



Employing Youth for a Better Future

Breaking New Ground: Partnerships for more and better jobs for young people

27 February 2012

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FOREWORD

The world's youth population continues to rise — and so do the challenges it faces. Encouragingly, policymakers are increasingly taking note. In January 2012, UN Secretary-General Ban Ki-moon, for example, placed youth welfare at the heart of his major new Five Year Action Agenda.

For young people everywhere, this is excellent news, but the hurdles remain daunting. Recession and rigid labor markets have shrunk employment opportunities sharply. Statistics paint a particularly dark picture. In 2010, the global youth unemployment tally hit 75 million — a record — with another 152 million eking out a living in poorly paid, often dangerous jobs.

Nor is the scourge of youth unemployment limited to a single country or region. In places as different as Spain and South Africa, over half of all young adults are out of work. Gender disparities aggravate the picture further, with young women typically faring far worse.

The long-term consequences of high levels of youth joblessness are well-documented.

Throughout the day, fresh thinking was in abundant supply, as were the crowds, with turnout stellar. On behalf of ECOSOC, we thus wish to extend our deep appreciation to the event's co-conveners, as well as to all its corporate and foundation sponsors. Their strong support helped make the event the inspiring success it was.

But we can't stop now — the ball must keep rolling. It will, fortunately, at ECOSOC's Annual Ministerial Review in July, when governments will draw on the many insights and powerful analysis which emerged back in February.

The direct costs are much the same as for unemployment in general: rising welfare payments; lost income-tax revenue; wasted capacity and lost productivity; and the brain drain that ensues when young people emigrate in search of better opportunities. Research also shows that the best predictor of future unemployment is previous unemployment. Youth joblessness leaves a deep “wage scar” that persists well into middle-age. The longer the period of unemployment, the bigger the effect.

This is a grim diagnosis. Yet there are reasons for hope.

Let us boost job creation for young people in post-conflict countries -- an essential part of peacebuilding and conflict prevention.

Let us also improve the access of young women to male-dominated jobs.

I invite the companies and foundations represented here to team up with the United Nations, including the UN Global Compact, to put our world – and our young people – on a more sustainable course.

The Secretary-General's action agenda calls on all of us to deepen the youth focus of programmes on employment, entrepreneurship, political participation, human rights, education and health.

He has called for the appointment of a Special Adviser for Youth and the creation of a youth volunteer programme under the umbrella of the UN Volunteers.

And he intends to scale up the UN's capacity to engage in transformative, multi-stakeholder partnerships by creating a new UN Partnership Facility.

We look forward to pursuing these efforts together.

Ladies and gentlemen,

Too frequently, the voices of young people go unheard. Some young entrepreneurs will be speaking to you this afternoon, and many more are in the audience. I hope their stories inspire you to act.

Investing in young people is not only the right thing to do, it is also smart. As the Secretary-General said earlier this month:

“We have a choice. Young people can be embraced as partners in shaping their societies, or they can be excluded and left to simmer in frustration and despair. We don't have a moment to lose. We have the world to gain.”

OPENING SESSION

The session opened with a welcoming address by **H.E. Mr. Miloš Koterec, President of ECOSOC** who began by outlining some of the world's most pressing youth employment

model designs, while offering free mentoring to applicants. To date, 120 prizes had been

Moderator

Ms. Conny Czymoch, *TV Moderator*, Phoenix TV

Speakers

Mr. José María Sanz-Magallón Rezusta, *CEO*, Telefonica USA

Ms. Sharan Burrow, *General Secretary*

leadership development and employment. Completing secondary school and receiving financial literacy training will dramatically increase their ability to become employed or self-employed, which in turn builds assets for themselves, their families and overall economic growth in the community. Long-term sustainability is also important, as the project is implemented in collaboration with parents, teachers, Ministry of Education officials, social workers, religious leaders, and young women graduates.

DIALOGUE 2: Building New Business Models for Youth Employment

Job creation

The second panel observed that there were two fundamental ways to **promote employment**. The first involved filling *old* jobs that were available but vacant due to a scarcity of relevant skills in the local population. Finding ways to close this mismatch was critical. The second way to promote employment was to create *new* jobs. As with the first panel, the second panel agreed that this required a more entrepreneur-friendly environment, as well as sector-specific support.

The job-creating potential of young adults, particularly in high-tech industries, was often overlooked. The panel highlighted the success of Bill Gates with Microsoft as an example, or, more recently, Mark Zuckerberg and Facebook. Youth thus represent a largely untapped source of **entrepreneurial dynamism**, argued one panelist, and should be encouraged to reach their potential via better training and mentoring programs.

Getting young people more engaged in **civic life** was also important. Lack of engagement was visible in lower youth turnout rates at elections, for example, and — at its extreme — was expressed in violent riots (like those in the UK last summer). To remedy this, one panelist encouraged government and civil society to use a wide variety of forums to: “promote dialogue between young people themselves; between younger and older people; highlight and disseminate successful stories of youth entrepreneurship; encourage interaction between youth and entrepreneurs through technology; and encourage interaction between youth groups and universities.”

Panelists also discussed their own personal experiences, analyzing lessons learned in their efforts to create successful business models. One panelist, to her surprise, discovered a **big niche market** for developing country products — many of which are produced by young adults — among consumers in wealthier countries. Governments can do much to stimulate youth employment, she added, by lifting the many barriers to global trade which res789()-230.ese 417(a)3.15eoutse oul bpst s fo

More attention should be given to **disseminating best-practices**, panelists also agreed. Nowhere was this more the case than in agriculture, noted one respondent, which accounted for the bulk of employment in many developing countries. Poor diffusion of both modern technology and farming techniques has kept productivity — and job creation — accordingly stagnant. The rapid spread of affordable technology, like cell phones, should be harnessed in support of this. The proliferation of NGOs, likewise, presented a fine opportunity to disseminate best-practices in remote regions.

Key recommendations

Cutting unemployment requires a dual focus on both filling vacant jobs and creating new ones. Better tapping into youth entrepreneurial potential could lead to big payoffs for society. Encouraging open channels of communication — between youth,

safe and risk free environment.

- Establish “ Business incubators” where start-ups are able to develop the skills required in a safe and risk free environment.
- Create incentives for the development and establishment of new businesses
- Create more programs that are tailor-made to facilitate access to credit especially for the youth. The youth is often considered as high risk due to lack of collateral and business experience.
- Mentorship: Establish small business mentorship programmes for young entrepreneurs to learn from established/experienced individuals in business
- Create platforms like JCI where young people can meet, relate and share ideas and their experiences on entrepreneurship. Young people will learn from the mistakes of others and will be able to implement their ideas with the support of other peers.

How can governments and/or the private sector put into place to help young persons striving to be employed or start up a business of their own.

- Entrepreneurship is an increasingly important alternative for youth.
There is a need (from Grade 4) for an early integration of entrepreneurship in school curricula to be a compulsory subject. This will teach young people to identify ideas and to exploit them using the resources that they have available to them. Most young people only start learning about business when they get to their tertiary education (that’s if they have business subjects in their courses) and sometimes after completing their tertiary when they are battling to find jobs.
- Both government and the private sector need to facilitate access to business advice and mentorship. Most young entrepreneurs don’t have sufficient technical skills to run businesses especially if it’s a start-up. Guidance and mentorship play an important role.
- Create more programs that are tailor-made to facilitate access to credit for the youth. The youth is often considered as high risk due to lack of collateral and business experience.
- Both government and the private sector can introduce a quota system for youth entrepreneurs, i.e. allocate a certain percentage of start-up capital to youth entrepreneurs.

CLOSING SESSION

Mr. Ron Bruder, Founder, Education for Employment Foundation, noted that a major mismatch persisted between what was taught in formal education and the demands of the private sector; this gap needed to be closed fast, he added. Mr. Bruder then summarized his own foundation's efforts to help close the gap, reporting an 85 percent job placement rate for youth who participate in the foundation's training programs.

Mr. Jose Manuel Salazar-Xirinachs, Executive Director, Employment Sector, ILO, pointed out that positive labour market outcomes were in everyone's interest, young and old

Mr. Sha finished with a positive example directly related to DESA's work: active youth participation, he observed, has help member States and other stakeholders be more forward-looking in their preparations for the conference.

H.E. Mr. Miloš Koterec, President of ECOSOC, closed the event by stating that “our

So it is a tragedy for them, for their families; it is a problem for the communities, for the countries.” That was why Governments, the private sector and everybody had a stake in addressing the youth employment issue.

To that end, ILO was preparing for the its June meeting in Geneva with more than 50 national consultations with youth organizations in some 50 countries to take place in March and April in readiness for a major youth employment forum in Geneva at the end of May. That meeting was expected to draw participants from ILO’s 183 member States together with delegations from employers and workers — more than 5,000 people.

Mr. Bruder, Founder and Chair of Education for Employment, said about a decade ago, he chose to focus his organization’s activities specifically on the Middle East, after he saw that the youth there were not having the opportunities that he had had growing up in the United States. In the Middle East, it was key that the youth there had jobs, he said. “Without them having employment, I think the Arab spring has a much less chance of turning into an Arab summer,” he declared.

Mr. Cassidy said, further, that there were already a number initiatives going on to address the jobs crisis for youth, explaining that the Grou

calling for action to overcome the structures and problems that are keeping youth unemployment rates high around the worldwide.

<http://www.un.org/apps/news/story.asp?NewsID=41394>

UN Radio

400 million jobs need to be created for youth worldwide

adverse economic climate—to provide a more favourable environment for more and better jobs for youth;

- Why partnerships between governments and civil society, and particularly the private

The objectives of the conversation were:

- To determine how youth can take advantage of these new environment-oriented employment opportunities;
- To enhance awareness on the importance of the environment among young people and to provide them with the knowledge that can help them to become active agents of change in our society; and
- To discuss the need of the abundant spirit of youth as the world seeks to embrace cleaner, more sustainable forms of energy, including renewable resources.

Talent matching: Improving the transition from school to work

<http://youtu.be/msQPccuLotw>

Mr. Jose Manuel Salazar, Executive Director of the Employment Sector, International Labour Organization

Mr. David Arkless, President - Corporate and Government Affairs, ManpowerGroup.

The conversation highlighted:

- The human cost of the recession, particularly for

OTHER EVENTS ON INTERNATIONAL CORPORATE PHILANTHROPY DAY

Leading companies and organizations around the world recognized on February 27, 2012 International Corporate Philanthropy Day (ICPD), an annual international advocacy day that mobilizes the business community to share best practices, develop partnerships, and engage with employees and other stakeholders for more strategic and effective societal investments. The Committee Encouraging Corporate Philanthropy (CECP)– the only international forum of business CEOs with a mission to raise the level and quality of corporate societal engagement – spearheads the initiative.

To kick off the day, leading corporate giving officers from companies including Colgate-Palmolive, KPMG LLP, PricewaterhouseCoopers, Merck, PNC, PepsiCo, and United Technologies Corporation, rang The Opening BellSM at the New York Stock Exchange with CECP. The Secretary General of the United Nations (UN), Ban Ki-moon, issued a proclamation on ICPD commending CECP for its leadership and urging corporations to support the UN’s Millennium Development Goals.

CECP’s CEO conference--the seventh annual Board of Boards CEO Conference in New York, NY--was attended by nearly 60 leading global CEOs. The theme of the conference, “Next Generation Community Engagement: A Transformative Business Opportunity,” focused on CEO leadership in engaging consumers and investors on the topic of sustainability, while simultaneously pursuing strategies that create value for a company and address pressing societal challenges. The event featured two panels consisting of Angela Ahrendts, CEO, Burberry Group PLC; Daniel Doctoroff, President and CEO, Bloomberg; Hikmet Ersek, President and CEO, The Western Union Company; Shelly Lazarus, Chairman, Ogilvy & Mather.

Nader Mousavizadeh, CEO of Oxford Analytica Ltd, moderated the session and David M. Cote, Chairman and CEO, Honeywell International Inc. addressed attendees at the executive luncheon immediately following the conference. The conference welcomed international delegations of leading global CEOs from Brazil and India; the Brazil delegation was led by Fernando Henrique Cardoso, Brazil’s former President, who delivered opening remarks at the conference.

Companies and partners marked the occasion of ICPD with special programs, announcements and employee events, including:

- Meritor, Inc. (NYSE: MTOR) launched a new employee volunteer program called the “Power of Volunteering,” encouraging employees globally to volunteer 40,000 hours annually by 2020.
- Microsoft (NYSE: MSFT) announced a record employee giving campaign in 2011, hitting \$100.5

million in donations and matching funds for community organizations and nonprofits.

- The Travelers Companies, Inc. (NYSE: TRV) released the first digital Community Giving Report (www.travelers.com/community), “In Their Own Words,” which shares personal accounts of the impact of their approximately \$21 million in community support and more than 31,000 corporate and personal volunteer hours in 2011.
- A Billion + Change hosted an event with Morgan Stanley recognizing progress towards the goal of mobilizing billions of dollars of skills-based volunteer services by 2013.
- iMentor celebrated 10 companies that pledged to recruit 100 of their employees to serve as mentors for high school students in low-income communities.

At the close of the day, Trafalgar Square in London; the Empire State Building, Con Edison Tower, and 55 Water Street in New York; the clock tower of the Wrigley Building in Chicago; and several buildings in Alabama lighted in the colors of ICPD, blue and green, to mark the occasion.

