

## Sida – ILO Partnership Programme 2018 – 2021

# Case study on the youth employment challenge in El Salvador

### The challenge:

Among the youth population in El Salvador, labour participation rates are more than eight percentage points lower than the national average. Additionally, 28 per cent of youth (half a million young people) are neither studying nor working. The youth unemployment rate stands at 11.4 per cent, 1.7 times the national average.

Policies and support actions to promote employment and employability of young people are very dispersed. There is a need for more inter-institutional coordination to enhance the impact and results from the low level of financing in this area. For example, while the Ministry of Labour, through the national tripartite institution (supreme Labour Council) is developing a National Strategy for the Generation of Decent Employment, ENGED, and upgrading their labour intermediation system, the Ministry of the Economy intends to promote programs and platforms for the same area, separately, while the national TVET institution was carrying out a forecasting and skills demand review. It largely has been through ILO efforts that they have started to explore how to link efforts.

### The response:

From an initiative at Presidential level, the Ministry of Economy started to design a road map to promote youth employment with the technical assistance of ILO. The objective is to create a unified response to the youth employment challenge by targeting different profiles and services that can be provided.

Thanks to the project, an inter-institutional coordination space has been created to review, update and design a roadmap to respond to the challenges of economic reactivation and youth employment creation. This space has been constituted by the Ministry of Economy, the National Institute for Youth (INJUVE) and the Presidential Commissioner for Youth Projects<sup>1</sup>. The ILO-Sida partnership is facilitating the inclusion of other important public institutions at the strategic and implementation level to ensure good governance of the Youth Employment Roadmap; for which the

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<sup>1</sup> Since Jan 13, The CPPJ is no longer part of the Presidential structure: <https://www.laprensagrafica.com/elsalvador/Suprimen-plaza--Salvador-Alas-renuncia-a-su-cargo-como-comisionado-Presidencial-para-Proyectos-de-Juventud-20210113-0084.html>

INJUVE reached an agreement to incorporate the Ministry of Labour, the Technical Institute of Professional Formation, among others.

Additionally, the project has created a common understanding of how the pandemic is affecting youth employment. This information has been widely discussed in the inter-institutional workspace and has been broadly presented to heads of the main public institutions. In addition, this analysis has been socialized with employer and worker organizations.

At the same time, management and policy tools have been presented for proceeding with the roadmap, and for incorporating other institutions in the public sector, civil society and private sector.

### **The results:**

As a result, the Ministry of Economy is linking the Youth Employment Roadmap as one of the main policies for the economic reactivation of the country, together with INJUVE, while aligning with the national employment strategy.

Currently, 17 public programs have been identified among different institutions that target young people in different spheres such as strengthening of professional skills, access to youth employment, development of entrepreneurship, and employment counselling. All of these programmes make up the initial programmes of the roadmap, subsequently it is expected to open the roadmap to more services that are provided by the government or the private sector. Additionally, the ILO has estimated the potential impact on youth employment from the pandemic as well as profiles of the most adversely affected young people in order to articulate different service packages according to these profiles. This supports evidence-based inter-institutional coordination and advancement of the roadmap while additional information is still being collected from private and social organizations that can be part of an articulated, broad, response.

Furthermore, the establishment of the LMIS was achieved, which offers enormous potential for public policy makers and civil society to develop evidence-based public policy actions to promote decent employment; as well as guiding the adoption of public policies aimed at early detection and addressing gaps in the labour market, especially employment gaps for young people and other vulnerable populations.