More than 70 percent of Ethiopians are under 30 years of age as the country is experiencing the second-largest youth expansion in Africa today. In rural Ethiopia, many youth have benefited from significantly more education than their parents. They attend school for years and aspire to attending university, but many of them fail the Grade 10 National Exam, which is a requirement for university admission. For many, this means their life's goal is no longer a possibility. With limited access to productive resources (especially land), limited skills, no money and little or no job opportunities in their communities, young people often choose to migrate from rural to urban areas, and Ethiopia's urban population is growing at a rate of 4% per year.

For female youth in particular, limited options put them at higher risk of exploitation such as early marriage, migration to urban towns to work as domestic help or commercial sex work, or even migration abroad (often to Middle East) under an illegal arrangement or a loosely supervised employment arrangement. Today, Ethiopia's youth unemployment rate sits at 27%. Despite the staggering challenge of inclusive growth, the issue of youth employment is recognized by the Government of Ethiopia and other stakeholders as one of the biggest development challenges to be tackled.

CARE Ethiopia knows that adolescence is a significant transition period and a unique window of opportunity to shape the healthy and successful development of future generations and addressing the diverse needs of youth and adolescents is critical to ending poverty and promoting equality. For CARE Ethiopia this means ensuring that youth, especially adolescent girls, are empowered to equally access economic and social opportunities and services; and that Institutions (formal and informal) become more responsive to the specific and contextual needs and priorities of youth.

How we approach youth employment

Over the past decade, CARE Ethiopia has employed a rights-based and comprehensive approach that considers all the inputs a young person needs throughout their life, including economic development, to help youth grow into healthy, productive adults and citizens.

Female entrepreneurship is a critical avenue through which CARE Ethiopia supports female youth economic empowerment. For example, CARE Ethiopia’s work with urban young women provides a package of enterprise development support (coaching, training and mentoring) to develop and enhance the entrepreneurial and financial planning and management skills of young female petty traders and business owners. Programming evidence found that CARE was able to support young urban female entrepreneurs in making significant positive changes to their livelihood strategies, including increasing their engagement in small enterprises.

To sustain growth among youth micro-enterprises, CARE
Ethiopia pairs business skills training with access to informal and formal financial services to enable young women to start and/or diversify income-generating activities. Projects also address social norms to strengthen women and female youth’s ownership and control over assets and decision-making.

CARE adapted its VSLA approach to meet the needs and potential of adolescent girls and young people specifically to save and invest in agriculture and microenterprises through its Adolescent Girl VSLAs and Youth VESAs. Youth VESAs are one of the most forward-looking aspects of CARE’s youth programming. In two projects, CARE Ethiopia places a deliberate focus on targeting the youth in PSNP4 households, helping them channel their energy towards developing the skills to climb out of poverty. Both the Strengthening PSNP 4 Institutions for Resilience (SPIR) Development Food Security Activity (DFSA) and the Livelihoods for Resilience Activity cultivate a culture of saving among adult PSNP4 clients, and apply the same principles to youth. Both programs provide soft skills training and form youth VESAs, although the youth VESAs play a slightly different function in the two projects.

In a recent (2018) USAID/Youth Power Learning Study, Ethiopian youth stated that the single most significant factor limiting their success is a lack of livelihood opportunities. Youth VESAs serve as an entry point for financial literacy and business skill trainings, as well as linking youth to vocational training and wage employment. Youth VESA members can directly engage with employers and identify training opportunities that align with their career goals.

The Livelihoods for Resilience Activity also forms youth VESAs, but targets a slightly different age range (youth aged 18-29) and uses Education Development Center (EDC)’s Work Ready Now! and Be Your Own Boss curricula as entry points for youth empowerment. Work Ready Now! is an intensive 15-day training course that developments youth’s soft skills to prepare them to succeed in wage employment or self-employment. Through this adapted curriculum, the project’s youth trainers cover the topics of personal development, interpersonal communication, work habits and conduct, and leadership. At the end of the training, youth prepare their own Personal Development Plan, in which they make a plan for future livelihood activities. Youth who are interested in self-employment then take the Be Your Own Boss curriculum, a five-day entrepreneurship training that includes business concepts and market-based practical activities. CARE has found that youth trained in Work Ready Now! and Be Your Own Boss are able to regain a vision for their future livelihoods and to take better advantage of the livelihood opportunities around them, including labor opportunities, small-scale trading and sheep and goat fattening. Youth VESAs then help reinforce these messages by enabling youth to develop sound financial management skills as a foundation for future activities through small-scale savings and lending. Youth VESA meetings provide an opportunity for regular follow-up by project staff on youth’s progress. The project also links youth to short-term (2-week to 3-month) trainings at technical and vocational education and training (TVET) centers and, where possible, facilitate linkages with MFIs to help youth access startup capital for their businesses.
“I’ll have my own business.”

Mulunesh Belayhun, 18, from the Menz Gera Woreda of Amhara, could not find a job after completing secondary school in 2016. Her results on the national exam were not good enough for further schooling, so she worked as an adult education teacher for over a year and half, earning a meager monthly income of 425 birr (about 15 USD). “The income was too small to cover my basic expenses, she said. “I had to look for other opportunities.”

Fortunately, Mulunesh heard about youth support activities provided by the Livelihoods for Resilience Activity, and enrolled immediately. She attended WRN training and learned about personal development, interpersonal communication, effective work habits, leadership, and teamwork. She also took the project’s BYOB training and was linked with a TVET college located in a nearby town. After attending a short training on catering she became a waitress at nearby a hotel, earning a net salary of 500 birr (18 USD) per month but also including meals and accommodation. In a few short months, she has saved 1,500 birr (53 USD). “With my earnings, I was able to buy school materials for my younger brother. I’m planning to someday start my own small business with my savings.”
The Livelihoods for Resilience Activity provides an additional life skills training to female youth, called the Personal Advancement and Career Enhancement (PACE). This curriculum builds assertive communication, time and stress management, and problem-solving and decision-making skills for female youth. CARE has found that female youth trained in PACE are more active and outspoken in subsequent Work Ready Now! and Be Your Own Boss trainings, which they take with their male counterparts.

For both projects, organizing PSNP4 youth into VESAs has proved to be a cost-effective way of delivering services and technical support to a previously underserved population. In addition, Youth VESAs build social cohesion and capital and are a safe and fertile environment for training/discussion on social and cultural norms.

CARE’s Abdiboru project focused on strengthening girls’ empowerment, and VSLAs have been adapted to meet the needs of adolescent girls and ultimately improve their economic, health and social outcomes. In VSLAs, girls save together and take small loans to support their income generating activities or to cover their cash needs. In addition to the economic activities, the groups also provide a platform for training in sexual and reproductive health rights, life skills, and nutrition. Taking part in the VSLAs has taught girls how to generate income through small business opportunities such as goat and sheep rearing, poultry farming, vegetable trading and khat packaging/collecting. Girls have also learned to budget in order to build livelihood assets and use their savings to cover their clothing and education expenses. Most fundamentally they see a bright future for themselves, recognizing their value to their families, community, and society overall. Because of this, more girls feel free to reject early marriage proposals. Evidence shows that VSLAs empowered girls economically with positive multiplier effects impacting beyond them to their families and communities. With stronger financial literacy skills and economic empowerment, girls have helped alleviate the strains of poverty on their parents, and have built more financially stable futures for their own lives.

The Spotlight: What we have learned

Organizing PSNP4 youth into VESAs has proved to be a cost-effective way of delivering services and technical support to a previously underserved population.

Although many rural youth are discouraged after the National Exam forces them to reconsider their life’s aspirations, CARE has found that soft skills trainings (such as Work Ready Now! and Be Your Own Boss), combined with regular savings and lending and follow-up through youth VESAs, help youth regain a vision for their future livelihoods. The trainings push youth to identify and consider opportunities around them, in many cases enabling them to see that migration is not the only option.

Although Youth VESAs can link youth to vocational training and wage employment, youth still face limited opportunities and ensuring linkages and sustaining employment is dependent on multi faceted variables.

Building on and adapting successful approaches such as VSLAs/ VESAs as a youth specific platform and combining with social norms approaches such as CARE’s SAA has a multiplier effect - shifting social norms that limit youth (especially girls) mobility and decision-making and improving relations with families and communities. Layering in sexual and reproductive health programming also leads to more positive health outcomes.

Providing a youth specific platform fosters trust and solidarity and can be important support groups for youth – both male and female.

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