WHAT WORKS
IN RURAL YOUTH EMPLOYMENT PROMOTION?

Good practices and lessons from GIZ Programmes on rural youth employment

Global Project „Rural Employment with focus on youth“
Agenda –

*What works in Rural Youth Employment Promotion (RYEP)*

1. Study Overview & Synthesis
   
   *Spotlight*: Adapted framework of the integrated employment approach

2. *Project Example*: Employment Promotion Programme (EPP III) Sierra Leone

3. *Project Example*: Agricultural Value Chains for Sustainable Development (A4SD) Program (Pan-Africa)
Study Overview & Synthesis: **Background of the study**

- **25 million jobs needed per year** – “classical” sectoral transformation (alone) does not provide enough jobs.

- **High potential for additional employment creation in the agri-food sector**, but RYE still a (relatively) new topic in the rural development.

- Important to **understand concepts and approaches what works** and how to measure employment effects, in order **to shape portfolio development** and to deliver impacts for a growing youth population.

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Source: The Chicago Council (2018)
Study Overview & Synthesis: Objectives & Take-aways of the study

- **Show approaches in case studies**
  The study shows different approaches to rural youth employment promotion in 11 in-depth case studies, partly in GIZ programmes for rural development, partly in economic development.

- **Distil success factors and lessons learned**
  The study distils success factors and learnings from these ongoing programmes and provides deep dives into topics like how employment promotion can be tailored to the needs of rural youth and especially to women.

- **Adapt GIZ’s integrated approach to rural contexts**
  The study applies GIZ’s “integrated approach to employment promotion” as a systematic framework to compare different programme approaches and presents ideas how to adapt the integrated approach to rural youth employment promotion.
Study Overview & Synthesis:
GIZ projects working on RYEP

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The report identifies a total of **18 success factors for RYEP programmes** clustered around 4 categories.

For each success factor, the report **highlights selected examples** from existing GIZ programmes.

**4 success factors found / relevant in all programs** (as a kind of minimum standard)
Study Overview & Synthesis: **Main learnings across all case studies**

1. **Identify suitable business models and private-sector partners**
   - Robust business models that are suitable for youth and
   - A close private sector collaboration are important for leveraging expertise and resources for scaling.

2. **Adapt to local employment needs and mobilise youth as key actors for development**
   - Programmes tailored to the employment realities of rural youth and esp. women are more likely to attract participants.
   - Involving rural youth in decision-making ensures their assets and aspirations shape agricultural development.

3. **Increase the attractiveness of agriculture and rural areas**
   - Improve perceptions of agriculture fosters a win-win approach among all stakeholders.
   - Provide innovative business and employment opportunities and use of digital tools in production and off-farm services.

4. **Strengthen local structures and multi-stakeholder cooperation**
   - Collaborating with national and local partners, coordinating efforts with existing support and education systems, and
   - Involving youth in planning and decision-making helps ensure sustainability and scale.
GIZ uses an integrated approach to employment promotion – addressing the demand and the supply side of the labour market as well as the framework conditions and the matching of actors.

In RYEP, the models need adaptation due to

1. the important role of informal and entrepreneurial training rather than formal TVET on the supply side;
2. the relevance of market access when matching supply and demand;
3. the importance of micro-enterprises on the demand side of the labour market; and
4. the relevance of support structures designed to empower rural youth at the meso-level of the labour market.

Spotlight: Adapted framework of the integrated approach
2. Project Example: Employment Promotion Programme (EPP III) in Sierra Leone

The Employment Promotion Programme (EPP III) aims to increase employability and create jobs in Sierra Leone. The programme applies a holistic youth employment approach with several interlinked project components.
**EPP I-III**: Young people’s income and employment situation in agricultural and MSM businesses has sustainably improved. Duration: 2009 – 2016; Commission volume: ca. **52 million €**; Target group: underemployed youth and young entrepreneurs in the rural northeast of Sierra Leone with a focus on female youth.

**SDG 1 + SDG 8 + SDG 4**

- Better qualified jobseekers (employability)
- More jobs & growth (Self-Employment)

- Rapid skills
- Trade skills
- (A)-TVET
- FAL and psycho-social behaviour
- Facilitator training
- Curricula development
- VSLA schemes
- Loans
- Grants
- Support to agri. primary producers
- Facility 4 Innovation/Growth
- Coaching & training
- SME Business & Coaching Loop
- Entrepreneurship
- Integrated Farmer Training

GIZ EPP presentation at "What works in YEP by S4YE"
Total of people reached in the implementation districts: 487,000 (33.8%) of ca. 1,441,000
Total of direct beneficiaries: 97,958 (35%♀, 6.8%, 2.4♀, on average 4,97 dependents)

1.1 People that came into employment 2,127 (42.2%♀)
=> permanent and recurring temporary and seasonal employment

1.2 Additional employment 41,933 (29.5%♀)
=> self employment in agriculture, cash 4 work

1.4 Income 47,313 (35.3%♀)
=> Cash 4 work, entrepreneurial support, self employment in agriculture

2.3 Short-term training measures 66,441 (33.6%♀)
=> CEFE, FFS, FBS, IFT, trade life and business skills etc.

3.1 Food security 39,340 (47.4%♀)
=> farmers that have been trained in GAP x adoption rate

3.2 Rural income 257,565 (households)
=> increase in income at household level

3.3 Sustainable land management 20,833 ha
=> area of land that has been rehabilitated and is managed according to GAP

In total 2,314 non-agricultural MSMEs have received financial and / or in kind support (transport, machines, raw material, processing facilities, package material, power generator etc.)
In total 33,933 farmers have received financial and / or in kind support to improve their business (land rehabilitation, tools, equipment, seed material, cocoa seedlings (ca. 3 million)).

→ In theory, one new (“job”) durable possibility to earn permanent income or additional income has cost roughly 1,500€, whereas agricultural employment creation is more cost effective (ca. 300 – 600€) than non-agricultural job creation (12,000 – 17,000€)

04 March 2021
S4YE Webinar - What works in rural youth employment promotion
Facility 4 Innovation/Growth
- Grant for innovative or growth related business ideas between 4000 – 8000€
- Rigorous selection with a last public pitch step
- Individual support by consultants to prepare business plan and get “pitch ready”
  - In total 175: Agribusiness 77.3%, Tourism 4%, Renewable energy 6.3%, ICT 0.6%, Transport and merchandising 11.9%
  - Jobs created so far 449 (188 ♀)

SME Business & Coaching Loop
- Intensive individual coaching on site with upstream commercial training and downstream module for access to finance (6 month). Only coaching, no financial support. Two step selection process.
- It aims at the achievement of a set of basic set goals (registration, book keeping etc.) and some individual goals derived from the specific situation of the enterprise (better marketing, better storage facility and supply chain etc.)
  - In total 1143 (47.7% ♀) completed the cycle
  - E.g. achievement of proper record keeping was at 70%
  - The average increase with a large variance each was 88% for profit and 74% for turnover (approx. 100€ resp. 400€/ month)

Land rehabilitation and Integrated Farmer Training (IFT)
- Two interventions that go together: Provision of employment possibilities through access to productive land and agronomic/commercial knowledge transfer.
- IFT is the logical answer to challenging educational standards. It combines in a series of one day plus follow up day trainings essentials from GAP, farming as a business and attitude change elements.
  - In total 19,451 farmer have received access to reclaimed land and attended various IFTrainings.
  - Adoption rate is around 78%. Additional income was on average approximately 100€/a (cocoa, coffee, rice)
Major instruments

▪ Rapid skills
  • Various short-term courses (4 - 6 weeks) aimed at improving the most obvious deficits and increasing the chances of (re)integration into the labour market.
  • solar, retail, construction, produce-dealer, agric. processing, functional literacy and VSLA, psycho-social behavior.

▪ Agricultural Market Information System (AMIS)
  • In cooperation with a local telecommunication company (Orange)
  • Establishment of a digital seller to buyer platform operated by html or by ussd code on non smart phones.
    ▪ Including a basic extension system providing information about agronomy.

=>Tools to replicate

▪ Facility 4 Innovation/ Growth
▪ SME Business & Coaching Loop
▪ Integrated Farmer Training
Lessons learned

- A wide variety of instruments to apply the right tool to the right issue
- Instruments should be complementary and sequential
- Adequate financial support is crucial (micro loans, VSLA schemes, grants, PPPs)
  - VSLA 3559 (60% ♂) people took part: 10% interest, average saving 21€, average total savings sum 900€, 66% took 1-2 loans for mostly business expansion, 98% repayment.
- Champions and economic development nuclei support should be preferred over shotgun approach - look the entrepreneur in the eye -
- Technical support should be long-term rather than selective
- Proper mid term to long term TVET courses should be preferred over rapid skill improvement courses
- A planned adapted selection of participants and its strict enforcement is essential for success
- You should check your own intervention against the natural variance as often as possible

=>How to select and train good –quality local implementation partners and hold them accountable?
  1. Start small and further engage those who are serious and quality/performance oriented
  2. Establish a well defined M&E system that is used for quality control as well
  3. Explain your standards and train service provider staff
  4. Establish a performance based payment
Lessons learned

Hourglass approach

Intensification and scale up phase
1. Reduced number of beneficiaries
2. Change to direct hard targets
3. Increased demands (higher numbers) from individual beneficiary
4. High “support resources / beneficiary” ratio
5. Wide variety of adaptable support tools

Finding and extensive support phase
1. Large number of beneficiaries
2. Limited number of support tools
3. Low “support resources / beneficiary” ratio
4. Achievable small set of target(s) (eventual proxy or fundamental to results indicators)
5. Low demand from individual beneficiary
Lessons learned

Hourglass approach

2000 beneficiaries (just for entrepreneurs), long term coaching: + 1000 jobs, + 50 % profit

5000 beneficiaries (just for entrepreneurs), short term course: + 250 jobs, + 10 % profit

50 beneficiaries (just for entrepreneurs), long term technical/financial coaching and matching grant: + 1000 jobs, + 1000 % profit

500 beneficiaries (just for entrepreneurs), coaching and investment grant: + 2000 jobs, + 250 % profit

1500 beneficiaries (just for entrepreneurs), advanced coaching and repayable micro loan: + 1500 jobs, + 50 % profit
3. **Project Example**: Agricultural Value Chains for Sustainable Development (A4SD)

**Countries**: Benin, Burkina Faso, Cameroon, Côte d’Ivoire, Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Sierra Leone, Tanzania, Togo, Uganda, Zambia, Zimbabwe

Agricultural Value Chains for Sustainable Development (A4SD) is an umbrella programme involving four projects that promote cotton, rice, cashew, cocoa, and food crop value chains in sub-Saharan Africa.
A4SD is an umbrella program involving 4 value chain promotion projects, focusing on cotton, cashew, rice, cocoa and food crops in Sub-Saharan Africa. A4SD’s objective is to support sustainable agricultural growth and thereby help reduce poverty. A4SD supports smallholder businesses in increasing their income and works on increasing the number of FTEs along the value chains.

The key aspect of the A4SD model is to take processing as entry point. The core element is the Matching Fund (MF), with which public funds leverage private sector resources and create ownership. A4SD’s MF partners have mobilized over 99 USD million (cash and in kind).

**Budget**
- 63 EUR million from BMZ
- 84 EUR million from co-financing partners (Gates Foundation, EU, SECO, etc.)
Proven approaches for scale

The Matching Fund serves as the key anchor for A4SD interventions and enables fast scalability.
A4SD works:

More than 1 Mio. full-time job equivalents (FTEs) created

More than 2.2 Mio Farmers trained in good agricultural practices (GAP) or farmer business schools (FBS)

More than 14 Mio direct and indirect beneficiaries

Up to 200% yield increase

107 private partners
67 public partners
6 ODA partners
Success factors & lessons learnt

- **Multi-country** and **multi-value chains** approach enables scale and flexibility
- **Project length** helps nurture and scale public private partnerships (PPPs)
- **Scale vs depth** of programmes impacts quality of employment
- **ICT is not the silver bullet** for youth employment promotion
- A **diversity of funding partners** promotes sustainability, brings budget flexibility and thematic insight
- When considering employment, it is important to work with concepts and methods that to **include seasonal informal agricultural work** that is not traditionally categorized as “classic” jobs (i.e. **full-time employment equivalents**). This involves reducing underemployment and expanding the scope of focus beyond new job creation.
How we measure employment effects (example CARI)

- Productivity gains (extra tons) trigger employment effects along the entire value chain
- Highest effects at farm level, followed by milling and transport
- Multiplier-effect no yet considered
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