



# LOCAL ECONOMIC DEVELOPMENT SERIES

## Inclusive and Sustainable Recovery

### LED Session #3: How can we Support the Employment of Vulnerable Youth During and After COVID-19?

#### Key Takeaways

##### Opening Remarks:

**Namita Datta**, Program Manager S4YE, World Bank: Welcome back everyone to the third session of the LED Webinar Series. Today's focus is on youth employment. We are excited to have an exceptional group of panelists join us.

- **Mamadou Biteye**, Vice President, Social Impact for Central Europe, Middle East and Africa, Visa
- **Rob Urquhart**, Lead, Knowledge & Research, Harambee Youth Employment Accelerator
- **Akshay Kashyap**, Deputy Head, PMKVY, National Skill Development Corporation, India
- **Colin Blackwell**, Founder, Enablecode

**Namita:** S4YE is a global program that convenes many partners to make progress on youth employment. S4YE is based on four pillars. The first is the impact portfolio of 44 innovative youth employment projects. The objective is for this community to learn and grow together in real-time. Second is the Private sector advisory council consisting of more than 35 companies. Private sector participation is vital to ensure that jobs are available to youth. The third is the Youth advisory group made of 17 young entrepreneurs. They provide insight and experience from the youth perspective. Lastly, the World Bank youth employment network analyzes and integrates lessons from more than 150 different groups in the Bank. The S4YE online knowledge repository contains more than 200 resources and short notes spanning topics such as youth with disabilities, refugees, gender, and more.

Under COVID, it has become apparent that youth are vulnerable. They lack networks and capital to maintain resiliency. S4YE portfolio partners have been innovating despite these difficult circumstances. During this session, we will explore the silver linings and new lessons from our partners.

**Ian Walker:** Manager, Jobs Group, World Bank: Youth are at the center of the jobs problem, especially as COVID intensifies. When a crisis like this occurs, youth are both impacted more than others, and need additional support adjusting. The businesses that youth form will be at the center of jobs, post-COVID. This is where most of the potential lies for economic recovery in the future.

## **Fireside Chat**

**Question 1 for Mamadou:** You're the VP for Visa which has a focus on small businesses. These are critical for youth employment and are being hurt by the pandemic. Has visa's strategy changed to support small businesses given the pandemic?

**Mamadou:** At Visa, we've been focusing on the whole spectrum of MSMEs because they account for almost half of employment globally.

- Visa is supporting MSMEs by providing access to digital payment. This facilitates smarter lending since financial institutions have more information from which to base credit decisions.
- Digital payments also enable more consumer spending since there is immediate access to capital.
- Under COVID, Visa's strategy has accelerated. We launched the goal of helping digitally enable 50 million businesses within the next three years globally.
- COVID shows that being digitally enabled is important to access e-commerce and opportunities.
- Visa has dedicated \$210 million through its foundation to support MSME's so that they can face the pressure on working capital and keep their programs running.
- Our Back to Business campaign seeks to bring consumers back to purchasing from local businesses rather than only online.

**Question 1 for Rob:** Harambee has a strong history of working with the private sector. As a youth employment accelerator, how is Harambee dealing with the lack of demand for jobs during COVID?

**Rob:** When lockdowns began, Harambee quickly began to survey our private sector database with over 500 employers to see how both businesses and youth would be impacted.

- Harambee advocated to declare the business process as an essential service. This shielded many youth jobs from being lost.
- Through the Return to Work program, the private sector learned how to get back to operations.
- Coming out of lockdown, Harambee worked with the Public-Private Growth Initiative to explore removing blockages from business restarting. We are striving to build a more inclusive economy.
- For example, food retailers during lockdown faced challenges arriving to townships to distribute food. We want to open distribution networks to be more accessible to youth jobs and source food from the community.
- We're looking to combine fast track infrastructure implementation with place-based opportunities to allow people to outsource jobs from their communities and access lower-cost data.
- We're seeing a big push in infrastructure investment for job creation. We are lobbying for companies to provide an explanation of inclusive job opportunities – for youth for example.

**Question 1 for Akshay:** Has your strategy for skills development changed under COVID?

**Akshay:** We have incubated six hundred organizations since 2009. Under COVID we're expanding credit to these businesses.

- We have increased partnerships to make skills courses more widely available.
- We scaled up our e-portal to partner with LinkedIn and Khan Academy. 300,000 new users joined from east India. This helped kids return to education.
- We created a database of people who had been skilled recently and shared it with the government who was hiring contact tracers and essential workers. The government used this list to hire youth.
- We also focused on reskilling rural youth who have migrated back home.

**Question 1 for Colin:** You run Enablecode, which wonderfully integrates a subgroup of youth that are often forgotten; those with disabilities. What is your strategy is to integrate youth with disabilities?

**Colin:** We've been only lightly affected by the pandemic in Vietnam fortunately. We're using a call center to help international companies automate processes.

- Some tasks cannot be automated and require human skills; in this case someone with a disability in Vietnam.
- The company started in one office space, but workers said it was much easier to work from home. Everyone took this option when it was offered. Training and onboarding are also online.
- Thus, no change hit the company's operations when the pandemic began. COVID forced clients and multinational companies to rethink how they outsource, align factories and use e-commerce.
- Enablecode won more outsourcing work remotely, which is great for people with disabilities. We hired more people due to increased demand. This required more training.
- To improve our training, we are using Amazon to leverage AI to measure which online training works best to teach human skills. This tailors training to the individual.

**Lightning Round:**

**Question for Mamadou:** Gender-based violence has increased under COVID. How is Visa supporting women-owned businesses?

**Mamadou:** Women-ran small businesses are the backbone of economies globally, but 40% of women don't have access to financial services.

- This drives a \$1.5 trillion gap in financing for women entrepreneurs. Despite digital's acceleration, there is still a 23% gender gap in digital access.
- Visa's foundation allocates the majority of \$200 million to support women's empowerment; particularly business owners.
- Our new I Fund Women program grants between \$5,000-\$10,000 to help women start businesses.
- Visa has organized a women's edition of our annual Visa Everywhere Initiative to identify new solutions and platforms that can advance women's economic empowerment.

**Question for Rob:** What are examples of using digital tools to reach vulnerable groups in your work?

**Rob:** We are in the process of learning what works and what doesn't. WhatsApp has been a useful tool.

- We launched a chatbot called Ask Nivi where young people ask about COVID health and safety.
- We've piloted a choose-your-own adventure program to begin a microenterprise. It uses WhatsApp to engage young people to create their own sources of income.
- We're working with a tech company and the UN to start a data-light, 4 module program that provides comprehensive training on coronavirus.
- We've implemented a toll-free line in our contact center to provide more services over the phone.

**Question for Akshay:** What is your strategy for reaching youth in rural areas who may lack electricity?

**Akshay:** We train 1 million youth a year through our grant-based programs, but they are mostly urban.

- When lockdown began, we had 250,000 students studying in grant-based programs. We asked providers to keep students engaged. Many transitioned to online training using zoom etc. WhatsApp and text were vital. Bandwidth issues are significant. 60% of youth were not in class.

- Youth are digitally savvy now. Trainers could inform youth to read a book in the morning and debrief over the phone.
- We always thought it was difficult to teach online, which has proven false. We can do more training via WhatsApp and Google Docs to reach rural populations.
- We want to offer grants for online education.
- There is significant reverse internal migration to rural areas. We've relied a lot on local development to reach out to all our districts and muster local industry associations to provide jobs in food processing and agriculture.
- We're reskilling return migrants to help them acquire skills relevant to their location. We also created a database of reverse migrants, courses and employment opportunities by location.

**Question for Colin:** Regarding online work, what are new opportunities?

**Colin:** First, regarding gender, we found early on that more women pass training tests on human skills. 67% of the work is being done by women by default. This kind of work seems to favor female employees.

- There is more and more outsourcing remote work available. The pandemic forced companies to adapt to e-commerce and outsourcing which they had been putting off previously.
- The level of automation has massively accelerated. This endangers some traditional jobs but creates more opportunities remotely.
- Our company is facing a shortage of workers. We can't train them fast enough. We were in front of this digital transformation which has created many new opportunities for people with disabilities in Vietnam.

### **Q&A from Audience**

- Can you share some best practice interventions to provide youth employment in the pandemic?
- How can we enhance the purchasing power of communities while advancing youth employment?

**Mamadou:** Technical skills are sector-agnostic and can be deployed to address any need. One can train for the need of a particular sector today, but the needs evolve over time in each sector. The pandemic has proven this. Technical skills are transferrable and thus very important. They enable adaptive capacity for those seeking employment.

**Rob:** Increasing purchase power can be done by encouraging local economic development.

**Akshay:** Youth employment has greatly increased in the gig economy in India. Tutors and teachers are using technology.

**Colin:** One must be digitally literate. This doesn't mean being an expert at coding, just able to use a laptop or smartphone. In fact, the simpler the device, the lower the security risk. Technology shouldn't be complicated or scare people off.

### **Closing Remarks:**

**Ashutosh Raina,** Social Development Specialist, World Bank: Our intention is to find solutions for building back better and reviving local economies in a post-COVID scenario. We look forward to working closely with our panelists moving forward.