



## An empirical review of youth employment policies and programmes in Nigeria

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### Key messages

- **Providing a financial grant for entrepreneurs is a good value and effective way to promote youth employment.**
  - **Incorporating inclusiveness criteria (giving women and other marginalized groups a greater opportunity to participate) is necessary for the success of this policy option.**
- **Improving the governance and coordination of youth employment policies is needed to ensure the feasibility of intervention programmes.**
- **Establishing a resource mobilization strategy can increase the effectiveness of youth employment policies.**

### Youth particularly vulnerable to Nigeria's unemployment crisis

Unemployment in Nigeria has risen sharply, from 2.3% in 2000 to 33.3% in 2020, according to data from the annual Labour Force Survey Report of the National Bureau of Statistics. The country's unemployment crisis has been aggravated in recent years by high population growth, poor economic management, a deteriorating education system, incessant economic recession, and a lack of adequate infrastructure (Afolabi and Awopetu, 2020; Nwokoma, 2021; Olorunfemi, 2021).

This unemployment problem has severe implications for Nigeria's youth. The youth unemployment rate was about 34.9% by mid-2020, compared to an adult rate of 27.1% (National Bureau of Statistics, 2020). In addition, the proportion of youth in full employment has declined consistently and dramatically in recent years, falling from 71% in 2010 to 37% in 2020. The share of underemployed youth also increased from 22% in 2010 to 28% in 2020 (Federal Ministry of Youth and Sports Development, 2021)).

Poor employment outcomes for young people in Nigeria are exacerbated by limited education and training opportunities. The share of those in education and training is declining, based on data from the World Bank's World Development Indicators (World Bank, n.d.) – a major challenge for future economic and social mobility.

This situation is more severe for women than men. In 2019, more women (31%) than men (25.3%) were not in employment, education, or training (World Bank, n.d.). The gender disparity could be attributed, in part, to the socio-economic and cultural barriers that women face.

The problem of youth unemployment is associated with a high level of insecurity and other socio-economic challenges in Nigeria (Egunjobi, 2021). Policymakers have thus launched multiple youth employment policies and programmes (YEPs) with the aim of addressing this problem from a variety of different angles.

### Objectives

The study aimed to provide a comprehensive review of youth employment programmes in Nigeria and evaluate the policies based on selected key criteria. It also sought to understand the policies that can best address the current constraints to youth employment and support a shift towards decent work for all young people. See Methodology for how the authors did this.

## Policy options

Most of the youth employment policies and programmes developed in recent years can be grouped under the following six categories:

- 1. One-time financial empowerment support programmes.** These are directed at the general public, including youth. For example, the TraderMoni Scheme.
- 2. Credit facilities/loans for youth entrepreneurs.** Viable proposals are awarded credit/loans to set up or develop youth-led enterprises. For example, the Youth Entrepreneurship Support Programme (YES-P).
- 3. Financial grant for entrepreneurs.** This provides financial support (not loans) for eligible youth based on a business proposal competition. One prominent example was YouWin!
- 4. Vocational training with financial support.** This provides selected youth with vocational skills and financial support for various economic activities. For example, the Skills Development for Youth Employment (SKYE) programme.
- 5. Employability skills development and internships.** These involve skills development for youth to enhance their employability. For example, the Nigeria Jubilee Fellowship Programme.
- 6. Public works programme.** This provides direct unskilled jobs for youth for a short time period. Youth are engaged in activities in rural areas such as in construction, sanitation and sewage management.

## Key findings

No single policy option meets all of the criteria in full. This confirms that there is no 'one-size-fits-all' approach that can address the challenge of youth unemployment in Nigeria, and that the Government may have to adopt a mixed approach to achieve an optimal solution.

Among the six policy options, the financial grant for entrepreneurs (Option 3) is shown to be the most

effective, is widely accepted due to the provision of large financial grants, and has merit-based selection criteria. It does not, however, provide a level playing field for all youth, particularly those who are female and those living with disabilities. These marginalized groups may be unable to meet the eligibility criteria. The programme is also capital-intensive, costing the Government a huge amount of money.

While the one-time financial support programmes (Option 1) and employability skills development and internships programmes (Option 5) have the same average ranking as the financial grant, they are much less effective. Furthermore, despite being feasible and low cost, Option 1 ranks last for acceptability. Option 5 may be inclusive and acceptable, but it ranks fifth for feasibility.

**Table 1: Evaluation of policy options**

Evaluation criteria for decision makers	Policy options					
	Option 1 (One-time financial support)	Option 2 (Credit or loans)	Option 3 (Grants)	Option 4 (Vocational training + financial support)	Option 5 (Internships & skills dev)	Option 6 (Public works)
<b>Effectiveness</b> (impacts)	5	2	1	3	4	6
<b>Inclusiveness/equity effects</b> (gender, people with disabilities)	2	3	5	4	1	6
<b>Cost</b> (budget)	1	5	4	6	3	2
<b>Feasibility</b> (administrative)	1	6	4	3	5	2
<b>Acceptability</b> (political risk, etc.)	6	3	1	4	2	5
<b>Average ranking</b>	<b>3</b>	<b>3.8</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>4.2</b>

Source: Authors' subjective analysis based on the available information about these programmes and the specificities of the local context. Note: The scores for each policy option based on the evaluation criteria are ranked 1 to 6, with 1 being the best option and 6 the least preferred option.

# Policy road map

## 1. Increase inclusive participation

- Government agencies charged with the design and implementation of youth employment policies and programmes—especially the Ministry of Youth and Sports Development and the National Directorate of Employment—should ensure that inclusiveness criteria are incorporated into youth employment policies and programmes to give women and other marginalized groups greater opportunities for participation.
- They should also ensure that advertisement and application process for these programmes is easily accessible for people with disabilities. In addition, quotas should be stipulated for women and people with disabilities. They may work with the National Commission for Persons with Disabilities (NCPWD) in this respect.

## 2. Improve the administrative set-up of policy interventions

- There is need for a central coordinating framework to govern and coordinate the numerous youth employment policies and interventions, replacing the current system where different agencies develop and implement their programmes without adequate coordination. The National Directorate of Employment may be tasked with the responsibility of coordinating the numerous programmes.
- This shift in approach should be complemented by strong oversight and a robust monitoring and evaluation framework by the legislature, youth groups and youth-focused civil society organisations to ensure that the programmes are implemented as intended.
- Youth, community groups and civil society organizations should be involved in the oversight and monitoring and evaluation of the programmes.

## 3. Develop a resource mobilization strategy

- The Federal Ministry of Youth and Sports Development in collaboration with the National Directorate of Employment can enhance the funding for youth employment policies and programmes in a way that is commensurate with the scale of the problem. To limit the strain on the Government's fiscal capacity, the support of the private sector, philanthropists and international development organizations may be required.

## 4. Commission new research

- The Federal Ministry of Youth and Sports Development, the National Directorate of Employment and other agencies that are implementing youth employment policies and programmes could commission impact evaluation studies to examine the effects of the programme, focusing on the criteria of effectiveness, equity, cost, feasibility, acceptability, etc.



## Methodology

To understand the impacts/effectiveness of the alternative policy scenarios, the authors reviewed the literature on their impact (particularly, Kluge et al., 2017). They based their criteria on those available in the literature: effectiveness, inclusivity, costs, feasibility and acceptability. A policy option is considered to be effective if it achieves the desired outcome. It is inclusive if it has balanced effects on different groups and is fair to all groups, or if it enables the incorporation of equity principles in the design.

The authors' focus on inclusiveness emphasizes the perspective of women and other marginalized groups. Costs relates to the financial costs and budget of the policy option. Finally, feasibility is about the practicability and implementability of the policy option, while acceptability focuses on public opinion and acceptance of the policy. As well as data, the authors used information gathered from stakeholders, particularly youths, government officials, and civil society organisations by holding key informant interviews and focus group discussions. They also used their own value judgement based on their understanding of the specific local situation.



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### The 'What Works for Youth Employment in Africa' initiative

The Partnership for Economic Policy is partnering with the Mastercard Foundation for a three-year initiative on What Works for Youth Employment in Africa. The initiative aims to provide evidence that can drive policy reform to increase youth employment in 10 African countries: Ghana, Kenya, Niger, Nigeria, Rwanda, Senegal, Uganda, Burkina Faso, Ethiopia and South Africa.

The initiative aligns with the Mastercard Foundation's Young Africa Works strategy that seeks to enable 30 million young Africans, particularly young women, to access dignified and fulfilling work by 2030. Teams of local researchers and policy stakeholders are carrying out gender-aware policy and impact reviews in each country. The resulting analysis and findings will build a body of knowledge on youth employment policy in Africa, and will be stored in a new online knowledge repository.

For more information, please visit: [www.pep-net.org/programs/youth-employment](http://www.pep-net.org/programs/youth-employment)

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