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On "Building a Global Alliance for youth employment"

On behalf of Juan Somavia, Director-General of the ILO, I would like to express our great appreciation for your initiative to organise an Asian Summit on Youth Entrepreneurship and Employment and for all your efforts to make this Summit a great success.

Employment is the key to economic and social development, and providing young people with job opportunities is a major issue for all countries, irrespective of their level of development. However, 85% of the world's young people live in developing countries. Therefore, for developing countries, the problems of poverty, unemployment and underemployment which they are facing can be summed up as a problem of youth employment.

One of the commitments made at the UN Millennium Summit in the year 2000, the largest gathering of Heads of State and Government ever held, was to “develop and implement strategies that give young people everywhere a real chance to find decent and productive work.”

Under the personal leadership of Mr Kofi Annan in the UN, of Mr Somavia in ILO and of Mr Wolfensohn in the World Bank, the Youth Employment Network - or the YEN - has been organised to shape a global alliance for youth employment. This personal commitment towards working together for decent work for young people is highlighted in the message which Mr. Wolfensohn has delivered to this Summit, and to the fact that Mr. Somavia has asked me to represent him here today.

The building of this global alliance is now well under way. A strategy is based on four pillars:

- Employability: invest in education and vocational training people to make young people fit for the working life of today and tomorrow
- the second one is entrepreneurship, including initiatives to make it easier to start and run enterprises, and involving young people in business - the theme that is at the heart of this Asian Summit
- the third pillar is equal opportunities, providing young women with the same opportunities in education and employment as for young men,
- the fourth pillar is employment generating macro economic policies, in other words, creating the new jobs which young people are demanding;

Last July, when the Youth Employment Network met with Secretary-General Kofi Annan and ILO Director-General Juan Somavia in Geneva, there was agreement on the next five next steps in the building of this Global Alliance for Youth Employment:

1. The four Global Priorities, or the four "E"s, of Employability, Entrepreneurship, Equal Opportunities, and Employment Creation are made more action oriented. To this end we, the members of Kofi Annan's advisory panel, have developed a “roadmap”, or Guidelines, on policies and best practice examples of how to implement each of the four pillars.

2. The second step is the translation of the four-pillar strategy into national action plans for youth employment. Member States are invited to translate these four global priorities into national policies, through National Action Programmes. The response from the UN Member States has been very positive. Eight countries have already volunteered as “pilot countries” to lead this process. Indonesia and Sri Lanka are two of them; and just last month Brazil, under the personal leadership of President Lula
and his "First Employment Programme," joined this coalition of driving forces. But many more countries are coming onboard as demonstrated by a recent UN General Assembly Resolution on Promoting Youth Employment, a Resolution which was co-sponsored by 106 UN Member States, including the Government of India and most of the Governments represented here today - and they are most welcome.

3. The third step is about social dialogue for youth employment. Solutions for youth employment cannot be found without involving the key actors in the world of work, namely, trade unions, employers' organisations and governments.

4. The fourth step concerns the financing of national action plans for youth employment. There is now a political agreement that the ILO and the World Bank will organise a fund raising initiative, under the auspices of Mr Kofi Annan, to support the implementation of national action plans, inviting donor countries, development organisations and enterprises, together with leading developing countries.

5. Finally, the role of youth organisations is a key to success. We are working closely with youth organisations and we are now inviting them to actively participate in the design and implementation of national action programmes; we need their eyes and ears to hold governments accountable for their commitments and for their actions. We are confident that such a role for the youth organisations will make this Global Alliance for Youth Employment much stronger.

There is no doubt that the youth employment initiative, taken by Heads of State and Government in the Millennium Assembly is on the right track, that there is momentum in the political process, and that the strategy will provide national governments and parliaments with a sound basis for successful policies. And Kofi Annan is equally concerned that his initiative lead to visible results on the ground. And here is where a coalition of enterprises and young people represented here today can make a real difference.

Let me underline how important entrepreneurship is in this global strategy for youth employment and how pleased we are that you have taken the initiative to highlight entrepreneurship through this Summit. We all know that there are too few employers and hence too few job opportunities in the world. Thus, governments, at national and local levels, need to encourage a broad and dynamic concept of entrepreneurship to stimulate both personal initiative and initiatives in a broad variety of organisations, which include, but reach beyond, the private sector: small and large enterprises, social entrepreneurs, cooperatives, the public sector, the trade union movement and youth organisations. Each country should set objectives and targets for a broad reform programme, based on best practice, which can offer more flexibility for enterprises and more security for workers. In their national action plans, we recommend that governments:

- create a new culture of entrepreneurship,
- review existing regulations to make it easier to start and run enterprises,
- make entrepreneurial and vocational skills part of the core curricula in any education and training programmes,
- ensure that young people can easily access seed funds for their business ideas.
- encourage business people to support young entrepreneurs during the critical first years of their new business by transferring their knowledge, experience and contacts. They can do so by mentoring, including them in their networks, bringing the youth business into their supply chains or providing pro-bono advice and training.

Your Royal Highness, Mr Prime Minister, Ministers, ladies and gentlemen,
Let me, finally, thank you again for taking this important initiative, for making all these efforts to bring together policymakers from all the region and to give your support to the work done by the UN,
the ILO and the World Bank to build a global alliance for youth employment. On behalf of Director General Juan Somavia, I wish you a successful Summit and we hope that your initiative will stimulate colleagues, in other regions, to do the same.