

Executive summary

Rural youth today constitute the majority of the youth population in many developing countries. Most of them are engaged in subsistence farming and struggle to find better-paying jobs to escape poverty. What is becoming increasingly clear is that rural youth are turning their backs on small-scale agriculture; they have high expectations, do not want to farm, and aspire to better jobs elsewhere. Yet, a growing local and regional demand for food in many parts of the developing world represents a unique untapped opportunity to advance towards the triple objectives of decent job creation for rural youth, food security, and sustainable production. The question for policy makers, therefore, is how to make rural youth the drivers of more productive and environmentally sustainable agri-food activities that respond to changing local and regional consumption needs and provide them with decent jobs aligned with their expectations.

The main objective of this study is to shed light on the potential of local value chains to create more, better and sustainable jobs for rural youth in developing countries. It prompts the following key questions: Who are the rural youth? What is their employment situation? What is the nature of their job aspirations? Which untapped opportunities exist for rural youth? What are the promising approaches to integrate rural youth into agricultural value chains? What can policy makers do to create an enabling environment for local value chain development that generates decent and attractive jobs for rural youth?

This study is based on the harmonisation and analysis of data from 24 School-to-Work Transition Surveys (SWTS) conducted by the International Labour Organization (ILO) between 2012 and 2015 among youth aged 15-29. It also reviewed development projects aimed at integrating rural youth into local value chains. This study adds to the global debate on rural youth employment in three important ways.

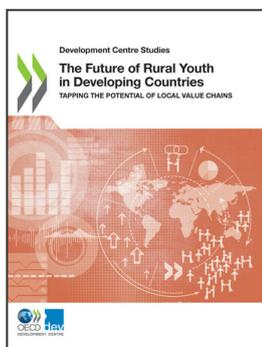
First, it presents a detailed portrait of rural youth in developing countries. The study shows that rural young people constitute a socially and spatially diverse group that often faces the double challenge of age-specific vulnerabilities and underdevelopment of rural areas. By and large, rural youth are low educated and operate in subsistence agriculture as self-employed workers or contributing family workers. Only a tiny proportion of rural youth hold jobs in high-skilled occupations although most of them aspire to these jobs. The majority are not truly satisfied with their employment situation and want to change jobs. Moreover, underqualification is a major issue for youth in rural areas and a problem that is even more pronounced in the agricultural sector.

Second, the study shows that agriculture and food processing represent an untapped reservoir of opportunities for rural youth. While local and regional demand for food is rising in many developing countries, the scope for developing and integrating rural youth into local value chains remains largely underexploited. Most rural youth engaged in agriculture are currently involved in production and very few are involved in downstream activities in the value chain. There are many reasons why investing in local value chain development in the agri-food sector could become an engine for decent job creation and

food security. For one thing, local food processing is compatible with the relatively low level of skills possessed by rural youth, and is more likely to remain located in small towns and rural areas to ensure proximity to the production source. Additionally, it can create strong forward and backward linkages with other food and non-food system activities, paving the way for a virtuous cycle of territorial development.

Third, the study proposes a policy vision to harness the potential of rural youth through vibrant, sustainable and inclusive domestic food systems anchored in local value chains. Developing countries can make this happen, but decisions and actions need to be taken today. The following policy priorities have been identified to create the enabling environment:

- promoting local value chains as an engine for decent job creation and food security
- linking rural and urban development using a territorial approach
- adopting a comprehensive approach to rural development to develop regional advantages
- exploiting the opportunities in regional and international markets
- investing in agriculture and rural infrastructure
- greening and diversifying rural economies
- applying social and environmental safeguards
- raising the voices of rural youth in policy dialogue
- providing skills development and second-chance programmes for rural youth.



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