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Working but not thriving

Unlocking quality work for Africa's youth.



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Africa does not have an idle generation. It has a working generation that is too often excluded from secure, dignified and fulfilling work. This distinction matters more than the headline employment rate.

57%

Young Africans (15-35) already employed

The debate about young Africans and work often starts with an assumption that the central problem is a shortage of jobs. The evidence suggests otherwise. Roughly 57 percent of young Africans, an estimated 304 million people aged 15 to 35, are already working, a higher share than the global average of about 48 percent[1]. Young Africans are not necessarily waiting to work. The more important question is what that work is worth.

The paradox of more work and more poverty

High employment is masking a deeper crisis of job quality. Of those 304 million working youth, about one in three lives in a household below the international poverty line, while roughly 90 percent, some 273 million young people, work informally, without contracts, social protection or reliable income.[2] This is not a youth-only anomaly: the International Labour Organization finds nearly nine in ten workers across sub-Saharan Africa are informal, and close to six in ten live in households below the poverty threshold.[3] The paradox is clearest in countries where employment appears strongest , as several of the countries with the highest youth employment rates also record the highest working poverty.[4]

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[1] Foundation, *World Data Lab & University of Cape Town Development Policy Research Unit (2026),* Africa Youth Employment Outlook 2026.
[2] Africa Youth Employment Outlook 2026 (2026).
[3] International Labour Organization (2026), *Employment and Social Trends 2026*, Geneva.
[4] World Data Lab (2026), *"Five Surprising Insights from the Africa Youth Employment Outlook 2026"*; and World Economic Forum (2026), "*The hidden struggle of employed youth in Africa."*

Beyond Sector Shifts: The 2033 Tipping Point

Services are projected to overtake agriculture as the largest employer of young Africans by 2033, but much of that new work is likely to remain informal and low productivity, from petty trade to gig and platform work.[5] Whether a young person is on a farm, at a market stall, a delivery driver or coding for a start-up, the core question remains the same: is the work secure, fairly paid, and capable of supporting a dignified life? Job quality, not sector, is the real dividing line.



From more jobs to better jobs

According to the African Development Bank, around 11 million young Africans enter the labour market each year, yet only about 3 million secure formal jobs.[6] Closing that gap requires building enterprises that can create better quality jobs. Small and growing businesses are where informal work becomes formal work, and they make up over 90 percent of African firms and nearly 80 percent of employment. Yet an estimated 80 percent still cannot access the formal finance they need, contributing to a sub-Saharan SME funding gap of around US$331 billion a year.[7] Patient, blended capital can help reach the founders and thin markets that mainstream investors often overlook.

Three priorities help move the needle. First, investment should support enterprises that create dignified, formal, better-paying jobs, rather than simply increasing the number of jobs available. Second, grant and private capital should be blended to de-risk growth and reach the “missing middle” and support markets that are often underfinanced. Third, capital should be paired with the practical enablers that help businesses grow, including skills, market access, and business support. These interventions must also be designed deliberately for young women, who make up nearly 61 percent of youth not in employment, education or training, alongside persons with disabilities and displaced communities. Progress should then be measured honestly, including whether these groups were meaningfully reached.[8]

At KPMG’s International Development Advisory Services (IDAS), our Youth, Entrepreneurship and MSME pillar works with entrepreneurs, businesses and funders to turn growth into quality jobs that reduce vulnerability, strengthen resilience, and create sustainable pathways to economic opportunity.

The measure of success for the coming decade should look beyond how many jobs Africa’s young people can find to how good those jobs are. Africa’s youth deserve opportunities that are secure, dignified and fulfilling.

Read more on our Youth, Entrepreneurship and MSME pillar.

[5] Africa Youth Employment Outlook 2026 (2026).
[6] African Development Bank — Martin Fregene, Acting Vice President, Agriculture, Human & Social Development (statement, May 2026); *consistent with AfDB Jobs for Youth in Africa Strategy*.
[7] International Finance Corporation (IFC) / SME Finance Forum and MIT Sloan Kuo Sharper Center (2024–2026); African Development Bank (2025).
[8] Africa Youth Employment Outlook 2026 (2026).

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