

Annex to G20 Leaders Declaration

G20 Initiative for Rural Youth Employment

Supporting the “Next Generation” in Rural Development, Agriculture and Food Security in developing countries

1. We acknowledge that rural youth employment in developing countries is a key issue the G20 must address. Today, 1.2 billion young people between the ages 15 and 24 live in the world, and in Africa alone 440 million young people will enter the labour market by 2030.
2. We are convinced that rural youth can be the drivers of inclusive rural transformations that create opportunities for sustainable development that provide them with adequate quality life prospects.
3. We are concerned that decent employment and entrepreneurial opportunities for young women and men in rural areas in many parts of the world remain limited, negatively impacting socio-economic, stability, and resilience contributing to food insecurity, malnutrition, rural underdevelopment, inequalities, poverty, rapid urbanization and migration.
4. We are therefore determined to promote decent work and income-generating opportunities for young rural people – especially women - in developing countries. While we are concerned by the importance and special needs of all age groups in rural areas, we agree to make youth our priority.
5. We launch this “G20 Initiative for Rural Youth Employment” to intensify our collective efforts in this regard, building on one of our previously agreed priorities to ‘increase incomes and quality employment in food systems’ (G20 Food Security and Nutrition Framework, 2014, G20 Action Plan on Food Security and Sustainable Food Systems, 2015).
6. This G20 Initiative is a key element of the G20 Africa Partnership and aims to foster responsible public and private investment and generate economic opportunities, in particular for younger generations. It is also a key contribution to

the implementation of the G20 Action Plan on the 2030 Agenda for Sustainable Development agreed by G20 leaders in Hangzhou in 2016 and addresses all three dimensions of sustainable development (social, ecological, economic) in a balanced and integrated manner. While this initiative focuses on challenges and opportunities in developing countries in Africa, it recognizes the importance of the issue in developing countries in other regions and the relevance of promoting exchange of experiences and learning.

7. We welcome the Synthesis Study on ‘Rural Youth Employment and Innovations’ as an important input, jointly conducted by IFAD and World Bank for the G20.
8. We acknowledge the “Berlin Charter on Creating new opportunities in rural areas with the younger generation” developed by non-state actors as an inspiration for our considerations

To create an enabling environment for the next generation in rural areas in developing countries,

9. We emphasize that smallholders, family farmers and rural wage workers are the backbone of rural economies. We recognize that public policies must therefore pay particular attention to agricultural development and give due regard to farmers and agricultural workers. Recognizing the significant contribution of the informal sector to income and employment generation, we will support efforts to strengthening access to markets, services, skills development for employment, social protection, and decent employment in order to facilitate the transition to the formal economy.
10. We recognize that young women in rural areas face intersecting forms of discrimination and continue to be economically and socially disadvantaged. We express concern also about their exclusion from planning and decision-making. We commit to supporting women’s empowerment and ensure their full, equal and effective participation in society, the economy, and political-decision making. All measures for rural youth employment should be gender-sensitive.
11. We emphasize that a predictable investment climate is a key component of a policy framework conducive to creating decent rural jobs. We will support efforts for ensuring political and macroeconomic stability and promoting local and cross-border trade with a focus on trade facilitation. We also stress the need for investments in public goods and services which can also facilitate private sector engagement in rural areas – where private sector includes smallholders

and family farmers - and guarantee an enabling business environment for SMEs.

12. We recognize that the current lack or poor quality of productive infrastructure in many rural areas constrains farm and rural non-farm employment and growth, and will increase our engagement in support of quality infrastructure improvements in partner countries with a special focus on Africa and the G20 Africa Partnership. We acknowledge the need for support of early stage project preparation to enable successful implementation. We recognize the needs for the necessary planning capacity, financing capacity for maintenance of relevant institutions and we encourage initiatives to coordinate public and private funds. Besides transport, storage and access to affordable, reliable, sustainable and modern energy, as well as water, we believe that the building up of internet infrastructure in rural areas and increasing rural connectivity through Information and Communication Technologies (ICTs) can help bridge the rural-urban digital divide and offer better rural job opportunities in agriculture, the food system and the broader rural economy.
13. We will continue our efforts to support sustainable growth of agricultural productivity to ensure food security and nutrition, to further rural development and to make agriculture an attractive and remunerative choice for young people while protecting and using sustainably ecosystems and their services. We continue to take actions with reference to the 2012 inter-agency report prepared for the G20 on “Sustainable Agricultural Productivity Growth and Bridging the Gap for Small-Family Farms” and the paper on “Good Practices on Family Farming and Smallholder Agriculture” welcomed by G20 leaders in 2016.
14. The shift to higher value agricultural products bears important opportunities for value addition and job creation, including in the consecutive food sectors like processing, packaging and marketing. Hence, we will strengthen efforts to improve access to markets, education and technology along inclusive value chains, while paying attention to the particular needs and demands of smallholders, family farmers and rural wage workers.
15. We will continue to support the Agricultural Market Information System (AMIS) and its Rapid Response Forum to enhance transparency and policy coordination in international food markets. Timely and accurate market information and the coordination of policy responses contribute towards the pre-

vention of unexpected price hikes. We also note the implementation of regulations by some members to curb manipulation in food commodity trading to minimize negative repercussions on the livelihoods of smallholders, family farmers and rural wage workers. Key elements of respective regulation, such as MiFID II, should include clear reporting requirements to improve market transparency and adequate position limits for investors on future markets in order to prevent excessive market concentration.

16. Considering that movements out of agriculture to the non-farm economy in secondary cities and towns result in greater reductions in poverty and inequality than exits out of agriculture into mega cities, we will give particular attention to the potential role of intermediary and secondary cities and towns. We will take into account territorial dimensions of development, and will support policies and approaches making secondary cities and towns more attractive for businesses and more attractive for young people by supporting relevant infrastructure and social services promoting positive rural-urban linkages.

Therefore, we collectively commit to intensifying our efforts to promote rural employment for the next generation within the following six specific areas of action:

I. Aligning with international and developing countries' strategies and policies

17. We underline the importance of national youth employment promotion policies and strategies. We collectively commit to supporting national policy reform processes aiming at developing inter-sectoral national youth employment strategy. The G20 will promote ownership and align support to respective national strategies and policies. We also invite the relevant International Organizations of the United Nations and the International Financial Institutions to strengthen their collaboration in the field of rural business, agriculture and food security and nutrition.
18. We will support the African Union (AU) and New Partnership for Africa's Development (NEPAD) to fulfill the commitment of the, Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods" to create job opportunities for at least 30% of the youth in agricultural value chains by 2025, while remaining consistent with WTO obligations. In order to achieve this, we commit to aligning our support with the CAADP and associated country plans and the implementation and operational framework for the Malabo Declaration.

19. We recognize youth as actors of change in their communities. We will seek to further engage youth in social dialogue and encourage their participation in policy processes and local governance. We underline the importance of the African Youth Charter (AYC) as an important partner-driven strategic framework that provides direction for youth empowerment and development at continental, regional and national level. We particularly commit to support the AU theme of the year 2017 on “Harnessing the Demographic Dividend through Investments in Youth”, and continue our support to the goals of the AU’s “Agenda 2063”.
20. We welcome the “Global Initiative on Decent Jobs for Youth”, an UN wide-effort led by ILO, as a valuable platform for strengthened cooperation and policy coherence. We acknowledge that “Youth in the Rural Economy” is one key priority area of the Global Initiative and will seek collaboration and synergies in this area.

II. Closing data and knowledge gaps

21. We recognize the need for reliable, coherent and comprehensive data on formal and informal rural youth employment for planning, implementation and monitoring of targeted policies. Yet comparable information is particularly scarce on youth, defined by the UN as persons aged 15-24 years. We call upon the UN Statistical Commission to develop a proposal for a standardized international definition of rural/urban geographic areas. The G20 acknowledge the importance to strengthen national capacities on rural labour statistics and analysis and support work in this regard by the competent international organizations, particularly with least developed countries. We underline the importance of mutual learning and information exchange in the area of rural transformation, including impacts of labour market interventions on rural youth.
22. We welcome the African Development Bank’s (AfDB’s) proposal to develop an “Enabling Youth Employment Index” and an “Innovation and Information Lab” to generate reliable information and facilitate learning on an enabling environment for increased youth employment opportunities, and encourage AfDB in collaboration with other international organizations competent in this field, to give due consideration to the specific conditions of rural areas.

III. Promoting a skills revolution

23. We reiterate that a diversified, balanced and healthy diet at all stages of life particularly during the 1,000 day window from pregnancy to age two, has a life-

long positive impact on the child's growth and ability to learn and to lead economically productive lives. Therefore, decreasing malnutrition in rural areas continues to be a priority.

24. We acknowledge that a skills' revolution can underpin economic growth and local investment, especially in the agricultural and fishery sector. We recognize that adequate business, technical and life skills for young people are some of the most important prerequisites to achieve personal development and to transform rural areas with the ability to increase employment opportunities for future generations, such as FAO's Junior Farmer Field and Life Schools (JFFLS). Public-private partnerships can help foster emerging adapted opportunities in terms of multi-dimensional skills programs that both address the needs of enterprises and aspirations of young people in rural areas. We recognize the importance of informally acquired skills and the need for appropriate gap training modules.
25. We value the "AU Skills Initiative" with its Financing Facility and its Africa-wide virtual dialogue platform as a fundamental contribution to increasing employment and income opportunities for young people in Africa. We will increase our collective support to providing innovative, employment-oriented skills development projects, for at least 5 million young people over the next five years, with particular attention to rural young women and men in Africa. We will do so through strengthening support to African-Owned programs, such as the "AU-Skills Initiative", and facilitating skills development by other means and mechanisms. We call upon African and international private companies and employers to engage in African-owned programs such as the "AU Skills Initiative". It is important to provide suitable high value in-company training capacities which aim at complementing training in TVET colleges as well as generating employability in the domestic labour market. In this regard, we aim to support the AU Commission and NEPAD in the implementation of its 'Continental Strategy for Technical and Vocational Education and Training to foster Youth Employment'. Thus, higher employability can contribute to accelerate the attractiveness of technical and vocational training as a viable career option for parents and their children.
26. We recognize the need of increasing the support for young digital entrepreneurs in areas such as e-Agriculture, digital skills, e-Health or e-Education and acknowledge initiatives of G20 members encouraging youth entrepreneurship and start-up promotion in the fields of innovation and ICT solutions related to

rural business and agriculture in developing countries, such as #eSkills4Girls to improve digital skills and employment perspectives for girls and women in emerging and developing countries, establishment of the exchange mechanism on ICT applications in agriculture decided by G20 Agriculture Ministers, the Make-IT Initiative on fostering Tech-Entrepreneurship in the IT sector and the Digital TVET Tender Initiative to leverage the potential of TVET in infrastructure projects of MDBs.

27. Agricultural research and innovation are key to rural transformation and to make the sector attractive again for young professionals. We reassure our commitment to support global agricultural and food research initiatives such as the CGIAR.

IV. Promoting rural youth employment in contexts of conflict, disaster, fragility, and violence

28. We recognize the role that rural youth employment plays in contexts of conflict, fragility, protracted crisis and violence. The G20 therefore supports efforts to open up economic opportunities and provide equitable social protection for young women and men in rural areas with gender specific and particular vulnerabilities in fragile and crisis-affected societies.
29. Coherent and comprehensive employment strategies can promote peace, prevent crises, enable recovery, and build resilience. However, employment promotion in fragile contexts faces particular challenges. The G20 commits to the Do-No-Harm-Principle and aligns with the Sustainability Principles of the UN Policy for Post-Conflict Employment Creation, Income Generation and Reintegration and encourages initiatives to carefully analyze and monitor any interaction between employment promotion interventions and the context.
30. We emphasize the potential of labour intensive work programs to provide employment for rural youth. We support the implementation of carefully designed public employment programs and carefully designed cash-for-work-programs with fair and inclusive recruitment processes in fragile and crisis-affected rural areas and encourage the inclusion of or combination with measures that increase the chances of longer-term economic opportunities for young people.

V. Improving equitable and sustainable access to land

31. We will support efforts that facilitate young women's and men's fair and sustainable access to secure land tenure. This includes support to programs and

government institutions giving particular attention to fair, functioning and transparent land markets, but also alternative approaches that can facilitate and secure access to land for the youth - for example through the registration of tenure rights in ways that respect existing legitimate tenure, including informal tenure rights and ensures the sustainable recognition of legitimate tenure rights.

32. We recognize the potential of ICT innovation for land monitoring and governance, notably for transparent, participatory and cost-effective, fit-for-purpose land administration and will support the development and scaling up of context adapted initiatives and technologies.
33. We will further support efforts by countries and international organizations to implement the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), and we welcome the corresponding African framework, and related guidelines, including in the context of our own publicly supported or managed (domestic and foreign) land-based investments. We welcome the efforts to increase transparency around land based investments by public or private national and foreign investors in developing countries and acknowledge the work of organizations supporting the option to provide, if possible, information on publically supported land investments, such as the Land Matrix.

VI. Increasing Responsible Investment and Financing for Rural Youth Employment

34. The G20 acknowledges that an increase is needed in responsible public- and private-sector investments and financing for responsible private-sector investments to support dynamic economies that deliver services, facilitate decent work and generate business opportunities and income for the next generation. In this regard, we support the continued implementation of the RAI.
35. We reaffirm our collective support to the Global Agriculture and Food Security Program (GAFSP) initiated by G20 as a multilateral financing instrument for promoting agriculture-based growth to enhance and improve rural youth employment, including in Africa. We welcome its priority area of job creation in rural areas with its high relevance to rural youth employment. We will contribute to creating approximately 1.1 million new jobs benefitting young people, including in rural Africa by 2022, through an array of possible actions, such as supporting GAFSP and stimulating job creation by other means and mechanisms.

36. We call upon developing countries to promote prudent fiscal decentralization for improved rural resource mobilization and spending, while ensuring local taxation does not discourage local economic activity and market participation. We encourage the active contribution by the private sector and encourage private sector initiatives to provide youth-oriented small-and medium enterprises (SMEs) with venture-capital and technical assistance and training for starting and growing businesses. We also acknowledge the key mandate of IFAD to invest in rural people, smallholder farmers and rural micro and small enterprises. At the beginning of the eleventh replenishment process, we welcome and support high returns of IFAD's investments to meet rural people's needs in a number of critical areas of specific interest for the economic empowerment of rural youth.
37. We support AfDB's efforts to focus more on youth employment in Africa, including on rural youth. We acknowledge AfDB's new strategy "Jobs for Youth in Africa", including the plans for innovative approaches and programs to create sustainable employment opportunities in rural areas (such as the agriculture flagship programme "Empowering Novel Agri Business Led- Employment (ENABLE)" and the new blended finance and multi-partner initiative "Boost Africa Investment Fund" to support female and male entrepreneurs in starting and expanding their businesses).
38. We recognize that rural youth's access to financial services needs to be improved. To this end, we will pay special attention to the promotion of financial products catered to youth. Through this support we expect to help mitigating the lack of financial services – including credit, savings, payment services and insurance – to rural youth. We welcome the work of the Global Partnership for Financial Inclusion, especially with regard to promoting youth entrepreneurship through the Global Platform for young entrepreneurs "Global Ye! Community" that has been established in close cooperation with Child&Youth Finance International to form a positive cycle among "innovation-entrepreneurship-employment". We support the ongoing work in the GPMI of conducting a mapping on the "availability of financial products for young entrepreneurs" and call for financial institutions to develop new, consumer-centered, products for them.
39. We support access to affordable finance for youth-oriented African SMEs. We therefore encourage initiatives coherent with the G20 GPMI Financial Inclusion Action Plan that aim to:

- Encourage collaborations between all actors, in particular governments, the banking sector and other financial service providers such as mobile network operators or FinTech, and real sector entities
 - Support efforts to remove legal restrictions on using alternative forms of collateral to lower the cost of credit in rural areas;
 - Replicate and scale-up programs that combine access to financial investment and saving services with advice, training and mentoring targeted at rural youth such as the creation of mobile money platforms to deliver last-mile financial products and services.
40. Lack of access to formal and informal financial services is a significant constraint for youth in rural areas, especially for women and girls. We encourage support for the development and the provision of these services through financial service providers. In particular, we recognize the utilization of biometric identification for opening bank accounts for rural youth can increase access to the formal banking system and enable credit history to be reliably linked to individuals.