



YOUTH AND TRADE ROADMAP

Creating economic opportunities
for youth in value chains



International
Trade
Centre



ITC YOUTH AND TRADE ROADMAP (YTR)

INSPIRED BY YOUTH. NEEDED BY SOCIETY. LEVERAGED BY THE COUNTRY.

Growing potential

Youth provides a country with an innate economic potential. They represent a driving force and a national competitive asset in the pursuit of socio-economic growth.

Young people account for a significant share of working-age population worldwide. With an already prominent presence in certain regions, the global youth population continues to grow rapidly, driven in particular by demographic developments in Africa.

Young women and men are today's and tomorrow's workforce. It is thus crucial to seize the momentum by promoting a youth-enabling economic environment, and consequently, ensure long-term payoffs for national competitiveness and development.

Challenging state

Yet, an increasing number of youth enter a labour market facing limited job opportunities. They experience high entry-level job requirements, along with a mismatch between their education and skills, and the needs of the labour market.

As a result, many young people end without a stable and decent job and income. Many turn to informal employment and are subjected to poor job conditions. Many look for better opportunities in other countries, thereby draining the country's potential to grow.

In this context, policy-makers face two major challenges, in terms of:

- creating new economic opportunities for youth in the country;
- attracting youth to sectors that have traditionally been economic drivers in the country.



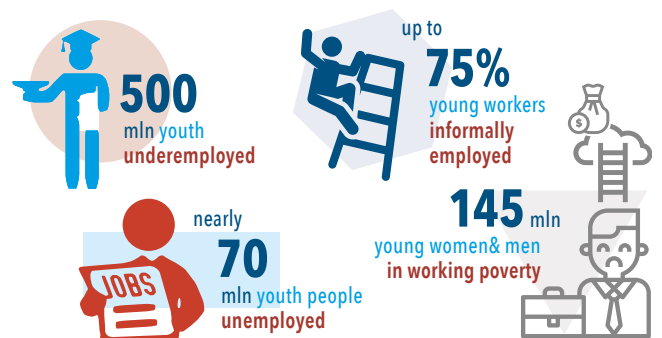
"Today's generation of young people, the largest the world has ever known, is growing up in an unpredictable world. On the one hand, there are enormous opportunities that if properly seized would bring about enormous transformation in their lives. On the other hand, there are challenges and risks, which if not properly addressed will diminish their potential."

UN Secretary-General's Envoy on Youth



Winning solution

ITC's Youth and Trade Roadmap (YTR) is a strategic blueprint that guides government, institutions and the private sector towards progressive youth economic integration. Grounded in comprehensive analyses and anchored in strong public-private dialogue, the YTR presents a clear vision and prioritises actions to achieve meaningful impact by way of home-grown economic opportunities for youth.



YTR AT A GLANCE

The YTR has three broad objectives:

- to attract youth in sectors and economic activities that leverage the country's comparative and competitive advantages;
- to stimulate diversification of production, value-addition and exports by providing a business environment that encourages youth entrepreneurship;
- to tackle market-oriented skills development so that young people receive the education and training to acquire the skills required by industry.

The outputs include:

- a national-level strategic masterplan that lays the vision and defines youth-centred trade and competitiveness priorities;
- a set of sector-specific, value-chain led and market-oriented strategies.

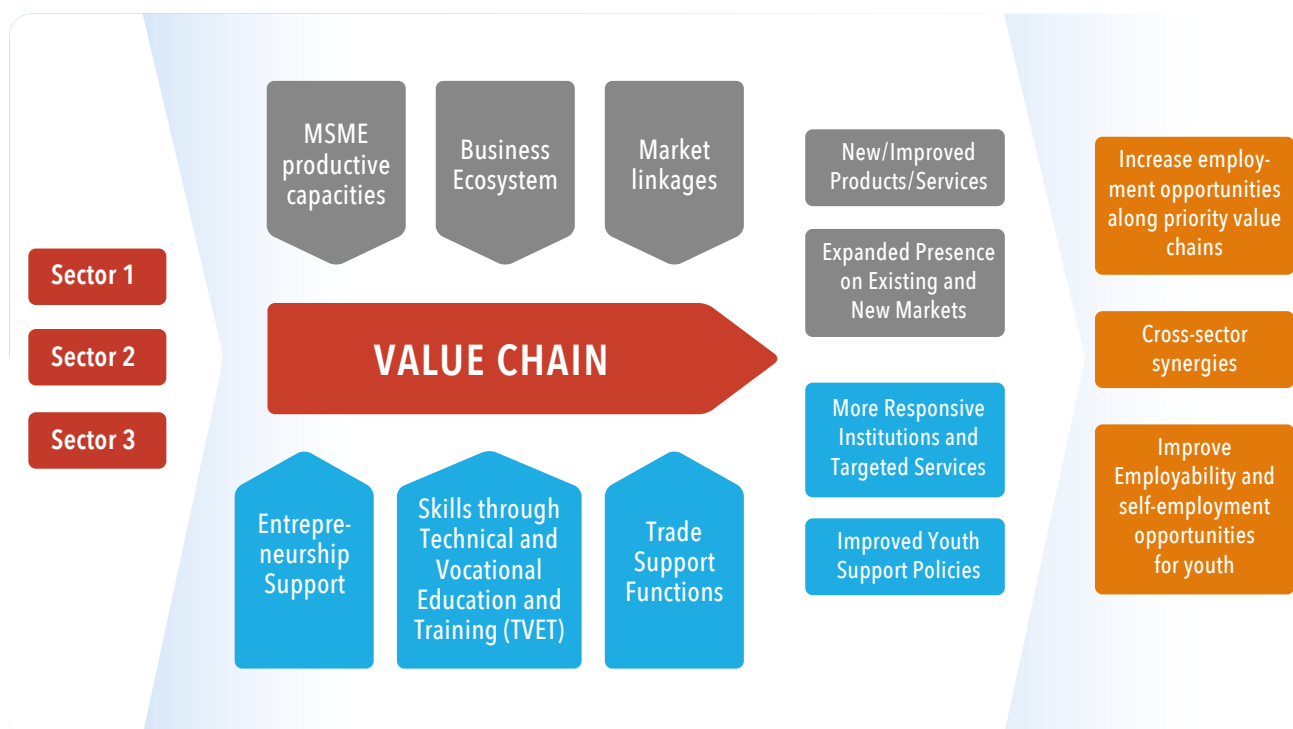
Each contains a realistic Plan of Action designed to achieve improved entrepreneurship and employment opportunities for youth, aligned with the country's trade development objectives.

Comprehensive Analysis: from national level to specific nodes within value chains

The YTR examines regulatory, institutional and business contexts at both national and sector levels.

- An overall **national-level analysis** serves to assess key cross-cutting aspects of youth economic integration, while orienting the roadmap, identifying constraints and opportunities, and defining priority sectors for domestic and export market development.
- Prioritisation takes into account a set of pre-agreed variables aligned to the development imperatives, economic viability and youth integration potential. In other words, **priority sectors** are the ones most likely to:
 1. Contribute to a development goal, such as poverty-reduction, employment generation, or regional inclusion;
 2. Promote the country's longer-term competitiveness potential in the domestic and in international markets;
 3. Engage youth and create entrepreneurship and employment possibilities at different nodes in value-chains.
- **Synergies between priority sectors** are exploited to trigger the virtuous cycles of cross-sector development and to stimulate the mutual strengthening of the sectors' competitiveness, growth, and economic opportunities for youth.

Creating youth economic opportunities in selected value chains





©Chemonics International

ACTION MECHANISM TO RECONCILE YOUTH AND TRADE

The YTR, as any trade development strategy initiative, is geared towards reducing constraints and creating opportunities to stimulate trade growth and improve the ability of enterprises to Compete, Connect and Change. It takes into account a number of considerations with specific parameters to identify and address root causes of the most binding constraints. Those considerations are examined through the perspective of policy-makers, institutions and enterprises, and include:

- Building supply-side capacities
 - Developing skills and entrepreneurship (business skills and competencies, technical and vocational training)
 - Capacity development (productivity, volume, quality and value-addition of enterprises)
 - Capacity diversification (development of new products, R&D, capital investment)
- Improving the quality of the business ecosystem
 - Infrastructure and regulatory reforms (trade-related infrastructure, adequacy of regulatory environment, doing business efficiency)
 - Trade procedures (administration and documentation requirements, streamlining of import and customs clearance procedures)
 - Quality of institutional support (coordination/ gaps and duplication of trade support network, competencies and responsiveness of institutions, trade finance, trade intelligence, trade development services)

- Facilitating the ability of enterprises to enter markets
 - Market access and policy reform (market-entry conditions, access to information on market requirements)
 - Trade support services (trade information services, trade promotion and marketing)
 - National promotion and branding (national brand and image, investment promotion)

SPECIFICITIES OF THE YTR

The YTR applies a youth lens to analyse key elements of trade development, with a view to improving the coherence and complementarity of policies at different levels; to strengthening institutional capacity for operationalizing established youth-centred programmes and plans; to reinforcing youth integration in trade and advocacy. In the YTR, an additional emphasis is placed upon

- Skills development and education;
- Employment and entrepreneurship.

Skills development and education: Reinforcing youth skills through vocational training and TVET strengthening

Skills mismatch is considered to be one of the biggest constraints to the growth of small and medium-sized enterprises (SMEs), resulting in a lack of employment opportunities. Aimed at providing knowledge and skills for employment, technical and vocational



ITC

education and training (TVET) often suffers from weak links with the market. As a consequence, lack of competence, insufficient knowledge, and inadequate qualifications, particularly attributed to young people, affect the capacity of firms to change and remain competitive.

In response, the YTR guides the development of a demand-led TVET system to bridge the gap between the needs of the private sector and the existing labour offer of young jobseekers. YTR's targeted solutions are designed to ensure the relevance and accessibility of vocational and educational programmes, improving youth employability and self-employment prospects as well as fostering SME competitiveness in the longer term.

Employment and entrepreneurship: Facilitating job creation through youth-oriented business knowledge and support

The young generation needs to be equipped with a new mindset of business development and entrepreneurial skills to become their own engine for growth. Combined with a youth-enabling ecosystem, entrepreneurship can provide young people with a wide spectrum of self-employment opportunities and can accelerate the development of already established enterprises.

In this context, the YTR assists in enhancing entrepreneurial skills, setting up a business incubation system, and ensuring customized youth-specific business services. Targeted support, including business sensitization programmes, trainings, mentoring, and trade acceleration intend to build a solid foundation for the creation of youth-owned and led enterprises.

Youth Employment Forum:

Shaping a Truly National Vision driven by the Youth

During the YTR's development process, ITC organizes a Youth Employment Forum bringing together multiple interest groups. A high-level event is a principal transition step from the analytical phase of the project to its design. The Forum is intended to serve as a communication platform to discuss preliminary assessment results, identify major constraints and opportunities on the way to youth economic integration, and set priorities and objectives for future actions.

With an extensive participation of policy-makers, trade-relevant institutions, training institutions, sector associations and youth, the Forum does not only set the direction of youth and trade development, but also raises awareness and visibility of youth concerns at the country level.



(cc) Pexels

METHODOLOGY: THROUGH DETAILED ANALYSIS TO PRAGMATIC ACTION

1. UNDERSTANDING OF OVERALL TRADE COMPETITIVENESS OF A COUNTRY, YOUTH ASPIRATIONS AND TRADE OPPORTUNITIES

The overview of a general context that forms the setting for youth and trade development provides a solid base to critically assess country's capabilities and identify its comparative advantage.

- Diagnostics of overall economic performance with focus on international trade competitiveness
- Reviewing a current youth position along several dimensions: population and development, employment, and education
- Assessing of SME landscape and identification of major factors constraining SME competitiveness with the focus on skills gap assessment
- Identifying market opportunities

2. ASSESSMENT OF THE ESTABLISHED YOUTH-FOCUSED POLICIES AND OPERATIONAL FRAMEWORK

A full examination of a country's policy framework related to youth aims to review priorities, actions and interventions planned or already in place.

- Mapping TVET and their effectiveness (institutions, governance, structure, quality, accessibility, relevance) to identify required adjustments

- Understanding youth-specific policy framework for skills development and entrepreneurship
- Assessing trade support network (policy, trade, business, civil society) and business incubation ecosystem that could be pivotal to integration of youth in the economy
- Defining youth-related business support services: special business support services, incentive programmes, and preferences

3. ESTABLISHMENT OF A STRATEGIC ORIENTATION

A series of stakeholder consultations result in a clearly defined set of priorities serving as a reference point for further action. An extensive consultative process allows a smooth integration of the youth dimension into country's national and sector-specific trade strategies.

- Engaging policy-makers, trade and investment support institutions, private sector and civil society
- Generating national and sector visions on youth and trade, and setting up strategic objectives for medium- and long term development

4. PRIORITIZATION OF SECTORS AND CROSS-SECTOR ACTIVITIES

Prioritization process places focus on those sectors that are considered to foster economic growth while also meeting youth aspirations. Sector specific analysis allows the definition of realistic targets, an effective allocation of limited resources, and the achievement of tangible results.

- Selecting priority sectors and cross-sector activities on the basis of a country's development agenda, economic relevance, and youth orientation
- Analysing the skills required by a specific sector and a current offer at the labour market

5. UP-SKILLING YOUTH FOR VALUE ACQUISITION, RETENTION, ADDITION, CREATION, DISTRIBUTION

For each sector, a future value-chain is developed after taking into consideration viable economic options.

- Identifying youth-relevant activities within sector value chains with its actors and flows of goods from pre-production to final markets
- Selecting value chains options for value acquisition, retention, addition, creation and distribution
- Elaborating skills development plan and recommendations to strengthen TVET capacities
- Establishing synergies between selected priority sectors and value chain activities

6. PRIORITIZATION OF TRADE AND ENTREPRENEURSHIP SUPPORT SERVICES FOR THE NEEDS OF YOUTH

Youth-oriented trade support and business incubation are vital components of the business ecosystem. High-quality, targeted support can induce the increase of youth-owned and led enterprises.

- Revealing gaps between a current service offer of trade and investment support institutions (TISIs) and SMEs needs in prioritized sectors
- Matching provided support to the demand and, thus, facilitating the process of youth engagement into trade
- Ensuring access to finance, market support, provision of trading premises and worksites

7. DEVELOPMENT OF A DELIBERATE SERIES OF ACTIONS

The strategic Plan of Action provides concrete impact measures to achieve national and sector objectives for the implementation of the roadmap. A master strategic roadmap and sector-specific strategies are completed with individual sets of actions.

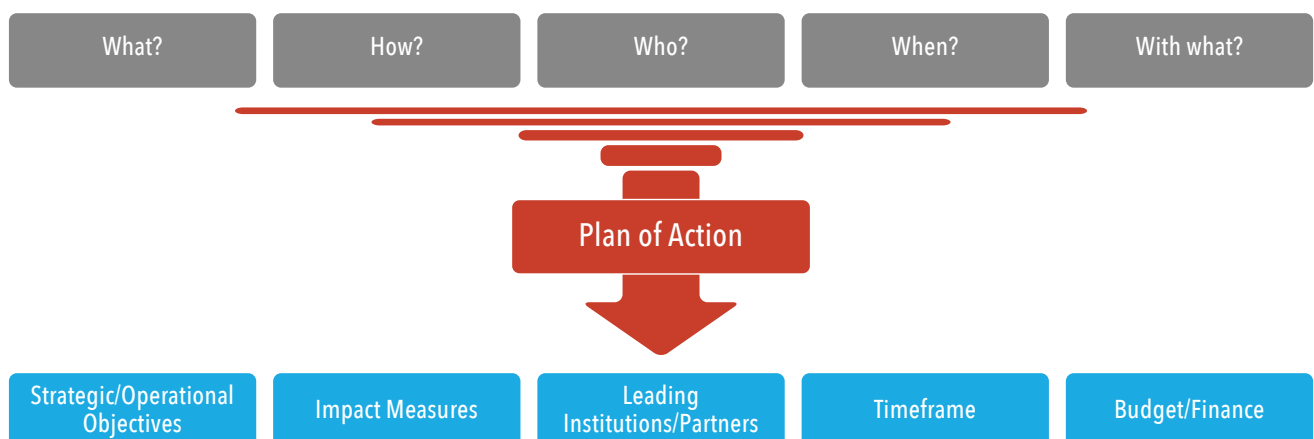
- Transforming identified challenges and opportunities into a targeted series of actions
- Specifying potential leading and supporting institutions
- Developing realistic target indicators
- Setting definite, yet manageable timeframes

8. ESTABLISHMENT OF IMPLEMENTATION MANAGEMENT SYSTEM AND STRUCTURES

Once the framework has been developed, consistent implementation plays a pivotal role. An extensive list of constraints, including lack of practical experience, insufficient technical knowledge, or inadequate allocation of resources, may keep governments away from turning plans into action, especially in developing countries.

- ITC facilitates the establishment of the YTR implementation management system comprising sector core teams.
- ITC technical assistance may continue at the implementation phase (depending on the level of interventions). It provides distant and on-site advisory support, capacity building, specialised tools, coordination guidance, project development, and facilitation of resource management.

The ultimate YTR's output is a highly-specific and prioritised Plan of Action to guide policy-makers, institutions (public and private) as well as enterprises in implementing the activities required to achieve the desired changes in a coordinated manner. The Plan of Action also includes a monitoring and measuring framework to evaluate progress against the intended results.





BENEFITS: TRADE IMPACT FOR YOUTH

The YTR generates immediate deliverables with quick gains and long-term sustainable effects.

Immediate deliverables

- Thorough socio-economic analysis with a focus on youth
- Plan of Action, a series of concrete and realistic actions
- Established public-private communication platform, Youth Employment Forum, sector strategy teams
- Raised awareness and visibility of youth concerns at the country level

Sustainable effects

Enhanced policy framework more attuned to the needs and potential of youth: Policy makes trade and entrepreneurship possible. The youth dimension is coherently integrated into country's national and sector-specific policies to ensure that strategies and plans can be implemented and that limited resources can be allocated in an efficient and coordinated fashion.

Targeted support provided by TISIs, TVET and business incubators: TISIs effectively operationalize strategies and plans. Relevant institutions and business support organizations have a better understanding of the needs of youth and young entrepreneurs, and are equipped to upgrade services and facilities to meet those needs.

Increased competitiveness of enterprises: Ultimately, it is enterprises that do business. Skills gaps are bridged by a trained workforce with appropriate knowledge and experience. Enterprises improve their capacity to compete domestically and abroad, to connect to customers, businesses and institutions, and adapt to fast-changing markets.

Strengthened youth engagement and advocacy: The voice of young people is raised through better representation at policy, institutional and enterprise levels, engagement in high-profile public activities, participation in consultation processes, and other channels of experience/information sharing and dissemination. This leads to meaningful engagement and contribution of youth to the national economy.

Implementation

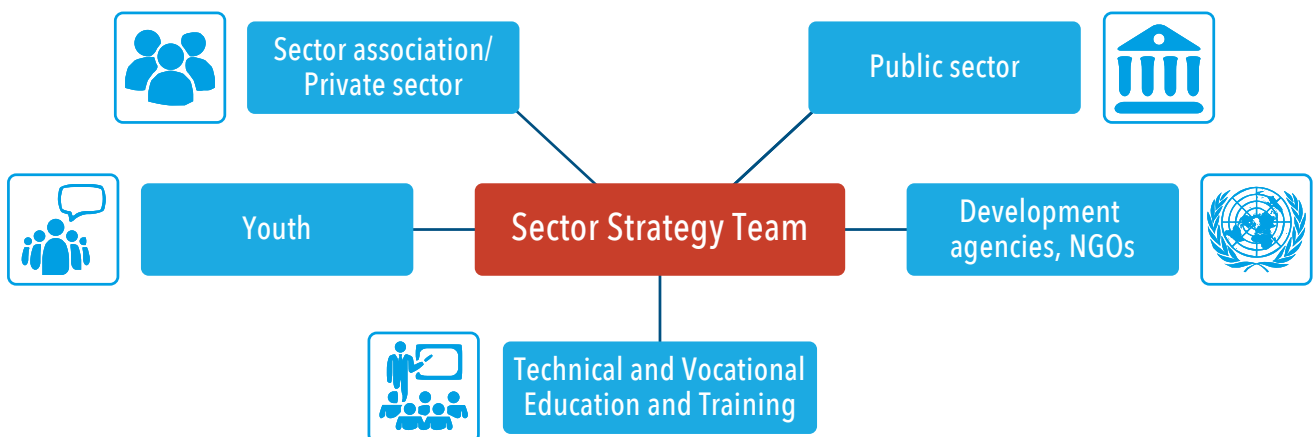
The YTR establishes an implementation management mechanism to deliver an effective application of the Plan of Action. In this process, sector strategy teams play a pivotal role:

- to ensure that the interests of sector stakeholders are represented in the policy alignment, planning and roadmap implementation;
- to act as a consultative and technical advisory body;
- to convey the aspiration and ideas of the youth in the design and implementation of the sector development strategies, both in the public and private sectors.

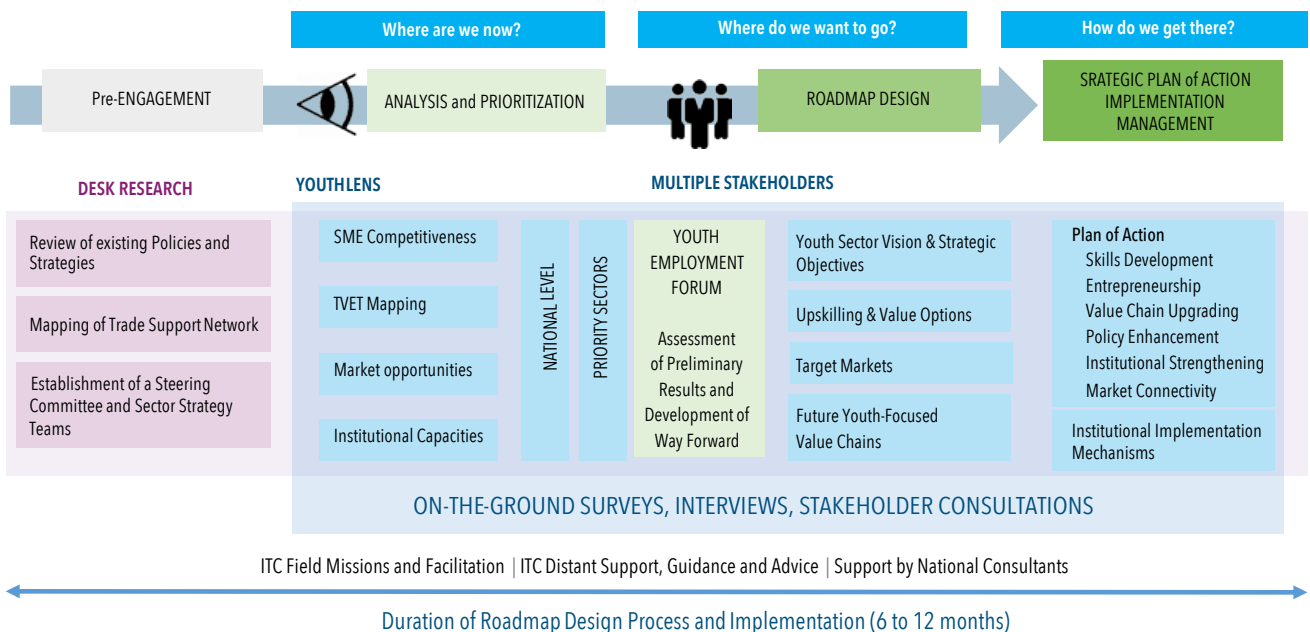


© shutterstock

SECTOR STRATEGY TEAM AS A CORE OF THE DESIGN AND IMPLEMENTATION MECHANISM



YOUTH AND TRADE ROADMAP PROCESS





WHAT WE OFFER

TRADE AS A PATHWAY

The configuration “youth and trade” can bring mutual gains to both of its constituent parts. Young people, driven by innovative approaches, are able to tackle persistent economic and social challenges by bringing new skills, knowledge and ideas. Unleashing the potential of youth provides an impetus to economic sectors in the country to achieve new levels of competitiveness and reinvigorate international trade.

Simultaneously, engaging youth in trade and triggering youth entrepreneurship generate the quality jobs, conditions and decent income opportunities that young people everywhere are after.

Clearly, youth integration in trade does not just happen. It calls for immediate and deliberate action. Yet, embedding the youth dimension into country’s development agenda requires decisions, actions and coordination on many fronts.

The YTR provides a strategic framework for such decisions, actions and coordination. Built upon ITC’s in-house analytical tools and methodologies that are rooted in a highly participatory consultation process, the YTR delivers a picture of a country’s overall trade performance together with detailed diagnostics of specific sectors and value chains. Identified constraints and opportunities are addressed through several strategic and operational dimensions. Comprehensive in scope and approach, the YTR results into the development of a series of targeted and pragmatic actions to leverage youth potential and increase trade competitiveness.

By assisting governments with the design and implementation of the roadmap, ITC makes contribution to:



SDG 4: to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



SDG 8: to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



“The Youth and Trade Roadmap will serve as a guiding compass for the government to bolster competitiveness and develop economic opportunities for the youth, in line with the Government’s priorities”.

Aranca González,
Executive Director
International Trade Centre (ITC)



APPROACH: MEANINGFUL IMPACT WITH NATIONAL OWNERSHIP

The YTR is built upon ITC's core principles of strategy design:

Country-owned



Combining top-down and bottom-up decision making; involving those responsible for implementing, managing, and monitoring a strategy in its formulation; generating a truly national solution for the country, by the country

Inclusive and consultative



Involving both public and private sector stakeholders, as well as representatives of civil society, ensuring extensive stakeholder consultations, surveys, interviews

Capacity-building oriented



Bringing relevant expertise, strengthening the capacity of countries to formulate, manage and implement strategies that are targeted and realistic

Builds on, and integrates national plans



Developing a vision, objectives and impact measures aligned with a country's broader development agenda, insuring policy coherence and consistency at various levels

Comprehensive in scope



Considering three competitiveness dimensions; supply-side capacities, the quality of the business environment, and demand-side conditions at national and sector levels

Needs-based, market-led priorities



Setting priorities and the levels of policy-makers, trade support institutions, and enterprises, building upon constraints and opportunities identified from both demand and supply sides of the market

Specific and measurable



Developing practical and pragmatic impact measures to achieve certain strategic and operational objectives; ensuring implementation with clearly articulated indicators

The YTR brings a **YOUTH-CENTRED** perspective of the above into the strategy development process in order to identify viable options for economic integration of young women and men



CONTACT

Anton J. Said

Chief Economist and Export Strategy Section

said@intracen.org

David Cordobés

Youth and Trade Programme Manager

youth&trade@intracen.org

International Trade Centre

54-56 Rue de Montbrillant

1202 Geneva, Switzerland

Phone: +41 22 730 0588

www.intracen.org