

CHALLENGE
FUND
F&R
YOUTH
EMPLOYMENT

Call for Concept Notes

Do you have a solution for creating decent jobs for youth, especially young women, in Uganda? Challenge Fund for Youth Employment is providing co-investment and a tailored package of support for innovative and scalable approaches to creating or improving youth employment. The focus of this call is therefore to support the scale up of successful approaches or development and testing of new approaches to:

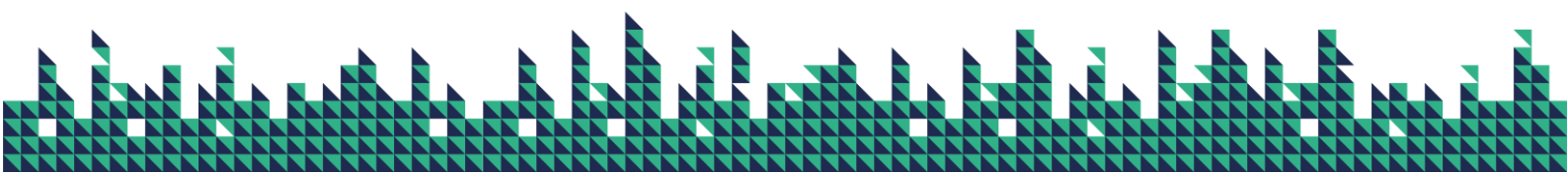
- 1) increase youth access to new or existing decent jobs and/or
- 2) improve the quality of jobs for youth, especially young women.

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](#). This call for concept notes is the first stage of the application process, and successful applicants will progress through to the next round, where they will be invited to submit a detailed proposal and business case. **The deadline for submitting concept notes is 3pm CET 15th February 2020** (see Application timeline and process below on p.6 for more information and key dates).

All the information contained within this application pack can also be found on our [website](#).

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About the Challenge Fund for Youth Employment

The Goal

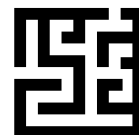
The goal of the Challenge Fund for Youth Employment is to support robust and innovative ideas for creating or improving decent work prospects for youth, especially young women. For the purposes of this program, youth is defined as between the ages of 15 – 35. Over the next 6 years, we'll work with selected Implementing Partners across the Middle East, North Africa, Sahel/West Africa and the Horn of Africa to tackle the challenge of youth underemployment and unemployment in these regions. Our projects will enable 200,000 young people to access **new** or **better** employment, including wage or salary jobs, or self-employment.



Our ambitious targets mean we seek market-based solutions with innovative and scalable approaches. We will support projects that put youth, especially young women, to work in decent jobs that better reflect their aspirations and skills. The focus of this call is therefore to support the scale up of successful approaches or development and testing of new approaches to: 1) increase youth access to new or existing decent jobs; and/or 2) improve the quality of jobs for youth.

The Challenge

Young women and men are unemployed, vulnerably employed, and underemployed across the Middle East, North Africa, Sahel/West Africa and the Horn of Africa. Market weaknesses exist on the demand and the supply sides: employers require capacity, capital, and targeted strategies to hire young jobseekers, while young people lack relevant information, skills and capabilities for today's and tomorrow's job markets. The challenge is more acutely felt by women, who experience specific barriers, especially to higher paid work. As a result, youth face low prospects for the future.



Principles

Actively targeting women. The Challenge Fund for Youth Employment makes a deliberate point of creating equal opportunities for young women in the job market; we have an explicit gender component to ensure that 50% of the young people reached by the Fund are young women. Analysing and understanding the gender dimension of youth unemployment is critical, and we require Implementing Partners to present a targeted strategy for ensuring women are not just considered and included, but actively benefit from their project.



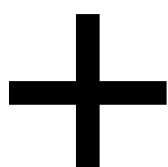
The Fund is aligned with the Netherlands Ministry of Foreign Affairs' policy mandate to strengthen the economic role of women, both as entrepreneurs and employees. This is based on the understanding that investing in women's future is smart economics. An explicit focus on gender equality and women and girls' empowerment is also critical to drive progress towards achieving the Sustainable Development Goals, especially [Goal Five: Achieve gender equality and empower all women and girls.](#)

The Role of Private Sector. We actively welcome partnerships and consortium responses to this challenge. While we welcome ideas and responses from any organisation, we are looking for market-based solutions, tailored to the context in Uganda. There is therefore an expectation that all projects will involve at least one partner from the private sector and at least one national partner or a partner with a local operating presence.



Private sector companies, and particularly SMEs are the backbone of most economies. In the target regions, they are the engine driving economic growth and job creation, in both formal and informal markets. What's more, the potential for innovation in the private sector is infinite. We will need to rely on pragmatic ideas to spur new approaches to the existing and worsening challenge of youth unemployment. The private sector is the most efficient and effective mechanism through which to focus, develop, and test solutions that respond to this persistent, unsolved challenge.

Additionality. Given the emphasis on market-based solutions, we will only consider working with Implementing Partners presenting ideas that would not be possible without support from the Fund.

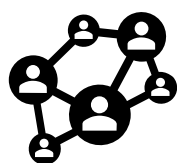


We will not fund existing operations, or 'business as usual'. We are interested in supporting solutions that would not be possible within the same timeline or to the same scale without support from the Challenge Fund.

We will therefore assess the level of additionality as part of our selection criteria. This includes looking at what type of project is being proposed, assess the level of risk involved, and the potential for employment opportunities for youth, especially women. Based on this assessment, we will offer Implementing Partners the co-investment and technical assistance support from the Challenge Fund. It is expected that the contribution of the Challenge Fund, either through co-investment, technical assistance or a combination of both, will range from 10% to 50% of the total project budget.

The minimum contribution by the Fund will be Euro 100,000 and there is an expectation that projects will provide prospects for at least 250 youth.

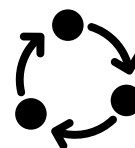
Youth Engagement. Actively involving youth, and especially young women, is a pre-requisite for being considered as an Implementing Partner of the Fund. Interventions should be able to demonstrate how young people were involved in developing the proposed solution and how these solutions are likely to contribute to the goals and aspirations of those youth who will ultimately end up in employment through the successful implementation of the intervention.



Taking an integrated approach leading to jobs. Matching supply and demand is a critical element of the Fund's design. We will therefore look for proposals which include a clear, integrated **matching** component, with the aim to link and maximise the synergies between supply- and demand-side interventions. For example, a skills training program proposal should demonstrate how young graduates are paired with work placements. Demand-side interventions should look to increase the number and quality of jobs available, and match this with mutually reinforcing activities to improve the assets and capabilities of young jobseekers.

Such an integrated approach, hinged on *matching* supply and demand interventions, is the most effective way to have a programme impact that results in gains in youth employment.

Sustainability (long term prospects). As part of the design of each project/investment, prospective Implementing Partners will be required to demonstrate how their initiatives will become independent of external funding as part of their business cases and proposals, outlining how the initiative will become embedded in the youth employment value chain / market system.



The first Call for Concepts: Uganda

We are launching our first call for concepts that offer solutions to the youth employment challenge in Uganda.

Uganda's job creation challenge is in many ways typical of the Sub-Saharan African region. It has one of the youngest populations in the world and its working-age population is projected to double by 2040. With a total population of around 45 million, half of which are 15 years or younger, it is estimated that over a million young people are entering the job market each year. There are clearly not enough decent jobs to go around, which has already led to high unemployment and, in particular, underemployment of young people. Thus, rapid action is necessary to stimulate economic growth and tackle the skills mismatch in the labour market, so that young people are not left out.

We conducted a Uganda scoping study, to refine and contextualise the broader youth employment challenge in the country. Through our research, we have been able to home in on some of the most pressing issues preventing youth from accessing decent work in Uganda. Although the country is facing some crucial systemic barriers that limit economic growth, our study allowed us to identify some medium to short term opportunities that we believe have significant potential to create jobs for youth, especially for young women.

Therefore, alongside a commitment to the Challenge Fund's general guiding principles, proposals must specifically include one or more of the following areas:

- ✘ **High potential sectors** - improve the functioning of the markets in high-potential sector value chains, with a direct pathway to sustainable job creation. High potential sectors in Uganda include agri-processing, light manufacturing, ICT, tourism and other services. We are open to other sectors with a clear justification of their impact and scale potential.
- ✘ **Working with private firms in high potential sectors** - improve the functioning of the markets and upgrading of firms in high-potential sector value chains, with a direct pathway to improved productivity and sustainable job creation. High potential sectors in Uganda include agri-processing, light manufacturing, ICT and tourism. In order to be able to address the malfunctioning of markets and stagnation of growth, our focus will be on private sector actors, whose solutions will have greater impact and scale at the wider market level.
- ✘ **Career paths of young women** - supporting equal career progression for women. Promoting women in leadership positions, for example through accelerated up-skilling and professional development, in combination with role model-driven cultural change

- ✘ **BTVET with active private sector involvement** - Current enrolment of youth in BTVET is too low in Uganda. Upgrading the sector can improve opportunities of decent employment for youth. This requires both improvement of quality and demand responsiveness of the education and awareness, as well as accessibility and signposting of youth towards BTVET. But in order to ensure clear pathways to employment are created (rather than 'skilling for skilling's sake'), the private sector should be actively involved in BTVET provision. This might be through collaborations that provide concrete on the job training (e.g., apprenticeships) and job placements (eg., through public-private co-operation).
- ✘ **Market- and demand-driven employability skills** - Employers report that in addition to technical skills, soft skills of youth are equally underdeveloped. Solutions are needed to incorporate improvement of soft skills in education, career guidance and continuous learning on the job, to ensure these are aligned with market demand. Soft skills are also highly relevant considering 'the future of work' and the growing gig economy.
- ✘ **Geographical diversity and regional relevance** - Most instruments to improve matching of youth with jobs are in the Kampala metropolitan area. Opportunities exist in improving support to self-employment and job placement support in up-country areas, either urban or rural. There are also opportunities for the private sector to take an active role in driving and strengthening regional market development, especially for certain sectors such as dairy, transport, tourism.

Request for Concept Notes

The goal of the Challenge Fund for Youth Employment is to support robust and innovative ideas for creating or improving decent work prospects for youth, especially young women. Over the next 6 years, we'll work with selected Implementing Partners across the Middle East, North Africa, Sahel/West Africa and the Horn of Africa to tackle the challenge of youth underemployment and unemployment in these regions. Our projects will enable 200,000 young people to access **new** or **better** employment, including wage or salary jobs, or self-employment.

Our ambitious targets mean we seek market-based solutions with innovative and scalable approaches. We will support projects that put youth, especially young women, to work in decent jobs that better reflect their aspirations and skills. The focus of this call is therefore to support the scale up of successful approaches or development and testing of new approaches to: 1) increase youth access to new or existing decent jobs; and/or 2) improve the quality of jobs for youth.

Read our Uganda scoping study ([Annex 1](#)) to learn more about the youth employment challenges in Uganda, and the biggest opportunities we see for tackling them.

Read our selection criteria in [Annex 2](#) to learn more and start your application in the form available in [Annex 3](#). Please visit our [website](#) for more information and to submit your application.

We will be hosting Q&A sessions on the following dates to answer any questions you might have about the application process:

- ✂ 15 January 2020 – Kampala (Uganda)
- ✂ 16 January 2020 – Utrecht (the Netherlands)
- ✂ 17 January 2020 – Webinar

If you are interested to attend any of these Q&A sessions, please send an email to info@fundforyouthemployment.nl indicating which session you would like to attend. Please note that a maximum of two people per organisation can attend. After registration you will receive a notification with venue details or a link to join the webinar.

In the same week there will also be opportunities for potential applicants to meet separately with representatives of the Challenge Fund to discuss project ideas. If you are interested to discuss a project idea, please send an email to info@fundforyouthemployment.nl indicating your interest for a separate meeting with a brief description¹ of your project idea including:

- ✂ Your contact details (name, email address, and phone number);
- ✂ Project description (sector, stage, approach to job creation); and
- ✂ Indicative project size (budget amount, length, and number of jobs created).

¹ Due to the volume of emails anticipated, we will not respond to requests for meetings without a project description.

Application Timeline and Process

23 December 2019	Call for concept notes released
15 January 2020	Q&A Session Kampala
16 January 2020	Q&A Session Utrecht
17 January 2020	Q&A Webinar
20 January 2020	Deadline to send clarifying questions (as needed)
24 January 2020	Responses to clarifying questions will be available on the Challenge Fund website
15 February 2020	Deadline for submission of concept notes
March 2020	Notification of successful applicants and invitation for submission of detailed proposals/business cases
April 2020	Deadline for submission of business cases
May 2020	Notification and contracting of Implementing partners

Selection Process

The Challenge Fund for Youth Employment will be selecting initiatives to partner with through an open and collaborative process. Selected initiatives will ultimately be contracted by Palladium/Enclude BV as the lead firm responsible for managing the Challenge Fund. The process the Programme will follow as part of this call for Proposals is as follows²

Step 1 - Concept Note Stage

- ✘ **Submission:** The template outlining the information required is enclosed in the application pack. During the application period, interested applicants are encouraged to attend the planned information sessions and take the opportunity to schedule one-to-one meetings with the Challenge Fund team. During this concept development stage there will be opportunities to clarify your queries and send specific questions to the Challenge Fund team. The team will respond to all clarifications online through a transparent process.
- ✘ **Assessment and Selection:** After submission, concepts notes will be assessed by the Challenge Fund Management team with support from the Selection Committee, consisting of experts who will be able to assess the feasibility of solutions proposed. Successful applicants will be invited to submit a more detailed proposal, and each selected initiative will be paired with a designated member of the Challenge Fund team who will provide detailed feedback on

² Subject to change for future calls

the concept note and who will be available for support during the development of the proposal.

- ✘ **Communication of decision:** All applicants will receive brief written feedback on their concept notes, setting out significant strengths and weaknesses of the concept. For those concepts which are rejected, applicants will also receive feedback on the reason(s) not to proceed. For concepts which are selected to proceed to the second stage, applicants will receive feedback on issues/concerns that will need to be addressed in the full proposal.

Step 2 - Proposal Development Stage

- ✘ **Advisory support:** Selected applicants from concept note stage will be connected to their allocated focal point for feedback, support and guidance for developing a strong and viable detailed proposal. If applicants have indicated a need for Technical Assistance which is endorsed by the Selection Committee, the focal point will arrange this with the Challenge Fund team.
- ✘ **Due diligence:** Selected applicants from concept note stage will undergo a due diligence process and receive additional information and guidance on the definitions and measure framework that will need to be incorporated into the monitoring of their project. All documents and guidelines that will be applicable during implementation of the initiative will be made available to selected applicants at the time of inviting them to prepare detailed proposals.

Step 3 - Assessment of Full Proposals

- ✘ Full proposals will be reviewed by the Selection Committee. This committee will assess each the feasibility of proposals and ensure that investments made by the Challenge Fund are aligned with the objectives of the Fund.
- ✘ Based on this assessment, the Selection Committee will make recommendations to the Project Steering Committee with regards to investing in eligible proposals. The Programme Steering Committee will make the final decision with regard to investing in a proposed initiative.

Annexes

Annex 1: Uganda Scoping Study

Annex 2: Eligibility and Selection Criteria

Annex 3: Concept Note: Application Form

Annex 1: Uganda Scoping Study

CHALLENGE
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FAR
YOUTH
EMPLOYMENT

Uganda

December 2019

scoping report



Youth



Jobs



Barriers



Opportunities

Why this report?

The Challenge Fund for Youth Employment (CFYE) was recently launched by the Netherlands Ministry of Foreign Affairs to create more, better and more inclusive jobs for 200,000 young people in the Sahel, the Horn of Africa, the Middle East and North Africa. The fund is looking for private sector-driven proposals from Implementing Partners that have solutions to create and improve jobs and better placements for young women and men.

Uganda is the first country where the Fund will launch a call for proposals. A scoping study was performed to get a better understanding of the country context and specific challenges affecting youth employment in Uganda. The study also aimed to identify the key opportunities and solutions to increase youth employment and assess how the Fund can play a role in supporting these. Information was collected through desk research and interviews and workshops with youth, employers and key informants in Uganda¹.

This report has been produced by the Challenge Fund for Youth Employment
<https://fundforyouthemployment.nl/>

The Challenge Fund for Youth Employment (CFYE) is a 6-year programme funded by the Netherlands Ministry of Foreign Affairs, managed by Palladium, VSO Nederland and Randstad.

1. The research took place in the period October-December 2019

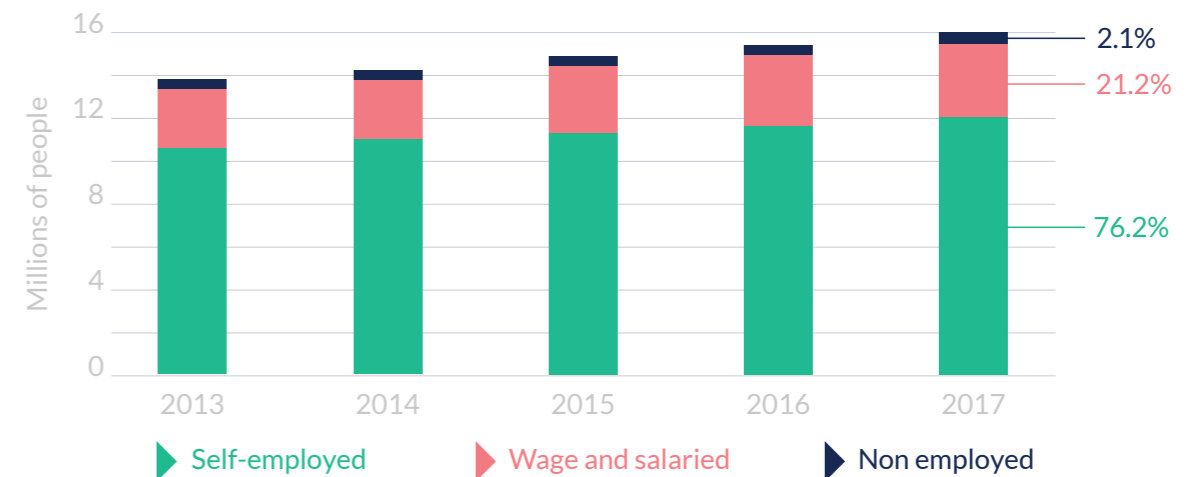
What does the problem look like?

Uganda's job creation challenge is in many ways typical of the Sub-Saharan African region. It has one of the youngest populations in the world and its working-age population is projected to double by 2040. With a total population of around 45 million, half of which are 15 years or younger, it is estimated that over a million young people are entering the job market each year. There are clearly not enough decent jobs to go around, which has already led to high unemployment and, in particular, underemployment of young people. Thus, rapid action is necessary to stimulate economic growth and tackle the skills mismatch in the labour market, so that young people are not left out.

Uganda's national unemployment rate is 9.2%. The unemployment rate for youth aged 18 – 30 is 13.3%². The rate is highest in Kampala, where 21% is out of work, the majority of whom are young. Delving further into the national figures reveals that urban youth are more likely to be unemployed than rural youth, young women are twice as likely to be unemployed as young men, and youth who have completed tertiary education are more likely to be jobless than those with only primary education.

Around 10% of those in the "employed" category have formal jobs, while 90% work informally; meaning, broadly, without a formal contract or any type of social security. About 54% of the latter category are self-employed entrepreneurs. Most of those entrepreneurs are driven by necessity, rather than opportunity, and their business activities are basically a survival strategy. Most smallholder farmers are involved in subsistence farming and do not run their farms as a business.

Underemployment – which relates to skills, time engagement or wage level - is a serious problem for youth in Uganda. Most simply cannot afford to be unemployed, so a large proportion accept any job they can get. This is quite common in agriculture for example, where 41% of the working age population is engaged in subsistence farming.



Source: Taken from Walter, Mukasa, Koltai and Muspratt, 2018: 11

2. Both rates are based on data for 2017. Source: CDA, UBOS Uganda National Household Survey 2016-2017

Who are the youth and to what do they aspire?

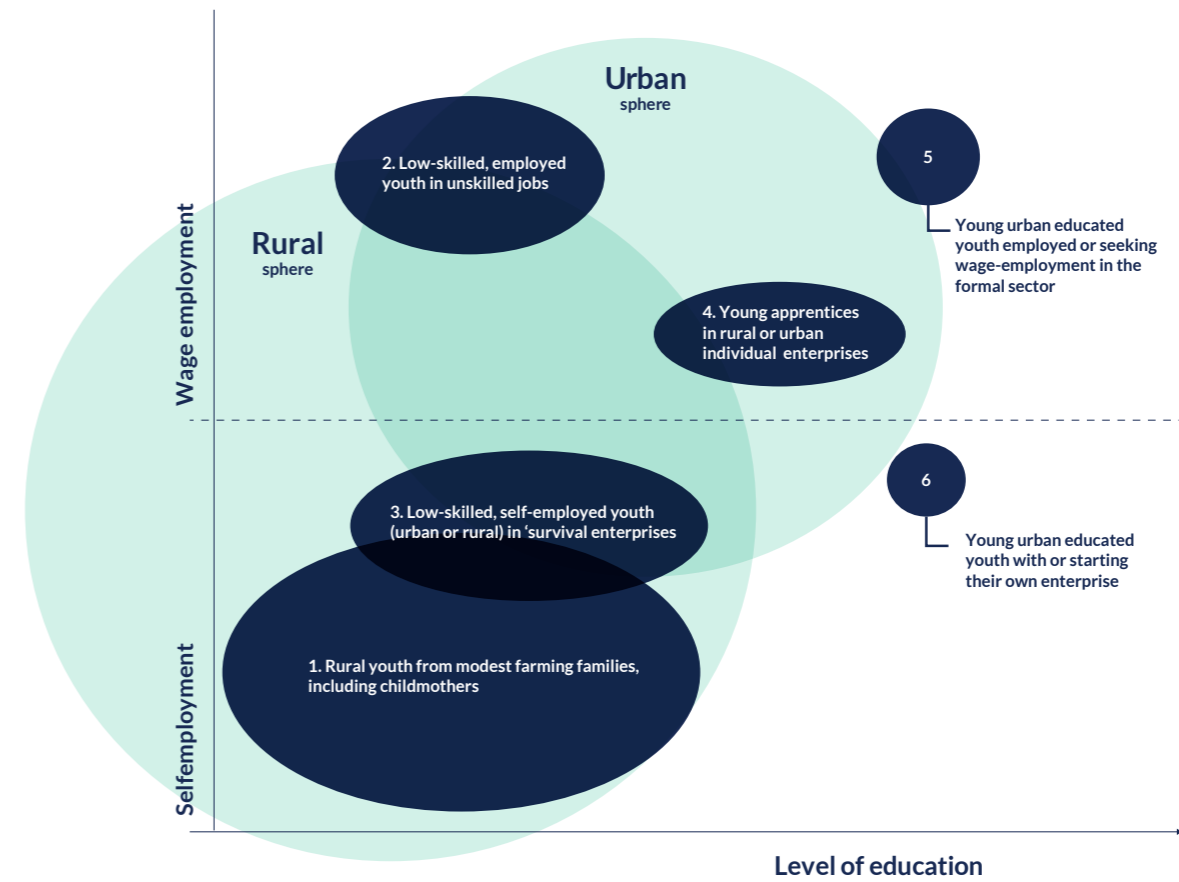
Youth is not a homogeneous group. In Uganda, we have identified 6 groups into which different types of youth can broadly be clustered³:

1. Rural youth from modest farming families, including child-mothers⁴
2. Low-skilled, self-employed youth (urban or rural) in 'survival enterprises'
3. Low-skilled, employed youth in unskilled jobs
4. Young apprentices in rural or urban individual enterprises
5. Young urban educated youth employed or seeking wage-employment in the formal sector
6. Young urban educated youth with or starting their own enterprise

The Challenge Fund for Youth Employment aims to create decent jobs for youth. The definition of decent work in Uganda tends to be more basic than the ILO's official international definition. For most Ugandan youth, a decent job is defined as stable work with enough remuneration to survive.

However, decent work also implies equal opportunities and treatment for all men and women. Currently, there is a clear gender gap in terms of both career development and wages, and the problem's roots can be traced to lower literacy rates for girls and lower enrolment rates of girls in secondary schools. Girls also often drop out of school prematurely because of early marriage or pregnancy.

The CFYE team held several sessions with youth in Uganda to gain a better understanding of their aspirations, as well as the constraints that male and female youth face when looking for gainful employment. Young women expressed a desire to have a secure income to support the household and contribute to the community and gain the freedom to decide on family matters. For men, influence and decision-making power in the community were cited as important factors, and some also mentioned the desire to have entrepreneurial success.



1. Rural youth from modest farming families, including child-mothers



2. Low-skilled, self-employed youth (urban or rural) in 'survival enterprises'



3. Low-skilled, employed youth in unskilled jobs



4. Young apprentices in rural or urban individual enterprises



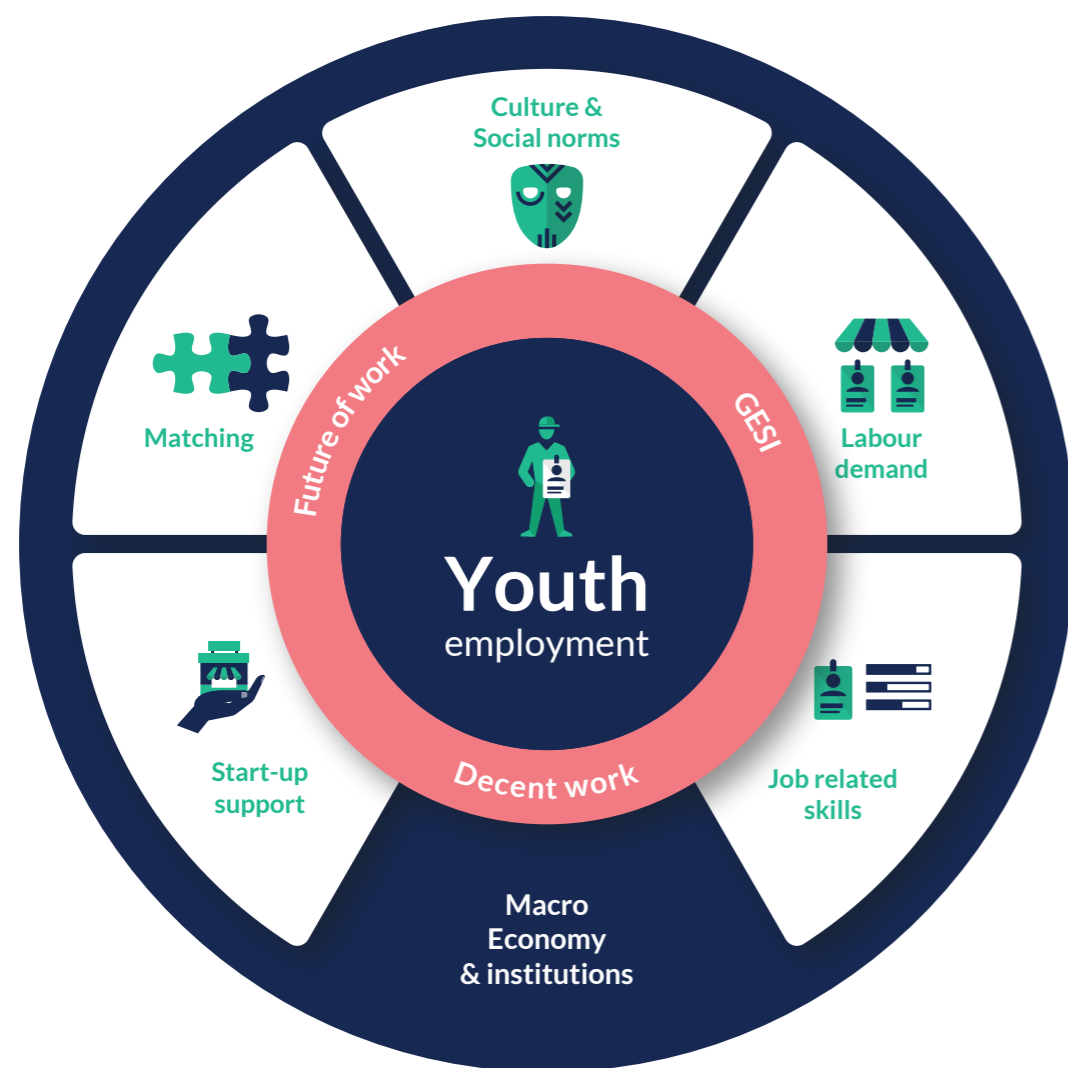
5. Young urban educated youth employed or seeking wage-employment in the formal sector



6. Young urban educated youth with or starting their own enterprise

3. Adapted from AFD (2017) 'Les dispositifs d'appui à l'insertion des jeunes sur le marché du travail en Afrique', Available at: <http://librairie.afd.fr/14-etudes-afd-emploi-jeunes-afrique>

4. There is a high percentage of child mothers, in particular in the northern and eastern parts of the country, where many young girls – 40% according to one source – will become mothers before the age of 18. This, combined with many other factors, makes them more vulnerable.



Adapted from: Wellington et al., 2010⁵

5. Active Labor market programs for youth – A framework to Guide Youth employment interventions. World Bank Policy Primer, November 2010, No.16
 6. World Bank (2012) "Uganda: Promoting inclusive growth, transforming farms, human capital and economic geography" and National Planning Authority (2019) "Strategic Direction for the Ten-Year and Third Five-Year National Development Plans", September 2019
 7. Business, Technical Vocational Education and Training
 8. OECD (2017) "Youth Aspirations and the Reality of Jobs in Developing Countries: Mind the Gap", Development Centre Studies, OECD Publishing, Paris.

What are the main obstacles to youth employment?

The figure on the opposing page presents the framework for mapping the youth employment ecosystem. We believe that the following aspects need to be optimised to create and improve jobs for youth:

Labour demand



- ▶ Uganda's economy is dominated by very small firms, few of which are growing. Most of these small businesses do not generate much employment besides the owner and have a poor survival rate. Structural barriers in the enabling environment (see next section) make it difficult to start and grow a business. Moreover, the challenges in finding employees with the right skills mean that intensive (on-the-job) training is required and that new employees have unrealistic expectations.
- ▶ High turnover of employees is found in all sectors, which affects the growth of firms; some people go back to their communities once they have earned enough money. Employers have to spend time and money in finding and training new employees.
- ▶ At the same time insufficient and unreliable raw material supplies, combined with logistical issues such as high transport costs and intermittent power supply, lead to low utilisation rates in many processing industries. In some cases, these can be as low as 20%⁶.
- ▶ Low utilisation rates and low productivity in manufacturing – including in the agro-processing industry – lead to lack of profitability and low wages for employees in a sector that is crucial to Uganda's economic development.
- ▶ There is a need for more investment both from government (e.g. in infrastructure, including transport and energy supply) and private sector to boost economic development and enable the manufacturing industry and other sectors to achieve their full potential.

Market-driven job relevant skills (employability)



- ▶ Employers frequently mention young people's lack of appropriate skills o as a

key barrier to employment. During the most recent CFYE scoping study in country, both larger employers (MTN, Coca Cola) as well as smaller companies mentioned that:

- ▶ they have to conduct intensive additional on the job training to get trainees, young hires and graduates up to the standard needed for their business
- ▶ they face issues with managing (unrealistic) expectations of young employees, especially with regards to their prospects of promotion into senior roles
- ▶ they face particular challenges in hiring staff for (middle) management positions, as most young employees lack the requisite management skills to succeed in those positions.
- ▶ Uganda's labour market continues to face a shortage of requisite qualifications, with only a small minority holding some form of tertiary education qualification. Even then, there is often a mismatch between the skills level of graduates with labour market requirements.
- ▶ Enrolment in STEM at universities is less than 27% (significantly below the UNESCO minimum of 40% required for a country to economically take off and participate in the global knowledge-based economy). This is because non-STEM education is cheaper to deliver and easier to access.
- ▶ Most young job-seekers lack soft skills. Employers often cited trustworthiness, willingness to learn, reliability and communication as important skills for employees. Skills for future labour markets are also lacking. These include advanced cognitive skills such as complex problem-solving, socio-behavioural skills such as teamwork, and skill combinations that enhance adaptability such as reasoning and self-efficacy. Lastly, there are minimal opportunities to develop skills on the job through continuous learning. Educational opportunities should be extended beyond schools and universities and into the workplace.

- ▶ The Ugandan BTNET⁷ system does not equip Ugandans with the required skills to allow companies to compete on the domestic market, let alone on regional and international markets. Nor does it

adequately prepare individuals to successfully make a living through self-employment. Major gaps include lack of engagement with the private sector, rigid supply structure, and lack of labour market information. There is also a narrow sector focus and a lack of attention to practical competencies and soft skills. On the other hand, youth enrolment rate in BTJET is very low. Part of this is due to the low quality and poor reputation of many BTJET institutions, but also because young people are not aware of TVET education. Compounding these issues is poor basic education among youth, which results in them not achieving entry requirement, as well as high tuition and boarding costs in BTJET institutions. We consider improving the BTJET sector a high priority; the labour market needs people with solid craftsmanship and hands-on skills.



Effective matching

- ▶ Making information accessible to youth is crucial so they can learn about career or education pathways, employment opportunities and the skills required⁹. Through the interviews and youth sessions we found that youth largely do not use existing platforms such as LinkedIn to stay informed about job or training opportunities.
- ▶ Recruitment is often informal and through personal networks. Larger companies or NGOs may use dedicated internal or external HR personnel to recruit candidates, but most of the time it is done by the general manager or owner, often using informal networks.
- ▶ Job seekers find job opportunities through a few online platforms (for example Brighter Monday and Great Ugandan Jobs) and informal Whatsapp groups. Others find opportunities through advertisements in newspapers. LinkedIn is hardly used. Most firms recruit through their personal (family) networks, which may result in exclusion of (potentially better qualified) people. Local sources confirmed to us that in some cases corruption may occur and that an unofficial payment is sometimes requested to obtain employment.
- ▶ Limited matching occurs through online platforms. Relatively few jobs are posted on the sites that do exist, especially outside Kampala. For example, on the Brighter Monday Uganda site, over 80% of the c. 400 posted jobs are in Kampala.



Supportive culture and social norms

- ▶ Young Ugandans are often cited to be very entrepreneurial, due to the high number of self-employed entrepreneurs. However, it is important to note that most of these entrepreneurs are driven by necessity, rather than opportunity.
- ▶ Existing jobs available in developing or emerging economies do not align with youth aspirations – even extending to tertiary-educated youth in most developing economies. Youth often have unrealistic expectations about what a job can offer them.
- ▶ Social norms influence the division of work; aspirations and expectations about unpaid care work make it challenging for young women to find and retain a job. During the youth sessions, some young women mentioned that there are different expectations for men and women. Even though most of the women went to university, they felt that their families saw marriage and raising children as more important for them than getting a job. Exacerbating this, women do not accept help and men do not offer to help with activities related to unpaid care and domestic work, as these are seen as ‘women’s tasks’.
- ▶ Once a young woman has secured a job, cultural perceptions often affect the development of a decent career path for her. For example, women are not seen as potential leaders or managers within a company, and they are left with less important tasks and fewer opportunities for learning and promotion.
- ▶ Employment in the agriculture sector is not attractive to youth; given the potential for generating decent employment in large numbers, more should be done to gauge their interest and re-engage them. Informants in Uganda mentioned that youth are only interested in agriculture if it is combined with “tech-enabled solutions”, such as greenhouses or hydroponics.



Business start-up and scale-up support

- ▶ Providing BDS to smaller SMEs is not commercially viable for providers, as most need long-term, tailored support. The BDS provision on offer is often inappropriate (light touch, short-term) resulting in low success rates.

- ▶ Similarly, in financial service delivery, SMEs find that their needs are not being met. The ‘missing middle’ of SMEs looking for investment of USD 20-100K are underserved by local financial markets. Bank loans are not customised for SMEs; they are expensive, offer no grace period, and require high collateral. Meanwhile, the firms are too small and not sufficiently investment-ready to work with investors.
- ▶ The tax rates and the tax system are commonly cited as an ecosystem weakness preventing start-up and growth of firms.
- ▶ Access to finance is an issue for most SMEs in Uganda, but the lack of investment capital is felt most keenly among high-growth SMEs and self-employed entrepreneurs. There is a dearth of investment vehicles willing to invest capital between USD 20,000 – 300,000. Those that do are invariably driven by social impact motives; but they propose a very narrow definition of social impact, and tend to focus on a few sectors, leaving many SMEs ineligible⁹. Meanwhile, young entrepreneurs find that investment appetite is very low, as the risks associated with early-stage, low-growth business models are prohibitively high.

Systemic issues

- When designing any solution, we need to be aware of systemic issues related to the macro-economy, governance and institutions, that are affecting the performance of the labour market. Some aspects of key importance include:
- ▶ Business climate and markets: Uganda is facing jobless growth and stagnated economic growth since 2011. Growth is limited by a high cost of doing business. The main cost factors include energy and transport, bureaucracy, weak financial services and limited access to capital. Policies and regulations are not stimulating business start-up and growth as well as access to markets. These issues affect SMEs in particular.
 - ▶ Infrastructure: Inferior feeder roads make transporting agricultural products difficult and expensive. Unreliable electricity supply affects businesses in agri-processing and manufacturing sectors. Most investments flow into the Kampala metropolitan area, while rural areas remain underdeveloped.
 - ▶ General education system: Uganda has very low completion rates at primary school level, with an only about one third is enrolled at secondary level. A high number of pupils are lost from the education system. Quality of primary education is also inadequate; a good number of children complete primary school without acquiring basic reading and numeracy skills¹⁰.

9. Walter, Mukasa, Koltai and Muspratt (2018) *Uganda Entrepreneurial Ecosystem Initiative: Phase I. Summary Report of Findings & Recommendations*. Center for Development Alternatives, Enterprise Uganda, Koltai and Company.

10. UBOS, 2015 *UBOS (2015). Labour market transition of young people in Uganda (Highlights of the school to work transition survey 2015.)*

What are opportunities?

Through the literature review and field research, we have identified several sectors which have strong growth potential in terms of generating employment for youth and particularly young women: agribusiness, tourism and hospitality and ICT Tech, Innovation and Green Growth. See also Annex 1. While our research highlighted these sectors as the main vehicles for supporting jobs and growth, the Fund remains sector-agnostic, and is open to solutions to the youth employment challenge in any sector.

Uganda has huge untapped potential for agro-industrialisation and commercialisation

Agribusiness provides between 60% and 70% of the jobs in Uganda, half of which are in agricultural production and the other half in other levels of the value chain. The sector is expected to grow by 5.6% in 2020, provided there are no adverse effects of extreme weather. Most farmers are smallholders with low levels of technology use. There are opportunities for increasing labour productivity, extending crop seasons and increasing access to employment in agriculture-related sectors.

A large share of employment in agriculture is informal, but often in formally registered businesses. About 90% of the agribusinesses employ less than 10 employees¹¹. Though youth unemployment is high, there does not seem to be much interest in working in agriculture. A 2016 survey revealed that only 12% of youth, both from urban and rural areas, wanted to work in the agricultural sector. Returns in farming are not immediate; production methods remain inefficient and back-breaking. The result is that many young people are migrating to urban centres, where their chances of formal employment are limited¹².

Arguably, the most promising prospects in terms of both inclusive and equitable economic growth and an expansion in job opportunities for youth, lie in the development of small- and medium-scale agro-industrial firms which can supply the growing markets within Uganda and the region¹³. Besides contributing to economic growth and employment opportunities, increasing demand from the domestic market comes with a commensurate need to generate increased volumes of output. Many initiatives already exist that are working towards this objective, both funded by donors as well from the Ugandan government.

Challenges in developing businesses around agriculture and related sectors include:

- ▶ Poor infrastructure
- ▶ High transportation costs
- ▶ High costs of capital
- ▶ Lack of regulation and/or enforcement
- ▶ Weak producers' organisations
- ▶ Low farmer yields in most value chains
- ▶ Low utilisation rates in agro-processing
- ▶ Poor connectivity between producers and service providers in the sector
- ▶ Lack of storage facilities and financial resources for value-added products lead to low selling costs by the producers, who sell unprocessed primary commodities for low value
- ▶ Women's access to land is limited and cultural practices on land possession put women at an immediate disadvantage¹⁴.

Tourism can be a major employer and foreign exchange earner for Uganda

Uganda has a lot to offer in terms of natural beauty and cultural diversity, now that peace and stability have returned to the country. The NDP III proposes target both elite and mass tourism, putting a strong focus on skills development, infrastructure and accommodation. They also emphasize the importance of branding and marketing¹⁵. Although tourism has clear growth potential, its fulfillment will greatly depend on the political situation remaining stable.

The Uganda Tourism Association (UTA) expects the sector to grow rapidly in the coming years. For instance, the number of hotel rooms, which was less than 5,000 in 2007, now sits at around 30,000; a figure that is expected to increase to 50,000 by 2021. It will require a major effort to train enough young people to fill all the jobs that are predicted to be created over the next few years.

Likewise, there is already huge, unmet demand for tour guides - particularly women, who are underrepresented. Currently, women in the tourism sector mainly work in office jobs or in hotels. One way of stimulating opportunities for women to work as tour guides could be to offer them driving lessons.

There are several initiatives already underway – or in the planning phase – to boost the development of the tourism sector and ensure that it benefits local youth and women. These initiatives are led by the Uganda Wildlife Association, ENABEL (Belgium), GiZ (Germany), ICCO (Netherlands), Booking.com, MangoTree, and Eyeopener works, to name just a few. A business association in the tourism sector called 'Women in Tourism' is affiliated to UTA and seeks to promote the employment of women in the industry.

Challenges in developing businesses the tourism and hospitality sector include:

- ▶ Competition from neighbouring countries
- ▶ Poor infrastructure (mainly roads and electricity)
- ▶ Lack of adequate skills of youth
- ▶ Low level of current skills training
- ▶ Under-representation of women
- ▶ Political stability

The ICT sector can generate economic growth and employment opportunities

The ICT sector is seen as both an opportunity and an enabler for generating economic growth and employment¹⁶. While some experts doubt whether ICT can create enough jobs, due to low employment intensity of the sector, smart use of ICT can have a positive influence on different economic sectors, from agriculture to manufacturing.

Youth in Uganda lack practical software and programming skills needed by the industry in general and tech companies in particular. Larger tech (or IT) companies are establishing their own training facilities, so that they have access to talent with the requisite skills. After providing training, these firms recruit from their own talent database. But for small tech start-ups, providing their own training for staff is not viable.

Providing practical training to young people for desired software/programming skills is therefore a significant (but as yet, untapped) opportunity.

The green economy sector is growing in Uganda. Renewable energy products and services are being promoted and distributed, and companies are hiring both salespeople, and technical staff. The sector mostly hires technically trained youth, e.g. for installing solar panel systems. Equally there are also employment opportunities in recycling services for rural and untrained youth.

Challenges in developing businesses in the ICT sector include:

- ▶ Competition from India (outsourcing)
- ▶ Poor infrastructure (electricity and internet)
- ▶ Lack of adequate youth skills
- ▶ High staff turnover due to unrealistic expectations

Manufacturing accounts for just under 10% of total employment, but 75% of formally registered workers in the sector are male. Female workers are well represented in textiles (64%) and in the beverages industry (50%). Firms in the manufacturing sector tend to be small, with only 3% of firms having more than 20 workers¹⁷. Expansion is hampered by inadequate investment and low capacity utilisation, estimated at 53%, and in some sectors, a lot lower. This is due to unreliable supply of raw material and logistical issues, as well as a lack of aggregate demand in the domestic economy. Higher labour productivity combined with higher utilisation rates can lead to higher wage levels and, as a result, increased consumer demand. Thus, higher labour productivity is a pre-condition for improving the quality of jobs in this sector¹⁸.

Construction accounts for 7% of output and 4.6% of employment. The sector has seen strong, though uneven growth over the last 5 years. While men dominate employment – women only account for 20% – their share has increased, mainly as a result of non-manual and off-site activities (planning, management, CAD, procurement, etc.). According to a survey by IOM in 2015, the sector is attractive to young people, as shown by the fact that 40% of employees in their sample were 18-30 years old. The sector offers a wide variety of jobs, but most of these are unskilled. There is a lack of supply of technicians and craftsmen and women (carpenters, painters, welders); a systemic issue linked to the Ugandan education system producing insufficient numbers of technicians¹⁹.

11. Ministry of Gender, Labour & Social Development (2018) "Employment Diagnostic Analysis Report"

12. Royal Netherlands Embassy (2019) Multi-Annual Country Strategy 2019 – 2022

13. Fowler and Rauschendorfer (2019) Agro-industrialisation in Uganda: Current Status, Future Prospects and Possible Solutions to Pressing Challenges

14. Royal Netherlands Embassy (2019)

15. National Planning Authority (2019) Strategic Direction for the Ten-Year and Third Five-Year National Development Plans (draft version), September 2019

16. NDP III (2019)

17. Ministry of Gender, Labour & Social Development (2018) Employment Diagnostic Analysis Report

18. Flynn & Quak (2019) Private Sector Development: Interventions and Better-Quality Job Creation for Africa, IDRC-Include-ILO (Decent jobs for Youth)

19. Ministry of Gender, Labour & Social Development (2018)

A call for solutions

Over a million young people are entering the job market each year in Uganda. It is clear that there are not enough decent jobs available, which has led to high un- and under-employment of young people. The country is facing crucial systemic barriers that limit economic growth and job creation. Action is required to stimulate economic growth and tackle the skills mismatch in the labour market, so that young people are not left out.

The Challenge Fund for Youth Employment will focus on co-funding initiatives with a short to medium term impact, which take into consideration the structural barriers and test innovative approaches that ideally carry spill-over effects on the systemic level.

Our study allowed us to identify some areas where impact on youth employment can be achieved in the medium to short term. Given the scale of the challenge and our ambitious goals, we welcome proposals from private firms with solutions to create decent jobs at scale. Solutions should always present a clear pathway

to job creation or improvement, whether the focus is on improving the supply of labour, creating more labour demand, or matching youth to decent jobs.

Based on the scoping study, these are the key domains where high potential for impact was identified:

Mostly relevant for which youth:	Opportunity	1. Rural youth from modest farming families, including child-mothers	2. Low-skilled, self-employed youth (urban or rural) in 'survival enterprises'	3. Low-skilled, employed youth in unskilled jobs	4. Young apprentices in rural or urban individual enterprises	5. Young urban educated youth employed or seeking wage-employment in the formal sector	6. Young urban educated youth with or starting their own enterprise
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1 t/m 6, all! **Working with private firms in high potential sectors**
 Improve the functioning of the markets and upgrading of firms in high-potential sector value chains, with a direct pathway to improved productivity and sustainable job creation. High potential sectors in Uganda include agri-processing, light manufacturing, ICT and tourism. In order to be able to address the malfunctioning of markets and stagnation of growth, our focus will be on private sector actors, whose solutions will have greater impact and scale at the wider market level.



4,5,6 **Career paths of young women**
 Supporting equal career progression for women. Promoting women in leadership positions, for example through accelerated up-skilling and professional development, in combination with role model-driven cultural change



1,2,3,4 **BTJET with active private sector involvement.**
 Current enrolment of youth in BTJET is too low in Uganda. Upgrading the sector can improve opportunities of decent employment for youth. This requires both improvement of quality and demand responsiveness of the education and awareness, as well as accessibility and signposting of youth towards BTJET. But in order to ensure clear pathways to employment are created (rather than 'skilling for skilling's sake'), the private sector should be actively involved in BTJET provision. This might be through collaborations that provide concrete on the job training (e.g., apprenticeships) and job placements (eg., through public-private co-operation).



4, 5, 6 **Market- and demand-driven employability skills.**
 Employers report that in addition to technical skills, soft skills of youth are equally underdeveloped. Solutions are needed to incorporate improvement of soft skills in education, career guidance and continuous learning on the job, to ensure these are aligned with market demand. Soft skills are also highly relevant considering 'the future of work' and the growing gig economy.



2,3,4 **Geographical diversity and regional relevance.**
 Most instruments to improve matching of youth with jobs are in the Kampala metropolitan area. Opportunities exist in improving support to self-employment and job placement support in up-country areas, either urban or rural. There are also opportunities for the private sector to take an active role in driving and strengthening regional market development, especially for certain sectors such as dairy, transport, tourism.



Annex 1: Sectors and opportunities

Key sectors	Potential to create jobs for youth	Opportunities for women	Type of jobs - skill set level
Agriculture	High	Low – medium (depends on supply chain / type of job)	<ul style="list-style-type: none"> Currently this remains the sector that offers most opportunities for work and income. This is likely to decrease as the sector modernizes and more young people move to urban areas. Some high value crops production or improved of production could lead to more meaningful participation opportunities for rural youth Increased efficiency and thus higher returns may also attract youth to the sector
Agribusiness	High	High	<ul style="list-style-type: none"> There are more attractive job opportunities for youth in agri-processing and in marketing and/or export activities. Value addition high on the agenda for Uganda (NDP III and many development programmes) Both interesting for middle – higher educated youth (rural and urban)
Tourism	High	Medium (security & safety issues)	<ul style="list-style-type: none"> Tourism is expected to further grow (however subject to political instability) Hospitalism, lodges, guide - activity services require middle to higher educated staff Key opportunity sector for rural youth
ICT / Tech & Green / Innovation	High, but not necessarily sustainable More opportunities at more on established tech firms	High	<ul style="list-style-type: none"> Mostly highly educated youth needed Small tech start-ups require specific software / programming skills that is currently missing Larger tech (or IT services) companies establishing their own training facilities to recruit from Green economy is growing: renewable energy services, circular economy: mostly for higher educated youth. In recycling services also key opportunities for rural and lower educated youth
Services (finance)	Medium – High	High	<ul style="list-style-type: none"> Although Digital Financial Services are replacing some need for staff, the financial sector remains one of the biggest employers in country Entry level jobs still available for youth (tellers, loan officers, etc) youth is still a Agency banking actually increases opportunities for youth (youth can operate as agents)
Oil & Gas	Medium	Low (?)	<ul style="list-style-type: none"> Mixed views - Often only temporary jobs especially in extraction Currently often outsourced to Chinese contractor who bring along own staff
Transportation	High	Low-medium	<ul style="list-style-type: none"> Lower – medium skilled youth Key examples: need for qualified truckdrivers, now mostly imported from neighbouring countries Women lack driver's licence
Construction & Light manufacturing	Medium - High	Low-medium	<ul style="list-style-type: none"> Expected growth sector according to NDP 3 – specifically interesting for lower – medium skilled youth

CHALLENGE FUND FOR YOUTH EMPLOYMENT

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Annex 2: Eligibility and Selection Criteria

Assessment of Challenge Fund Concept Notes

Eligibility Section and Section A of the application form comprise an “Eligibility Checklist” and a series of questions “About your Organisation”. The Eligibility Section will be scored on a pass/fail basis, and Section A will be unscored.

The remaining sections (B-C) are made up of a series of questions which will be assessed based on key selection criteria outlined below. The selection criteria are clustered around three areas: feasibility, scale and commercial sustainability. The Challenge Fund will assess sub-criteria within each, as outlined below under ‘Evidence sought’.

Criteria	Evidence sought
Eligibility	<p><i>Checklist questions:</i></p> <p>Consortium:</p> <ul style="list-style-type: none"> Do you have at least one private sector entity represented on your team (legally registered)? Do you have local operating presence or partner in country? <p>Size of project:</p> <ul style="list-style-type: none"> Will a minimum of 250 jobs be created or improved as a direct result of the project? Is the proposed project of sufficient size to qualify for the Fund? (i.e., adequate investment from Implementing Partner(s) and at least a euro 100,000 contribution from the Challenge Fund)?
About your organisation	<ul style="list-style-type: none"> Organisation details Contact details Operational details Registration details Organisation’s credentials
Selection: Feasibility and risk	<ul style="list-style-type: none"> Does the response align with the challenge identified in the call? Does the response offer a strong and convincing technical approach? Does the response offer an integrated approach to match supply and demand for labour? Is there a clear pathway to employment for young people, especially women? Does the response consider the specific barriers that young women face, and propose a strategy to overcome them? Did/will the potential IP involve youth in designing their proposed solution? Does the response show an ability to achieve the results required within the Challenge Fund timeframe (within 2 years)? Does the potential Implementing Partner show willingness to commit to outcome-based payment?

Criteria	Evidence sought
	<ul style="list-style-type: none"> • Does the response demonstrate capacity to deliver the solution (e.g., number of new or existing staff, budgetary approval, access to technology and/or infrastructure)? • Does the response propose a realistic Theory of Change (demonstrated evidence base and pathways to change) and ways to measure this?
<p>Selection: Commercial sustainability</p>	<ul style="list-style-type: none"> • Does the potential Implementing Partner (IP) propose a reasonable, needs-based budget? • Does the response demonstrate Value for Money by showing cost effectiveness (i.e., cost per job ratio)? • Does the response demonstrate a clear link between the core business operations and proposed project? • Does the response demonstrate long-term commitment to and buy-in for the Fund from senior management and/or board? • Does the response propose an intervention in a demonstrably growing/demand-driven sector?
<p>Selection: Scale and additionality</p>	<ul style="list-style-type: none"> • Demonstrates potential pathway to scale. • Applicant would not be able to achieve goals on the same timeline or to the same degree or scale without a Challenge Fund investment and/or Technical Assistance. • Demonstrates an understanding of additionality, showing how the proposed solution is not just ‘business as usual’, and would not be possible without Challenge Fund support. • Applicant proposes proactive and inclusive measures for knowledge sharing with other stakeholders in the youth ecosystem.

Annex 3: Concept Note Application Form

Before embarking on completing the concept note submission form, please note the following important notes:

1. Read carefully the provided guidelines and refer to them throughout the application process.
2. Items on the form marked with a red asterisk (*) are **required information**. Your application cannot be considered without these items being completed or, in the case of numeric values, showing as non-zero. However, please provide as much information as you can as this will enhance your application. Please note that no figures/diagrams/photos can be inserted into the form and no other documents or attachments will be accepted at this stage.
3. Any actual, potential or perceived conflict of interest and the suggested mitigation plan should be declared to the Challenge Fund for Youth Employment at the point of concept submission.
4. Once complete, please email the completed *form* in the same Microsoft Word Format in which the form was provided to info@fundforyouthemployment.nl. Please enter "Concept Note Submission" in the **subject line** of the email.
5. The Challenge Fund team will acknowledge receipt by return to the email address from which the application was sent. The application form will then be processed within 10 working days from the date of submission. Once processed (and if your application is correctly completed), you will be sent a Unique Project ID number. Please quote this number in all future correspondence with the Challenge Fund.
6. You may be contacted by the Challenge Fund team to provide further information so please reconfirm that the **contact email address** entered in the form is correct, and if possible, send the application from the same contact email address. **The contact email address entered on the form will be the email address for all communication once your application has been processed.**
7. During the proposal development stage if you have any problems, please email us at info@fundforyouthemployment.nl and we'll be able to assist you with your application.
8. The Challenge Fund for Youth Employment reserves the right to;
 - a. Accept or reject any concept, and to annul the call for concept process thereby rejecting all submissions at any time prior to the award of a contract at its sole discretion;
 - b. Reject any application which, in the programme's opinion, gives, rise, or could potentially give rise to, a conflict of interest;
 - c. Cancel or modify the process at any time whether before or after the deadline for submission;
 - d. Reject any submission that does not comply with the content requirements as outlined in this document; and
 - e. Adjust the scope and parameters of the call for concepts and / or the evaluation criteria at any time before the deadline for submission.
9. A concept, proposal or any relationship between the parties will not be deemed as accepted or concluded unless and until a contract is signed between the proposed Implementing Partner and Enclude BV (Palladium Europe).

The deadline for submitting a concept note for this call is **Monday 15th February 2020, 3 p.m. CET**. Late submissions will not be accepted.

Thank you and we wish you good luck with your application.

Contents

- Eligibility Section
- Section A: About your organisation
- Section B: Proposed project idea
- Section C: Financial details

Eligibility section

Consortium		
E1	Do you have at least one private sector entity (legally registered) represented on your team?*	Yes/No [Please delete as appropriate]
E2	Do you have local operating presence or partner in country?*	Yes/No [Please delete as appropriate]
Size of project		
E3	Will a minimum of 250 jobs be created or improved as a direct result of your proposed solution?*	Yes/No [Please delete as appropriate]
E4	Is the proposed solution of sufficient size to qualify for the Fund? (i.e. total project budget is larger than € 100,000)*	Yes/No [Please delete as appropriate]

Section A: About your organisation

Organisation details (Primary Organisation)		
A1	Organisation Name*	
A2	Organisation short name	
A3	Physical address*	
A4	Town/Area*	
A5	City/County*	
A6	Postal code*	
A7	Country*	
A8	Organisation telephone no.*	
A9	Organisation email*	
A10	Organisation website	
Contact details		
A11	Name*	
A12	Job Title*	
A13	Email address*	
A14	Office number*	
A15	Mobile number	
Operational details		
A16	Describe your organisation (Who owns it? Who manages it? What is the annual turnover or budget?)*	
A17	Year established*	

A18	Sector*	
Registration details		
A19	Type of organisation* <i>Select a maximum of two categories.</i>	<input type="checkbox"/> Private Sector <input type="checkbox"/> Non-Governmental Organisation (NGO) <input type="checkbox"/> Government institution <input type="checkbox"/> Academic Institution <input type="checkbox"/> Other:
A20	Country of registration*	
A21	Registration number*	
Organisation's Credentials		
A22	Provide a brief summary about your organisation, including current business activities in Uganda*	
	<i>Please write here (maximum 500 words)</i>	

PLEASE ADD THE SAME TABLE FOR ALL CONSORTIUM PARTNERS PROPOSED

Section B: Proposed project idea

Project details		
B1	Concept idea title*	
B2	Sector*	
B3	Region / Town(s)*	
B4	Projected start date*	
B5	Projected project duration*	
Information about the project		
B6	Executive Summary* : Provide a simplified, concise and a brief summary of the project, including a statement on how it aligns with the focus of this Call, and detailing what the project intends to achieve <i>Responses should refer to all three of the key selection criteria outlined in the Assessment of Challenge Fund Concept Notes document; namely, feasibility/risk, commercial sustainability, and scale and additionality.</i> <i>Please write here (maximum 300 words)</i>	
B7	Approach and main activities* : Provide an overview of the proposed approach and the main activities that you are planning to implement under this project. <i>Responses should outline the proposed technical approach, demonstrating a clear pathway to improved or new employment for young people, especially women, and aligned with the challenge identified in the call for concept notes.</i> <i>Please write here (maximum 500 words)</i>	
B8	Potential impact* : How will your proposed project enable young people, especially women, to access new or better employment? <i>Responses should describe the overall project Theory of Change with potential pathways to scale, also outlining how the expected results will be achieved within the Challenge Fund timeframe.</i> <i>Please write here (maximum 500 words)</i>	
B9	Including women* : Will you be actively targeting women? What barriers do you see for women and how will you overcome those barriers? <i>Responses should demonstrate consideration of the specific barriers faced by young women in finding and retaining decent employment and propose a strategy to overcome these.</i> <i>Please write here (maximum 300 words)</i>	

B10	Youth engagement* : How have or will youth be involved in designing your project? <i>Responses should describe how they have ensured youth actively participated in the design of their project, or how youth will be involved going forward.</i> <i>Please write here (maximum 300 words)</i>
B11	Organisational capability* : What capacity do you (and potential project partners) have to implement the project and deliver the intervention? Do you have experience implementing similar projects? <i>Responses should demonstrate a clear link between the core business operations and proposed project, and long-term buy-in for the Fund from senior management and/or the company board. Responses should also demonstrate that there is sufficient internal capacity to deliver the project.</i> <i>Please write here (maximum 500 words)</i>
B12	How will the support provided by the Challenge Fund make a difference?* : What type of support will be needed (TA and/or investment)? Why do you need this support? What other support options have you explored? <i>Responses should outline an understanding of what is meant by 'additionality', referring to how the project would not be possible without Challenge Fund support.</i> <i>Please write here (maximum 500 words)</i>

NB: Concept Notes should address, within the structure provided here, the six key guiding principles as follows:

Actively targeting women. The Challenge Fund for Youth Employment makes a deliberate point of creating equal opportunities for young women in the job market.

The Role of Private Sector. We actively welcome partnerships and consortium responses to this challenge. While we welcome ideas and responses from any organisation, we are looking for market-based solutions so there is an expectation that all projects will involve at least one partner from the private sector.

Additionality. Given the emphasis on market-based solutions, we will only consider working with Implementing Partners presenting ideas that would not be possible without support from the Fund. We are not in the business of funding existing operations, or 'business as usual'.

Youth Engagement. Actively involving youth, and especially young women, is a pre-requisite for being considered as an Implementing Partner of the Fund.

Taking an integrated approach. Matching supply and demand is a critical element of the Fund's design. Each project should have a clear, integrated matching component.

Sustainability (long term prospects). As part of the design of each project/investment, prospective Implementing Partners will be required to demonstrate how their initiatives will become independent of external grant funding as part of their business cases and proposals.

Section C: Financial details

Total financing requirement for your concept (EUR)		
C1	Total project budget* (C2+C5)	€
Funds requested from the Challenge Fund for the proposed concept (EUR)		
C2	Investment requested from the Challenge Fund*	€
Funds to be provided by your organisation, partners and third parties (EUR)		
C3	Funds that your organisation and other consortium partners will provide as new cash injections or in-kind contributions for your idea.*	€
	What is the source of these funds?*	

C4	Funds (e.g. bank loans, investments, grant capital) that other parties have committed or you expect to receive within 1 year for your idea.*	€
	What is the source of these funds?*	
C5	Total Implementing Partner funding* (C3+C4)	€
Budget summary		
C6	Please describe briefly how you have costed your budget* <i>Responses should outline the process by which the budget was prepared, giving due consideration to Value for Money.</i>	
	<i>Please write here (maximum 300 words)</i>	