



PATH-WAYS TO QUALITY JOBS FOR THE YOUTH IN AFRICA'S INFORMAL SECTOR

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Abstract

Africa's youth are her greatest asset. Despite of being a potential resource, they continue to wallow in poverty for lack of decent and productive jobs normally found in the formal sector. Because of lack of such jobs in the formal sector, the youth in Africa take the informal sector as their safe haven where they can go in order to cushion themselves from the pangs of poverty. Surprisingly, the informal sector particularly agriculture where the youth form the largest percentage in terms of employment is in a sorry state. Lack of job security in all its manifestations is what characterises the sector. Therefore, by the youth entering the sector (informal), it is like jumping from the frying pan into fire.

The paper begins with introduction, methodology, and goes on to look at the youth in the informal sector. The next section defines the informal sector followed by the characteristics of the informal sector. The next section deals with Quality of Jobs for the youth in Africa. Finally the last section deals with conclusions and policy options

KEY WORDS: *Informal, sector, youth, quality, Africa, security, formal, Jobs, Unemployment, Security*

INTRODUCTION

The informal sector in Africa is large and sprawling. Majority of the people in the continent particularly the youth are engaged in the sector in terms of employment. Despite its huge size and supporting a huge number of people particularly the youth, the sector faces a number of challenges: job security in all its forms is conspicuously absent in the sector (Kamau, et al.,2018, Szirma, et al.,2013). Therefore the workers particularly the youth continue to haggle with poor quality jobs which do not even give them and their families barest decent living. This is a wake-up call to policy makers and other actors to turn around the sector through innovative policies in order to create quality or decent jobs (World Economic Forum, 2017).

Methodology of Study

The study relied heavily on available literature on youth, informal sector employment and the various policies that have been put forward for improving job quality among the youth in Africa.

Objectives of Study

- Exploring the informal sector
- Highlighting characteristics of the informal sector
- Bringing out evidence-based policies for improving job quality in the informal sector.

The level of unemployment among the youth globally is high. This is also reflected among income country groups (ILO, 2019). See the table below.

COUNTRY GROUPING	DEMOGRAPHIC GROUPING	UNEMPLOYMENT RATE				UNEMPLOYMENT 2017 -2020 (MILLION)			
		2017	2018	2019	2020	2017	2018	2019	2020
		World	Total	5.1	5.0	4.9	4.9	174.1	172.5
	Female	5.5	5.4	5.4	5.4	74.4	73.7	74.7	74.8
	Male	4.8	4.7	4.6	4.6	99.7	98.8	99.2	99.5
	Youth	12.0	11.8	11.8	11.8	60.4	59.3	59.1	58.7
Low income	Total	3.7	3.7	3.7	3.7	11.1	11.4	11.8	12.2
	Female	3.8	3.8	3.8	3.8	5.2	5.4	5.5	5.7
	Male	3.6	3.6	3.6	3.6	5.9	6.1	6.3	6.5
	Youth	6.2	6.2	6.2	6.2	5.2	5.3	5.4	5.6
Lower middle income	Total	4.0	4.0	4.0	4.0	6.5	47.3	48.2	49.2
	Female	5.1	5.1	5.2	5.2	18.6	19.0	19.4	19.8
	Male	3.5	3.5	3.5	3.5	27.9	28.3	28.8	29.3
	Youth	11.9	12.0	12.1	12.1	23.3	23.4	23.5	23.7
Upper middle income	Total	6.0	6.0	6.0	6.0	80.9	80.7	81.2	80.8
	Female	6.0	6.0	6.0	6.0	34.0	33.9	34.2	34.0
	Male	6.0	6.0	6.0	6.0	46.9	46.8	47.0	46.8
	Youth	14.9	14.9	14.9	14.8	23.5	22.9	22.5	21.8
High income	Total	5.7	5.3	5.1	5.1	35.6	33.1	32.3	32.2
	Female	6.0	5.6	5.5	5.5	16.6	15.5	15.3	15.3
	Male	5.4	5.0	4.8	4.8	19.0	17.6	17.1	16.9
	Youth	12.5	11.7	11.6	11.7	8.5	7.8	7.7	7.6

Source: ILO, World Employment Social Outlook, 2019 Trends (2019)

Table 1 above shows that the rate of unemployment is high among the youth in almost all the country income groups. Globally or world- wide, the rate of unemployment is equally high among the youth, 11.8 per cent, compared to other demographic groups, male and female. This is a clear depiction that it is not only in Africa where youth unemployment is high but in the whole world as well.

Unemployment or poverty is high among the youth in most of the African countries (Irwin, et al.,2018). This trend can also be observed when taking into account country income groups.

Table 2

Country grouping	Extreme working poverty	Moderate working poverty											
		Percentages			Millions			Percentages			Millions		
		1993	2018	2023	1993	2018	2023	1993	2018	2023	1993	2018	2023
Low and middle income	Total	41.7	9.8	8.6	778.2	264.8	244.0	26.0	16.0	14.0	485.8	429.7	395.8
	Female	44.5	10.5	9.6	319.0	106.5	101.9	24.6	14.0	12.6	176.5	142.7	133.8
	Male	39.9	9.4	8.0	459.2	158.3	142.1	26.9	17.1	14.8	309.3	287.0	262.0
Low income	Youth	45.0	15.7	14.5	205.9	59.8	55.2	28.0	20.6	18.9	128.3	78.6	71.8
	Total	61.4	39.2	35.2	91.2	115.8	120.9	21.6	27.5	26.6	32.1	81.3	91.4
	Female	63.9	40.4	36.3	43.2	54.4	56.5	21.3	27.7	27.0	14.4	37.3	42.2
Lower and middle income	Male	59.2	38.2	34.4	47.9	61.4	64.3	21.8	27.4	26.3	17.7	44.1	49.3
	Youth	63.0	41.4	37.6	27.0	32.7	33.5	22.1	28.8	28.1	9.5	22.7	25.0
	Total	40.4	12.1	9.3	288.6	138.3	114.8	32.0	25.7	21.3	229.0	293.6	262.8
Upper -middle income	Female	43.3	13.5	11.0	96.3	47.4	41.7	29.4	23.8	19.9	65.3	83.3	7.5
	Male	39.1	11.5	8.5	192.3	90.9	73.1	33.2	26.6	21.9	163.7	210.3	187.7
	Youth	43.0	15.0	12.1	73.3	25.7	20.8	34.2	28.9	24.9	58.3	49.6	42.5
Upper -middle income	Total	39.7	0.9	0.7	398.4	10.8	8.3	22.4	4.4	3.3	224.7	54.8	41.6
	Female	42.0	0.9	0.7	179.5	4.7	3.7	22.6	4.2	3.2	96.7	22.1	16.6
	Male	38.0	0.8	0.6	218.9	6.0	4.6	22.2	4.5	3.4	3.4	128.0	25.0
Upper -middle income	Youth	43.1	1.1	0.8	105.6	1.4	1.0	24.7	4.8	3.6	60.5	6.3	4.3

Source: ILO, World Employment Social Outlook, 2019 Trends (2019)

Table 2 above reveals that in the year 2018 extreme poverty was more severe among the youth (aged between 15-24 years). One in three employed youth workers in low and middle income countries were in extreme poverty. This in itself is a clear testament that the youth workers continue to wallow in poverty not only in Africa but in the low and middle income countries combined.

YOUTH IN INFORMAL EMPLOYMENT IN AFRICA

The youth are Africa's greatest asset which if properly nurtured and exploited can make the continent reap great development benefits (AfDB, 2019). By 2016, Africa's youth population was about 420 million and this figure is likely to double to around 830 million by the year 2050. Of this number (420 million) one third are unemployed, while another one third are in vulnerable employment, only one sixth are in wage employment (AfDB, 2016). Across all occupations one noticeable feature among youth is that majority are in vulnerable employment while others are underemployed in very indecent jobs (ILO 2012). By 2015, majority of youth (70%), between 15-24 years lived in the rural areas. This number is much higher in low income countries (80%) and lower (60%) in middle income countries (INCLUDE, 2017).

Majority of these who do not get jobs make the informal sector their last resort (ILO, 2012). See the table below.

Table 3: Young Own-Account Workers by Reason for Employment and Area of Residence (Percentage-wise)

Reasons for self-employment	Rural	Urban	Male	Female	Total
Could not find wage or salaried job	40.2	34.1	37.9	33.5	35.4
Greater independence	27.3	20.1	24.9	19.1	21.6
Required by family	7.3	20.3	8.7	24.1	17.6
Higher income level	12.0	14.7	17.6	11.5	14.1
More flexible hours of work	8.6	6.0	5.9	7.0	6.5
Other	4.6	4.4	4.4	4.4	4.4
Total	100	100	100	100	100

Source: Centre for Global Development (2018)

Table 3 above shows clearly that majority of the youth in Africa resort to go to the informal sector for employment because of lack of salaried jobs in the formal sector. This is true for those employed (informally) in the rural as well as the urban areas. In fact 40.2% of those employed in the informal sector in the rural areas indicated that they decided to get employed in the informal sector because of lack of salaried and permanent job. This is true for those working in the urban areas' informal sector. 34.1% of them indicated that they sought employment in the informal sector because they could not get salaried job. Gender-wise, majority of men and women (37.9% and 33.5% respectively) indicated that they got employed in the informal sector because they could not get

salaries job. Overall, those who gave lack of salaries job as a reason for seeking informal employment were more (35.4%) than those who gave other reasons.

Youth and Adult Unemployment Rates in Africa

Youth unemployment is high and rampant in almost all the regions in Africa as depicted by the table below.

Table 4: Youth and Adult Unemployment Rates in Africa

	Total	Youth		Adults	
		Male	Female	Male	Female
World	6.0	12.4	12.7	4.3	4.9
Developing Countries	5.4	11.6	12.1	3.5	4.2
Sub-Saharan Africa	7.6	10.7	12.2	5.9	6.5
East Africa	6.9	8.9	11.5	4.6	6.3
Central Africa	6.0	10.1	10.4	5.1	4.2
Southern Africa	24.9	45.5	53.9	18.2	22.8
(excluding South Africa)	25.5	37.0	49.9	17.5	22.0
West Africa	5.7	9.3	8.9	5.0	4.0

Source: Irwin, et al., (2018).

Table 4 above depicts high youth unemployment rate in almost all the African regions. What is even surprising is that even in the developing world and the world as a whole, youth unemployment is high (Irwin, et al.,2018). The Southern Africa region has the highest number of unemployed youth as depicted by the table. Research has shown that almost half of those who are unemployed find their way into the informal sector as depicted by the table below.

Table 5: Share of Youth Employment in Selected African Countries

Country	Informal Employment	Formal Employment	Employment in Informal Sector	Informal Job in Formal Sector
Benin	89.7	10.3	89.9	10.1
Liberia	82.5	17.5	77.0	23.0
Malawi	96.3	3.7	93.9	6.1
Tanzania	87.5	12.5	66.2	33.8
Togo	89.1	10.9	85.9	14.1
Uganda	92.1	7.9	86.3	13.7
Zambia	94.7	5.3	83.1	16.9

Source: ILO (2014)

A study carried out by international labour organization (ILO) in eleven African countries also conveys the same message just like the one above. The study found out that half of the youth who were employed in the informal sector were more than 80%. Madagascar (92.8%) Togo (90.0%). (Malawi (85.4%) Uganda (83.5%) Benin(81.0%), Zambia (80.7%) and Congo (80.3%) (MIF,2019).

THE INFORMAL SECTOR DEFINED

Informal employment refers to employment without legal and social protection both inside and outside the informal sector (ODI, 2018, ICLS, 2003). According to the 17th international conference of labour statisticians, informal employment includes total number of jobs whether carried out in formal sector enterprises, informal sector enterprises or households including employees holding informal jobs, employers and own account workers employed in their own informal sector enterprises, members of informal producers, cooperatives, contributing family workers in formal or informal sector enterprises and own account workers engaged in the production of goods for own end use by their household. The 17th ICLS has adopted guidelines for defining informal employment as comprising all jobs carried out in informal enterprises as well as formal enterprises by workers and especially employees, whose employment relationship is in law or in practice, not subject to national, labour legislation, income taxation, social protection or entitlement to certain employment benefits (advance notice of dismissal, severance pay, paid annual or sick leave) because of non-declaration of jobs or the employees, casual or short duration jobs, jobs with hours or wages below a specified threshold, place of work outside premises of employer's enterprises (outworkers), jobs for which labour regulations are not applied, not enforced or not complied with for any other reason (charmer,2012, ILO, 2003).

Informal employment refers to all work in unregulated jobs that have little or no protection by labour standards, where workers are denied labour rights and social security legislation (such as maternity leave, health insurance or unemployment insurance) and that lack organization and representation (ODI,2016). It refers to the total number of informal jobs, whether carried out in informal sector enterprises, or households (paid domestic workers production for own consumption), during given reference period (ILO,2011).

CHARACTERISTICS OF THE INFORMAL SECTOR:

Informal sector refers to the production and employment that takes place in unincorporated small and unregistered enterprises (ODI, 2018). It consists of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. The informal sector is a subset of unincorporated enterprises not constituted as separate entities independently of their owners, typically operating at a low level of organization, on a small scale with little or no division of labour and as factors of production (ILO, 2019, ILO, 2003).Meanwhile it is worthwhile to examine the features of informal employment.

Low earnings. Unlike formal employment, earnings in the informal employment are low (Mbaye, 2019). These earning differentials between formal and informal employment have been well documented through a number of studies done previously. For instance, studies carried out in Brazil, Mexico, South Africa and Thailand showed that earnings in informal employment in all these countries are significantly lower than those in formal employment (ILO, 2015, ILO, 2016). This was confirmed by bargain and kwenda in their study carried out on Brazil, Mexico and South Africa (Tansel and kan, 2012).

Poor working conditions. Working conditions encompass the following; occupational safety and health, maternity protection, work –family issues, working time wages and income, work organization, sexual harassment, violence at work , workload, workers welfare facilities, housing ,nutrition and environmental issues (ILO,2004).Working conditions particularly safety and health and the general working environment in informal employment are wanting (Forastieri,1999) because employees are not registered and therefore not recognised by the government (UNDP, 2015, Rockefeller foundation, 2013). In case of informal sector urban workers, the aftermath of poor working conditions is death caused by injuries, cancer or inhaling hazardous fumes. Other cases of noise induced hearing loss (because of working in noisy and clogged up streets) and skin disorder or painful legs (because of standing in the streets for hours) are common place (ILO, 2013, Devey, 2003).

Lack of professional premises.

Majority of informal workers do not have permanent and decent premises where they can conduct their businesses. Most of them carry out their businesses in the streets as street vendors while others use their own houses (Doumer, et al., 2015).

In adequate access to health insurance.

Very few informal sector workers have got access to health insurance. Workers in the informal sector have no health insurance because it (health insurance) is a preserve of those in the formal sector. This means that when they become sick or get injured they use their own money to seek medical attention (RNSF, 2018).

Lack of unemployment benefits.

One noticeable feature of informal sector employment is that the workers do not access unemployment benefits (Hope, 2014). This is particularly true among the informal sector workers (where Africa is part). Most of the informal sector workers do not pay taxes and their enterprises are not registered and therefore their employment conditions are hard to determine. Given that in the developing world informal sector workers are casualties when it comes to losing employment, it puts them in a rather precarious situation (IDB, 2013).

Lack of Social Security Coverage. Informally employed workers lack social security coverage (ILO, 2019).

Youth Dominate in Informal Sector Employment. Surveys in most African countries reveal that the youth contribute a larger percentage in informal employment (ILO, 2016).

ENSURING QUALITY JOBS FOR YOUTH IN AFRICA: WHAT WE DO NOT KNOW AND WHAT WE NEED TO KNOW

Young people are the engine which if properly taken care of can propel world economies to greater heights of development. They are key to sustainable development goals specifically that which is aimed at the realisation of economic growth, full productive employment and decent work for all.

Provision of decent work to the youth is key but at the same time a daunting challenge to several countries around the world. Availing decent work to youth will make nations around the world witness sound and strong economies with ample democratic space. Decent or quality work entail the following:-

- High and assured income
- Security and social protection
- Conducive working environment

- Freedom of speech
- People get empowered to make decisions affecting their own lives. (UN, 2014).

Unemployment problem particularly among the youth is a thorn in the flesh among policy makers. Globally unemployment is high among the youth who at the same represent the highest proportion terms of population in many regions.

The unemployment problem among the youth is made worse by the presence of many people in poor quality jobs with low income and the sprawling informal sector.

There are certain barriers to getting productive and quality jobs by the youth. They include:-

- Mismatches between their skills and the jobs on offer in the market.
- Lack of access to finance and other business services.
- Lack of labour market information (UNFPA, 2019).

As seen elsewhere, Africa takes a lion's share as far as poor quality jobs are concerned. In order to generate quality jobs we recommend the following take away policy options in Africa's informal sector.

Micro-finance

Finance is of importance in any business. It enables the business owner to buy land, pay for the premises, pay for the inputs, pay the workers and buy more supply to be sold in the market. But one worrying situation is that the informal sector workers have been left out by formal financial arrangements, either because they do not have the collateral. This has forced some of the informal sector employees to seek a refuge by way of loans in the informal financial market in order to enable them to meet their day to day needs such a consumption smoothing, paying bills or food. Rotating savings or credit associations allow members to pool small sums so as to enable them purchase household items and meet other financial obligations. How can formal financial systems serve the informal sector workers particularly the youth in Africa? (Irwin et al, 2018).

Financial inclusion

Policy makers should promulgate financial inclusion regulations in which informal sector workers more so the youth should be made formal banking lending beneficiaries. To a given extent an understanding of how informal financial structures work can help microfinance institutions borrow valuable lessons on how to lend to borrowers in the informal sector. Sometimes microfinance institutions should encourage some informal sector businesses to formalise by encouraging them to;

- Observe healthy and safety regulations
- Obtain business licence
- Pay taxes to the government promptly.

One such microfinance in Africa which has led the way in doing this is ABA in Egypt. At ABA, while borrowers are supposed to show their business licences and tax compliant certificates before they obtain loan, they do not do it in the first instance but when they go for the second loan, they have to provide evidence showing that they are working towards their target (ILO, 2009).

Mobile banking

Common practice in most countries is that formal financial services are availed to those with high, stable and continuous source of income. This has therefore barred the youth in the African countries (who form a large pool

of workers in the informal sector) from accessing formal financial services. To overcome this problem, countries should encourage banks to introduce mobile banking products in which banks should cater to even small savers when extending credit to them. Banks and other financial institutions should be encouraged to lower the cost of applying and servicing loan. This will not only encourage small business owners in the urban areas to acquire credit but also those in the remote and other far flung places as well. This is known as branchless banking and Kenya is taking a lead in this. Almost half of Kenya's adult population is a beneficiary of branchless banking (World Bank, 2014).

Kenya which pioneered and launched the M-Pesa financial mobile banking product has taken the lead in showing the way to the point that many African countries have borrowed a cue. This has made millions of people in Africa who have otherwise been excluded from formal services to access such services cheaply, reliably and securely (AfDB, 2013). Rwanda and Ghana have also encouraged their banks to moot low cost borrowing systems in which banks extend credit to low- income earners in the rural areas affordably. Both countries have also encouraged branchless banking (World Bank, 2014).

Social Protection

Workers in the informal sector face an array of risks which include illness and injury, unemployment, disability and old age.

In relation to illness and injury it is natural for injury or sickness to strike at any time while the worker is still working. When such happens, workers in the formal sector get medical attention because they are medically insured. Unfortunately this does not happen to the workers in the informal sector.

Unemployment is another unforeseen risk faced by informal sector workers particularly the youth. The city council may decide to demolish all business stalls owned by hawkers or street vendors in the central business district thereby rendering them unemployed. Once such thing happens, workers will not be compensated, given the sector's unorganised nature.

During his/her working period, a worker may become disabled and finally become unemployed. In most cases, such a risk is not compensated, particularly in the informal sector. Another risk is old age. As the worker advances in age, a time comes when he/she retires and finally goes home. The informal sector lacks mechanisms to cushion workers against all the above mentioned risks (RNFS, 2017).

Providing social protection to workers in the informal sector will not only help address the issues of quality work (employment) but economic development challenges dogging countries around the world (ILO, 2019). Social protection for the workers is in two forms:- Contributory and no-contributory social protection.

Social insurance guarantee is a form of contributory scheme in which members to be covered contribute part of their salary towards the scheme while the government contribute a given percentage also. Though this scheme is designed for formal workers nowadays it has spread its tentacles to cater even to those in the informal sector.(ILO, 2019).

Examples of such schemes in Africa are:-

- **Kenya's Mbao Pension.**

This scheme was launched in 2009 has grown steadily since then with 66,228 members by 2014 representing 46% of the total members in Kenya's individual pension plan scheme (OECD, 2017).

By 2018 the scheme had 100,000 members with fund value of US\$1,342,000. The scheme mainly consists of Jua Kali artisans who were 12 million by 2018. Each member contributes at least a daily amount of Kshs. 20/= (US\$ 0.19).

In order to motivate them to contribute on daily basis the group has coined a slogan, "Usitupe Mbao" translated into English as "Do not throw away 20 shillings". Members make payments using mobile money systems, M-Pesa or Airtel Money (DP, 2018).

The scheme is however faced with a number of challenges some of which include lack of awareness leading to low enrolment (Kwena, 2018). However, whoever wishes to withdraw from the scheme can do so after three years and be entitled to lump-sum money of all his /her contributions (Republic of Kenya, 2017).

- **The universal pension scheme.**

This is in Zanzibar and is one of the pace setters in Africa, though not directly aimed at the youth but at least it offers some valuable lessons for policy makers and other actors in development circles (RNSF, 2017). Started and implemented in 2006 the scheme is one of its kind in East Africa which is fully financed through government coffers.

The scheme offers a monthly stipend of Tshs 20,000 (US\$ 9) to all citizens above 70 years of age. The establishment of the scheme became possible through many years of advocacy when it was realised that several people from the low income bracket did have old age cover from formal government pension schemes. To date the Zanzibar government has committed Tshs 6.5 billion i.e. 0.24% of the Gross Domestic Product (HelpAge International, 2017).

About 80,000 pensioners were receiving an equivalent of about US\$ 10 per month by 2014. The number shot up to 100,000 by 2016 (CSR, 2016).

- **Universal Health Coverage**

Ensuring that workers in the informal sector are of sound health is one of the most important elements but at the same time very challenging. Challenging because the informal sector is unregistered, workers do not pay tax to the government and do not have a continuous and steady source of income through which they can be making contributions for safe guarding their health status in times of illness. Despite these challenges it is imperative for countries to find innovative ways of reaching out to the workers particularly the youth in the informal sector by way of cushioning them health wise. Following strategies clearly stand out.

The government establishing universal health scheme to cater to all workers of all categories, formal and informal to be financed by:

- i. Funds from government coffers
- ii. Donor funds
- iii. And premiums from informal workers, (ODI, 2018).

Upgrading Entrepreneurship and Enterprise in the Informal Sector

Most the youth have good and innovate ideas but cannot put them into practice because of either financial constraints or other deterrents. Most countries have tended to promote entrepreneurship among young people as a way of ensuring that they have quality jobs when combined with labour market measures such as access to finance (Premand, et al., 2019).

Enabling young men and women access internet and other technologies will allow them to communicate easily and viably, leading to improved job quality. Efforts in this direction are seen in a number of countries. The international Labour Organisation (ILO) started a programme known as “Start and Improve your Business” (SIYB) in more than one hundred countries. In 2011, the programme gave loans and cash grants to young entrepreneurs. Six to nine months later, 54% self-employed entrepreneurs reported increased profit in their business (Ismail, 2018). ILO has also worked with the youth in Kenya and Zambia by way of extending finance to cooperatives. Youths in Morocco, Tunisia and Algeria have also been encouraged to form cooperatives through which they can pool resources for collective ownership. Such cooperative formations empower the youth to negotiate collectively with financial institutions and other interested parties thereby making them to strike better and viable deals. All this is aimed at un-leasing the potential of the youth thereby improving their productivity (ILO, 2017).

Improving Small-holder Agriculture

Young people are Africa’s greatest asset. This is particularly true for Sub-Saharan Africa. Most of the youth in Sub-Saharan Africa live and work in the rural areas and two-thirds of those are in agriculture (World Bank, 2014). Raising the productivity of the sector therefore is of absolute necessity. Some of the challenges which the youth face are as follows;

- **Insufficient access to knowledge, information and Education.** The efforts of the youth in agriculture are likely to be thwarted by lack of education. Lack of education hinders productivity and skill acquisition. Improving education for the rural youth and incorporating it in agricultural practices and systems is therefore of paramount importance (AfDB/AU/UNECA, 2015).

- **Inadequate Access to Financial Services.**

The youth in Africa’s agriculture have inadequate access to financial services due to lack of collateral and information (Verick, 2006). Due to this the youth turn to family members, relatives, friends and other money lenders who charge very exorbitant interest rates, which make them even poorer. For instance, the chief executive of the much lauded Grameen bank in Bangladesh, Professor Yunus, found out that a money lender was charging a woman 3,000% per annum for a loan which she needed to buy raw materials for making bamboo furniture (ibid). Promotion of financial products catering to the youth can have a long lasting impact in improving their quality of jobs. This can be done by encouraging the youth to form informal saving clubs from where each will borrow without undergoing the trouble of looking for collateral. Grameen bank in Bangladesh offers very valuable and innovative lessons in this regard (FAO, 2014).

Secondly, countries should revise their financial policies in ways that include informal sector workers. Policies should make it compulsory for financial institutions to include the informal sector workers

particularly the youth in their lending portfolio. India and South Africa have shown the way in this regard.

In Kenya, Equity bank which began as a building society has up to today spread its tentacles to include the vulnerable in the society by way of giving loans (ILO, 2009).

Labour Market Regulations.

One of the things which the formal workers enjoy is that they have very strong unions which negotiate for wages and other better work related conditions on their behalf. On the other hand, given its (informal sector's) unorganised nature, the informal sector workers do not have unions which can make strong collective bargaining agreements on their behalf. In fact when labour market regulations in Africa and other developing regions are being promulgated, they exclude the informal sector workers because the informal sector is essentially unregistered and therefore unrecognised (ILO, 2006). What is the policy option here? It is imperative that African countries re-frame flexible labour market regulations in order to allow informal sector workers to form unions that can negotiate on their behalf for fair wages and other better work-related conditions. In some countries within the African continent, some of the workers' unions formed in the informal sector offer very valuable lessons for policy take away. These include the National Union of Motor bike Taxis (SYNAZEB) in Benin. It negotiates with the Government and city authorities on behalf the workers. Other unions have been formed in Mozambique, Malawi, Zambia etc. (Gumbrell-McCormick, 2012).

Land Policies. Land is an important element for agricultural development and productivity (ILO, 2005). In Africa most of the youth live in the rural areas where majority eke their livelihood from the informal sector particularly agriculture (World Bank, 2013, Yami, et al., 2019). This sector on which majority of the youth depend for their livelihood has been seriously neglected making it very unattractive to the youth (FAO, 2013, World Bank, 2013, Yami, et al., 2019, Losch, 2014). Global leaders in their meeting noted that majority of the youth are avoiding agriculture because it is not attractive or 'sexy' (IFAD, 2019).

In the African traditional setting, land being tilled by the youth is mostly inherited from parents. Given the high number of children per family in most of the African households, each youth ends up acquiring a very small parcel of land (in fact less than one acre) because the already small parcel of land gets sub-divided among the children in the family. Economics portends that small size of land has a number of disadvantages; mechanisation is not possible and therefore productivity is likely to be low. The few youth who may have large tracts of land cannot have their land mechanised due to lack of capital (World Bank, 2013). Further, in terms of land, the youth in Africa haggle with another challenge. Most of the land they cultivate does not have title deed. Title serves as a security when one wishes to acquire loan from any financial institution or lender. Lack of title deed therefore means the youth will not have the incentive to cultivate their farms using innovative and scientifically proven modern methods of farming. Accessing finance through financial institutions will also be difficult (CTA, 2019).

CONCLUSIONS AND POLICY RECOMMENDATIONS

The paper concludes that the informal sector in Africa is in a dis-array due to its un-organised nature. The sector is not recognised by most governments and therefore the benefits that formal sector workers enjoy are conspicuously missing in the informal sector. Workers in the sector suffer a lot as a result. The youth are the first casualties as they contribute a lion's share in Africa's informal employment.

The paper has shown that informal employment has jobs that are not quality due to the fact that most of the jobs do not have security which is enjoyed by the formal sector workers. There is lack of social insurance, health insurance, unemployment protection, no properly registered trade unions to bargain for better wages on behalf of the workers etc. The general working conditions in the sector are also wanting. Formal financial institutions avoid giving loans to the workers in the sector because it is not registered by the government. All these factors make the jobs in the sector to be of low quality.

Policy options for improving the quality of jobs in the sector;

- Provision of an enabling environment and policy framework for allowing formation of trade unions in the informal sector. Some African countries have made headway in this.
- Encouraging young men and women to form groups or cooperatives through which they can save money from where they can borrow on a rotational basis. Countries should also review their financial policies in a way that formal financial institutions will be required to give loans not only to formal sector employees but to informal ones particularly the youth.
- In terms health, African governments should start universal health schemes which cater to all workers, whether they are in formal or informal sector. This will improve the status and well-being of the youth.
- In terms of working conditions an enabling and conducive policy frame work aimed at giving severance benefits to informal sector workers particularly the youth should be considered. Governments should form a kitty being funded by donors and other well-wishers.
- Improvement of agricultural productivity is paramount. Giving title deeds to the youth and educating them on application of modern methods of farming is important.

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