

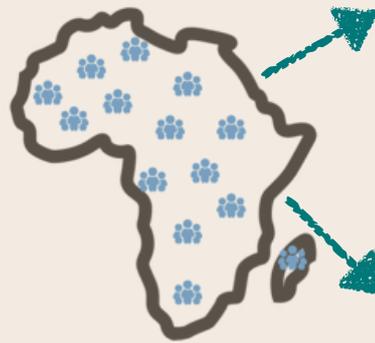
+PLUS paper

1 in 5

Youth unemployment rate in Sub-Saharan Africa (African Economic Outlook)

<5%

Young people in Africa with Technical and Vocational Skills Development training (AfDB and OECD, 2008)



45%

Labour force between 15 and 25 years (African Economic Outlook)

54 million

Wage-stable job opportunities over next decade (African Economic Outlook)

Creating **Shared Value** to increase youth employability in Africa

CSI+ celebrates this International Workers' Day by promoting the concept of shared value as a sustainable approach to development in Africa.

What is CSV? Creating Shared Value (CSV) is an approach that promotes mutual benefits for both business and wider society. It is integral to the business as opposed to CSR which is driven by doing good and remains at the periphery of the business. There are 3 major ways businesses can create opportunities for shared value: (i) reconceiving products and markets, (ii) redefining productivity in the value chain and (iii) enabling local cluster development.

How can it help? By 2015, 75% of the continent's population will be below 35, with the current rate of youth unemployment in Sub-Saharan Africa estimated at over 20%¹. Generating formal employment in Africa is a critical issue for sustainable development especially as 6 of the world's 10 fastest growing economies are in Sub-Saharan Africa². Creating shared value by increasing youth employability can be key to securing sustainable growth of business and communities across the continent.

One example of a company adopting CSV is Nestle, which provides direct employment to 15,000 people and indirect

employment to approximately 50,000. Through its Ice Cream on Wheels micro business programme, in partnership with South Africa's National Youth Development Agency, it has created sustainable employment for more than 2,150 young entrepreneurs across the country since 2005. The programme provides training, initial stock, a motorcycle and branded material as an initial start up investment.

"CSV begins with the understanding that for our business to thrive over the long term, the communities we serve must also prosper. Specifically, business will flourish and society will benefit if products and services meet societal needs, resources are used more efficiently across the entire value chain and conditions are improved for local economic and social development."
- CEO, Nestle Equatorial African Region

This example demonstrates how CSV can increase shareholder returns and lower distribution costs while at the same time increasing the capacity of young people and generating local employment in a continent rife with potential.

¹ILO, Youth Employment Interventions in Africa, 2012
²Africa Economic Outlook, Promoting Youth Employment

