



# POLICY BRIEF

COVID-19 and Youth Resilience - Fostering Employment and Entrepreneurship amid Economic Uncertainty in Ethiopia, Kenya and Uganda

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### About this policy brief

This policy brief represents the findings of a three-year research project, "COVID19 and the Youth Question in Africa," conducted across Ethiopia, Kenya, and Uganda. The project, funded by IDRC, aimed to bridge the divide between marginalized youth and their governments. By promoting transparency and accountability, it strived to improve governance mechanisms.

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### Introduction

As the COVID-19 pandemic continues to shake economies worldwide, its seismic effects have profoundly shaken the youth employment landscape in Ethiopia, Kenya, and Uganda. With job losses and reduced income, the shock has also dealt a significant blow to entrepreneurial ventures. This policy brief, based on findings from the research study "COVID-19 and the Youth Question in Africa," elucidates the pandemic's impacts on youth employment and entrepreneurship and lays out strategic interventions for a resilient recovery.

### The Challenge of Economic Stability

Our study finds that the youth, particularly those engaged in the informal sector, grapple with grave economic distress in light of the COVID-19-induced downturn. Escalating unemployment and underemployment undermine their economic stability, impinging on their ability to provide for themselves and their families. These conditions, if left unaddressed, could potentially elevate poverty levels and hinder societal development in the long term.

### The Crisis in Entrepreneurship

The pandemic has taken a significant toll on young entrepreneurs who are typically instrumental in job creation and economic diversification. Disruptions to supply chains, dwindling demand, and constricted access to finance pose existential threats to businesses led by young entrepreneurs.

## A Comprehensive Response and Path Forward

### Bolstering Labor Market Resilience

To mitigate the immediate economic shocks, it's critical to establish robust social protection measures for young workers, especially those in the informal sector. Such measures may encompass cash transfers, unemployment benefits, and food assistance programs.

### Preparing for the Future Labor Market

To better prepare young workers for a post-pandemic labour market, it's crucial to offer skills training in burgeoning sectors such as digital technology, green jobs, healthcare, and education. Public-private collaborations can effectively tailor these training programs to meet market demands.

### Promoting and Supporting Entrepreneurship

The promotion of entrepreneurship as a credible career path is vital, and this can be achieved by easing access to start-up funding, mentorship, and business training. Simplifying business registration processes and creating platforms for young entrepreneurs to network, exchange resources, and access broader markets are also key interventions.

### Assisting Business Adaptation

In navigating the "new normal," young entrepreneurs need support to adapt their businesses accordingly. This adaptation could include digital transformation, pivoting business models, or accessing new markets. The provision of technical assistance and financial support can significantly facilitate such transitions.

### Conclusion

The COVID-19 pandemic has intensified the obstacles confronting Africa's youth in the labour market and entrepreneurial arena. However, through targeted interventions to bolster labour market resilience, equip youth with in-demand skills, stimulate entrepreneurship, and assist business adaptation, we can pave the way for a robust recovery. With these measures, we can ensure the promise of a prosperous future for Africa's youth isn't overshadowed by the current crisis.

This policy brief is developed as part of the "COVID-19 and Youth Questions in Africa" Project Implemented in Ethiopia, Kenya and Uganda.



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