



**Unlocking Regional Value Chains:
Empowering Youth-Led Enterprises in Africa
to thrive Under AfCFTA**

Organized by the ECA Subregional office for Southern Africa (SRO-SA)

In collaboration with the ECA Regional Integration and Trade Division,
International Labour Organisation (ILO)

&

Southern Africa Youth Forum

Thursday June 11, 2026

Time: 16:15 - 18:15 (Eastern African Time),

Venue: Room CR4, UN Conference Centre.

Addis Ababa, Ethiopia

Session Concept Note

An Africa Development Impact Forum (ADIF) Action-Oriented Engagement Series

1. Background

Africa's greatest asset is its young people (population aged 15-35) – currently estimated at over 420 million and the number is projected to nearly double by 2050, making the continent the youngest region globally (AfDB, 2022). Yet, despite this demographic advantage, unemployment and underemployment among young people remain persistently high. In Southern Africa, for instance youth unemployment averages 34.7%, more than double the global average of 13.6% (ILO, 2024). The situation is even dire in some countries: South Africa's youth unemployment stands at 59.6% (Stats SA, Q1 2024), Namibia at 43.4% (World Bank, 2023), while Lesotho and Eswatini record rates above 35%. The crisis is also gendered – in South Africa, young women's unemployment reaches 66.7%, compared to 54.3% for young men (Stats SA, 2024).

The high unemployment figures reflect deeper structural weaknesses in the economies of these countries. Many economies in the region remain trapped in the cycle of heavy reliance on primary commodity exports with limited value addition, constraining opportunities for decent, high-productivity employment. Weak industrial bases, fragmented regional markets, skills mismatches, and limited access to finance all combine to limit the growth of youth-led enterprises in Africa. While the African Continental Free Trade Area (AfCFTA), launched in 2021, offers a potential game-changer – reducing tariffs, harmonising trade rules, and potentially increasing intra-African trade by 52% by 2030 (UNECA, 2023) – youth-led enterprises in Africa often lack the capacity, networks, and capital to seize these opportunities.

Integrating youth-led SMEs and startups in Africa into regional value chains (RVCs) presents a strategic pathway to addressing both youth unemployment and economic diversification on the continent. Successful regional integration, powered by the African Continental Free Trade Area (AfCFTA), can expand market access, stimulate cross-border investment, and generate scalable job creation, particularly in labour-intensive and emerging sectors such as agro-processing, textiles, green manufacturing, and logistics. For example, Zambia's agro-industrialisation strategy targets 300,000 new jobs by 2030, with at least half for youth (ZDA, 2024). Similarly, the renewable energy sector in Namibia and South Africa is projected to create tens of thousands of jobs, with South Africa's Green Hydrogen Programme alone expecting to employ 20,000 people by 2030 (DTIC, 2023). The implementation of the AfCFTA Protocol on Women and Youth in trade and the AfCFTA Protocol on Digital Trade can support the harnessing of the AfCFTA to foster youth entrepreneurship and create employment for the youth in Africa.

However, unlocking this potential requires more than enlarging market access opportunities for the youth, it demands deliberate policy alignment, innovative and targeted financing models, trade facilitation support, leveraging technology, innovation and digitalization, and inclusive partnership ecosystems that link youth entrepreneurs to suppliers, buyers, and enablers across borders. Evidence from successful firms and trade hubs across Africa shows that targeted interventions can break down barriers and accelerate the participation of youth-led enterprises in RVCs and youth employment (ILO, 2015, World Bank, 2024)¹.

¹ <https://www.ilo.org/resource/news/targeted-interventions-do-work-youth-employment>.

<https://www.worldbank.org/en/news/feature/2024/11/26/ujasiriamali-self-employment-and-job-creation-for-youth-in-kenya#:~:text=By%20partnering%20with%20local%20businesses,and%20economic%20development%20across%200Africa>.

Against this backdrop, the ECA Subregional office for Southern Africa (SRO-SA) had organized a Pre-ADIF Forum Virtual Webinar on 14 April 2025, in collaboration with the ECA African Institute for Economic Development and Planning (IDEP), the Office of the Executive Secretary and with the Southern Africa Youth Forum. The webinar can be accessed at: <https://www.youtube.com/watch?v=uDCDljQZI7o>

Key insights from the Webinar include:

The webinar highlighted the importance of moving beyond dialogue toward implementation-oriented solutions, consistent with the overarching philosophy of ADIF. Speakers stressed the need for practical interventions such as supplier development programmes, export readiness initiatives, mentorship platforms, standards and certification support, digital trade infrastructure, cross-border payment systems, local content policies, and stronger public-private partnerships.

2. Objectives

Aligned with ADIF's goal of moving from discussion to action, the solution session aims to:

- Advance practical and implementable solutions to integrate youth-led enterprises into regional value chains and access markets regionally and continentally;
- Identify policy, financial, technological and digital enablers to unlock AfCFTA opportunities;
- Produce a concrete action roadmap with commitments for implementation, follow-up, and scale-up until the next ADIF;
- Facilitate multi-stakeholder partnerships and financing for implementation.

3. Key Framing questions/Themes

The Forum will focus on four interrelated challenges and opportunities identified during the pre-forum webinar:

Access to Finance

Youth-led enterprises face significant constraints in accessing affordable finance, including trade finance, credit guarantees, and early-stage capital.

Market Access

Limited integration into supply chains, weak market information systems, and high standards compliance costs reduce the ability of youth enterprises to scale regionally.

Trade Facilitation and Digital Borders

Cumbersome border procedures, high logistics costs, weak cross-border payment systems, and limited digital infrastructure continue to constrain intra-African trade.

Leveraging technology and e-commerce

Youth-led enterprises in Africa have to be better supported to leverage e-commerce and technology to seize marketable opportunities and address the constraints they face to produce, trade and participate in value-chains.

4. Guiding Questions

Access to Finance

- What are the major factors impeding youth-led SMEs to access finance to participate in value-chains and trade across borders?
- What innovative financing mechanisms (e.g., blended finance, guarantee schemes) can realistically be scaled up across Africa for youth enterprises? What role is there for development partners especially DFIs?

Market Access

- What policy measures are most effective in enabling youth enterprises to meet standards and integrate into export markets?
- How can supplier development programmes and value chain linkages be strengthened to connect youth enterprises to large firms and regional supply chains?
- How can governments, private sector actors and development partners improve market intelligence, networks, and certification support for youth-led enterprises?

Trade Facilitation and Digital Borders

- What are the most urgent reforms needed to reduce trade costs and improve cross-border trade efficiency for SMEs?
- What investments in digital infrastructure and connectivity are most critical to enabling seamless cross-border trade?
- How can governments accelerate the development of digital trade corridors and smart borders?

Leveraging technology and e-commerce

- How can digital marketplaces and e-commerce platforms help youth enterprises access regional and continental markets under AfCFTA?

- What are the key bottlenecks preventing SMEs from converting online presence into actual cross-border trade?
- How can fintech and digital platforms reduce the risk perceptions of lenders and expand access to cross-border trade finance?
- How can digital skills and innovation programmes ensure that youth are not excluded from emerging digital trade ecosystems?

General

- What are the most transformative interventions needed to enable youth-led enterprises to move from survival entrepreneurship to competitive participation in regional value chains under AfCFTA?
- What concrete commitment or initiative can your institution deliver within the next 12–18 months to unlock opportunities for youth-led enterprises under AfCFTA?

5. Expected Outputs

- A prioritized action agenda addressing finance, markets, technology, and digital trade barriers;
- Concrete commitments from partners to support youth-led enterprises;
- Inputs into an ADIF Action Brief and implementation roadmap.

6. Session Design & Format

The Session will last 1 hour. In the first part, two entrepreneurs from Southern Africa will provide a 5 mins testimonial of their entrepreneurship and cross-border trade journey. This will be followed by a round-table consisting of 4 panelists with a short Q&A segment. Further details are in the annexed agenda.

8. Contacts

ECA

1. Ms. Bineswaree Bolaky (Session coordinator), Economic Affairs officer, ECA Subregional office for Southern Africa (SRO/SA). Email: bineswaree.bolaky@un.org.

ILO

2. Mr. Andrew Allieu, Regional Economist, Regional office for Africa, International Labor Organisation. Email: allieu@ilo.org

Southern Africa Youth Forum

3. Mr. Mischek Gondo, Regional Coordinator, Southern Africa Youth Forum. Email: regionalcoordinator@sayof.org.