

CHALLENGE FUND FOR YOUTH EMPLOYMENT

A fund from



Kingdom of the Netherlands

Managed by



Challenge Fund for Youth Employment Call for Proposals - Kenya

Webinar 1 – January 14
Window: Digital BDS

1. Welcome and Introduction

Wamuyu Mahinda- Pipeline Manager

Agenda

16.00-16.05: Opening by moderator

16.05-16.10 Introduction CFYE

16.10-16.20 Key observations in Kenya

16.20-16.25 Youth aspirations pitch VSO

16.25-16.35 Explanation windows and application process

16.35- 17.00 Q&A

Partners



Kingdom of the Netherlands



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 15-35 in the focus countries.

What the Fund offers



Co-investment

The Fund will **co-invest** between **10 and 50%** of the total project budget, including both direct investment and TA.



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 Euro per 250 jobs created.***

*The total contribution will cover **10 -50% of the total budget.***

*After launching a call, we can support approximately **5-7 projects per country***

Selection Criteria



Private sector-driven

Involve a private sector partner and have a local presence



Engaging Youth

Young people should be directly involved in the 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 250* young people working in decent jobs or experiencing improved conditions (*500 for Kenya)

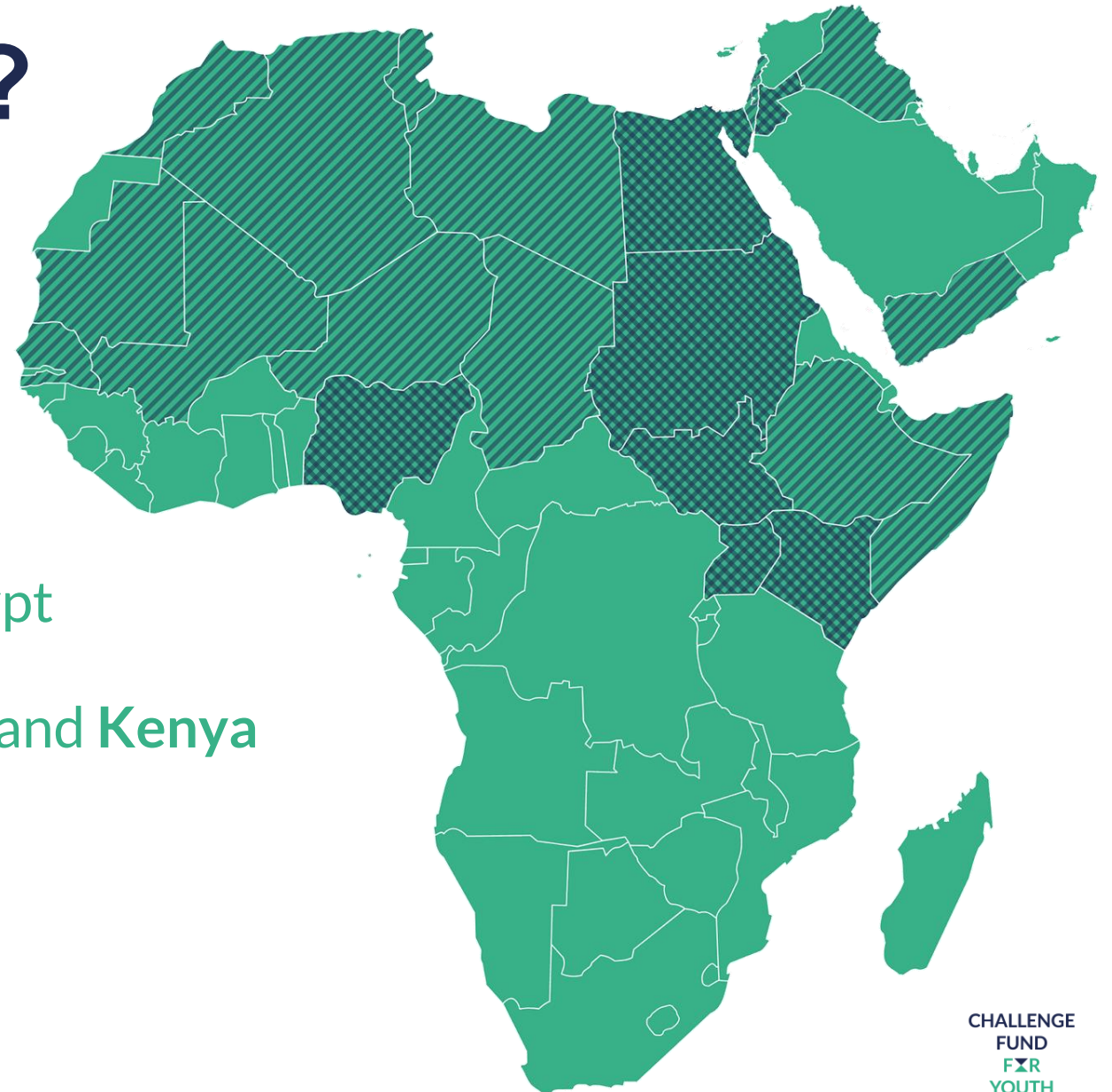
Where are we now?

Applicants selected = Uganda

Concept note stage = Nigeria and Egypt

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

Also planning a new call for proposals for Uganda



2. CFYE in Kenya

Beatrice Wangari- Senior Researcher

Hellen Onyango – Coordinator Youth Aspiration Sessions

Two Key Workstreams



In-country Research

- Desk study
- Key Informant Interviews
- Understand root causes unemployment
- Youth Aspiration Sessions

Deliverable: Scoping Report



Portfolio Development

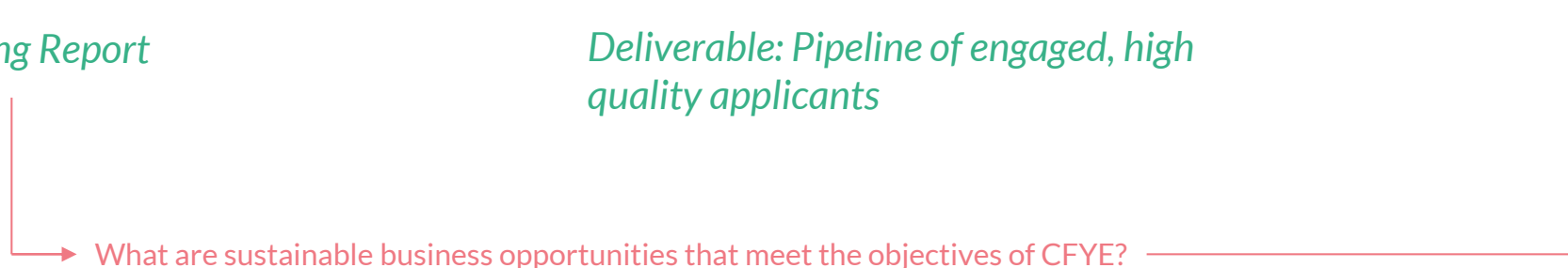
- Establish pipeline
- Engage directly with prospects, analyze feasibility and fit

Deliverable: Pipeline of engaged, high quality applicants



Publish call

Deliverable: A strategic call where CFYE can play an additional role in YE promotion



Recommendations from Youth Aspiration Sessions

- Offer platforms and support for reskilling and upskilling to match job market
- Provide mentorship, apprenticeship, and internships for learning and experience
- Training on **Life Skills and Resilience**
- Creating an **enabling business environment** for start-ups – government systems and policies, in the areas the youth are passionate in
- Building **climate resilient agribusiness ventures** throughout the value chain
- **Social accountability, advocacy, and civic education on rights entitlement** - including need for reforms in the education sector and tacking exclusion due to corruption, nepotism, and tribalism.
- **Supporting youth business start-ups**, scaling up and linkages with government agencies for other business development services
- Establish **information hubs** for youth to access to job and training opportunities
- **Diversify investment in emerging sectors** including Creative sector, Arts and Sports, Virtual working, Agriculture and Agribusiness sectors
- **Training employers and the government to create inclusive jobs** and ensure inclusive infrastructure
- **Providing a working environment that is safe, inclusive and supports personal development**

Applicants will propose how they will...



Create

New jobs
Emphasis on women



Improve

Decent work
Productive, demand
driven, safe



Match

Supply & Demand
Upskilling youth

Create

Challenges

- Economy not creating enough jobs to absorb new entrants into the market
- Economic downturn results in job loss and decrease new jobs
- Traditional organizations not able to absorb numbers, informal sector and 'new' business models in a way are
- Startups are likely to fail in the first two years, or stay micro-size

Opportunities

- Growing informal sector, but mostly micro-, small and medium businesses
- Replicable and scalable business and operational models.
- Projects in high volume and/or potential sectors like agribusiness and manufacturing
- 'New' market demand like e-commerce and digital innovations

Improve

Challenges

- Informal wage contracts lack decency
- Jobs earlier classified as formal now being handled as informal contracts, underemployment
- Lack of skilling opportunities and 'proof'
- Informal contracts result in insecurity and volatile incomes. Youth are first to go in economic downturn
- Unable to access credit/funding and access to market for SMEs

Opportunities

- Active BDS and A2F offer to help SMEs and startups improve financial & social sustainability
- Some sectors and business models are integrating sustainability principles (e.g. aggregator models)
- Gov. policies like minimum wage are in place
- Opportunities to have multiple (in-) formal income streams
- Efforts on certification of technical skills - also links with Match category

Match

Challenges

- Youth skills and employment interests do not align with the existing labor possibilities
- Lack of information/networks
- Youth from villages often have a disadvantage because of a lack of internet and technology (no laptops) that prohibits the possibility to apply for jobs.
- Lack of opportunities so one takes any available job

Opportunities

- Active offer of platforms for matching demand and supply
- Some good examples of industry representatives active in curriculum design – uni & TVET
- Same for mentorship, traineeship and upskilling of different youth

4. Application process

Marlou Rijk – Country Coordinator Call for Proposals

Relevance to CFYE

Reality: We cannot cover all relevant thematic areas

1. Thematic focus

- Need to invest in productive sectors that (can) support rural youth and women and support a financially and socially sustainable economic growth, like agribusiness & food-processing, WASH
- CFYE could support businesses that provide technology B2B services for increased resilience, for example e-commerce, e-payments and digitally driven management models.

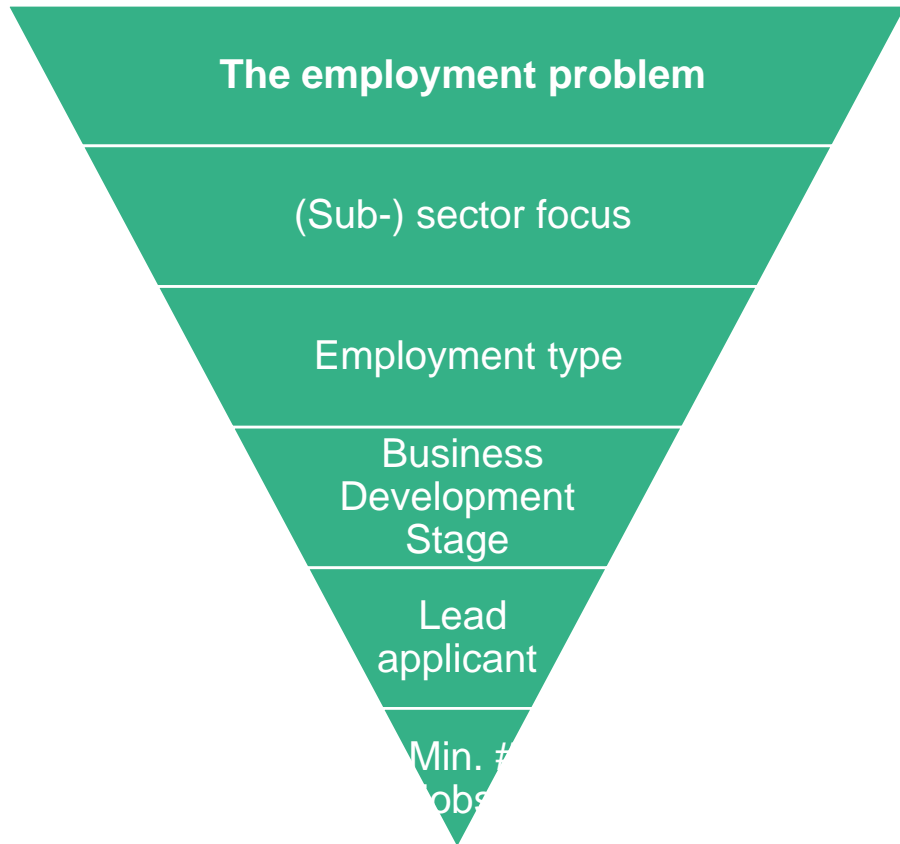
Window 1 Digital Business Development Services

- *Digital Business Development Services use technology to create new value in business models, customer experiences and the internal capabilities that support its core operations. This covers both digital-only brands and traditional players that are transforming their businesses with digital technologies.*
- This window cuts across more than one (sub-)sector e.g ICT, e-commerce, creative sector, agribusiness solutions.
- **Examples** are informal and formal job-matching platforms/apps with confirmed employers, supplying or using tech-driven business management tools, e-commerce & related delivery models for MSMEs and corporates

Window 2 Scaling up Green Growth jobs

- *Green growth means fostering economic growth and development while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies.*
- This window also cuts across for sectors and refers to a **way of working**: jobs part of a business model/business case which already is 'green' in its essence (agriculture, agribusiness, renewable energy and clean tech) or the greening of traditionally not very sustainable business models/cases like construction and transport.
- **Examples:** *Value addition perspective-* increases sales by creating product variety, making use of excess produce and even creating opportunities for other sectors to generate income from crop and animal products . Circular economy supporting waste management while creating demand for recycled products like plastics and animal feeds.

Eligibility criteria



2. Employment type:

Both informal and formal sector are eligible but limited to employment and semi-employment using agency style business models (no fully independent self-employment). Decency is a firm requirement.

3. Business Development stage:

No idea stage applications, but piloted concepts ready for scaling up or scaling out (scaled up but ready to diversify). Min. 2 years in active business

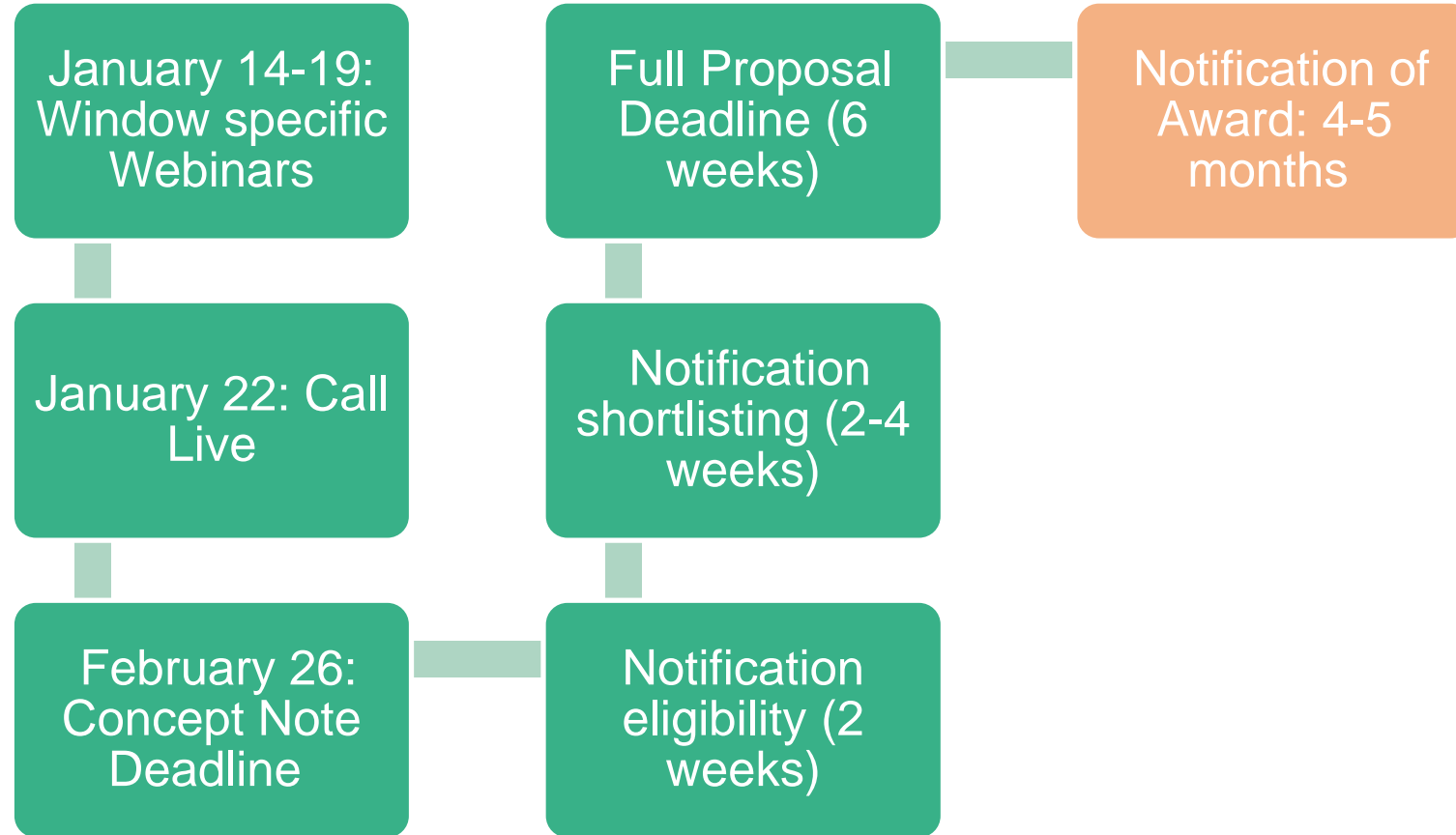
4. Lead applicant:

Both companies and NGOs are eligible as lead applicants, but there should be a company in the consortium (with confirmed labour demand) if an NGO is the lead applicant.

5. Minimum number of jobs:

Minimum number of jobs is 500 (of which 50% women), although we hope to receive proposals with higher numbers due to the agency style business model focus.

Timeline – Call for Proposals



Application Process

1. Eligibility check on Website
2. Prepare the Word application form
3. Apply through digital application form

Application form 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
 - High level financial proposal
-
- A shortlist of promising investment proposals will be selected and requested to submit a more detailed business case
 - Business case development will be supported by CFYE coaches

Concept Note Template

5 sections:

- Section 1 – Eligibility Declaration
- Section 2 - Lead Organisation's Profile
- Section 3 – Consortium Information
- Section 4 - Technical Overview Of Solution: *project pitch, challenges, quantifying impact, impact on women, youth engagement, resilient futures, Organisational and Consortium Capability*
- Section 5 - Financial Proposal

250 words per answer

Application Process II

- Grant funding from other donors can count as co-funding, as are in-kind support, loans and equity.
- Minimum contribution is 200k EUR, there is no maximum. We have not allocated a certain amount per country.
- Projects should be 2-3 years. Duration of jobs: at least 6 months.
- For each country we will have 2 funding rounds.
- Private companies can apply on their own, whereas NGOs would need to partner with a private sector company, as lead partner.
- Organizations can submit multiple proposals.

Questions?

For more information:

<https://fundforyouthemployment.nl/>

Pipeline & partnerships:

kenya-partnerships@ fundforyouthemployment.nl