The world cannot afford to let a generation of youth go without decent employment and livelihoods. Investing in SME competitiveness is a key ingredient towards this goal.

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Improving income opportunities through connecting to international markets
INVESTING IN YOUTH

Young people represent the future of a society and its economy. Yet, the youth employment challenge has become a reality in most countries and in all regions. Young people are increasingly vulnerable to higher unemployment, poorer quality job conditions, and an increased mismatch between their skills and labour market needs. The gap between young people’s aspirations and capabilities and adequate employment opportunities has widened. Of the estimated 200 million unemployed people globally in 2014, about 40% were between the ages of 15 and 24. Times of economic recession and upheaval tend to hit young people harder than other population groups. Globally, 600 million jobs will be needed over the next 15 years to absorb the current number of unemployed and provide job opportunities to the approximately 40 million labour market entrants - mostly young people - each year.

Tackling youth unemployment is crucial for long-term growth, productivity and reducing undesirable social outcomes. Entrepreneurship, particularly the small and medium-sized enterprises (SME) sector, can be a pathway to decent work and income opportunities for some young people. Yet, many young entrepreneurs struggle to sustain and expand their business. International markets can be a good source of demand for businesses run by young people around the world. Internationalization of youth-owned SMEs means more opportunities, but also entails greater risks and challenges.

Different types of assistance will be necessary to meet the specific challenges faced by young entrepreneurs, in rural and urban areas, taking into account that they may be driven by opportunity or by necessity. Support to young entrepreneurs is even more critical during the growth phase of their business. Trade-related technical assistance (TRTA) targeting young entrepreneurs is an important element in supporting youth entrepreneurship.

Creating a supportive environment for young entrepreneurs and strengthening their capacity to overcome bottlenecks faced when internationalizing, can play a vital role in generating inclusive economic growth.

ITC YOUTH AND TRADE PROGRAMME

ITC’s Youth and Trade Programme supports youth entrepreneurship and improves the income opportunities of young entrepreneurs by connecting them to international markets. The programme’s target beneficiaries are young entrepreneurs in developing countries and economies in transition. The programme will also work with policymakers and Trade and Investment Support Institutions (TISIs) to prioritize youth entrepreneurship. In addition, the programme activities will influence diverse actors in the entrepreneurship ecosystem at the country-level including chambers of commerce, private sector, universities, financial institutions, impact investors and existing incubators.

The Youth and Trade Programme offers three concrete solutions:

- Youth and Trade Roadmap
- Trade Accelerator for youth-owned SMEs
- Online training with ITC SME Trade Academy

Each of these interventions can be embedded as a comprehensive package or stand-alone components into projects and programmes with a focus on youth.

YOUTH AND TRADE SOLUTIONS

Youth and Trade Roadmaps

As part of its suite of trade strategy solutions, ITC facilitates technical assistance in the design of Youth and Trade Roadmaps. Delivered in three months, Youth and Trade Roadmaps rapidly identify the most binding constraints to a country’s trade competitiveness as well as opportunities for increased youth employment in high-potential value chains. They provide pragmatic solutions and implementable Plans of Action designed to improve trade performance and address skills gaps in the private sector. A Youth and Trade Roadmap generates a concerted national vision and a three-year strategic framework that outlines youth-centred priorities for trade development and stronger SMEs.

Trade Accelerator

The Trade Accelerator for young entrepreneurs is an innovative and sustainable model to foster the integration of youth-owned SMEs into international markets and value chains.

The focus is on young entrepreneurs with recent enterprises who want to successfully grow, or internationalize, or shift from being an occasional exporter to becoming a regular exporter.

In partnership with a host institution, the Trade Accelerator model installs in the country an ecosystem of institutions, advisors, mentors, impact investors and other actors to support youth-owned SMEs with tailored services as springboards to access international markets.

E-Learning

The E-Learning course package for young entrepreneurs available through ITC SME Trade Academy introduces a range of international business concepts and builds their trade capacity. The knowledge gained will assist young entrepreneurs to consider, assess, and plan expanding their business internationally.

BENEFICIARIES AND EXPECTED RESULTS

- Youth-owned SMEs to grow and have better access to international markets
- Trade and Investment Support Institutions (TISIs) to provide an improved service offer to young entrepreneurs
- Policymakers to consider the youth dimension in trade competitiveness