



## THE YOUTH ENTREPRENEURSHIP FACILITY'S YOUTH-TO-YOUTH FUND IN EAST AFRICA

Over the past ten years, there has been a staggering increase in the young working-age population in sub-Saharan Africa (34 per cent). Today, there are 200 million people aged 15-24 years in this region. Yet 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 the situation stands, not enough jobs are created to absorb the hundreds of thousands of young people who join the labour force each year. The greater the number of unemployed

young people, the greater the likelihood of conflict in a country – thereby putting political stability at risk. Furthermore, according to the Youth Employment Inventory (YEI), 21 per cent of evaluated youth employment programmes report no impact on labour market outcomes: training does not necessarily lead to jobs. Young people often do one training course after another, gaining various skills but not necessarily finding 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, Uganda and the United Republic of Tanzania

**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 gives local youth-led organizations the opportunity to participate actively in the development of youth entrepreneurship in their communities.

One of the Fund's key aspects 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.



*"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 the United Republic of Tanzania. Three separate annual calls for proposals encouraged the submission of 2,400 applications from youth-led organizations.

Seventy-six of the most viable and innovative proposals were selected from this wide range of submissions. 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 benefited over 6,200 individuals and created 2,650 jobs.

For instance, the Migungani Youth Group targeted 225 out-of-school, disabled and orphaned young women and men. Their main activities were tree nursery planting, agro-forestry, horticultural farming, and poultry keeping. With the grant it received, the organization expanded its 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.

Using the contribution from BASF, five youth-led projects created over 100 jobs for young people. 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 customers;
- An initiative in the United Republic of Tanzania, where a group with experience in working with young fishers (TAEZULI) identified crab fattening as a potential value added business for youth in the community. Targeting youth with low levels of education, the initiative helped them to start their own business. Furthermore, crab fattening activities go hand in hand with the replanting of man-groves in degraded areas, bringing added environmental benefits.



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### **BENEFITS OF PARTNERING**

The YEF created 1,044 businesses and 2,560 jobs, thus addressing the Decent Work Agenda and the Millennium Development Goal (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.