



International
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The Youth Entrepreneurship Facility's Youth-to-Youth Fund in East Africa

Over the past ten years, sub-Saharan Africa has recorded the highest increase of the young working age population (34 per cent). Today, 200 million people are aged 15- 24 in this region. Additionally, youth unemployment rates (which are on average 12 per cent) do not adequately describe the depth of the employment challenges for young women and men in Africa. According to ILO estimates, 72 per cent of the youth population in sub-Saharan Africa earns less than USD 2 per day. As it stands, there are not enough jobs created to absorb the hundreds of thousands of young people who join the labour force every year. With every increase in the number of unemployed young people, there is a higher likelihood of conflict in a country, putting political stability at risk.

Furthermore, according to the Youth Employment Inventory (YEI), 21 per cent of evaluated youth employment programs report no impact on labour markets outcomes of youth: training does not necessarily lead to jobs. Young people often do one training course after another, gaining various skills but not necessarily work. At the same time, many young people may have the ideas and motivation to become entrepreneurs but they lack the financial, physical, and social capital to turn their business ideas into reality.

FACTS AND FIGURES

Partners:

Danish International Development Agency (DANIDA);
and BASF

Beneficiary Countries:

Kenya, Tanzania and Uganda

Timeframe:

2010 – 2014

Budget:

DANIDA: USD 4,000,000

BASF: USD 140,000

THE RESPONSE

The Youth Entrepreneurship Facility (YEF) enables African youth to turn their energy and ideas into business opportunities to increase their income and create decent work for themselves and others. It is an initiative by the Danish-led Africa Commission, implemented by the Youth Employment Network (YEN) and the ILO, with financial support from BASF.

The Youth-to-Youth Fund component of the YEF offers local youth-led organizations an opportunity to actively participate in the development of youth entrepreneurship in their communities. A key aspect of the Youth-to-Youth Fund is its role in identifying, testing and promoting innovative entrepreneurship solutions to youth employment challenges. Youth-led organizations compete for grants with proposals for innovative project ideas on how to create entrepreneurship and business opportunities for their peers.

Once selected, the ILO's support given to the youth-led organizations includes:

- Assistance with project design and proposal writing;
- Project management capacity building seminars;
- Accounting and monitoring and evaluation tools;
- Monthly on-site visits;
- Peer review meetings;
- Networking with potential funders.

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"The project has helped me raise my standing in the community. I am independent and now people look up to me."

*Mariama Diallo,
beneficiary*



RESULTS

The project was active in three countries in East Africa: Kenya, Uganda, and Tanzania. Three separate annual calls for proposals enticed the submission of 2,400 applications from youth-led organizations.

From this broad ranging selection of proposals, the 76 most viable and innovative were chosen. Between them, these youth-led organizations received a combination of grants totalling over USD 960,000 along with tailored technical support. As a result, the initiatives benefitted over 6,200 individuals and created 2,650 jobs.

For example, the Migungani Youth Group target 225 out-of-school, disabled and orphaned youth. Their main activities were tree nursery planting, agro-forestry, horticultural farming, and poultry keeping. With the grant, the organization was supported to expand their activities to improve housing in the local area, while creating further employment for disadvantaged youth. The grant was used to support the training of youth in the production of quality Interlocking Stabilized Soil Blocks used for construction and for the purchase of project equipment and tools.

Looking specifically at the contribution from BASF, five youth-led projects creating over 100 jobs for young people were supported. Examples from these five projects include:

- An initiative in Uganda where 30 young women formed groups to manufacture sanitary pads from banana tree leaves (BanaPads). Not only did the entrepreneurs involved receive income, but the product resulted in lower absenteeism from work and school for the customers;
- In Tanzania the fund supported TAEZULI, a group with experience working with young fishermen. The group had identified crab fattening as a potential value added business for youth in the community. Targeting youth with low levels of education, the initiative supported youth to start their own business. Additionally, crab fattening activities go hand in hand with the re-planting of mangroves in degraded areas bringing added environmental benefits.

BENEFITS OF PARTNERING

The YEF created 1,044 businesses and 2,560 jobs, thus addressing the Decent Work Agenda and MDG Target 1.B: Achieve full and productive employment and decent work for all, including women and young people.

It is a part of BASF's strategy and values to invest in the future and offer young people job opportunities; the partnership supported BASF in this mission.

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