

Challenge Fund for Youth Employment (CFYE)

Introductory Webinar, Call for Solutions – Jordan
February 1st 2021

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

1



1. Welcome & Opening

Nimrah Karim, Country Scoping Lead, CFYE Jordan

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

2

Agenda

Welcome & Introduction (Nimrah Karim, Country Scoping Lead) – 5 mins

Introduction of CFYE (Nasser Al-Assad, Pipeline Development Manager) – 10 mins

Key observations in Jordan (Nimrah Karim, Country Scoping Lead) – 10 mins

Feedback from youth sessions (Nadine Kanaan, In-country Researcher) – 5 mins

Promising sectors for youth employment (Nasser Al-Assad, Pipeline Devt. Mgr.) – 5 mins

Application process (Gerrit Ribbink, Deputy Team Lead, CFYE) – 10 mins

Q&A – 30 mins

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

3

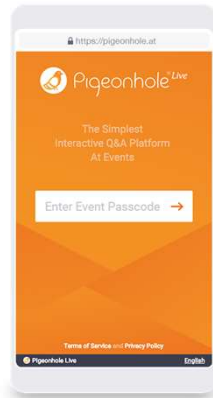
Introducing the CFYE team

- Nimrah Karim, Country Scoping Lead, CFYE Jordan
- Nasser Al-Assad, Pipeline Development Manager, CFYE Jordan
- Nadine Kanaan, In-country Researcher, CFYE Jordan
- Gerrit Ribbink, Deputy Team Lead, CFYE
- Marloes Adema, Partnerships Manager, CFYE
- Irene Sleven, Thematic Expert Youth Engagement, CFYE

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

4

Ask your questions using Pigeonhole



Go to
www.pigeonhole.at

Enter passcode

5772EB

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

5

Pigeonhole explained

- ✔ Ask questions as you think of them
- ✔ Totally anonymized
- ✔ Vote for your favourite questions
- ✔ Time allocated at the end for CFYE team to answer all questions

To submit a question, go to the website www.pigeonhole.at and enter the password
5772EB

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

6

2. Introduction to CFYE

Nasser Al-Assad - Pipeline Development Manager, CFYE Jordan

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

7

What is the Challenge Fund?

The Challenge Fund for Youth Employment is funded by the Netherlands Ministry of Foreign Affairs and managed by [Palladium](#), in partnership with [VSO](#) and [Randstad](#).



Kingdom of the Netherlands

This call is the first stage of the application process for Jordan.

Successful applicants that progress to the next round, will be invited to submit a detailed proposal and business case.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

8

The Challenge Fund Explained



Goal

Decent employment for 200,000 young people

By 2025, the fund aims to create **decent employment for 200,000 young people including 100,000 women** in the Middle East, North Africa, West Africa, and the Horn of Africa (including Kenya and Uganda).



Approach

Competitive challenges with focus on young women

We will run several competitive context-specific challenges per year to address supply, demand, or job-placement constraints to creating more jobs and/or improving the quality of work for people, especially women, aged 18-35 in the focus countries.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

9

What the Fund offers



Co-investment

The Fund will **co-invest** a maximum of 50% of the total project budget.



Technical Assistance

In-kind technical support will be available throughout the selection process and during implementation to maximise delivery of results.

*The total contribution (co-investment and technical assistance) will have a **minimum value of 100,000 Euros.***

*After launching a call, we can support approximately **5 projects per country***

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

10

Applicants will propose how they will...



Create

New jobs
Emphasis on women



Improve

Decent work,
Sustainable jobs
*Productive, demand
driven, safe*



Match

Matching supply &
demand
Upskilling youth

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

11

Selection Criteria



Private sector- driven

The consortium
has at least one
private-sector
partner and with
a local presence



Engaging Youth

Demonstrate in the
business case that
youth perspectives
are taken into
consideration in
design of the
solution



Including Women

Young women must
be included and able
to benefit,
considering specific
barriers women face



Clear pathway to decent work

Demonstrate how project
will result in at least
200* young people
working in decent jobs or
experiencing improved
conditions (*at least 50%
are women)

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

12

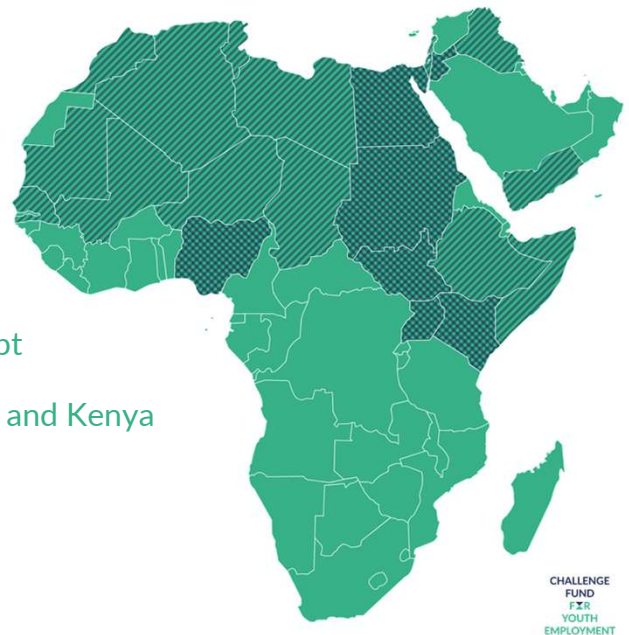
Where are we now?

Projects selected = Uganda

Full proposal stage = Nigeria and Egypt

Call #3 = Sudan, South Sudan, Jordan and Kenya

Also planning a new call for proposals for Uganda



13

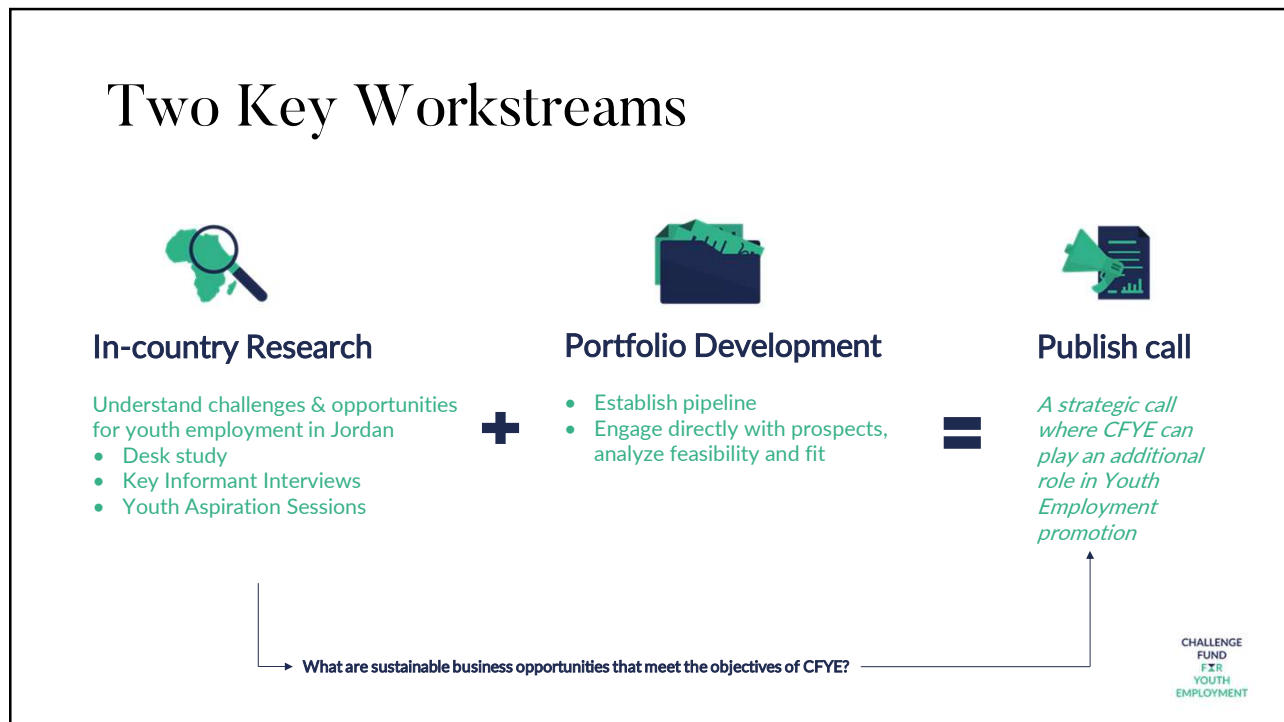
3. Scoping Highlights

Nimrah Karim, Country Scoping Lead, CFYE Jordan

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

14

Two Key Workstreams



15

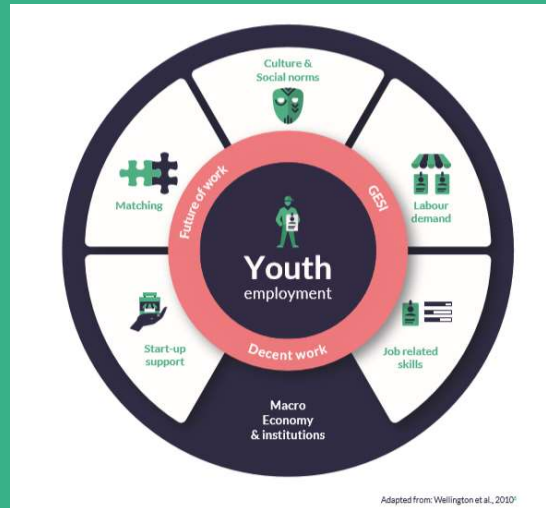
Scoping Snapshot: Key Observations

- **Youth unemployment** close to 40% (IFAD, 2019).
- Industry is key growth sector, but **Jordanians are not interested in blue-collar jobs**. Industrial & agricultural sectors dominated by migrants/ refugees.
- The largest share of the country's GDP comes from the **services sector** (over 60%).
- Government was preferred employer for youth, but the **public sector is shrinking**.
- 90% of private sector firms are **micro/informal**, with low potential for job creation.
- High-growth startups **choose to register overseas** due to regulatory hurdles.
- In 2017, Jordan had the **third lowest female labor force participation** in the world. Women are mostly employed in education, health or the public sector.
- **Expats returning to Jordan** (from the Gulf) has put pressure on the labor market.
- Government reforms are aimed at **export-led growth & digitization**

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

16

Thematic Observations



CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

17

Labor Demand

Key Challenges

- A shrinking public sector reduces options for youth, particularly women.
- Covid19 has impacted the services sector, a large employer of youth and women.
- Most firms are micro with low potential for growth or lack resources to grow.
- Development projects tend to focus on the supply side of labor, rather than the demand side.

Implications for CFYE

There is significant potential to:

- Improve private sector jobs to make them more attractive for youth
- Absorb youth in medium-skilled industrial jobs requiring technical or managerial skills
- Raise the quality of existing blue-collar jobs to meet standards of decency
- Fuel growth of SMEs by improving their export competitiveness and providing access to overseas networks

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

18

Job-related skills & employability

Key Challenges

- Private sector employers do not consider young job-seekers suited for available jobs.
- School and university graduates lack the technical and soft skills needed on the job.
- Graduates of TVETs lack basic knowledge of the workplace.
- Women face external barriers to taking up jobs and staying in them.

Implications for CFYE

There is significant potential to:

- Revamp TVET curricula to align it with the needs of the market
- Train youth for industrial jobs requiring technical or managerial skills
- Promote apprenticeships at firms to ease school-to-work transitions
- Incorporate gender in TVET curricula and “change the narrative” around women enrollment in TVETs and non-traditional occupations.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

19

Matching

Key Challenges

- Mismatch between skills produced by the education system and the market needs.
- Lack of transparency in selection process for new job openings, employers prefer to hire within their own networks.
- Employers in traditional sectors are resistant to adapt to new realities.
- Employers perceive youth to be lacking commitment and a positive attitude towards career growth.

Implications for CFYE

There is significant potential for:

- Skills training combined with job placement initiatives can address the skills mismatch in the labour market.
- Private sector companies can develop policies for improved working conditions that build employee loyalty.
- HR measures should be aimed at recruiting candidates on merit, with a focus on meeting gender targets

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

20

Business Support & Access to Finance

Key Challenges

- Weak business acumen and management processes results in many SMEs hitting a ceiling in their growth.
- Key barriers to growth are lack of access to finance, access to talent & tax policies.
- Entrepreneurial activity decreased in last 10 years. Some young entrepreneurs choose to set up businesses abroad to benefit from more supportive ecosystem.

Implications for CFYE

There is significant potential to:

- Support SMEs to scale up.
- Strengthen value chains and thereby firm competitiveness
- Access to finance for 'missing middle'
- Leverage Jordan's position as regional ICT hub for enhancing opportunities for businesses to grow

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

21

Culture & Social Norms

Key Challenges

- Traditional culture values stability and is averse to risk-taking => less entrepreneurial drive.
- Public sector is viewed as a safe and preferred option for employment
- Strong tribal ties and extended families allow youth to stay at home and unemployed.
- Women face challenges associated with societal expectations and domestic responsibilities.

Implications for CFYE

There is significant potential for:

- Improve/Create jobs in the private sector that are a decent alternative to public sector jobs
- Support women employment by addressing their pain points – including mobility, childcare, and skills training

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

22

4. Youth Aspiration Sessions

Nadine Kanaan – In-Country Researcher, CFYE Jordan

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

23

Youth Aspirations Sessions

- 6 FGDs with 30 youth from Karak, South Shuneh, Amman, Zarqa, Madaba, and Ajloun
- Youth pursue oversaturated fields, leaving less likelihood of finding a job in their field

Industrial jobs

- For high school grads, factory work seems acceptable with decent work conditions.
- Univ graduates would accept supervisory roles or technical roles with training on the job, if with decent wages & benefits and with a pathway for growth

Agricultural jobs

- Univ graduates were open to supervisory roles in this sector in the presence of a contract, regular pay, decent work conditions, and social security

IT enabled businesses

- Strong interest across the board in working in tech-enabled businesses, if with “fair” compensation

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

24

5. Promising Sectors

Nasser Al-Assad - Pipeline Development Manager, CFYE Jordan

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

25

Promising Sectors

1. SERVICE SECTORS:

- **ICT:** Including software, internet, mobile apps & games development.
- **TOURISM:** Employs about 50,000 people, 30% women, potential to improve their participation. Tourism jobs can also employ youth in the South.
- **HEALTH SERVICES:** Includes medical & spa tourism, pharma industry, bio-medical research & production, medical equipment sales, and wellness products.
- **EDUCATION:** Growing demand for tertiary degrees, big employer of women.
- **FINANCIAL SERVICES:** It has remained resilient in the face of external shocks including regional instability and the influx of refugees.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

26

Promising Sectors (continued)

2. INDUSTRIAL SECTORS: Contributed 25% of GDP in 2017. There is an increased focus on R&D centers and tech-oriented universities to boost innovation.

- **MANUFACTURING:** Textiles & apparel are among main exports. Manufacturing of pharmaceuticals & medical devices generates lot of employment.
- **CONSTRUCTION:** Population growth creates need for hospitals, schools, housing
- **TRANSPORTATION & LOGISTICS:** Modernization of port of Aqaba. Upgrading public transport will also improve mobility for youth.
- **RENEWABLE ENERGY:** This will also support the growth of key sectors such as manufacturing and agriculture.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

27

Promising Sectors (continued)

3. AGRICULTURE: Food security challenges during pandemic have emphasized the importance of this sector. Doubled share of GDP from 2 to 5%, driven by domestic demand.

- Can absorb thousands of jobs for unskilled and semi-skilled labor, particularly women, in the Jordan valley.
- Digitizing the input and output of agricultural decision-making would enhance efficiencies, and impact exports and their quality.
- Agri-tech will captivate the interest of the youth due to innovation and the use of technology, e.g. hydroponic systems

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

28

4. Application Process

Gerrit Ribbink, Deputy Team Lead, CFYE

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

29

Eligibility criteria

Sector focus: Recognizing Jordan's status as a country with a relatively low population and a predominantly micro private sector, we do not intend to limit the scope of CFYE projects to particular sectors.

Employment type:

1. Both informal and formal sector are eligible.
2. Youth can be at any level of low-medium-or high-skilled
3. Decent jobs are a firm requirement.

Target group:

- Youth from 18 to 35 years
- At least 50% of jobs should be for women
- Jobs matched, created, or improved should be for resident Jordanians (including refugees)

Lead applicant: Both private companies and NGOs are eligible as lead applicants. However, there should be a private company in the consortium, if an NGO is the lead applicant.

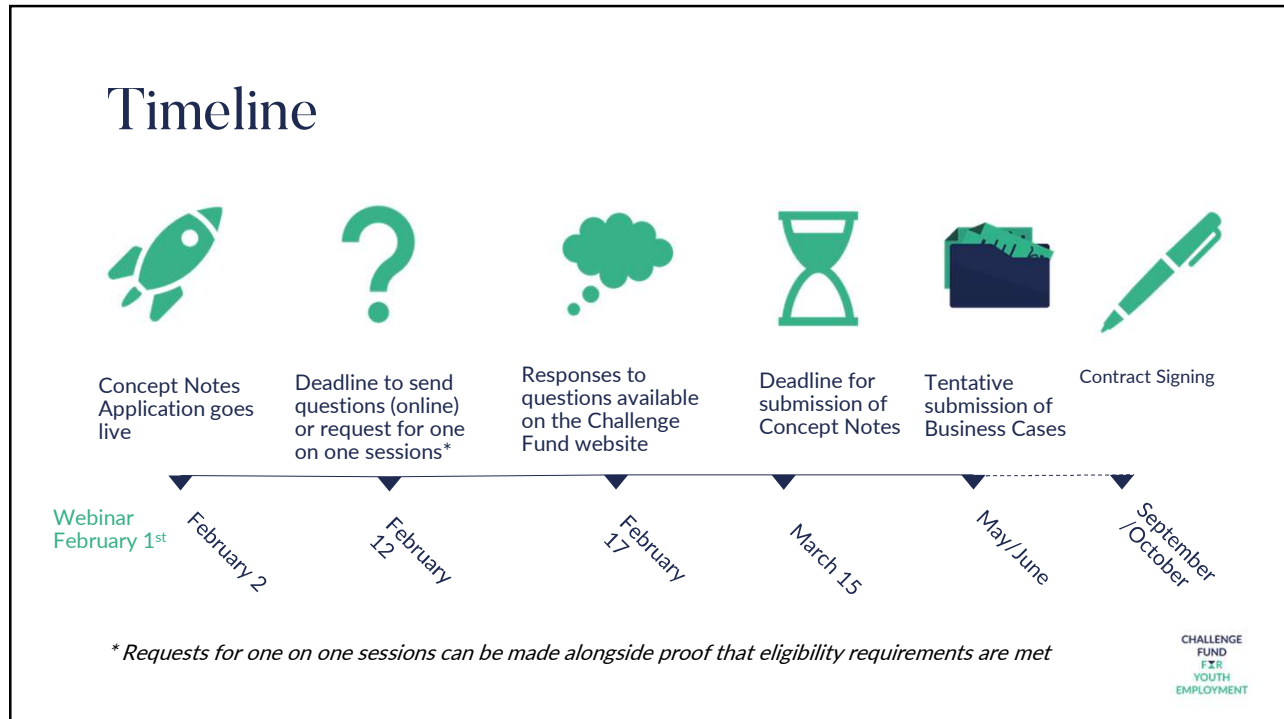
Minimum # of jobs: Minimum number of jobs created, matched or improved is 200,

Grant amount: Minimum value of 100,000 Euros. This amount should be matched.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

30

Timeline



31

Evaluation Criteria

It's a competitive process!



- Number of Jobs
- Value for Money (CFYE grant amount per job)
- Quality of the jobs (decency, sustainability)
- Value of co-funding by applicant
- Realistic impact pathway (labour and market demand)

CHALLENGE FUND FOR YOUTH EMPLOYMENT

32

Application Process

1. Eligibility check on CFYE website
2. Fill in the Word application form (Concept Note)
3. Apply through digital application form

Concept Note focuses on:

- Lead company information
 - Consortium information
 - Description of project idea
 - High level goals and potential impact
 - Preliminary thoughts on decent work, youth engagement and gender
 - Basic financial proposal
-
- A shortlist of projects will be selected and invited to submit a full business case
 - Business case development will be supported by CFYE coaches

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

33

Concept Note Template

The Concept Note has 5 sections:

- Section 1 – Eligibility Declaration
- Section 2 - Lead Organisation's Profile
- Section 3 – Consortium Information
- Section 4 - Technical Overview Of Solution
- Section 5 - Financial Proposal

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

34

Additional Guidelines

- Grant funding from other donors can count as co-funding, as does in-kind support, loans and equity. Other grants from Dutch government cannot.
- Minimum contribution is 100,000 Euro, there is no maximum.
- Projects should have a duration of 2-3 years.
- This is the first call for Jordan; there may be a second call at a later stage.
- Private companies can apply on their own, whereas NGOs need to partner with a private sector company.
- Organizations can submit multiple proposals.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

35

5. Q&A Session

To submit a question, go to the website
www.pigeonhole.at and enter the password **5772EB**

For more information:
<https://fundforyouthemployment.nl/>

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

36

FAQs – Applicant’s Contribution



1. Is it possible to bring in existing projects as the applicant's contribution?

Any other funding can be proposed if it is not earmarked or has already been spent on other projects.

2. Can grant funding from donors count as co-financing?

Yes, as long as the grant does not come from the Dutch Government, except for venture capital or debt finance originating from the Dutch Government including the Dutch Good Governance Fund or FMO. The idea is that this would lead to an increase in impact. We will assess the level of additionality for each project.

3. How should the applicant value in-kind support as part of its contribution to the project (e.g. company staff that participates in setting up training or human resources programs)?

In-kind support should be valued at market rates, and staff time budgeted as in-kind support must be reasonably justified as related to the project.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

37

FAQs – Fund Contribution



1. The guidelines specify that the minimum contribution to the Fund will be €100,000. Is there a maximum contribution?

No.

2. Do projects need to apply for a combination of financial investment and technical assistance, or one or the other?

Applicants are invited to apply for a financial contribution, technical assistance contribution, or a combination. We don't expect to receive many proposals solely for technical assistance, but this is possible. It is also possible to request technical assistance later in the project.

3. What type of technical assistance support is offered complementary to the grant?

Additional technical assistance (TA) that is offered depends on the need and type of project. Any capacity building that is essential to the project should be included in the project design and thus is part of the overall project budget. Additional TA refers to aspects that are not part of the project design per se, but can enhance the outcomes. The range of additional TA that can be offered is wide, including gender, financial management, decent work, monitoring & evaluation, etc.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

38

FAQs – Results & Impact



1. How does the Fund define 'decent work'?

We are following the ILO's definition, which states, "Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives, and equality of opportunity and treatment for all women and men."

Decent work will be defined and addressed as relevant for each project context. It may not always be a static assessment, but rather a process towards improvement across various specific areas such as working hours, productivity, income, better prospects, etc.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

39

FAQs – Results & Impact



2. Are there specific guidelines or standard indicators that should be referenced for measurements of youth employment (i.e. full-time, part-time, self-employed)?

It would be helpful to have clear understanding of the nature of the jobs to which the proposed interventions would lead including a description of full time vs part time, self-employed vs. wage-earning, seasonal, etc. The only firm requirement is that the job must meet a certain standard of decency and income, which will be assessed on a project-by-project basis.

3. What are the criteria to make sure women benefit?

At concept note stage, the project needs to demonstrate that it has considered the specific context of women, explain how women are able to benefit, and have a clear strategy for achieving this.

4. Are projects eligible that create jobs for people older than 35?

Projects must demonstrate how they will create, match, or improve employment for people aged 18-35. If projects also aim to create jobs for people older than 35, they would still be eligible, but the Fund's employment target refers only to people aged 18-35.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT

40

FAQs – Results & Impact



5. When do projects need to report on results?

Projects will need to report on progress towards results targets at least biannually. The jobs target should be achieved by the end of the project (in principle, after 2-3 years), along with a plan for sustainability.

6. Are you accepting proposals that aim to create indirect jobs?

Yes, this is possible as long as the project can demonstrate that it contributed to the indirect jobs, and that they can be measured and verified.

CHALLENGE
FUND
FOR
YOUTH
EMPLOYMENT