

Inception Report

Capacity Assessment and Scoping Study on Framework Conditions for a Youth Entrepreneurship Development Programme in Nkhotakota and Chikwawa Districts, Malawi

Submitted to:

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Preamble:

Following my engagement as an external collaborator to undertake a capacity assessment and scoping study of framework conditions for a youth entrepreneurship development program in Nkhosakota and Chikwawa districts in Malawi, an inception report has been generated capturing the key activities and program to be undertaken during the period of study.

The study is in response to the challenge of youth unemployment and under employment which are widespread phenomena in Malawi with an estimated share of only 10% of the youth aged 15-24 working more than 10 hours a week. While the country's official youth unemployment stands at 16%, the numbers do not fully reflect challenges related to seasonal and occasional employment which tends to be a common phenomenon especially in urban settings and in agro-industrial employment that depends on harvesting seasons. As a result, most youth suffer from precarious labour conditions both in wage and self-employed in the formal and informal sector.

Scope of the Assignment and Objectives:

The assignment will be a study focusing on two districts of Nkhosakota in the central region and Chikwawa in the southern region of Malawi. In the scope of this study, the external collaborator will provide the ILO, the social partners, and Illovo Sugar (Malawi) Limited with a detailed analysis of the institutional, legal and socio-economic conditions prevailing in the selected districts and identify potential partners and approaches to a comprehensive, market-based project design that contributes to youth entrepreneurship development through Public-Private Partnerships and B-to-B linkages.

A comprehensive report will be produced encompassing the following elements:

1. A socio-economic profile of the districts including the identification of growth sectors in the agriculture, industrial and services sector, potential business opportunities for MSMEs and sectors with highest job creation potential with an emphasis on youth.

2. A detailed assessment of the entrepreneurial culture and existing numbers of successful entrepreneurs in the districts. The assessment will include a SWOT-analysis for the creation and growth of MSMEs (political, structural, legal and other framework conditions). It will furthermore identify a set of possible measures to overcome impediments or to exploit existing opportunities for MSME establishment and growth. This includes considerations regarding policy and legal frameworks, support institutions and services (BDS), awareness about entrepreneurship and appreciation of entrepreneurship as a job opportunity.
3. A list and description of key partners and institutions from the public and private sector for a potential implementation of an entrepreneurship programme (incl. ILO tools such as “Know About Business” (KAB) and “Start and Improve your Business “SIYB”) oriented along the broader lines of the EESE action plan. The report shall assess the partners and key stakeholders according to their abilities and interest in such support measures as well as their roles and responsibilities in implementation and possible lobbying for replication at national level.
4. An assessment of existing business development support capacity among youth and national Small Enterprise Development organizations (including capacity already developed through ILO support.
5. An assessment of possible development partners and donors. It should outline their potential involvement and financial/technical support in the context of Public-Private-Partnership for an entrepreneurship programme (incl. B-to-B support and business linkages with potential and existing MSMEs).

Deliverables:

The consultancy which will be based on secondary data analysis/ literature review (including the ILO School-to-Work Transition Survey - Malawi 2012) and interviews of public and private sector stakeholders at national, district and local level, is expected to provide the following deliverables:

1. An inception report including a draft programme for site visits and interviews at **latest 5 working days** after the start of the assignment.
2. A draft report encompassing all above-mentioned elements on **22 November 2013**
3. A revised draft report incorporating all comments received from the ILO at latest **by 6 December 2013**

The external collaborator is expected to further participate in a national validation workshop to revise the draft report and include all comments in the aftermath of this workshop.

Approach and Methodology:

Based on the above understanding of the assignment, the external collaborator proposes to handle the assignment based on the following approach and methodology:

1. Entry Meetings:

Entry meetings have been organized both via telephone conference with ILO and Illovo as well as some physical meeting with Mr. Emmanuel Banda of Illovo and ILO Staff in Lilongwe to discuss the study methodology, program and list of potential stakeholders to be involved in the study. The meetings also aim at reaching a common understanding on the study objectives, deliverables, responsibilities and methodology to be employed.

During the entry meetings the external collaborator in consultation with the study commissioning authority will agree on the work schedule, logistics and list of literature needed for review during the study. The external collaborator will also identify key personnel within the targeted stakeholders with whom to conduct interviews either one to one and/ or focus group discussions.

2. Literature Review:

A desk research is being conducted to review relevant documentation including previous study reports on youth entrepreneurship, private public partnership act, Malawi's SMME policy, the Malawi Growth and Development Strategy II (MGDS) 2011-2016 the ILO School-to-Work Transition Survey - Malawi 2012, and the Decent Work Country Programme.

3. Stakeholder Interviews:

The external collaborator will conduct stakeholder interviews with carefully selected individuals and institutions from the private sector, public sector as well as non-governmental organizations and developmental partners providing support services in the area of youth entrepreneurship. A list of key stakeholders is being developed in collaboration with Illovo officials.

4. Report Generation:

The external collaborator will analyze all the data and information gathered from the literature reviews as well as stakeholder interviews to develop a draft report which will be presented to ILO for review and input by the 22nd November before finalizing and presenting a final report by 6th December 2013.

Below is a proposed study implementation plan, proposing the key activities and duration.

STUDY IMPLEMENTATION PLAN

No	Date(s) / Period	Activity / Task	Key Stakeholders	Key Focus Areas	Key Deliverables
1	29th October 2013	Project Entry Meeting: Teleconference with ILO and Illovo Malawi representative	1. ILO - Nico Westphal 2. Illovo - Emmanuel Banda ILO Staff in Lilongwe (Charles Nangwale and Chimwenje Simwaka)	1. Clarify the study expectations 2. Agree on key stakeholders to be interviewed 3. Agree on the logistics	1. Agreed and confirmed ToRs, 2. task schedule, 3. key deliverables agreed 4. stakeholder listing, 5. finalization of inception report
2	30 - 31 October 2013	Literature and Documentary Review:		1. Malawi Growth and Development Strategy II (MGDS) 2011-2016 2. ILO survey report to assess the Enabling Environment for Sustainable Enterprises (EESE) 3. Malawi Decent Work Country Programme	Clear understanding of the assignment background and generating input into the scoping and assessment study
3	7th - 8th, 11th, 12th 13th, 14th and 15th November 2013	Conduct Key Stakeholder Interviews:	1. Illovo, 2. District development committees, 3. local NGOs, 4. youth community based organizations, 5. local business owners 6. ECAM 7. MTUC 8. SMEDI	1. Assess existence of entrepreneurship culture and business support services 2. Identify entrepreneurship opportunities 3. Identify existing and potential business to business linkages 4. Identification of potential for establishment of green enterprises	Understanding the environment, identification of potential collaborating partners, generating input into the scoping and assessment study report
4	14th, 15th, 18th November 2013	Data analysis and cleaning			Input into scoping and assessment report
5	18th, 19th, 20th November 2013	Report generation / writing			Draft report generated
6	21st November 2013	Submission of draft report			Draft report ready for submission to ILO
7	5th December 2013	Receipt of comments and revision of draft report		Incorporation of comments made into the final report	Final report
8	January 2014	Participation at a stakeholder workshop			Validation of report findings