



# Concept Note: Framework for EU investors support to the Youth Employment Accord

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## 1. Background

The sixth South Africa-European Union (SA-EU) Summit, held on 18 July 2013, under the theme, *Job creation through Inward Investment*, adopted broad-ranging resolutions on employment and skills development, education and training, including and notably on youth empowerment programmes and initiatives (on job creation, enterprise development, training and skills development.)

The Summit agreed that the parties should work together to develop a programme of specific actions in a number of areas on youth employment, potentially including:

- Technical support and exchange of information on youth employment programmes;
- Possible twinning arrangements between colleges in South Africa and EU institutions;
- A conference on the role of EU investors in South Africa in support of the implementation of the Youth Employment Accord; and
- Possible matching finance for youth-owned enterprises and cooperatives.

Summit recognised the need for continuous dialogue to share experiences on the question of youth employment and agreed to establish the *Employment and Social Affairs Dialogue*, which will be launched during the South Africa-EU Week to be held in Brussels from 24 to 28 November 2014, and will serve as a forum for sharing experiences and exploring new areas of cooperation with regard to skills training, employment, entrepreneurship and youth employment programmes **through the following initiatives:**

- High-level event showcasing what EU investors are doing in promoting youth employment;
- Dialogue workshops and seminars between EU and South African businesses;
- Business-to-business sharing of best practices through the South Africa-EU Business Forum;
- Mentorships, and;

- Ongoing skills acquisition and up skilling of young people as a central building block for future growth and development.

The Dialogue participants from several South African government departments, include Economic Development Department (EDD), the Department of Higher Education and Training (DHET), Department of Labour (DoL), Department of Trade and Industry (the dti), Department of Telecommunications and Postal Services (DTPS), the National Youth Development Agency (NYDA), and Department of Small Business Development.

## **2. Framework for EU investors support to the Youth Employment Accord**

The aim of the concept note is to outline a framework to mobilise private sector contributions in support of the above-mentioned initiatives. Specifically, it outlines the proposed high-level event showcasing the contribution by EU investors based in South Africa to youth employment and skills development programmes. It is proposed that the High-level event be held during the 1<sup>st</sup> Quarter of 2015.

EU investors play an important role as part of the private sector in South Africa. They provide much needed investment and employment opportunities to millions of South Africans. It is also recognised that many of these companies currently invest substantially in youth empowerment in the areas of direct employment, skills development and enterprise development.

Investing in youth development is crucial to the future stability of South Africa. Company investment in youth is also central to business growth and sustainability.

South Africa would like to support the productivity and sustainability of existing EU firms based in South Africa and, wherever possible, encourage further EU direct investment. Building the skills of young people in needed areas is the way forward.

Against this background, South Africa-EU cooperation is refined further to focus on youth empowerment. Both South Africa and the EU face similar challenges to absorb more young people into decent jobs and provide training and skills development to substantial numbers of young people. Hence the need to highlight and expand on the role that the private sector can play in endeavours to support youth empowerment, primarily through skills development and workplace learning opportunities.

## **3. A high level conference of EU Investors**

The conference will principally serve as a forum to outline the commitments made by EU business to support the Youth Employment and Training programmes. It will serve as a forum for dialogue between government and the private sector on strategies to empower the youth.

In addition, it will serve as a platform for business to showcase current initiatives that EU companies are currently implementing in the area of youth development in general, and in skills training, in particular.

Further, the conference will serve as a medium to exchange experiences on how government, business, trade unions and youth organisations have responded to the challenge of youth unemployment in both the EU and South Africa.

It will be attended by a high-level delegation of the South African government, possibly at Ministerial level; the EU Delegation and European Diplomatic Missions in South Africa and other EU representatives; representatives of South African and EU business as well as leadership of the youth movement.

Key decisions required are:

- The date and format of the conference including delegations.
- An outreach to identify existing contributions and development of a draft declaration for the conference.
- A conference steering committee to organise the logistics and content of the conference.