BUSINESS
INVESTMENT
TECHNOLOGY
SERVICES

Switch on your future
UNIDO programme for productive work for youth

Context

Representing 17% of the world's population, youth are the driving force for social -economic development and innovation of our society. Paradoxically, youth represent over 40% of the global unemployed labor force.

Many governments therefore deem the creation of long-term, decent and productive work for youth a priority. The private sector is a primary driver of economic growth and employment creation: globally, 9 out of 10 jobs are created through the private sector.

However, in many countries the youth face obstacles in engaging in productive activities.

Strategy

To boost employment and inclusive growth, UNIDO has developed an integrated approach, which applies the following service modules according to the specific needs of a given country:

- Enterprise creation and growth: building on a positive track record of technical assistance projects in the area of private sector development as well as recent academic findings and international best practices, UNIDO implements a pragmatic and effective approach in LDCs and MICs to assist entrepreneurs in setting up and developing their businesses. The approach consists of capacitating public and private BDS to provide [young] entrepreneurs with high quality services.
- Coaching and mentoring: if assistance is provided to young enterprises beyond start-up phase default rates are effectively mitigated; leveraging on an extensive network of partners and public and private BDSs, UNIDO supports young entrepreneurs in successfully overcoming the initial challenges of starting a business and growing a profitable and sustainable enterprise.
- Access to finance: Access to finance remains the main hindrance for young people to engage in entrepreneurship. By providing assistance in the development of bankable business plans UNIDO facilitates the access to finance for young entrepreneurs and MSMEs. In environments where MSMEs and youth are unable to access credit, UNIDO also assists in setting-up tailored funding schemes to encourage local providers to expand into targeted segments.
- Employability: Young job-seekers often do not have the skills required by the labour market. Therefore building on the role as honest broker UNIDO facilitates links between the private sector and the educational system to enhance the matching of skills.
- Networking, access to market and investment promotion: Young entrepreneurs often lack access to markets and investment opportunities. Furthermore there is an evident necessity to harmonize services provided to [young] entrepreneurs, particularly in LDCs. To overcome these difficulties, UNIDO assists in the identification of markets and identifies opportunities for MSME creation and entry points for youth-led enterprises along identified value chains. In its conveying role UNIDO facilitates the creation of networks, business- and supply chain linkages.

Impact/Results:

UNIDO has successfully engaged in the creation of youth employment opportunities through entrepreneurship and MSME growth in over 15 countries, and achieved the following results:

- Entrepreneurial culture strengthened and youth entrepreneurship promoted as a viable solution to employment creation
- Access to finance for MSMEs and start-ups facilitated through linkages with local financial institutions or the setting-up of dedicated funds to fill market gaps
- Public and private business service providers better serve entrepreneurs, in particular youth
- Youth-led enterprises are created and survive the start-up phase
- Long-term, productive employment opportunities for youth created

For more information on UNIDO: www.unido.org For more information on this project: ituyouth@unido.org

UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION