

Letter of 11 January 2021 to the President of the House of Representatives from Minister for Foreign Trade and Development Cooperation Sigrid Kaag setting out the government's response to the AIV advisory report on digitalisation and youth employment in Africa

I hereby send you the report of the Advisory Council on International Affairs (AIV) entitled 'Digitalisation and Youth Employment in Africa'. The report was published on 11 September 2020 in response to my request for advice of 26 April 2019 regarding the impact of digitalisation and automation on employment in Africa and how Dutch development policy could play a role in expanding employment opportunities for young people.

Employment presents an enormous challenge for the African continent, the population of which is very young.¹ Every year some 12 million young people enter the workforce, but only three million jobs are created.²

Meanwhile, we are seeing the significant effects of digitalisation on society and employment. And the COVID-19 pandemic has accelerated the pace of digitalisation worldwide. The need to promote opportunities for young people in a digitalised job market has therefore become all the more urgent.

The AIV's advisory report offers a broad analysis of the global geopolitical and economic developments with bearing on digitalisation. It shows that digitalisation involves a complex interplay of a variety of different factors and requires close cooperation between various disciplines. This is reflected in the four conditions the AIV says must be met for young people to participate in the digital economy: access to technology and the internet; online security and confidence in the digital economy; relevant skills; and better employment conditions and position for people in the informal sector. In its report the AIV warns against the current monopolisation of digital infrastructure by large platform companies; universal, secure access to the internet must be safeguarded as a public good, and African ownership is essential in this regard. In addition, the AIV emphasises that special attention is required to address the significant additional challenges faced by women and girls.

The AIV's advice confirms the current foreign trade and development cooperation (BHOS) policy choices, as set out in the policy document 'Investing in Global Prospects' and – in more detail – in the Digital Agenda for Foreign Trade and Development Cooperation and the Youth at Heart strategy. The advisory report contains nine specific recommendations for supporting this policy. Cross-cutting areas for improvement include tackling policy fragmentation and forming multilateral partnerships. The government takes this to heart. In the past year Dutch development policy has increasingly focused on reducing activity fragmentation and scaling up successful programmes. In the field of digitalisation, in late 2020 the Netherlands joined the Digital4Development Hub, a platform where EU member states work together to enhance the impact that their investments in digitalisation have on development. The Netherlands also seeks other forms of multilateral partnership to address the opportunities and challenges of digitalisation.

Below, using the findings of the AIV's advisory report as a basis, the government outlines how the Netherlands is contributing to meeting the four conditions for improving employment opportunities for young people in an increasingly digital job market.

Making digital work more accessible

In its report the AIV underscores the importance of access to –among other things – affordable energy and internet as conditions for participation in the digital economy. The Netherlands is

¹ Approximately 60% of the population of Sub-Saharan Africa is under the age of 25.

² Jobs for Youth in Africa – Strategy for Creating 25 Million Jobs and Equipping 50 Million Youth 2016-2025, African Development Bank Group, 2016.

investing in this through various infrastructure and energy programmes, such as the Development Related Infrastructure Investment Vehicle (DRIVE) and the Energising Development (EnDev) partnership programme. The Netherlands is also working to stimulate a sustainable and practical approach to foster jobs in the digital economy for young people in rural and remote areas. An example of this is the Geodata for Agriculture and Water (G4AW) programme, through which local businesses and NGOs develop applications and provide information for small-scale farmers, including many young farmers.

The report also points out that access to hard infrastructure alone is not enough, and that young people also need access to information and services geared specifically to them and which take into account local needs and possibilities. The government wholeheartedly agrees. That is why, at its core, the Youth at Heart strategy is about youth participation. Young people must have the opportunity to help shape their own future, including in the digital domain. With this in mind the Netherlands organised the first ever entirely virtual Youth at Heart forum, which was held on 2 November 2020 and during which young people from more than 100 countries spoke with policy makers to voice their priorities regarding digitalisation, employment and other topics. Together with young people, embassies and other partners, the Netherlands will organise follow-up events to ensure that the education- and work-related priorities of young people are taken into account in policy and programmes. Digitalisation is inextricably linked to this.

Making digital work more secure and trusted

In its report the AIV calls on the government to continue its efforts regarding security in the digital domain. The Netherlands already actively supports African governments in the area of cyber security through the Global Forum on Cyber Expertise (GFCE), launched by the Dutch government, for example. This capacity-building initiative enables governments to strengthen institutions and establish legislation in this area, as well as promoting African ownership, as recommended by the AIV. Human rights are a core tenet of the work of the Netherlands and the GFCE regarding cyber security.

Through the Freedom Online Coalition, the Netherlands works with 31 other countries, including some in Africa, on the development and implementation of international standards for an open, free and secure internet. Through the Digital Defenders Partnership, the Netherlands works to strengthen the digital resilience of civil society organisations around the world so that human rights defenders can protect themselves against digital threats and work safely and securely online. The Netherlands also supports organisations such as Access Now and Freedom House in tackling shutdowns that block digital freedoms. In this way, the Netherlands is making efforts to protect the internet as a safe space where everyone, including young people, can exchange ideas, build knowledge and express themselves on issues that affect them.

Integrating skills relevant for the digital economy into education

The AIV stresses that digitalisation has far-reaching consequences in terms of the skill sets required in the job market. This extends beyond just technical skills to include cognitive skills and soft skills, which are essential for active participation in an increasingly digital society. Problem-solving skills, critical-thinking skills and the ability to work as part of a team are some examples.

Strengthening the digital literacy of children and young people is a priority on the Digital Agenda. Since 2018 the Netherlands has been supporting the Global Partnership for Education (GPE); from 2021 GPE will increase its focus on twenty-first-century skills in primary and secondary education in developing countries. The Netherlands also supports Generation Unlimited, which will, for example, work to improve digital literacy and soft skills among young people in Niger through the Connect My School initiative. And the Orange Knowledge Programme offers opportunities for (digital) capacity

building in higher education and vocational training in the Global South through cooperation with Dutch knowledge institutions.

Better and more decent digital work

The AIV recommends efforts to support young people as they enter the formal job market and through the step-by-step formalisation of their (micro)businesses so that they have greater opportunities for decent work and a sustainable income. The Netherlands invests in the transition from education to employment through initiatives such as the Challenge Fund for Youth Employment and the Nexus Skills/Jobs programme, through which young people have the opportunity to develop a more solid position in the formal economy. Together with the African Development Bank and through the Orange Corners programme, the Netherlands supports young entrepreneurs in Africa and the Middle East. Entrepreneurship and local innovation are key to promoting local digital leadership and a vibrant digital landscape and to breaking through the monopoly of large tech companies. To this end, there is also focus on access to financial services, including through the Dutch development bank (FMO) and the Dutch Good Growth Fund.

On this point the AIV also recommends promoting cooperation between actors, stimulating public-private financing and focusing on a sustainable approach in this sector. Together with a variety of other stakeholders, the Netherlands is making efforts to better connect African markets to international digital trade. Trade is a motor of growth, creating jobs, reducing poverty and expanding economic opportunities. Through the eTrade for All platform the Netherlands is active in knowledge development and capacity building, and through TradeMark East Africa the Netherlands is working to strengthen regional cooperation to streamline trade processes, through the use of digital trade certificates, for example. Through the World Trade Organization (WTO), the Netherlands is working to create a level playing field for fair international digital trade.

Enhancing participation by women and girls

The AIV report recommends that the Dutch government work to eliminate discriminatory practices that form obstacles to the participation of women and girls in the digital economy. This is in line with the wider Dutch foreign policy efforts in which women's rights and gender equality are cross-cutting themes. A gender-based approach is applied to programmes focused on education and employment, anticipating challenges for women and girls to participate in the digital economy. To this end the Netherlands supports the United Nations Conference on Trade and Development (UNCTAD) eTrade for Women programme to empower female entrepreneurs in the digital economy. The Netherlands is also making efforts towards the inclusion of women and girls in the Digital Inclusion Benchmark. The Netherlands is engaging with tech companies to address their contribution to improving access to digital tools for women and girls.

On the basis of the AIV's report and the ongoing programmes, the government concludes that it is on the right path; it wholeheartedly agrees with the AIV's recommendations and will continue its work to improve job opportunities for young people in Africa.