

Dynamic rural-urban linkages for decent rural employment



Well-functioning rural-urban linkages are indispensable to create decent work for all. In Sub-Saharan African countries, the increasing demand for high-value primary and processed products in urban areas can offer multiple employment opportunities for rural youth. It is therefore necessary to promote integrated approaches aimed at enhancing mutually beneficial rural-urban flows of goods, services, capital and labour, particularly along agri-food value chains.

The issue

Promoting job-rich rural-urban linkages can be a **key driver** for sustainable and inclusive processes of structural and rural transformation in **Sub-Saharan Africa** (SSA). Many SSA countries face difficulties to generate decent employment, partly due to sizeable connectivity gaps between rural and urban areas. The functioning of rural-urban linkages is compromised by the lack of access to human capital, local productive assets, transport infrastructure, social protection and financial services in rural areas.

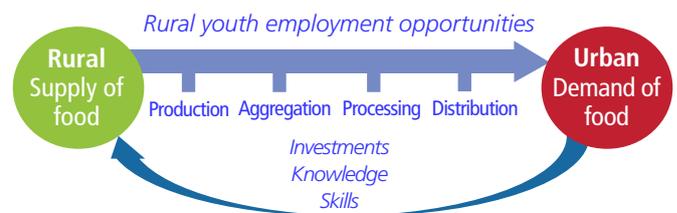
It is therefore necessary to facilitate and promote mutually beneficial rural-urban flows of goods, services, capital and labour, particularly along agri-food value chains. As envisaged in the [2030 Agenda for Sustainable Development](#), well-functioning urban-rural linkages are indispensable to **create decent work** for all, increase incomes, reduce rural poverty and move towards a rural transformation.

Dynamic rural-urban linkages benefit rural youth

Most rural youth remain primarily engaged in low-productivity agriculture and the informal rural non-farm economy partly due to poor rural-urban linkages. SSA countries will need to create around **18 million jobs** per year for young labour market entrants until 2035. Many of these jobs can be created in both in-farm and off-farm activities along inclusive agri-food value chains. The increasing demand for high-value primary and processed

products in urban areas can offer multiple employment opportunities for rural youth, as long as rural-urban linkages that reduce transactions costs of food supply are established. Additional jobs for rural youth can be created in aggregation, processing, distribution, trade, and rural services. **Enhanced linkages** with urban areas can thus play a key role in facilitating flows of investments, knowledge, and skills with effects on both the supply and demand for youth labour.

Figure 1 | Rural-urban links in agri-food value chains



Challenges and opportunities

Policies, strategies and programmes often overlook the challenges and opportunities for rural youth employment within the context of rural-urban linkages (see *Table 1*). Rural youth can engage in more institutionalised agri-food value chains as producers, wage workers or entrepreneurs further downstream in the value chain. Efforts should therefore be geared towards **dynamic rural-urban interactions** that promote a productive agricultural sector that can spur economic diversification, rural non-farm growth multipliers, agribusiness development and job creation for the benefit of rural youth.

Table 1 | Challenges and opportunities

Issues	Challenges	Opportunities
Value chains	Poorly integrated rural-urban value chains are missed opportunities for market integration of rural young producers and entrepreneurs.	Strong rural-urban connectivity allows young people to diversify their activities and develop businesses along agri-food value chains.
Infrastructures / Services	Rural youth often lack access to land and finance. Inadequate infrastructure and services connecting rural to urban areas also limit access to markets.	Better access to land, services and urban markets increases the profitability and sustainability of rural youth's farms and enterprises.
Education	Rural youth have less access than urban youth to quality education and training relevant to the labour market	Increased access to good quality and relevant education and training enables rural youth to find better jobs along agri-food value chains.
Migration	Many rural youth migrate to cities due to lack of productive and decent work opportunities in rural areas.	Strong rural-urban linkages create employment opportunities for rural youth preventing distress migration.
Domestic remittances	Young migrants and their rural families often rely on informal, costly and insecure channels to transfer remittances from urban areas.	Domestic remittances sent through formal channels by young migrants can lead to productive investments in rural areas.
Socio-cultural	Local traditions and social norms often prevent rural youth, especially young women, to access productive resources and integrate into value chains.	Limiting social exclusion against vulnerable youth can facilitate their access to productive resources and integration into inclusive value chains.

Way forward: Integrated approaches

An integrated approach should be promoted that builds on **partnerships** among relevant stakeholders in rural and urban areas. Governments and stakeholders should aim at policies, programmes and investments that:

- **Promote agribusiness for youth.** Rural youth can become “agripreneurs” along agri-food value chains, from production and aggregation to processing and marketing. Supporting their access to productive resources can help them invest in profitable smallholder agricultural activities.
- **Invest in hard and soft infrastructure.** Access to energy, roads, communications and water infrastructure is essential, as well as facilitating the flow of goods, labour, money and information.
- **Operate both on labour supply and demand.** Rural youth need access to quality training in order to develop relevant skills for the labour market (supply), and decent farm and non-farm employment opportunities within agri-food value chains (demand).
- **Integrate decent work aspects.** Policies should improve working conditions of young rural women and men employed in agri-food value chains by extending social protection, workers’ rights, occupational safety and health, and rural workers’ groups.
- **Adopt context-specific and territorial approaches.** National and sectoral policies should be coordinated with local development strategies taking into account particular local youth employment challenges. Small and medium-sized towns can also provide a meeting point between urban and rural businesses turning into hubs for employment, entrepreneurship and training for rural youth.
- **Improve linkages between urban centres and smallholder farmers and their organizations.** Enhancing linkages between smallholders and market opportunities across agri-food value chains, creating decent employment in them, and fostering shared sustainable arrangements between urban and rural groups are necessary preconditions to create inclusive and sustainable rural-urban linkages.

This brief was prepared by Elisenda Estruch and David Schwebel (FAO), and David Suttie and Karim Hussein (IFAD)