

# Challenge Fund for Youth Employment (CFYE)

Introductory Webinar, Call for Solutions – Sudan  
February 3<sup>rd</sup> 2021

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# 1. Welcome & Opening

Gerrit Ribbink, Country Lead CFYE Sudan

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# Agenda

**Welcome & Introduction** (Gerrit Ribbink, Country Lead Sudan) – 5 mins

**Introduction of CFYE** (Gerrit Ribbink, Country Lead Sudan) – 10 mins

**Key observations in Sudan** (Ahmed Darwish & Basma Gubara) – 15 mins

**Promising sectors for youth employment** (Ahmed Darwish, Pipeline Manager) – 5 mins

**Application process** (Gerrit Ribbink, Country Lead Sudan) – 10 mins

**Q&A** – 30 mins

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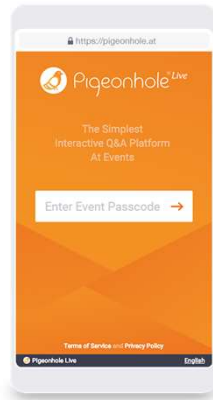
# Introducing the CFYE team

- Gerrit Ribbink, Country Lead Sudan
- Ahmed Darwish, Pipeline Manager Sudan
- Basma Gubara, Lead Researcher Sudan
- Marloes Adema, Partnerships Manager CFYE

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## Ask your questions using Pigeonhole



Go to  
**[www.pigeonhole.at](https://www.pigeonhole.at)**

Enter passcode

**5772EB**

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## 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 [www.pigeonhole.at](https://www.pigeonhole.at) and enter password **5772EB**

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## 2. Introduction to CFYE

Gerrit Ribbink, Country Lead CFYE Sudan

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## 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 Sudan.

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

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## 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 matching constraints to creating more jobs and/or improving the quality of work for people, especially women, aged 18-35 in the focus countries.

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## 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 during the project formulation and implementation to maximize delivery of results.


*The total contribution from the CFYE per project will be at least **100,000 Euros**.*

*We expect to support approximately **5 projects per country**.*

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## 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*

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## Selection Criteria




**Private sector-driven**

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




**Engaging Youth**

Demonstrate that youth perspectives are taken into consideration in the design of the project



**Including Women**

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



**Clear pathway to decent work**

Demonstrate how the project will result in at least 250 young people working in decent jobs and/or experiencing improved conditions (at least 50% women)

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# Where are we now?



**Contract signed** = Uganda


**Full proposal stage** = Nigeria and Egypt

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

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# Two Key Workstreams




**In-country Research**

Understand challenges & opportunities for youth employment in Sudan

- Desk study
- Key Informant Interviews
- Youth Aspiration Sessions


+



**Portfolio Development**

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

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**Publish call**

*A strategic call where CFYE can have added value in promoting Youth Employment*

→ What are sustainable business opportunities that meet the objectives of CFYE? →

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## 3. Scoping Highlights

Ahmed Darwish, Pipeline Manager CFYE Sudan

Basma Gubara, Lead Researcher CFYE Sudan

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## Scoping Snapshot: Key Observations

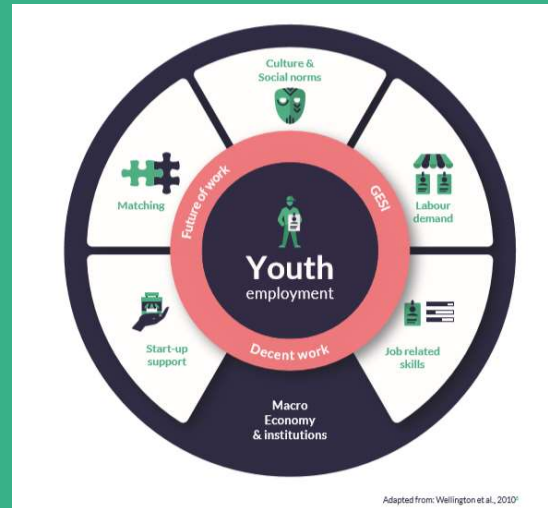
- Sudan has experienced protracted social conflict and the loss of three quarters of its oil production due to the secession of South Sudan in 2011.
- **Very young population** with 61.5% under 25 and about half the population under 18.
- Only about one-third of the population lived in urban areas in 2015.
- Greater Khartoum has an estimated population of over 5 million.
- Sudan can be characterized as a low-income country with high rates of poverty.
- **Large informal sector**, 85% of workers are engaged in vulnerable employment.
- Youth unemployment in urban areas increased sharply between 2009 and 2014, from less than 20% to almost 40%.
- Youth unemployment is especially prevalent among university graduates.
- **Very low female labor force participation**, at least twice as low as for men

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# The Youth Employment Ecosystem



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## Labour Demand

### Key Challenges

- A shrinking public sector reduces options for youth, particularly women. Sector is no longer attractive to youth.
- Growth of the informal sector in response to low labour demand from formal sector.
- Many youths work two shifts a day in order to make ends meet.
- Many Sudanese youth are reluctant to fill the gap left by the departure of migrant workers from Ethiopia, Eritrea and Syria.

### Implications for CFYE

There is significant potential to:

- Promote value chain strengthening projects that can link SMEs to large firms.
- Stimulate initiatives to formalize firms and / or the jobs that they offer to the youth.
- Raise the quality of existing blue-collar jobs to meet standards of decency.
- Focus on sectors with growth potential and resilience in the face of Covid-19.

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## Job-related skills & employability

### Key Challenges

- Many firms are unable to find qualified Sudanese workers with a good work ethic.
- Informal apprenticeship system provides a major pathway for youth to get a job.
- TVET system suffers from lack of funds, weak management and outdated curricula.
- TVET schools do not equip a young person with the skills to meet industry demands.
- High unemployment among university graduates (30% male / 50% female).

### Implications for CFYE

There is significant potential to:

- Support private sector initiatives that combine relevant theoretical content with on-the-job practical training.
- Support initiatives that combine training with apprenticeship or job placement.
- Support initiatives that focus on rural areas and other less privileged areas.
- Promote technical education & pursuing a technical career among youth.

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## Business Support & Access to Finance

### Key Challenges

- Absence of regulations and policies for entrepreneurship support hinders the growth of start-ups and SMEs.
- Bank finance is practically out of reach for start-ups and SMEs. There is a lack of angel investors in Sudan.
- The entrepreneurship ecosystem is still in its infancy, limited access to BDS.
- The young population of increasingly tech-savvy consumers, provides opportunities for innovation.

### Implications for CFYE

There is significant potential to:

- Expand business support services in and beyond Khartoum, as well as for underprivileged groups including TVET graduates and women.
- Support Fintech solutions that improve the access to financial services.
- Collaboration between start-ups with growth potential and large companies, leading to win-win solutions.

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## Culture & Social Norms

### Key Challenges

- The labour force participation rate of women is much lower than that of their male peers.
- Women are expected to manage household chores, childcare and other domestic duties, which makes it difficult for them to work.
- Certain jobs are considered appropriate for women in some regions and inappropriate for women in other parts of the country.
- Men are less likely to stay in one job for a long time, as they constantly look for better paying jobs to provide for their families.

### Implications for CFYE

There is significant potential to:

- Support women employment by addressing their pain points – including mobility, childcare, and skills training.
- Ensure jobs created pay a living wage, which is equal for all in the same job.
- Look for women who can act as role models for young women.

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## Macro-Economics and Institutions

### Key Challenges

- GDP has fallen due to **high inflation** that has cut private consumption and deterred investment.
- Sudan ranks 171st on the **Doing Business Index**. Main constraints: Starting a Business, Protecting Minority Investors, Getting Electricity, Getting Credit, Paying Taxes, Foreign Trade.
- The **financial and digital infrastructure** is not yet ready to meet international banking standards to qualify for funds they now have access to.
- Sudan's economy has been hit by the **Covid-19** pandemic and restrictions that were put in place

### Implications for CFYE

There is significant potential to:

- Make use of funds that have become available now that Sudan was lifted from SST list.
- Focus on sectors that have showed resilience in face of Covid-19.
- Focus on the provision of a living wage rather than minimum wage, taking into account inflation.

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## 4. Promising Sectors

Ahmed Darwish – Pipeline Manager CFYE Sudan

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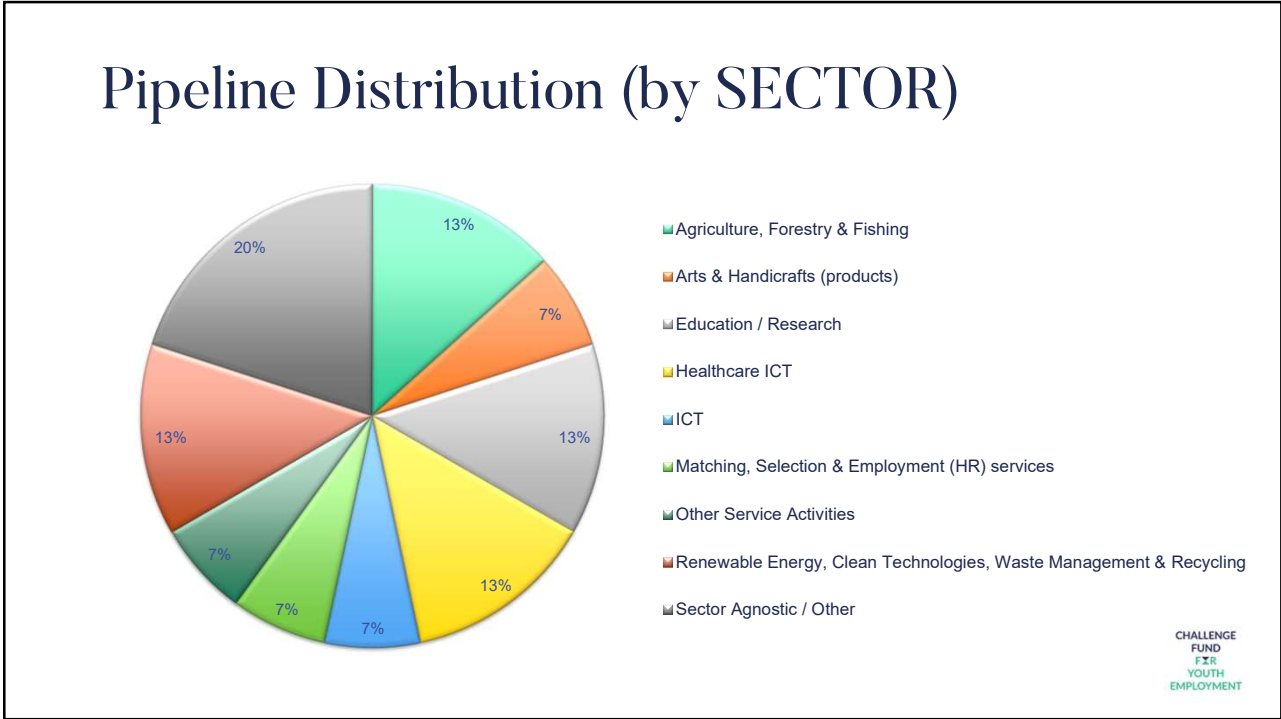
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### Promising Sectors in Sudan

Name of Sector	Opportunities for youth	Opportunities for women
1. Digital Business Services	Low-Medium	Medium
2. Hospitality and Food Services	Medium	Low-Medium
3. Agriculture	High	Low-Medium
4. Manufacturing	Medium	Low-Medium
5. Transportation and logistics	Medium-High	Low-Medium
6. Renewable energy	Medium	Low-Medium
7. Health	Medium	Medium-High

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# 5. Application Process

Gerrit Ribbink, Country Lead CFYE Sudan

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## Eligibility Criteria

**1. Sector focus:** Promising sectors include Agriculture, Manufacturing, Transport, Renewable Energy, Health and ICT, but projects can be submitted in any sector.

**2. Employment type:**

- Both informal and formal sector are eligible
- Youth can be at any skills level: low, medium or high-skilled.
- Decent jobs or clear prospects for improved jobs are a firm requirement.

**3. Lead applicant:**

- NGOs are eligible as applicants, only if there is a private company in the consortium

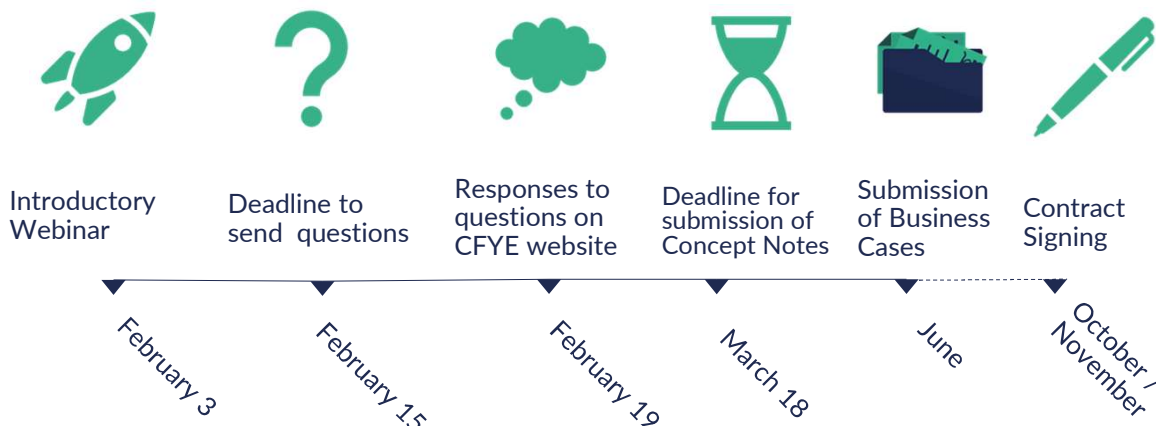
**4. Minimum number of jobs:** 250, of which at least 50% for women

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

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## Tentative Timeline



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## Evaluation Criteria

*It's a competitive process!*



- Number of jobs
- Value form Money (CFYE grant amount per job)
- Quality of the jobs (decency, sustainability)
- Value of co-funding by applicant
- Realistic pathway to employment

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## Application Process

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

**Concept Note focuses on:**

- ✘ Information on lead company (and other consortium members, if relevant)
- ✘ Short description of the 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

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## 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

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## Additional Guidelines

- ✘ Minimum grant is 100,000 Euro. As this cannot be more than 50% of the total cost, the applicant will need to at least match this amount with other sources of funding.
- ✘ Grant funding from other donors can count as co-funding, as does in-kind support, loans and equity. Other grants from Dutch government does not.
- ✘ Private companies can apply on their own; NGOs need to partner with a private firm.
- ✘ This is the first call for Sudan; there may be a second call at a later stage.
- ✘ Projects should have a duration of 2-3 years.
- ✘ Applicants may submit multiple proposals.

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## 5. Q&A Session

To submit a question, go to the website  
[www.pigeonhole.at](http://www.pigeonhole.at) and enter the password **5772EB**

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

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