



An empirical review of youth employment policies in Rwanda

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Key messages

- **Greater support and encouragement for Rwanda's young entrepreneurs could enable them to become job makers, rather than job seekers.**
- **Improved partnership between public and private operators, as well as with other skills-development partners, can help to bridge the current gaps between education and employment, and therefore, enhance youth employment.**
- **Increased funding for youth employment programmes is vital to solve Rwanda's youth unemployment challenges.**
- **A communication policy that is aligned to Rwanda's ambitions for youth employment programmes through, for example, the use of community structures and authorities, could improve their inclusion of marginalized young people.**
- **Stronger coordination across Rwanda's different youth employment programmes would enable the government to improve their effectiveness.**

Youth in Rwanda face a lack of adequate employment opportunities

More than 65% of Rwanda's people are under 30 years of age (NISR, 2022). This signals the vast scale of the country's youth labour force – a group that needs far greater attention from the public and private-sector organizations that deal with education and employment, as well as coordinated youth policies.

Findings from the labour-force surveys carried out by the National Institute of Statistics (NISR) in 2020 and 2021 show that Rwanda's youth employment to population ratio has been relatively lower than its adult employment to population ratio over time. The youth employment to population ratio increased by only 1.9 percentage points during that timeframe (from 40.8% to 42.6%) while adult employment increased by 2.3 percentage points (from 47.2% to 49.5%) over the same period (NISR, 2021).

One key challenge faced by youth in the labour market is a lack of adequate employment opportunities. Weak education and a mismatch between the skills attained in school and those needed in the labour market are thought to

account for 15.2% of youth who are not in education, employment and training (NEET) (NISR, 2019).

The risks associated with youth unemployment include social instability, which can be exacerbated by crimes such as theft and murder, and the social ills related to drug abuse, prostitution and violence. All of these can, in turn, threaten Rwanda's stability.

If youth unemployment is not addressed, younger generations face the prospect of continued poverty. Given the complexity of Rwanda's youth employment challenges, we have conducted a study to inform our evaluation of policy options to tackle the problems. Our study has explored the experiences of young women and men regarding their aspirations, including job opportunities, best practices, training, education and the constraints they face in starting businesses. It has examined how they can be supported to respond to Rwanda's labour market challenges, as well as alternative youth employment policy options that could complement those that already exist.

Youth employment policy options

Our study has considered the following policy options for Rwanda's on-going youth employment challenges.

- Strengthening technical and vocational Education training (TVET) programmes to bridge the skills gap among youth.
- Improving job creation and fostering youth entrepreneurship skills.
- Coordination of the different public and private youth employment programmes and mechanisms to follow-up on beneficiaries.
- The collaborative design of an inclusive youth employment programme, ensuring the involvement of youth with disabilities, historically marginalized people, refugees and internally displaced people in its design from the outset.

Methodology

Our study used a mixed-methods approach. In addition to an empirical review of Rwanda's existing youth employment policies, our research included more than 80 key informant interviews with policy makers, as well as implementers of employment policies at the district level, such as district officials and youth and culture officers. In addition, 14 focus group discussions were held with young women and men, including people with disabilities, historically marginalized people, and those who have been internally displaced.



Photo credit: A'Melody Lee / World Bank

Key findings

There are 2,000 vocational training centres and 147 TVET schools spread across all of Rwanda's districts, but they are concentrated in cities, towns and commercial centres. The expansion of vocational training and TVET schools in rural areas could bridge the skills gap between urban and rural youth and help to address the low levels of education attainment within the Rwanda's labour force.

The Government has strong policies on entrepreneurship programmes. However, inadequate training for entrepreneurship hampers youth who wish to start their own businesses or to exceed the expectations of their employers. This suggests that the Government could foster entrepreneurship skills for youth so that they become job makers rather than job seekers.



Photo credit: AfDB Projects

Capital remains a persistent issue for youth in the business sector. This has been identified as the main challenge that hinders the implementation of youth employment policies. The Government should, therefore, put more funds into the country's Business Development Fund (BDF) to cater for the aspirations of its youth.

Micro projects for start-up loan facilities appear to have fewer chances of developing into large-scale businesses. This indicates the need to revise the toolkit of loan facilities towards leasing arrangements for existing projects to enhance their chances of business growth and to minimize the risks of allocating cash to individuals solely for the purchase of equipment.

Public Employment Centres have been found to connect graduates with companies for internships and placements as a way to contribute to the transition from education to the labour market. These centres could, therefore, be established

across all districts to cater for high demand among youth for job opportunities.

The study has revealed limited youth awareness about existing employment programmes, particularly among youth in rural areas. There should be adequate sensitization of youth prior to programme implementation to ensure inclusive economic growth that creates opportunities for all.

There is limited youth participation and ownership of YEPs during programme design and implementation. There are also limitations in the sustainability of Rwanda's YEPs as a result of short implementation periods. In addition, ministries and districts do not have enough budgetary resources to implement employment policies and programmes. This creates a huge gap in measures to address employment challenges. The study confirms the need for a sustainable funding mechanism to end these budget constraints.



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Coordination remains a challenge for the implementation of youth employment programmes. It is essential, therefore, to strengthen the monitoring and evaluation capacity of the Ministry of Youth and Culture. Monitoring and evaluation by the Ministry of Youth and Culture as well as the Rwanda Development Board (RDB) are key.

Recommendations and roadmap

Employment measures by the Government of Rwanda should aim to raise demand for young women and men to fill quality jobs, but actions are needed for both the demand and supply sides of the labour market to improve the prospects for inclusive economic growth. Coordination for the implementation of youth employment policies and programmes, as well as incremental job creation, can be expected to attract foreign funding that would support Rwanda's vision and political will to deliver its youth employment agenda. The table below summarizes four policy recommendations emerging from our study, and the steps required for their implementation.

Policy recommendations

1. Bridge the gaps between education and employment
2. Strengthen coordination mechanisms during the implementation of youth employment policies and programmes
3. Allocate more funds to youth programmes
4. Develop a communication strategy to inform youth about available opportunities

Steps required for implementation

1. Public-private partnership between education and private operators and other skills development to create internships and apprenticeships
2. Create synergies between programme implementers and stakeholders to strengthen the culture of informed evidence decision-making
3. Ensure a resource mobilization strategy that aims to provide the budgetary resources to solve Rwanda's youth unemployment challenges
4. The use of community structures and authorities could address the current communication challenges

Overall, it is important to ensure buy-in and ownership from different relevant entities during the implementation of youth employment policies and programmes. This means that employment policies must be well aligned with other complimentary policies to achieve progress in job creation for Rwandan youth. It is also crucial to listen to the voices of young people as they pursue their aspirations and to encourage them to become more resilient in meeting their desired goals for decent and productive work.

References

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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:

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