Rural youth around the world face specific challenges. They are often under-employed or employed in low productivity sectors. They depend strongly on household-based activities and informal jobs. And they have limited access to training and finance. Confronted with slow structural transformation in rural areas and limited wage job creation, youth are turning to entrepreneurship as a way to expand employment and earning opportunities. However, the EU-OECD Youth Inclusion project’s study on youth entrepreneurship in Côte d’Ivoire, Madagascar, Peru and Viet Nam finds that only a tiny portion of youth entrepreneurs - less than 5% - succeed. A large number are confined to subsistence activities, limited both by poor physical operating conditions and a lack of education and skills. If youth entrepreneurship is not necessarily a solution to the youth employment challenge, what is?

The potential to create quality jobs for rural youth by investing in agro-food industries – including production, processing and marketing – is a promising alternative. Yet, it has been largely underestimated. Domestic demand for diversified foods is rising in many developing countries. Developing the agro value chain presents a real opportunity to support local enterprises, improve market structures and enhance the business environment. Together, these actions can result in more wage employment as well as avenues for entrepreneurial pursuits for rural youth.

Questions

- What specific challenges do rural youth face and what specific solutions are required? What is particular to their local context?
- What have been the successes and failures of promoting growth sectors in the rural economy – both in and beyond agriculture – that have helped and hindered rural youth? What policies have worked and how to tap into the agro value chain as a way to employ and empower youth?
- How should efforts to empower rural youth through place-based policies link up with and support overall national development plans?