

▶ ILO Youth Country Briefs

June 2023

Uganda¹

Key points

- ▶ Uganda has had a strong economic performance in the new millennium, averaging real annual gross domestic product (GDP) growth of 6.2 per cent between 2000 and 2022. Economic growth has outstripped population growth, and average incomes have risen, however, the country remains a low income country with an employment to population ratio that is also relatively low.
- ▶ Young people face a challenging situation as they seek to integrate into decent work. Between 2017 and 2021, in part due to the Covid-19 pandemic, the share of young people not in employment, education or training (NEET) increased significantly. This rise was more pronounced for young women, who saw their rate increase by 3.6 percentage points (p.p.).
- ▶ As regards NEET rates by urban-rural location and by educational attainment, the gap between the more disadvantaged rural (vs. urban) and less (vs. more) educated young people lessened between 2017 and 2021. However, with the exception of male rural youth, NEET rates increased for all these sub-groups; the reduction in relative disadvantage experienced by less educated and rural young people arose because their NEET rates increased less than did the NEET rates faced by better educated and urban youth.
- ▶ The National Youth Policy (NYP) of 2001 laid the foundations to develop a comprehensive youth employment strategy in Uganda. It was followed by the integration of promoting youth employment as an explicit objective of the National Employment Policy (NEP), which provided an opportunity to shape youth-specific interventions to address the labour market challenges facing young people.
- ▶ Subsequent development policies have been consistently prioritizing youth employment in line with the NYP and NEP. Indeed, youth employment has been mainstreamed in the major development policies and blueprints, such as the National Development Plans, the National Youth Action Plan, the National Strategy for Youth Employment in Agriculture and the Technical Vocational Education and Training Policy. Their provisions seek to increase the quantity and quality of education and training to match labour market needs, but also to stimulate labour demand and bring education and training closer to the labour market needs, as well as improving career guidance services.
- ▶ The primary focus of the policies comprising youth employment strategy is on education and skills development, promotion of entrepreneurship and business support to youth-led enterprises. Agriculture is one of the main sectors for youth employment, with a

¹ This brief was prepared by a team lead by Niall O'Higgins and including Vipasana Karkee, Karina Levina, Marcelo Cuautle Segovia and Anna Barford. The brief is based primarily on an analysis of the available micro-data and a desk review of policy documents. Helpful comments and suggestions were provided by Mallory Baxter, Chizoba Imoka and Olumide Emeralds (MCF) and Jonas Bausch, Steve Kapsos and Bernd Mueller (ILO).

Key points *continued*

focus on the use of information and communication technologies (ICTs) in agriculture to stimulate high skilled job creation in green and digital economies.

- ▶ The youth employment strategy in Uganda seeks to meet the specific needs of some disadvantaged young people, including young women, rural youth and people with disabilities. But their success in recent years has been limited. Further mainstreaming

of young people's diverse needs, for example, the needs of early school-leavers would increase the inclusiveness of the youth employment strategy

- ▶ The development of mechanisms to systematically monitor and evaluate interventions is sorely needed to support the development of forward-looking evidence-based youth employment policies and programmes.

▶ 1. Introduction: Contextual indicators

This brief summarises youth² labour markets and the school-to-work (SWT) transition in Uganda and its evolution in recent years. This introduction provides an overview of the aggregate economic and labour market context in the country. This is followed in section 2 by a discussion of the main characteristics of, and trends in, the country's youth labour market. Section 3 looks more explicitly at the SWT in Uganda seen through the lens of the ILO's SWT indicators and section 4 considers the changes visible in youth labour markets between 2017 and 2021. Section 5 briefly discusses key youth employment related policy initiatives in the country and section 6 summarises the main issues and challenges identified in the preceding analysis.

Since the beginning of the new millennium, Uganda has had a strong growth performance, averaging 6.2 per cent per annum (p.a.) between 2000 and 2022.³ The COVID-19 related recession in 2020 led to a fall in real GDP of 1.4 per cent, which was close to the average reduction in GDP in sub-Saharan Africa (SSA) as a whole of 1.6 per cent. However, economic growth resumed in 2021 at a similar rate to before the pandemic. Overall, real GDP growth was significantly above that for SSA as a whole between 2000 and 2022 (figure 1). Economic growth also considerably outstripped population growth which averaged 3.1 per cent p.a. over the period as a whole.⁴

▶ Box 1: YouthSTATS, a partnership between the ILO and the Mastercard Foundation

The ILO, in partnership with the [Mastercard Foundation](#), has created a regularly updated dataset called [YouthSTATS](#), available on [ILOSTAT](#). The dataset was first produced by the ILO as part of its partnership with the Mastercard Foundation on the "[Work4Youth](#)" project which concluded in 2016. Initially composed of labour indicators for young people aged 15-29 derived from [school-to-work transition surveys](#) conducted through the partnership, the dataset now benefits from the ILO's stock of [harmonized labour force survey micro-datasets](#). It serves as a central repository of international youth labour statistics.

This brief is one of seven country briefs undertaken under the new partnership. The countries covered are Ethiopia, Ghana, Kenya, Nigeria, Rwanda, Senegal and Uganda.

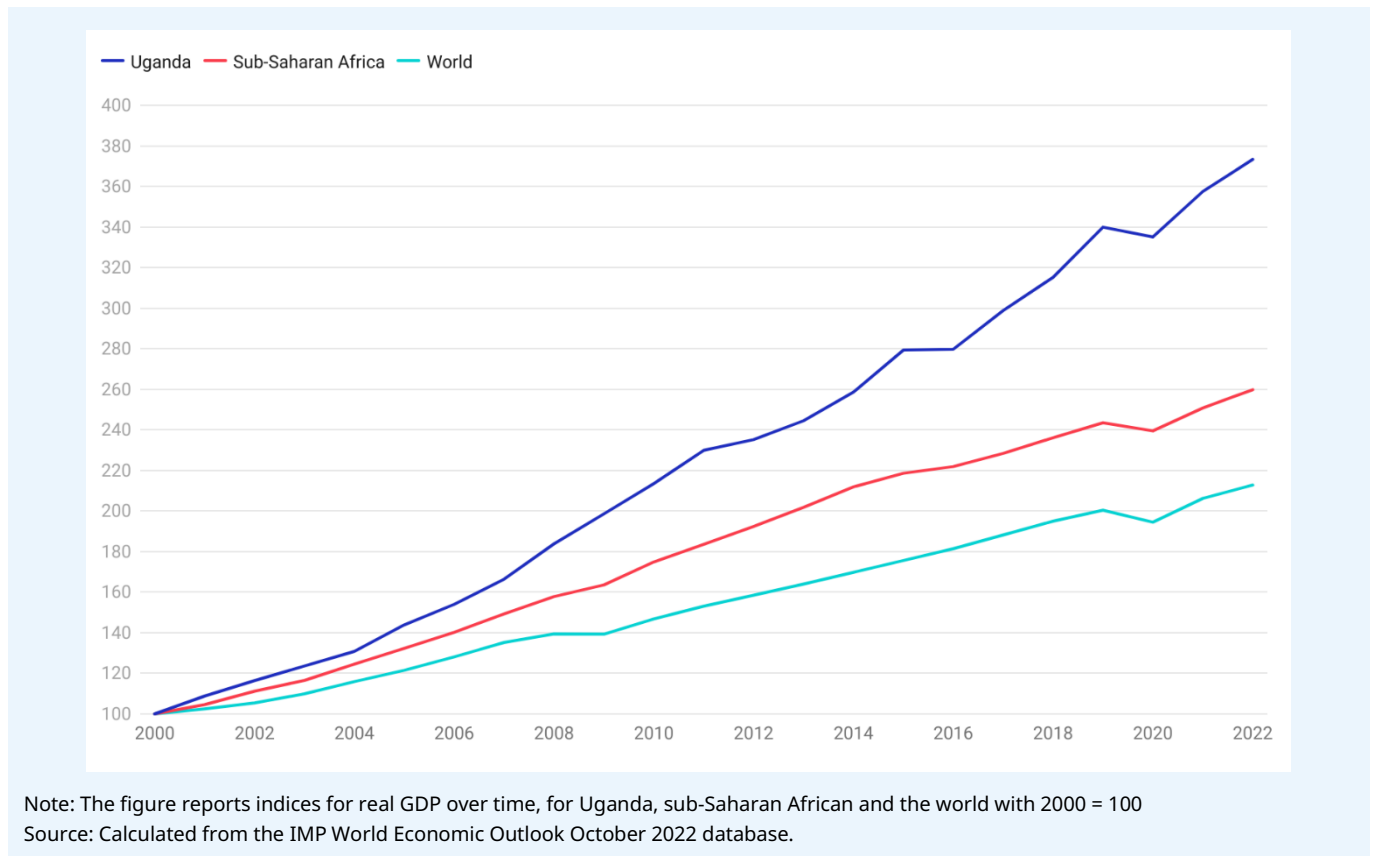
² Throughout the brief, youth are defined as young people aged 15-29.

³ [IMF World Economic Outlook database](#).

⁴ <https://population.un.org/dataportal/>.

Uganda’s population is relatively poor compared to its neighbours, and is ranked as a low income country⁵ with a purchasing power parity (PPP) adjusted GDP per capita of US\$2,565 in 2022.⁶ This is just 65 per cent of the corresponding average for SSA as a whole of US\$3,926.

► **Figure 1. Real GDP, Uganda, Sub-Saharan Africa and the World, 2000-2022; 2000=100**



The employment to population ratios in the country are quite low compared to the ILO’s modelled African and global estimates (table 1). Here, the definition of employment matters. In 2021, Uganda adopted the revised definition of employment established by the 19th International Conference of Labour Statisticians (ICLS) in 2013 which tends to lower the recorded employment to population ratio. In particular, the new definition meant the exclusion from employment of subsistence farmers producing primarily for their own consumption which results in a lower recorded employment to population ratio.⁷

On the other hand, for the time being, the ILO modelled estimates continue to utilise the previous definition of employment established by the 13th ICLS in 1982. In order to clarify the influence of these different definitions, table 1 reports the corresponding employment to population ratios for Uganda, calculated using the 19th and 13th ICLS respectively. The discrepancy between higher estimated (old definition 13th ICLS) and lower recorded (new definition 19th ICLS) employment to population ratio reflects the substantial involvement of the population, especially women, in subsistence farming. Whilst welcome, the change does complicate the comparison of labour force indicators of Uganda

⁵ [WB Country income groupings.](#)

⁶ The PPP adjusted GDP p.c. estimates used in this brief are from the [IMF World Economic Outlook database.](#)

⁷ The main change in the definition of employment was the exclusion of all forms of work not for profit from employment. One consequence was the exclusion of subsistence farmers producing primarily for their own consumption who were excluded from employment according to the new definition. For a more detailed explanation of the changes and their implications for labour market statistics including employment, see, ILO (2022).

with those of some other countries in the region, as well as with the ILO’s regional modelled estimates which still use the previous definition of employment based on the pre-2013 definition of employment.

The use of the new definition of employment makes a difference of over 35 p.p. in the employment to population ratio. The new definition also lead to almost a doubling of the gap between the employment to population ratios of men and women. Using the new definition the gender gap is almost 20 p.p., whereas under the old definition it was around 10 p.p. This is because women are more likely than men to work in subsistence activities which are now excluded from employment. So, at around 20 p.p. the gap is nearly twice as large as the corresponding difference for SSA as a whole of 10.7 p.p., however, as noted this is due to the adoption of the new definition. One might also note that the gap is still smaller than the global average gender gap in the ratio of 23.5 p.p.

► **Table 1. Employment to population ratio by sex in Uganda, Sub-Saharan Africa, Africa, and the World, 2021 (age 15+)**

	Male	Female	Total
Uganda (LFS)	51.1	31.9	41.2
Uganda (LFS, 13 th ICLS)	81.8	71.6	76.5
Africa (ILO Modelled Estimates)	66.6	48.8	57.6
Sub-Saharan Africa (ILO Modelled Estimates)	68.1	57.4	62.7
World (ILO Modelled Estimates)	67.6	43.9	55.7

Source: Authors’ calculations based on ILO Harmonized Microdata, ILO Modelled estimates, <https://ilostat.ilo.org/>.

Despite the country’s relatively low per capita income, at 34.9 per cent in 2022 the extreme working poverty rate (EWPR) in the country was actually slightly lower than the average of 35.5 per cent for SSA as a whole. Indeed, much progress has been made in this regard and the EWPR almost halved in the new millennium from 60.2 per cent in 2000⁸ and the COVID-19 pandemic led to only a very small increase of 0.2 p.p. in the rate of extreme working poverty in the country between 2019 and 2020.

The service sector employs just over one half of working Ugandans, accounting for 50.7 per cent of employment as a whole. A little over one-third (35.4 per cent) of workers are employed in agriculture, and the remaining 13.9 per cent are engaged in industry. Women are more likely than men to work in services, which account for 56.2 per cent of female and 47.0 per cent of male employment. Employment in agriculture is more equally divided between the sexes and accounts for 35.8 per cent of male and 34.8 per cent of female employment whilst work in industry is clearly dominated by men accounting for 17.2 per cent of male and 8.9 per cent of female jobs (Table 2).

► **Table 2. Employment distribution by economic activity by sex in Uganda, 2021 (age 15+)**

	Male	Female	Total
Agriculture	35.8	34.8	35.4
Industry	17.2	8.9	13.9
Services	47.0	56.2	50.7

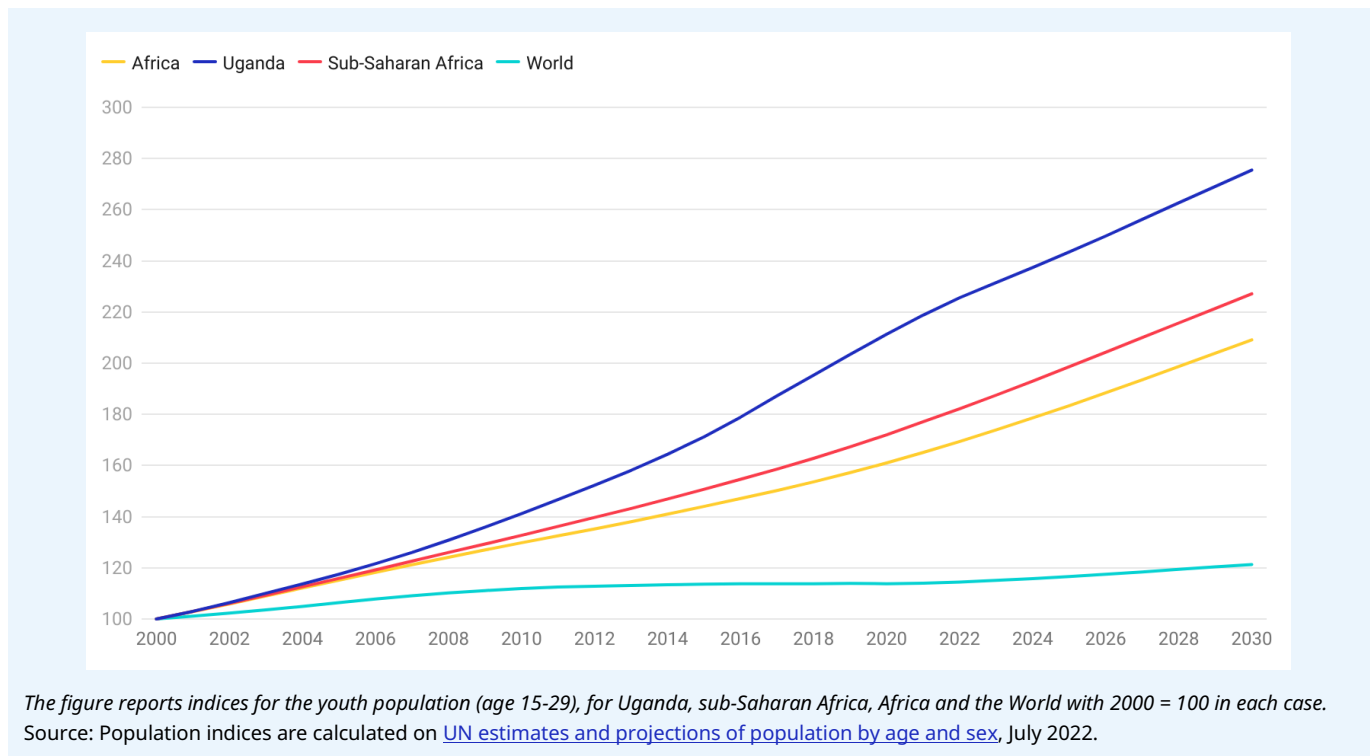
Source: Author’s calculations based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

⁸ [ILO modelled estimates](#), November 2021. The working poverty rate identifies the share of the employed population who are living in poverty despite being employed, implying that their employment-related incomes are not sufficient to lift them and their families out of poverty and ensure decent living conditions. The extreme working poverty rate (EWPR) is defined as the percentage of the employed population living in households with a per capita income of under US\$1.90 PPP per day (ILO, 2019). See also, <https://ilostat.ilo.org/topics/working-poverty/>.

► 2. Youth labour market trends

Africa is a relatively young continent, with a youth population that continues to grow with all the potential and challenges this brings with it (ILO, 2020). In Uganda, the growth in the numbers of young people has been particularly pronounced. Between 2000 and 2022, the Ugandan youth population is estimated to have increased at an average annual rate of 3.8 per cent, fully one p.p. above the 2.8 per cent annual rate of growth of the youth population in SSA (figure 2).

► **Figure 2. Youth population in Uganda, Sub-Saharan Africa, Africa and the World, 2000-2030; 2000=100**

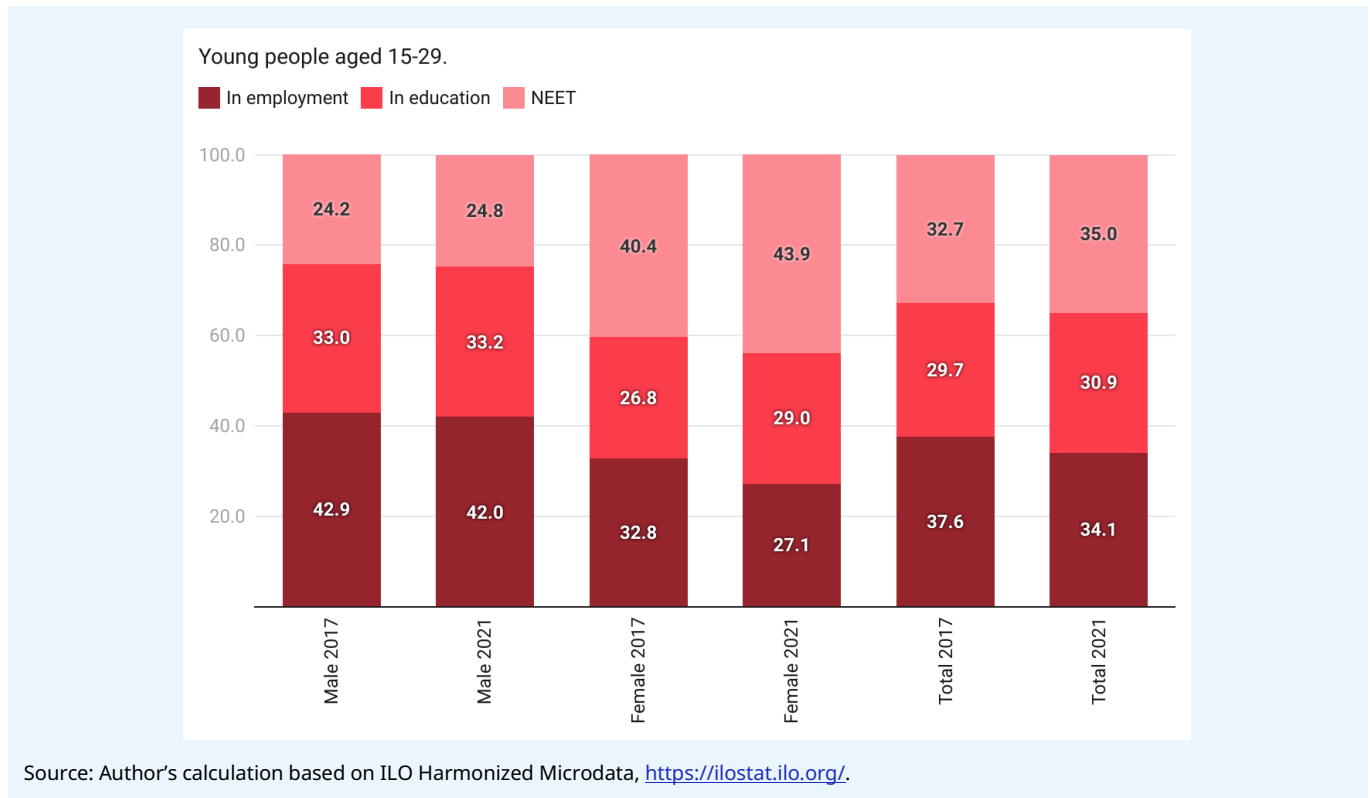


Educational attainment in the country is low compared to the regional average. UNESCO estimates that the primary completion rate in Uganda in 2020 was 40.2 per cent; more than 20 p.p. below the corresponding SSA average of 63.2 per cent and over 40 p.p. below the global completion rate of 86.7 per cent.⁹ Completion rates for lower and upper secondary education were 33.7 and 16.3 per cent respectively, which is slightly closer, albeit still well below the corresponding SSA averages of 44.5 and 26.7 per cent. Of still more concern, there has been little improvement in educational attainment in the country in the last decade. No progress has been made in the primary completion rate which stood at 40.3 per cent in 2012. Over the same period, the completion rate for lower secondary education rose moderately by 5.1 p.p. and upper secondary by 0.7 p.p. At the primary level, girls perform much better than boys with completion rates of 53.3 and 37.9 per cent respectively. However, the advantage of girls disappears completely by the time children reach lower secondary education.

Amongst young people aged 15-29, there is a moderate but clear gender imbalance of just over 4 p.p. in educational participation. In 2021, 33.2 per cent of young men and 28.9 per cent of young women were participating in education, which marks an improvement in the situation in 2017 when the divergence was over 6 p.p.

⁹ <http://sdg4-data.uis.unesco.org/> [accessed December 7, 2022].

► **Figure 3. Youth status in Uganda by sex, 2017-2021**



In contrast, employment to population ratios and the share of young people not in employment, education or training (NEET) (box 2) display very substantial gender gaps which have, moreover, widened between 2017 and 2021. The young male employment to population ratio fell from 42.9 to 42.0 per cent and the corresponding NEET rate increased from 24.2 to 24.8 per cent over the period; relatively modest changes. Amongst young women, however, changes were more pronounced with the employment to population ratio dropping from 32.8 to 27.1 per cent and the NEET rate increasing over the same period from 40.4 to 43.9 per cent.¹⁰ Indeed, by 2021 the female NEET rate was nearly twice the corresponding rate for young men.

¹⁰ For a discussion of the concept of NEET and its usefulness in examining youth labour markets, see for example, ILO (2019b). O'Higgins et al. (2023) contains a more extensive discussion.

► **Box 2: Young people not in employment, education or training (NEET)**

With the establishment in 2015 of the 2030 Sustainable Development Goals, the NEET rate – the share of young people not in employment, education or training – became the [target indicator \(SDG8.6.1\)](#) to measure progress in youth labour markets. Although NEETs also include (most of) the young unemployed,¹¹ the NEET rate is a broader concept encompassing all young people who are, for whatever reason, not studying or working for pay or profit. NEETs are consequently a much larger, as well as a more heterogeneous, group than the young unemployed.

Inter alia, the shift from the unemployment rate to the NEET rate as the focus of policies to promote decent work amongst young people leads naturally to a broadening of the scope of interventions. Reducing the NEET rate can be achieved by increasing entry of young people into employment, but also by increasing their participation in education and training. Moreover, there are many factors underlying (different types) of NEET status. These include the obstacles to obtaining decent work faced by specific groups – such as young women and/or young people with disabilities.

Source (and for further information): O’Higgins et al. (2023).

The employment of young people (aged 15-29) – especially young women - is primarily concentrated in services with almost half (49.1 per cent) of employed young people finding work in the sector. There are marked gender differences; the sector accounts for 41.9 per cent of the jobs held by young men, and 59.0 per cent of those of young women. In the other two broad sectors, young men dominate. Accounting for 35.7 per cent of young workers, agriculture is also a significant employer of young people; 38.5 per cent of young male workers are engaged in the sector compared to 31.9 per cent of young female workers. The remaining 15.1 per cent of youth employment is in industry, with young men (at 19.7 per cent) outnumbering young women (9.1 per cent) (table 3).

► **Table 3. Youth (age 15-29) employment distribution by economic activity and sex in Uganda, 2021**

	Male	Female	Total
Agriculture	38.5	31.9	35.7
Industry	19.7	9.1	15.1
Services	41.9	59.0	49.1

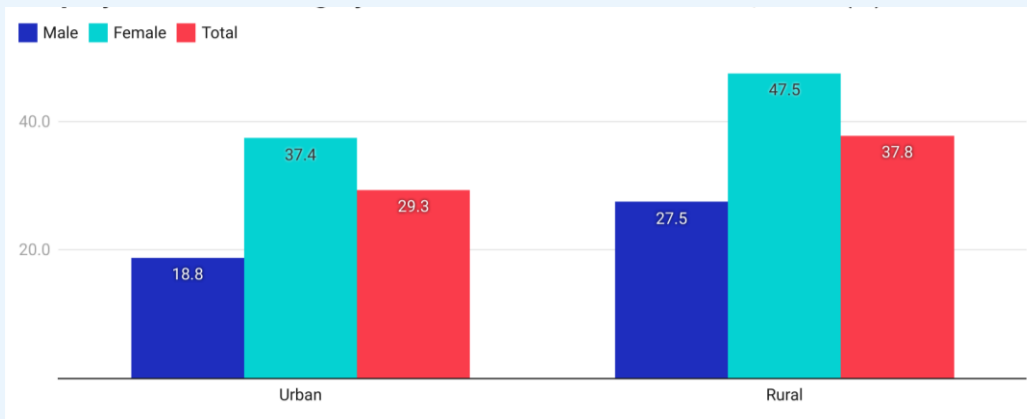
Source: Author’s calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

As regards young NEETs, in 2021 the vast majority - 79.5 per cent of young male and 86.6 per cent of young female NEETs - are inactive; that is, they are not actively seeking work and so do not appear among the ranks of the unemployed. As we saw above, NEET rates increased for both young women and men between 2017 and 2021, especially the former. The share of inactive NEETs also increased over the same period. In other words, youth NEET rates increased proportionately more than did youth unemployment rates. The substantial majority of NEETs who are inactive serves to emphasize the importance of looking at NEET as opposed to unemployment as a key indicator of the labour market status of young people.

In common with much of the world, especially low and middle income countries (O’Higgins et al., 2023), in Uganda male and female NEET rates are significantly higher in rural areas compared to urban ones (figure 4).

¹¹ Excluding a relatively small but increasingly significant group of young people who are both unemployed and in education.

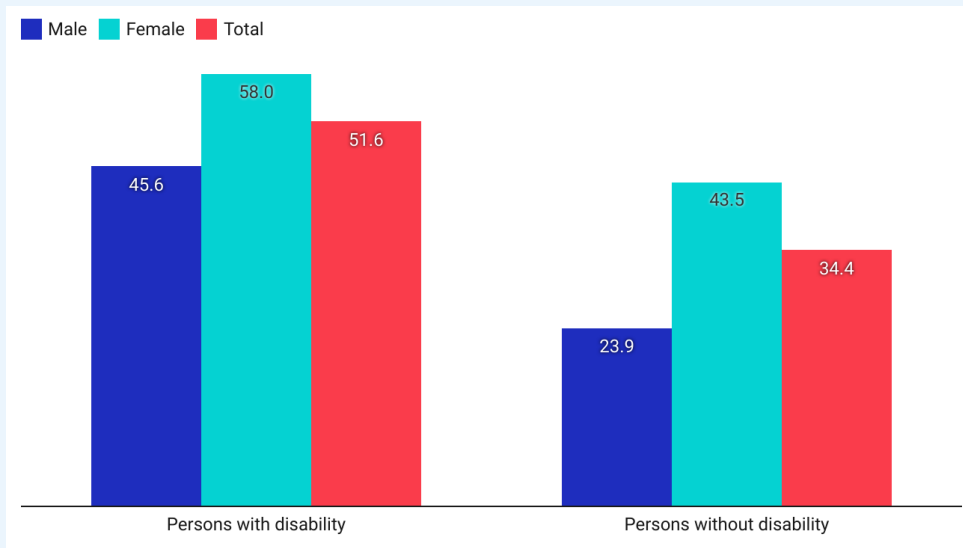
► **Figure 4. Share of young people (aged 15-29) not in education, employment or training by sex and geographic location, 2017-2021 (%)**



Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

In 2021, 3.7 per cent of young people aged 15-29 reported themselves as being disabled in Uganda, 3.3 per cent of young women and 4.0 per cent of young men. As elsewhere, young people with disabilities have NEET rates which are much higher than those without, although this differential is not as pronounced as it is in several other countries under study (figure 5).

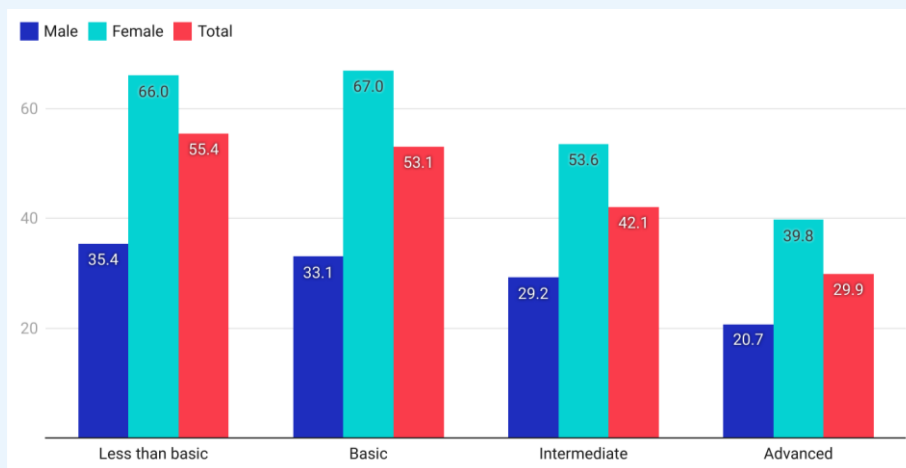
► **Figure 5. Share of young people (aged 15-29) not in education, employment or training by sex and disability, 2021 (%)**



Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

Educational attainment strongly affects the likelihood of being NEET. Globally, NEET rates typically fall with higher levels of educational attainment, although this inverse relation between educational attainment and the likelihood of being NEET is on average less pronounced in low income countries than it is in middle and high income ones (O'Higgins et al., 2023). In Uganda, NEET rates consistently fall as individual educational attainment increases although the NEET rates of those with higher educational attainment are still very high (figure 6). One out of every five young men and two out of every five young women with tertiary educational attainment are NEET in the country.

► **Figure 6. Share of young people (aged 25-29) not in education, employment or training by sex and educational attainment, 2021 (%)**



Note: The figure uses the 25-29-year-old age group to avoid giving a misleading impression, which would arise using age-groups where educational participation is (potentially) substantial. NEET (or unemployment) rates by educational attainment for 15 to 24-year-olds are subject to systematic differences not due to educational attainment per se. For example, 15 to 24-year-olds with tertiary educational attainment will systematically be older, on average, than those with basic or secondary education. See also O'Higgins et al. (2023)

Source: Author's calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

► 3. School to work transition indicators

The ILO's school-to-work transition (SWT) indicators have been designed to give a more detailed classification of young people's transition path in the labour market. The two key indicators are the *school-to-work transition stage* and the *school-to-work transition form*. The first indicator classifies youth into three groups according to their stage in SWT: (I) transitioned, (II) in transition, and (III) transition not yet started (box 3). The second concerns the specific form of the transition outcome of those who have completed the transition – stable wage employment on the one hand, satisfactory self-employment, or a satisfactory temporary job on the other.

► Box 3: Stages and forms of transition from school to work

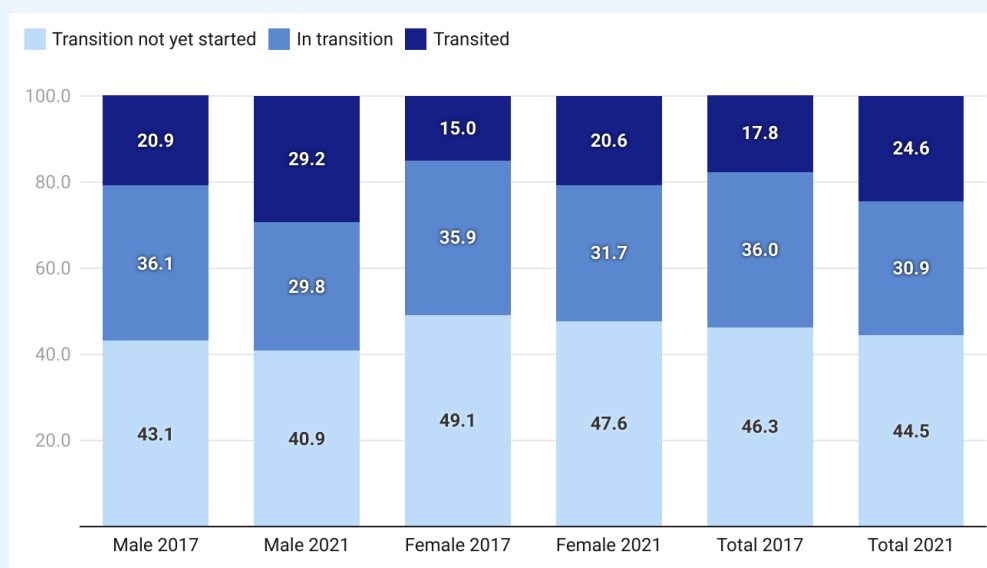
- I. Transitioned** – A young person (aged 15 to 29) who is not in school and currently employed in:
 - a. A stable job, or
 - b. Satisfactory self-employment or a satisfactory temporary job
- II. In transition** – A young person (aged 15 to 29) who is:
 - c. In school and currently employed or unemployed (in the labour force)
 - d. Not in school and unemployed
 - e. Not in school and currently employed in a temporary and unsatisfactory job (*unsatisfactory work*)
 - f. Not in school and not in employment but aiming to be employed later (*potential labour force*)
- III. Transition not yet started** – A young person (aged 15 to 29) who is:
 - g. Still in school and outside the labour force
 - h. Not in school, outside the labour force and with no intention of looking for a job

Information on the stage of transition and NEET status are clearly interrelated. Some young NEETs are in transition captured by group d.: those who are “not in school and unemployed”, and group f.: those who are “not in school and not in employment but aiming to be employed later”. They also comprise some of those whose transition has not yet started;

specifically, group h.: young people who are “not in school, outside the labour force and with no intention of looking for a job”

A significant share – around one third – of young Ugandans are in transition (figure 7). This is a relatively moderate share compared to other countries in Africa, although, since the continent has a higher prevalence of young people ‘in transition’ than other regions, it is relatively high when compared with other parts of the world (ILO, 2019c).¹² The shares of both young women and young men in transition have also fallen since 2017.

► **Figure 7. Distribution of young men and women (aged 15-29) by stage of transition in Uganda, 2017 & 2021 (%)**



Source: Author’s calculation based on ILO Harmonized Microdata, <https://ilostat.ilo.org/>.

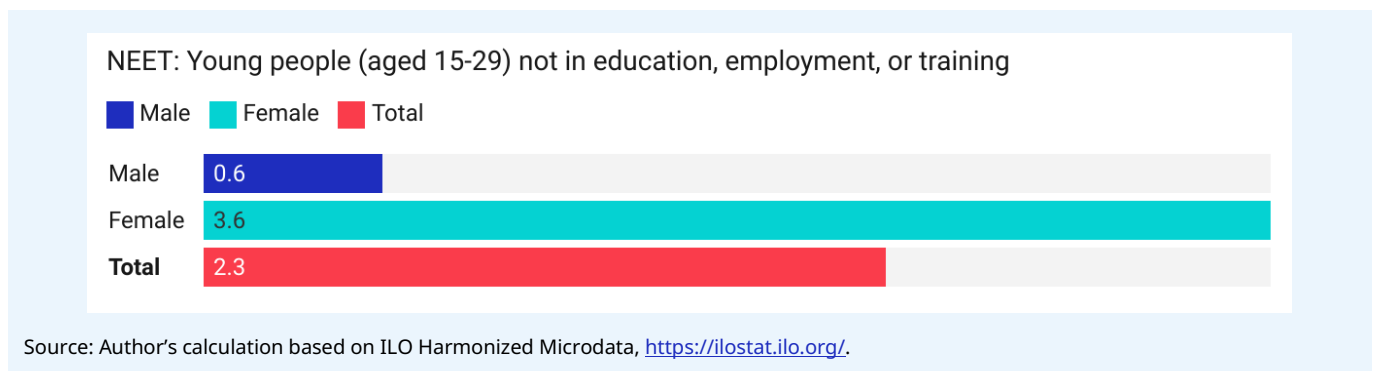
In 2021, nearly two thirds of young people in transition (64.0 per cent) were NEET; 49.5 per cent of young men and 75.9 per cent of young women. This marked a substantial increase in the share of NEETs who are ‘in transition’ since 2017, whilst the share of young NEETs who had not started their transition actually fell over the same period. That is, between 2017 and 2021 there was a sharp increase in young people who were neither working nor studying but who wished to have a job, being either unemployed or wanting to work (but who were not actively looking for a job). In part this may be due to the Covid-19 pandemic but, given the extended time between the available labour force surveys, it is not possible to quantify exactly how much the pandemic impacted this. Either way, this increase in young people wanting to work but not finding employment is an issue of concern. In contrast, between 2017 and 2021, the share of young people, and especially young men, who had completed the transition increased significantly, which is a partially positive sign. That is, in 2021, for a larger share of those who did manage to find jobs, this was satisfactory employment. This is only partially positive in that the increase in the share of, above-all young men, who had found ‘satisfactory’ employment also implies that pandemic related job losses were concentrated amongst those in ‘unsatisfactory’ employment: jobs which were already lower quality, less secure and informal.

¹² The ILO brief referred to also discusses the youth transition indicators in more detail. Another useful discussion is to be found in the blog, <https://ilostat.ilo.org/transition-from-school-to-work-remains-a-difficult-process-for-youth/>.

► 4. Youth labour market changes 2017-2021

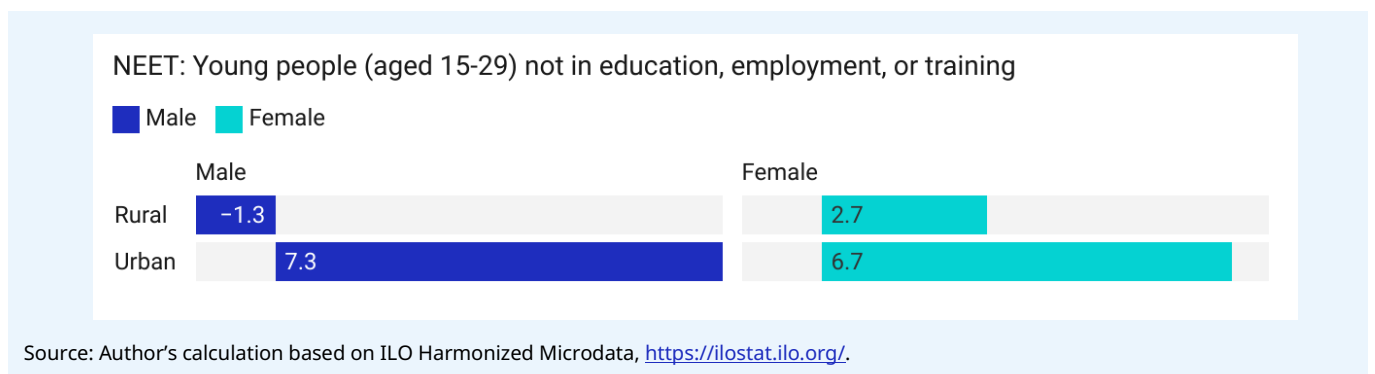
As we already saw, between 2017 and 2021 NEET rates increased and employment to population ratios fell, for both young women and men, although primarily the former, especially amongst young women. It is likely that the COVID-19 pandemic played a part in this trend, however, given the four year gap between observations, it is not possible to say exactly how much the pandemic contributed. Certainly, the increase in the share of young people neither in employment, education or training was particularly pronounced for young women who saw their NEET rates increase by 3.6 p.p. – compared to less than 1 p.p. for young men - over this period (see Figure 8a).

► **Figure 8a. Change in NEET rates by sex from 2017 to 2021 (percentage points)**



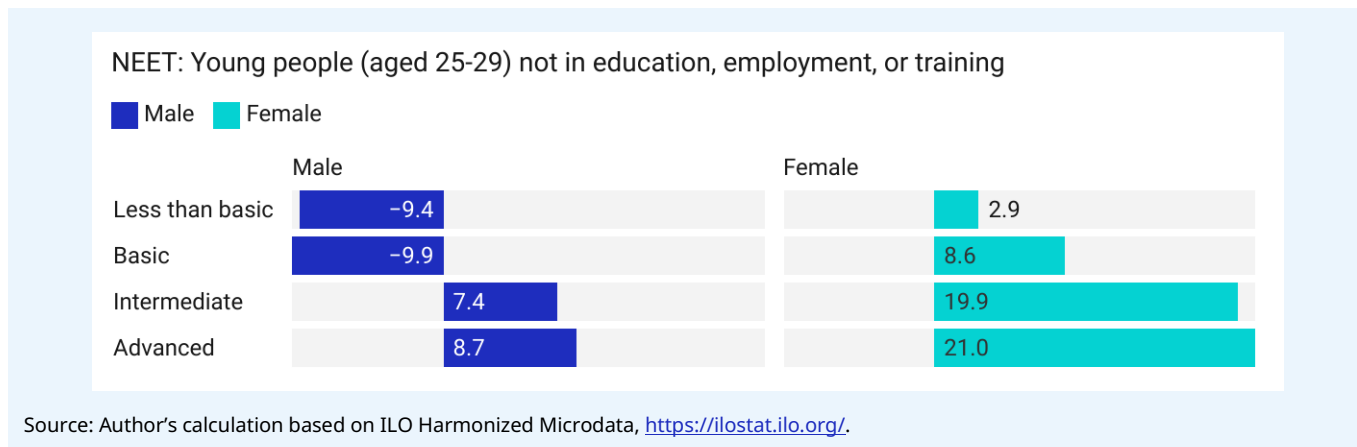
The increase in NEET rates was also much more pronounced in urban, as opposed to rural, areas. Indeed, young men based in rural areas actually experienced a reduction in their NEET rate (Figure 8b). Thus, the urban/rural gap in NEET rates narrowed significantly between 2017 and 2021.

► **Figure 8b. Change in NEET rates by sex and geographic location from 2017 to 2021 (percentage points)**



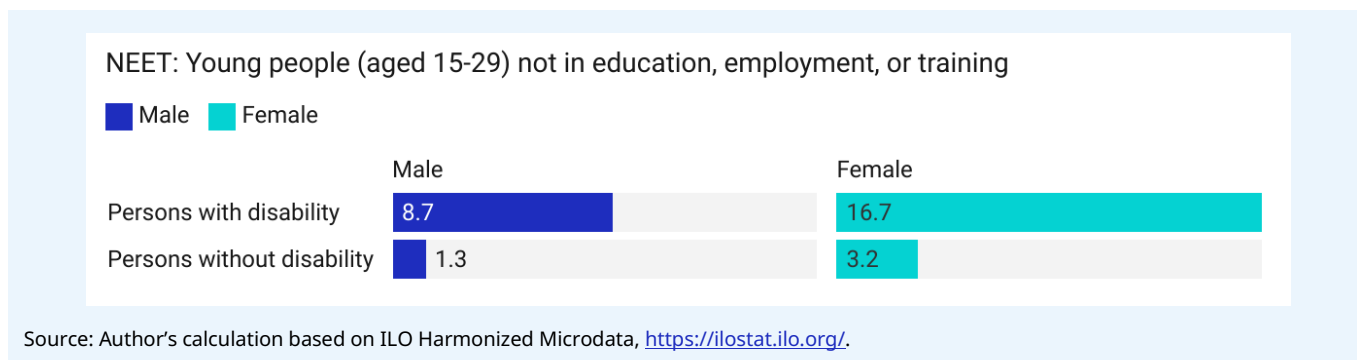
As regards educational attainment, the increase in NEET rates was concentrated amongst those who had obtained secondary or tertiary educational qualifications. Less educated young men saw their NEET rates fall during this period. Taken together, more educated urban young people experienced a significant increase in NEET between 2017 and 2021. Thus, the relative disadvantage, measured in terms of the difference in NEET rates between rural and urban, as well as between less and more educated young people, became smaller over the period. Unfortunately, however, this was primarily due to a worsening of the situation of the more fortunate group of urban educated young people.

► **Figure 8c. Change in NEET rates by sex and educational attainment from 2017 to 2021 (percentage points)**



On the other hand, the relatively disadvantaged position of young people with disabilities in the country got worse between 2017 and 2021, as they experienced p.p. increases in NEET rates which were around five times as large as for young people without disabilities.

► **Figure 8d. Change in NEET rates by sex and disability status from 2017 to 2021 (percentage points)**



► 5. Youth employment policy in Uganda

In summarising key features of the school to work transition and youth labour market outcomes in Uganda, it is important also to briefly consider the main youth employment policy initiatives in the country. This section seeks to do just that. Youth employment policies have most to offer when they are well-designed, involve strong collaboration between the relevant ministries and engage other stakeholders, including social partners, complement other policies, are properly resourced, and have realistic implementation plans alongside robust evaluation and reporting. Moreover, as the brief has illustrated in the previous sections, young people are a highly heterogenous group, and for maximum benefit policies should address the needs of especially disadvantaged groups, such as young people with disabilities and those with low levels of education. What follows is a review of the main policies relating to youth employment in Uganda compiled in late 2022.

Youth employment has been a Ugandan policy priority since the National Youth Policy of 2001 (Government of Uganda 2001), and youth empowerment is built into Vision 2040's goal of transforming Uganda into "a modern and prosperous country" (Government of Uganda 2010). Many policies address youth employment, including National Employment Policy, National Development Plans, National Youth Action Plan, National Strategy for Youth Employment in Agriculture, and Technical Vocational Education and Training Policy. Youth employment objectives are mainstreamed in other national

development policies, including National Disability Policy, Uganda Gender Policy, Uganda Micro, Small and Medium Enterprise Policy, and National Child Policy. Scant evidence makes it hard to assess policy impact.

Youth employment policy framework

National Employment Policy (NEP), 2011

The NEP prioritises youth employment. Youth-responsive interventions include formalization through skills training, business development and access to credit; encouraging youth entrepreneurship by facilitating cooperation; strengthening career guidance and youth skills centres; and supporting job-placements (Government of Uganda 2011). By mainstreaming youth employment within other development policies, NEP seeks to align education with industry needs, improve technical and vocational education and training (TVET), promote gender-responsive career guidance and counselling, incentivise private sector job creation for vulnerable youth and boost youth participation in decision-making. Youth are the NEP target group, and gender and disability are mainstreamed within youth-responsive interventions. NEP is coordinated between the Ministries of Labour, Finance, Planning and Economic Development, Education and Sport, sectoral ministries, local government and social partners.

National Development Plan (NDP) III 2020/21-2024/25

A series of five-year NDPs operationalise Vision 2040. NDP III aims for “inclusive growth, employment and wealth creation,” leveraging ‘under-exploited’ sectors of agriculture, oil and gas, manufacturing, tourism, transportation and ICT (Government of Uganda 2020a). Youth employment cuts across most objectives. Demand-side strategies include supporting small and medium-sized enterprises (SMEs) with finance and export market access; attracting foreign direct investment; encouraging commercial agriculture by connecting smallholders with value-chains; and increasing access to finance for women, and young and rural people. Supply-side strategies include widening TVET; apprenticeship and job placement policies; and internships for out-of-school youth. The plan prioritizes the youth and women’s employment programmes and enterprises, and supports youth access to ICT and green skills to boost agricultural productivity and agro-enterprise innovations. NDP III should create 2.5 million jobs (512,000 per year) (Government of Uganda 2020a, p. 28); most will be in services (1.313 million jobs) and agriculture (700,000). NDP III aims to reduce youth unemployment to 9.7 percent by 2025 (Government of Uganda 2020a, p. 37). The COVID-19 pandemic and economic slowdown, due to multiple crises, may have impacted progress towards these goals.

National Youth Action Plan (NYAP) 2016

The NYAP aims to “harness the potential of youth” (Government of Uganda 2016). Youth employment falls under the areas of: 1. Sustainable Livelihoods, Employment Promotion and Enterprise Development: involving investment and enterprise development, business support, financial services, entrepreneurship training, youth quotas and tax incentives to businesses to hire young people. 2. Skills Training and Entrepreneurship Development: including matching TVET to labour market demand, quality apprenticeship and internship schemes, career guidance services and upgrading regional Youth Skills Training Centres. 7. Youth and Agriculture: involving access to agricultural inputs, technical advisory and financial services to support young people in agribusiness. NYAP involves Ministries of Gender, Labour and Social Development, Education and Sports, Finance, Planning and Economic Development; sectoral ministries; social partners; the private sector and development partners.

National Strategy for Youth Employment in Agriculture (NSYEA) 2017

The five-year NSYEA seeks to re-engage young people in agriculture by creating more and better jobs in agricultural value chains (Government of Uganda 2017a). NSYEA has five themes: 1. Facilitate gainful employment of young people in agriculture through access to land, agricultural finance, ICT, mechanization and markets, within a stronger policy and legal

framework. 2. Improve agricultural extension services¹³ to smallholder farmers, including guidelines on engaging youth and farmer field schools. 3. Enhance hands-on agricultural training, peer-learning and start-up support. 4. Training in food processing, packaging, branding and marketing supported by incubators. 5. Invest in climate change adaptation and mitigation to manage agribusiness risks and uncertainties while advancing decent work. NSYEA addresses the gender-specific barriers faced by young women (such as access to land, education and finance). However, there are no provisions for youth with disabilities in agricultural value chains.

Technical Vocational Education and Training Policy (TVETP) 2019

TVETP seeks to establish an inclusive, flexible, and equitable TVET by building capacities of national institutions, engaging the private sector, improving quality in line with global standards and proper finance (Government of Uganda 2019). TVETP promotes career guidance and learner placements services to support informed career choices. The target is (predominantly young) school leavers and low-skilled individuals. There is no tailored provision for girls and women, people with disabilities, rural populations and other vulnerable groups.

Other policies relating to youth employment: disability, gender, children, green and MSMEs

National Policy on Disability (NPD) 2006 aims to support persons with disabilities to meaningfully contribute to socio-economic development. NPD builds knowledge and skills through apprenticeships, vocational education and training and lifelong learning; while upskilling service providers and caregivers to deliver educational and livelihoods services (Government of Uganda 2006). There are no youth-specific provisions.

Uganda Gender Policy (UGP) 2007 aims to improve women's livelihoods and tackle income inequalities by supporting access to employment and increasing women's control of productive resources (Government of Uganda 2007). UGP responds to the needs of women and men, with labour saving technologies and boosting income through productivity gains. While girls are a target group, UGP does not address other causes of disadvantage.

National Child Policy (NCP) 2020 focuses on education and development, through apprenticeships and TVET, start-up and entrepreneurship support, and ICT for education and training. Young people who are homeless, out-of-school, with disabilities, refugees and in remote areas are prioritised (Government of Uganda 2020b).

Green Growth Development Strategy (GGDS) 2017-2030 is for economic growth through targeted investments in priority sectors ; inclusive economic growth; a low carbon development pathway safeguarding the environment and natural resources (Government of Uganda 2017b). GGDS aims to create 3.3 million decent green jobs; 30-70 per cent for women. Youth are a target group, but without youth-specific employment targets or interventions.

Uganda Micro, Small and Medium Enterprise Policy (UMSMEP) 2015 aims to expand entrepreneurship and small business development programmes and improve accessibility to women, youth and people with disabilities. It also seeks to support women, youth and people with disabilities as entrepreneurs, through increasing access to investment and technology (Government of Uganda 2015).

► 6. Main issues and challenges

- The country has had a strong economic performance in the new millennium, averaging real annual GDP growth 6.2 per cent between 2000 and 2022. Despite this, the country remains a low income country with an employment to

¹³ An agricultural extension service offers technical advice on agriculture to farmers, and also supplies them with the necessary inputs and services to support their agricultural production. It provides information to farmers and passes to the farmers new ideas developed by agricultural research stations.

population ratio that is relatively low. Of specific concern, the youth employment to population ratio fell significantly between 2017 and 2021, especially for young women.

- NEET rates also increased significantly between 2017 and 2021. The lack of labour force surveys in the interim impedes our understanding of the extent to which this was due to the Covid-19 pandemic. This increase was more pronounced for young women, who saw their rate increase by 3.6 p.p. during this period.
- Although the relative situation of the more disadvantaged young people based in rural areas and/or with low levels of education improved somewhat with a reduction in the gap between NEET rates in urban and rural areas as well as between those with lower and higher levels of educational attainment, these apparently positive developments were primarily – and for young women, entirely – the result of the significant increases in the NEET rates experienced by more advantaged better educated youth living in urban areas.
- At the same time the young people with disabilities saw their NEET rates increase significantly between 2017 and 2021 – both in absolute terms and in comparison with the NEET rates of young people without disabilities.
- There has been the National Youth Policy (NYP) in the country since 2001 and a strong youth employment component was later integrated into the National Employment Policy (NEP). Subsequent development policies, including on gender, disability and micro, small and medium-sized enterprises, have also consistently prioritized youth employment in line with the NYP and NEP.
- The main focus of these policies has been to increase the quantity and quality of education and training to better match labour market needs, with some also concern with stimulating the demand for young workers. This has included a focus on disadvantaged and vulnerable groups of young people, including young women, rural youth and people with disabilities. However, clearly more can be done. Although the NEET rates of, for example, low educated young people increased less than their more highly educated colleagues, they still increased between 2017 and 2021. Moreover, both the relative and absolute position of young people with disabilities worsened over the same period.
- It is challenging to understand and measure the impact of the policies that comprise youth employment strategy on youth employment outcomes in Uganda. Little evidence is available from systematic monitoring and evaluation of relevant policies and plans. This impedes the development of evidence-based forward-looking youth employment interventions.

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Contact details

International Labour Organization
Route des Morillons 4
CH-1211 Geneva 22
Switzerland

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Branch**
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E: emplab@ilo.org