2020-2025* tackles the gender divide in the labour market, promoting female entrepreneurship, skills development and business support (Government of Kenya 2020). The strategy seeks to enhance women's income and livelihoods and supports female-owned businesses, while facilitating women's transition into productive work. Unlike KNPGD, WEES is not youth sensitive.

## Regional development plans

The five-year *County Integrated Development Plans (CIDPs)* of 2013 and 2018 articulate regional development aspirations vis-à-vis the Kenya Vision 2030, the MTPs and other policies. Youth empowerment is a key focus, through employment creation, capacity building, and business opportunities for youth, especially in agriculture.

## Mitigating the impact of COVID-19 on youth employment

In April 2020 the *Kazi Mtaani* initiative was rolled out. This national job creation initiative aimed to benefit 273,000 youths in informal settlements whose work was disrupted by COVID-19 containment policies. Young residents, most just out of education, were recruited for environmental protection work. This provided income while building skills, experience and future employability (State Department of Housing and Urban Development. n.d.). *Kazi Mtaani* began as an 8-county pilot, and has become an Extended Public Works Project which creates employment while improving urban infrastructure and services in 34 counties. Meanwhile, industry relevant skills training is offered in 47 counties, having benefited 200,000 young people to date, to enhance future employability, instil a savings culture, and support social enterprises (State Department for Youth Affairs. n.d.).

## ► 6. Main issues and challenges

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- Educational attainment in the country is very high compared to the regional average. and upper secondary completion rates of girls were close to equality in 2019 (39.2 per cent against 40.0 per cent). At higher levels of education, however, moderate gender inequalities persist. In 2019, 32.9 per cent of young women aged 15-29 were participating in education compared to 37.7 per cent of young men.
- At 26.7 per cent in 2019, the female NEET rate was nearly twice as high as the male rate (14.9 per cent) and the NEET gender gap has widened slightly since 2016.
- In contrast to much of the world, in Kenya NEET rates are significantly higher in urban, as opposed to rural, areas for both young women and young men. In both urban and rural areas however, NEET rates are higher amongst young women and have increased significantly for all between 2016 and 2019.
- The pattern of NEET rates of young people at lower and higher levels of educational attainment is quite different for young women compared to young men. It would be advisable to investigate further the factors that are driving these Gender differences in NEET rates by educational attainment and in the changes in these arising with the onset of the Covid-19 pandemic.

- Nearly one half of young Kenyans are in transition between school and satisfactory employment. This is a fairly high share even for Africa, which has a higher prevalence of young people 'in transition' than other regions.
- The Covid-19 pandemic had a greater impact on the labour market outcomes of young women compared to young men. The increase in NEET rates for young women was nearly twice as large as that of young men in the first six months of 2020. Whilst young women and men were more or less equally likely to lose jobs during the pandemic, the disparity arose because young women were both: a) less likely to regain their jobs once they lost them; and, b) more likely to experience interruptions to their education or training during the pandemic.
- Vision 2030, the long-term national development blueprint adopted in 2008, laid the foundations for a comprehensive approach to youth employment in Kenya, translating into a progressive integration of youth employment objectives in three consecutive Medium-Term Plans (MTPs), and the adoption of the Employment Policy and Strategy (EPS) in 2013. The EPS identified new opportunities to address youth labour market constraints through youth-sensitive interventions.
- The National Youth Empowerment Strategy (NYES) 2015-2017 and the Kenya Youth Development Policy (KYDP) 2019 are comprehensive policy frameworks related to the improvement of labour market outcomes for young people. They propose increasing the quantity and quality of education and training to match labour market needs and creating decent employment opportunities for youth, with a focus on agribusiness, environmental management and ICT.
- Subsequent development policies have consistently prioritized youth employment in line with the Vision 2030, the EPS and youth-specific policies. This is reflected in mainstreaming youth employment considerations in other national development policies, including on agriculture, green and digital economies.
- The youth employment strategy in Kenya promotes youth employment in the digital and the green economies that require high skilled labour; its primary focus is on building skills, supporting entrepreneurship and creating jobs for young people in agriculture and associated value chains. There is a positive trend of upskilling employment in agriculture through capacity development in digital and climate-smart practices.
- There is also a positive trend of mainstreaming gender within Kenya's youth employment strategy. Still, the inclusion of disadvantaged groups of young people such as young people with disabilities and rural youth, is limited.
- A major challenge lies in understanding the impact of youth employment policies on labour market outcomes of young people in Kenya. Little evidence is available on systematic monitoring and evaluation of relevant policies and programmes which could support the development of evidence-based forward-looking youth employment interventions.

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## Contact details

**International Labour Organization**  
Route des Morillons 4  
CH-1211 Geneva 22  
Switzerland

**Employment, Labour Markets and Youth  
Branch**  
DOI: <https://doi.org/10.54394/PQNX5230>  
E: [emplab@ilo.org](mailto:emplab@ilo.org)