



GIVE YOUTH A CHANCE



**AN AGENDA  
FOR ACTION**

**MIN**  
Multilateral Investment Fund  
Member of the IDB Group



# The Multilateral Investment Fund

Established in 1993, as part of the Inter-American Development Bank (IDB) Group, the Multilateral Investment Fund (MIF) is funded by 39 donors and supports private sector-led development benefitting poor and low-income populations in Latin America and the Caribbean (LAC) - their businesses, their farms, and their households. The aim is to give them the tools to boost their incomes: access to markets and the skills to compete in those markets, access to finance, and access to basic services, including green technology.

A core MIF mission is to act as a development laboratory - experimenting, pioneering, and taking risks in order to build and support successful micro and SME business models. To make effective use of its projects, the MIF is committed to rigorous results measurement and impact evaluation, and active knowledge sharing so that the most promising solutions are widely known and can be taken to scale.

The MIF works through technical assistance grants, lending, and equity investments, as well as through combinations of these tools when both capacity building and risk sharing finance are needed for success. It is the largest international technical assistance provider to the private sector in LAC and works with local, mostly private partners to help fund and execute projects - civil society organizations, industry associations, foundations, universities, cooperatives, companies, and financial institutions. The MIF finances about 100 projects per year, with a total annual finance volume of about US\$100 million.

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*Cover photos (top to bottom): Grupo Ceiba, by Donna Cesare and A Ganar, Partners of the Americas, by Casey Thomas.*





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# 1 THE YOUTH CHALLENGE IN LATIN AMERICA AND THE CARIBBEAN

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## Youth Bulge: Bonus or Bomb?

Youth in Latin America and the Caribbean (LAC) should be playing a major role in driving regional growth. According to the International Labour Organization, approximately 148 million of the region's 565 million inhabitants are between the ages of 15 and 29. A number of countries in LAC have a "youth bulge," meaning that over 60% of their population is under 30 years old. Currently, young people represent 40% of the working age population region wide, a percentage that will continue to grow in coming years. The youthfulness of the region presents a "demographic bonus," or a significant window of opportunity for economic growth; as the ranks of the workforce increase, the economic burden of the dependent population decreases, thereby freeing up resources for development. This young workforce represents one of the region's most important assets and potential engines of growth. But, if not provided with access to opportunities, it could perversely turn into the region's largest liability. Recent studies have shown that a large "youth bulge" is associated with a high risk of outbreak of civil conflict. In fact, of the poor and low-income youth in LAC, at least 50 million are considered "at-risk."<sup>1</sup> Having so many young people leading precarious lives imposes a heavy social and economic toll on societies.

### LAC POPULATION

# 148 million

*are between the ages of 15 and 29*

# 32 million

*1 in every 5 youth (15-29) is not in education, employment, or training*

4

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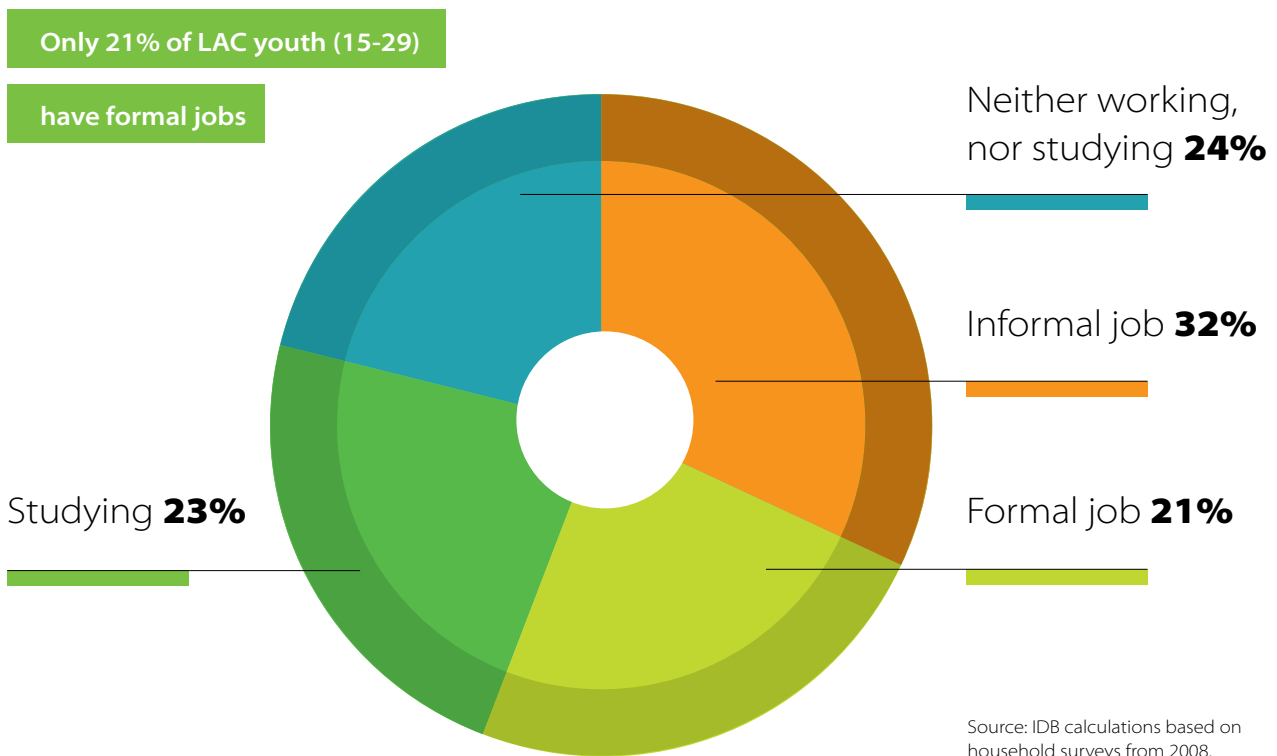
<sup>1</sup> Youth who are considered "at-risk" are those engaging in risky behavior or are at risk of engaging in risky behavior (dropping out of school, neither working nor studying, teen pregnancy, crime, substance abuse, etc.).

## From Paradox to Opportunity: Youth Unemployment and the Skills Gap

The region's youth unemployment rate is nearly three times that of adults (13% vs. 5%). Young women experience higher unemployment than their male counterparts (17% vs. 11%). Additionally, of those youth who do find jobs, over half are working in the region's vast, unregulated informal sector in unstable and precarious conditions, earning less than minimum wage. By not gaining decent job experience during their formative years, young people are being set up for a lifetime of poor job prospects and limited earning potential, extending their struggle into the next generation.

Many schools and vocational training programs are not preparing youth with the skills they need for 21st century jobs. Only about half of high school students graduate and up to 50% of those who do complete high school lack the basic competencies that jobs require. The region's many vocational training programs offer mixed quality services that often do not meet employer demand, churning out graduates with uncompetitive skill sets. The overall result is that *approximately 32 million youth<sup>2</sup> (one in every five youth aged 15-29) in the region are not in education, employment, or training, often referred to as "NEETs."*

It is therefore not surprising that in many countries of the region, high youth jobless rates exist side-by-side with unmet demand for skilled workers in the labor force. A 2012 global survey by the workforce consulting company ManpowerGroup of 38,000 companies in 41 countries revealed that one in three employers (34%) are struggling to find qualified employees.<sup>3</sup> Of the LAC countries included in the survey, employers in Brazil (71%) are having the hardest time finding staff. In order to sustain LAC growth, countries and companies need to fill the skills gap. Therefore, conditions are ripe in LAC for addressing the related problems of youth unemployment and the need for skilled workers.



<sup>2</sup> *How Can Job Opportunities for Young People in Latin America be Improved?* (Technical Note, IDB Labor Markets and Social Security Unit, 2012).

<sup>3</sup> ManpowerGroup Seventh Annual Talent Shortage Survey, May 2012.

# 2 LOOKING BACK ON 18 YEARS OF MIF EXPERIENCE

The Multilateral Investment Fund (MIF) has funded over 120 youth employment and entrepreneurship projects since 1994, training approximately 235,000 poor and low-income youth in 24 countries, with a total investment of over US\$77 million. These projects were implemented and co-financed by over 100 executing agency partners, ranging from local NGOs, such as *Grupo Ceiba* in Guatemala and *Fundación SES* in Argentina, to international organizations, including the International Youth Foundation, Partners of the Americas, and Youth Business International, which all work through local implementers. In addition, the MIF has built productive partnerships with an array of public and private donors to support this work, including: Microsoft, Walmart, the Nike Foundation, Caterpillar Foundation, Nokia, Antamina, the MasterCard Foundation, the International Development Research Centre (IDRC), the United States Agency for International Development (USAID), the Ministry of Labor of Argentina, the Chilean National Training and Employment Service (SENCE), and the City of Medellin, Colombia. Together, all of these partners and others have contributed another US\$125 million to these efforts.

While generally focusing on poor and low-income youth between the ages of 16-30, many without a high school education, the MIF has placed greater emphasis in recent years on reaching the most “at-risk” youth. Generally, at least 50% of project participants are girls.

## 120

*youth employment and entrepreneurship **projects***

## 235,000

*poor and low-income youth trained in **24 countries***

**Total investment**

## US\$ 77 million

**with an additional US\$ 125M leveraged**  
from public and private partners

## Primary Intervention Models: Employment and Entrepreneurship

The first generation of MIF youth projects targeted training and labor competencies. In 1999, the MIF began to link training more closely with job insertion. Other parts of the IDB have also invested in similar integral training models in various countries in the region. MIF employment interventions have mainly been concentrated in two regional models: *entra21* and *A Ganar*.<sup>4</sup>

### General Youth Employment Model

These are the basic elements of the youth employment model the MIF has supported. The mix, weight, and cost of the various components vary depending on the local context and youth profiles.



<sup>4</sup> The *entra21* Program with the International Youth Foundation and the *A Ganar* Program with Partners of the Americas work with a range of local implementing partners throughout LAC.

## Employment Model: *entra21*

- ▲ *Entra21* provides poor and low-income youth ages 16-29 with information and communications technology (ICT) skills training, comprehensive life skills, sector-specific technical skills, internships, and job placement services. The focus of this model is on employability skills, but some projects also provide entrepreneurial skills training, depending on the local context.
- ▲ To deliver training in these different areas, *entra21* executing agencies partner with a variety of training providers. While staying true to its core elements, this model is flexible and the length of time dedicated to each training area varies from project to project, depending on the youths' profile, type of technical training provided, employer requirements regarding minimum internship hours, and certification requirements.
- ▲ **Total training time:** across *entra21* projects, training cycles varied in duration from 154 hours to a maximum of 1,920 hours, and were offered over a period of approximately 2 to 12 months. Job placement services were typically offered for an average of three months.

Distribution of Average Training Time per Component: <i>entra21</i> Phase Two	Average Hours	% of Total Hours
• Technical skills	289	34%
• Life Skills	123	15%
• Job Seeking Skills	33	4%
• Internships	199	24%
• Other (basic skills, entrepreneurship)	201	23%

\*Note: Not all projects offered training in "other".

- ▲ **Cost per beneficiary:** US\$824-US\$1,808 (including project administration costs, M&E and learning).
- ▲ **Adaptable model:** over the past 10 years, the *entra21* model has been molded to fit different countries and types of youth beneficiaries, including gang-related, rural, and disabled youth, as well as ethnic minorities. The model has also been tested with governments at the national, state and local levels, and in the case of Argentina, fully integrated into a government program.

### Key Results

The *entra21* program (Phase One, 2001-2007 and Phase Two, 2007-2012) has trained over 135,000 youth in 22 countries through 59 projects in the region, **achieving average job placement rates of 54% for Phase One and 42% for Phase Two** (the lower rate represents placements for more at-risk youth targeted in Phase Two). In addition, some of these projects have successfully scaled methodologies and tools through their integration in public sector programs. In terms of job quality, in *entra21* Phase One, 76% of youth reported that they were receiving benefits, such as paid vacation and health insurance.



## Employment Model: *A Ganar*

- ▲ *A Ganar* uses sports to teach poor and low-income youth ages 16-24 important principles of respect, teamwork, discipline, communication, focus on results, and continued self-improvement that can be transferred from the field to the workplace.
- ▲ **Total training time:** training is conducted in three phases over seven to nine months, depending on the local context. Training cycles vary in duration from approximately 310 to 920 hours with an average of 555 hours.

Distribution of Average Training Time per Component: <i>A Ganar</i>	Average Hours	% of Total Hours
• Technical skills	325	59%
• Life Skills	90	16%
• Job Seeking Skills	10	2%
• Internships	80	14%
• Other (basic skills, entrepreneurship, mentoring, community service)	50	9%

\*Note: positioning of "other" activities within the different training phases varies by project.

- ▲ **Phase One - Sport-based life skills training:** 80-100 hours. This phase is led by two different types of trainers: one for field activities and one for classroom activities, which use sport themes to reinforce basic math, reading and computer skills. Life skills are also reinforced throughout the phases.
- ▲ **Phase Two - Technical skills training:** length varies by sector, ranging from approximately 150 hours to 600 hours. Depending on the local context, the technical training is usually contracted out to training institutes. 20 hours of basic entrepreneurial skills training are also provided.
- ▲ **Phase Three - Internships:** 40-200 hours (typically last one to two months).
- ▲ **Phase Four - Follow-on and alumni networking:** during this phase, youth receive support with job placement and/or school reinsertion. A series of workshops is organized over the course of one year to help keep track of alumni, maintain ties among youth and provide a space for them to share experiences and learn about new job opportunities.
- ▲ **Mentoring and community service:** mentoring occurs throughout the training cycle and a minimum of 20 hours are dedicated to a service learning project in youths' communities.
- ▲ **Cost per beneficiary:** US\$350-US\$1,100 (not including project administration costs).
- ▲ **Adaptable model:** this model has also been adapted to many different contexts and the curriculum uses a variety of sports —initially, it only used soccer, but now includes baseball, rugby, cricket and field hockey.

### Key Results

The original three-country *A Ganar* pilot in Brazil, Ecuador and Uruguay (2005-2009) reached more than 3,200 youth. A year after program completion, over **70% of graduates had a job, returned to school or started a business**. Additionally, 73% of employed youth reported receiving benefits through their jobs. The *A Ganar* model has since expanded into 12 additional countries and counting and has attracted additional support from the MIF and other donors, including USAID and the Nike Foundation<sup>5</sup>.

<sup>5</sup> Argentina, Colombia, Dominica, Dominican Republic, Guatemala, Haiti, Honduras, Jamaica, Mexico, St. Kitts and Nevis, St. Vincent and the Grenadines, and Suriname.

## General Youth Entrepreneurship Model

MIF entrepreneurship interventions have mainly centered on the regional Youth Business International (YBI) model and on various stand-alone interventions that have been developed with local organizations in different countries, such as the NGO *Colectivo Integral de Desarrollo* (CID) in Peru.<sup>6</sup>

This shows the basic youth entrepreneurship model applied in MIF projects, though the combination of components varies across projects, depending on the local context and target beneficiaries.



<sup>6</sup> Founded in 2000 by The Prince of Wales, Youth Business International is a global network of independent non-profit initiatives dedicated to supporting young entrepreneurs. The YBI network spans 34 countries across six continents. CID started working with youth entrepreneurship in Lima, Peru in 1996, continually testing and improving its intervention model along the way and expanding throughout the country.

## Entrepreneurship Model: **Youth Business International (YBI)**

The YBI model helps poor and low-income youth ages 18-35 to start and grow their own business through a combination of business management and entrepreneurial skills training, access to capital, and mentoring. The training cycle typically combines both pre- and post-loan interventions over a period of up to three years:

- ▲ **Pre-loan training:** typically includes support for completing business plans, courses on running a business, and training in financing and budgeting. Additional support is often provided to help youth develop their interpersonal and presentation skills.
- ▲ **Post-loan training:** involves more advanced technical skills, often in the areas of finance, marketing, sales, etc. It is typically targeted at strengthening or expanding the business. Loans are collateral-free and are repayable over two to three years.
- ▲ **Mentoring:** local business community volunteers typically mentor youth for one to three years. Private companies play a key role as sources of mentors and financing.
- ▲ **Networking activities:** many YBI members organize networking events for their entrepreneurs to broaden contacts and business opportunities.
- ▲ **Adaptable model:** local organizations need to undergo accreditation to use the YBI model and become part of its network, thereby ensuring a uniform approach across countries; however, variations to the core model can be made to adapt to local contexts.

### Key Results

The MIF-YBI regional program, implemented with YBI network organizations in Argentina, Mexico, and Colombia, trained approximately 2,875 youth, of whom about **1,200 created new businesses**. These new enterprises generated approximately 3,200 additional jobs, equivalent on average to 2.7 jobs per entrepreneur over their first four years in business. The average loan size in these three projects was US\$ 2,000. The MIF has also replicated the YBI model in four Caribbean countries: Barbados, Guyana, Trinidad and Tobago, and Belize.



Fundación Impulsar, by Cruz Mendizabal

## Entrepreneurship Model: *Colectivo Integral de Desarrollo (CID)*

The CID model targets poor and low-income youth ages 16-24 and consists of four main components offered over the course of approximately six months:

- ▲ **Business plan preparation workshop:** 20 hour workshop followed by a competition to select participants.
- ▲ **Seed capital:** for selected proposals (average of US\$1,500 in seed financing, but youth are required to invest their own resources equivalent to 30% of the total amount received, 10% in cash).
- ▲ **Business administration training:** 60 hours of training in areas, including accounting and marketing, among others.
- ▲ **Personalized coaching/advisory services and mentoring:** 12 hours of personalized, on-site advisory services during the first months of their business, in addition to a business mentor. Coaching occurs in parallel to the training courses, allowing youth to put classroom theories to practice with the guidance of experienced business coaches.
- ▲ **Cost per beneficiary:** US\$274 (not including seed financing or participant fees)
- ▲ **Segmentation:** in addition to the primary program described above, CID also offers targeted courses for more experienced entrepreneurs: a four month “Certificado” course for youth with existing businesses (less than one year old) and a six month “Diplomado” course for youth with businesses already in the growth phase.
- ▲ **Fee for service:** CID has a staggered fee system, depending on the program level and the youth’s ability to pay; costs range from approximately US\$50 for the typical six month program to US\$700 for the “Diplomado” course.
- ▲ **Adaptable model:** CID has tested this model in different regions of Peru and as part of the government’s national youth employment program. It has also been transferred, with MIF financing, to three organizations working with youth entrepreneurship in the Dominican Republic.

### Key Results

In the CID project, out of the 893 youth who received the complete training “package” of business administration training and coaching, approximately 770 youth enterprises were either created or consolidated, collectively generating an estimated 1,480 new jobs. The youth entrepreneurs’ net income increased by over 180%. Furthermore, the impact evaluation carried out for this project showed that **65% of CID youth beneficiaries’ businesses were still in operation three to five years after receiving training**, compared to 43% in the control group. Also, 88% of beneficiary enterprises were formal, compared to 69% in the control group.

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# LESSONS LEARNED 3

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The MIF's experience in the field has shown that the youth employment programs with the best results take a comprehensive approach, combining technical and life skills training with internship experience, job placement services and counseling support. It is the sum of these parts that makes for a quality, effective program. Similarly, when it comes to youth entrepreneurship training, integral models that include a range of services, including core business skills, entrepreneurial behavior training, coaching/advisory services, mentoring, and access to finance have worked best. **Both types of interventions take a dual-customer approach, considering the needs of both employers and youth.** On the one hand, training must be market-driven, adapting to what employers are looking for, or where market opportunities are in the case of entrepreneurship. On the other hand, it also must respond to the specific needs, capacities, and interests of poor and low-income youth. In all cases, models should be flexible to allow for adaptation to different countries and types of youth beneficiaries. Many of the following lessons learned were identified in an external review of the MIF's youth project portfolio.<sup>7</sup>

## Understanding Youth Needs

**Matching programs to youth needs.** It may seem obvious, but it is worth emphasizing that employment and entrepreneurship programs must respond to the specific needs, capacities, and interests of the target youth population. With scarce resources available, programs must focus their interventions on the specific groups intended to receive assistance. By understanding youth needs, programs can adjust training hours, curriculum and teaching styles depending on participants' age, work experience, education, and level of vulnerability. For example, when working with at-risk youth who have not completed high school, programs often need to fill knowledge gaps by reinforcing basic math and literacy competencies, as well as teaching computer skills, which are becoming increasingly indispensable for quality employment. For programs to meet diverse youth needs, **young people should be engaged in substantive ways in the design, implementation, and monitoring and evaluation of activities.** Not only does this help to ensure program relevance, but it also encourages buy-in and a sense of commitment from youth themselves.

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<sup>7</sup> RTI International, *Thematic Study of MIF Youth-related Projects* (2011-2012).

**Keeping youth in programs.** Understanding youth needs also means understanding the barriers that youth face in completing training programs, and the reasons they drop out. MIF experience has shown that *efforts to locate activities close to the communities where youth live, foster family and community involvement, use interactive teaching approaches (simulations, games, role-playing, small group activities, field visits), align training with the hours best suited for the youth, and provide transportation stipends are effective in helping to keep youth engaged and minimize drop outs.* *Entra21* and *A Ganar* track dropout information using exit surveys and follow up calls to see if youth leave the program for “negative” reasons, such as lack of interest or discipline problems, or “positive” reasons, such as going back to school or getting a formal job.



entra21, ©copyright International Youth Foundation

**What works for girls.** Girls face different barriers than boys. While MIF projects have typically had at least 50% female beneficiaries and aimed for equality of access to training services, they have not necessarily tailored programs to the distinctive needs of girls vs. boys. The exception is the *A Ganar Vencedoras* program in Brazil with *Instituto Companheiros das Americas* (ICA), which serves only girls<sup>8</sup>. Initially, this program (like other *A Ganar* projects) was co-ed and program staff were worried that the soccer element might not be attractive to girls. As it turned out, while girls were primarily motivated to participate because of the job training, they also enjoyed the sports activities. When this program evolved into an initiative for girls, program staff quickly realized that the girls were dealing with particular problems — including domestic violence, low self-esteem, sexual activity and childcare. As these issues came to the surface within the group, the staff had to address them in order to maintain the girls’ engagement with the program. Because of this experience, *as the MIF incorporates a more explicit gender strategy into its youth projects, it will not only focus on achieving gender parity in participants, but will also ensure that issues of specific concern to young women will be addressed in program offerings.*

<sup>8</sup> The *A Ganar* project in Brazil was made single-sex in part because of interest from the Nike Foundation in making the project part of its “Girl Effect” initiative. The Nike Foundation contributed US\$2 million toward the *Vencedoras* project.

### Technology: From Barrier to Boon

Initially, technology posed a barrier for at-risk youth participating in an *entra21* project with *Fundación Edúcate* in Ecuador. High dropout rates indicated that the self-learning, digital classroom approach initially conceived for this project was not the right fit for this group of youth, most of whom had not completed high school, and had little if any computer experience. While maintaining the digital learning focus, classroom sessions were modified to include step-by-step, in-person guidance from teachers experienced in working with youth in hospitality sector-related occupational training. Teachers walked students through the digital course content, each student following along on his or her computer. This personalized attention engaged youth more deeply in the program, and the regular use of computers made them feel more confident and comfortable with technology. Furthermore, the project also used Facebook as the primary communication platform among youth, teachers, internship hosts, and employers, which was especially useful for internship and job placement. This online community not only helped program staff keep track of youth, but also helped to foster a sense of peer cohesion among youth, strengthening their connections with each other, with the program, and with technology.

## Life Skills Training

**Life skills count.** A distinctive feature of all MIF youth employment projects is their life skills component. This push for teaching youth life skills has been validated by employers participating in MIF programs. They have consistently reported that, above all, they want to hire employees who possess workplace-ready skills, such as communication, teamwork, motivation and responsibility. Technical skills, they say, can be learned on the job. Likewise, a 2010 IDB survey shows that about **80% of employers in Argentina, Brazil and Chile indicated that positive socio-emotional attitudes, or life skills, such as empathy, adaptability, and responsibility, among others, are the most difficult capacities to find among workers.**<sup>9</sup> In addition to teaching youth the life skills employers want, many projects also introduce complementary life planning activities in this component. These activities help youth to assess who they are, their aspirations for the future, and to define realistic steps toward achieving these goals. Regarding the duration of the life skills component, MIF projects have experimented with a wide range of life skills training lengths, from a minimum of 40 hours to a maximum of three months. This variation largely depends on the profiles of youth beneficiaries; typically, at-risk youth will require more life skills development. In general, MIF projects have shown that the more time dedicated to life skills, the better. However, in many projects, **depending on the complexity of the sector-specific skills youth must learn, more hours are dedicated to the technical training component than to the life skills component. It is therefore important to apply life skills throughout the training process to help reinforce positive attitudes and behaviors and maximize teaching time for these skills.**

<sup>9</sup> Commissioned by the IDB in early 2010, this survey asked nearly 1,200 employers about the demand for skills in entry-level jobs that typically require workers who are high school graduates. For more information see *Disconnected: Skills, Education and Employment in Latin America* (IDB, 2012).



A Ganar, Partners of the Americas, by Casey Thomas

### Learning Life Skills through Sport

Sport analogies are very common in the business world, as key skills like respect, teamwork, discipline, communication, focus on results, and continued self-improvement are applicable both on and off the field. This natural link between sport skills and job skills is at the center of the *A Ganar* sport-based methodology, which aims to instill core life skills in youth through specially designed games and sport-themed classroom sessions. Play soccer while holding hands and learn about teamwork and communication. Discuss the history of Pele's number 10 and learn about leadership and responsibility. Life skills training sets the foundation for the following phases of the program, which include vocational training, basic entrepreneurial skills training, internships, mentoring, community service, and job placement, allowing youth to apply and reinforce newly acquired life skills throughout.

**Trainer quality matters.** Regardless of the length of time dedicated to life skills training, the quality of trainers is key. *It is critical that trainers have warm, supportive, and enthusiastic personalities to build trust with the youth, as in many cases they serve as much needed positive role models.* For example, in a MIF project in Guatemala City with *Grupo Ceiba*, almost 90% of the life skills and violence prevention trainers, or “mediators,” are also program graduates. Coming from the same turbulent communities, they know better than anyone how to get through to these at-risk youth, who in turn look up to them as examples of what they could become—responsible, caring, gainfully employed adults. Providing quality training also requires that trainers can handle the added complications that come along with working with at-risk youth. Programs should have links to social workers or psychologists who can support and train the staff on how to deal with especially difficult situations, as well as to provide counseling directly to youth who need extra support.



**Get creative.** *Interactive and participatory methods are especially relevant in gaining youth interest in learning and practicing life skills.* MIF projects have tested a variety of innovative approaches, including using sport, the performing arts, and technology (e.g. basic computer skills, e-mail, social networks, etc.) to attract youth interest and imbue life skills in youth. Creative approaches can help programs “speak” to youth in a way that makes sense to them, allowing life skills to resonate more effectively.

### Galpão Aplauso: Opening Doors to Employment through the Performing Arts

The innovative *Galpão Aplauso* program, geared towards at-risk youth from Rio de Janeiro’s sprawling *favelas*, uses the performing arts to build youth life skills. Through an intensive one year immersion program, *Talentos da Vez* (“Talent Time”), young people dance, sing, play instruments, learn circus acrobatics, and express themselves in other creative ways, all the while internalizing values such as ethics, respect, teamwork, and honesty. This process of social rehabilitation through art provides youth with a foundation from which to grow as members of the workforce and society. For the most talented participants, the program may lead to jobs in Rio’s entertainment industry, while others are trained to work in fast-growing fields like construction and retail management. While the program is still underway, initial results are promising and demonstrate the transformative power of art when working to build the employability skills of at-risk youth.



Galpão Aplauso

## Aligning Training with Market Needs

### Employment Training

**Solve companies' entry-level hiring problems.** MIF projects gain their market intelligence through formal and informal relationships with employers and industry groups, recognizing the importance of getting information directly from the source and continually monitoring employer needs. Projects must complement informal market assessments through employer relationships with a variety of labor market assessments, including wider-scale employer surveys tailored to specific country environments and formal labor market research.

These diverse practices can help projects to better understand job growth trends and avoid over-reliance on information from limited sources. By understanding employer needs, programs can provide relevant, in-demand training and, in turn, better “sell” this training as a business solution for employers in order to gain their participation as internship providers and/or potential employers. ***Employers are motivated to participate if they see training programs as an efficient human resource channel—a way for them to cut recruitment and in-house training costs, and to have access to interns and employees with the skills they want.***

*Entra21* and *A Ganar* have been particularly successful with this approach. For example, the *entra21* “Blusoft” project in Blumenau, Brazil took advantage of the city’s highly developed innovation and technology corridor to focus on youth training in software programs and computer operating systems. MIF financing ended in 2007, but with funding from local and state governments and companies, the project has continued to train and place graduates, precisely because the technology sector values the program for producing quality human resources that they can hire locally.

Also, ***to ensure the credibility of technical training, when possible, programs should offer certification of graduates by recognized certifying entities, such as national training institutes.*** Certification helps young jobseekers to demonstrate their newly acquired technical skills and also provides quality assurance to potential employers.

**Internships add value.** For most poor and low-income youth, internships are their first formal workplace experience, giving them a valuable opportunity to apply their newly gained technical skills, practice workplace behavior and make professional contacts. Offering internships is also a first for many LAC employers, especially when it comes to poor and low-income youth.

To convince companies to become internship providers, they must understand the value of such an arrangement and receive guidance on how to structure internships. Formal agreements about expectations and responsibilities can help. This planning process helps companies to prepare work assignments and resources in advance and assign supervisors for the interns.

Once companies are on board, it is essential to ***maintain communication during internship placements with both employers and youth to ensure that supervisors are satisfied with intern performance and that internships truly provide a learning experience for youth.*** Gaining ongoing employer feedback also helps program staff to continually improve the training to better prepare future youth interns.

**The link to jobs.** Job placement and counseling services are the critical link between training, internship completion and labor market insertion. These services are especially necessary for poor and low-income youth, who typically lack job experience, access to labor market information, networking opportunities, and professional contacts. Job placement and counseling services also build valuable long-term skills, such as job searching, networking, resume writing and interviewing.

*Including job placement services as part of the same program as job skills training has proven far more effective than offering these services separately: such an approach builds deeper knowledge of the youth participants - their strengths, weaknesses, and interests.* It also requires executing agencies to invest in diverse employer cultivation and alliance building throughout the project cycle, as this is key to a program's success in placing youth in internships and jobs. Projects should have at least one staff member dedicated to employer relations.

### Matching Youth Job Seekers with Employers

Job searches are not easy, especially for poor and low-income youth with no experience and limited contacts and information about the labor market. However, a number of innovative products developed by *Fundación Chile* are facilitating the process, for both job seekers and employers.

One of these is *Te Orienta*, an employment service portal that provides information, guidance and support to youth looking for jobs, using a combination of interactive web resources and a physical center located in Santiago.

Another is *Virtual Portfolio*, a website where youth can create online profiles, uploading their resumes, training certificates and other relevant information for employers to search. Additionally, throughout the job preparation and search process, the role of the job counselor is key. Recognizing the role such professionals play, during *entra21* Phase Two, *Fundación Chile* also developed a set of competencies and quality standards for this profession, offering job counselor training, certification, and evaluation.

**Creative job placement solutions.** *Even if training meets employer demands, projects still come up against barriers of perception and ingrained societal prejudice against poor and low-income, and especially, at-risk youth.* MIF projects have made headway towards breaking down such barriers, but challenges remain. Some projects have had a difficult time convincing employers to take at-risk youth as interns because of the social stigma associated with them—in many cases, a home address in an undesirable neighborhood was enough to deter an employer from offering an internship. To tackle this problem, *Grupo Ceiba* in Guatemala got creative, paying the youth minimum wage plus health insurance for a period of four months, to incentivize employers to accept them as interns.

Additionally, to create alternative employment options for some of the most stigmatized youth, the program created a youth-led IT cooperative staffed by over 100 program graduates, the first of its kind in Guatemala. The cooperative provides web development consulting services to local companies, giving the youth work experience outside the traditional corporate setting and creating opportunities for them to demonstrate their skills to potential employers.

## Entrepreneurship Training

**Livelihoods vs. dynamic entrepreneurship.** It is important to differentiate between entrepreneurs with a livelihood focus and those with a more dynamic business focus. Youth in the livelihood category are largely driven to entrepreneurship due to the lack of other job opportunities, and often lack the necessary skills and support systems to help them succeed. They typically start micro and small enterprises that may grow and create additional jobs, but on a relatively small scale. In contrast, youth at the other end of the spectrum are more “entrepreneurs by opportunity,” who bring business ideas to life, creating start-ups with the potential for high-growth and greater job creation.

MIF projects have fallen all along this spectrum. As the beneficiaries and skills needed for each type of entrepreneurship vary, programs’ components need to be adjusted accordingly. At the same time, though with differing degrees of emphasis, **training in both types of entrepreneurship should include a combination of “core” business administration skills, such as accounting, costing, and pricing, and “softer” entrepreneurial skills such as problem solving, thinking innovatively, and leadership.**

**Screening for success.** The selection and screening criteria used to select youth participants in MIF projects vary. Depending on the target beneficiaries, some projects choose youth who simply demonstrate an interest and commitment to starting an enterprise, while others screen for promising entrepreneurs using certain predictors of success, such as ability and willingness to invest personal resources in their business, educational achievements, and economic viability of business ideas. An important lesson in this regard is the need to **more systematically screen youth for latent or active entrepreneurial characteristics and behaviors, such as innovative thinking, leadership attributes, passion, and results-orientation.** This can be done by using innovative screening techniques, such as psychometric screening tools, peer reviews, or interviews by business experts. Requiring youth to invest some of their own resources in the business is another way to filter for the most promising entrepreneurs. However small this amount may be, it can act as an incentive for youth to be more deeply invested in the success of their business. For example, *Colectivo Integral de Desarrollo* (CID) in Peru requires youth to invest their own resources, equivalent to 30% (10% in cash) of the total seed capital amount received.

**The business plan and beyond.** Most MIF entrepreneurship projects include an element of business planning, whether through business plan competitions used as a filter to select participants, or through broader business plan development assistance. Business plans should be “right-sized” to meet the needs of the entrepreneur; youth-run enterprises may simply need cash flow projections and a basic understanding of market conditions and competition. Similarly, an important lesson learned in this area is that **business plan competitions are just part of the training process, not the end in itself.** Projects must provide follow-up support services to improve upon winning business plans: coaching, mentoring and access to financing in order for young entrepreneurs to be able to actually implement their ideas.

**One-on-one business coaching.** Personalized coaching by experienced business professionals is an important part of follow-up support services. Individual advisory services help young entrepreneurs to face specific business challenges in their first year of operation. For this component to be most effective, **it is important to dedicate sufficient coaching hours to ensure time for both relationship-building as well as problem-solving with the young entrepreneur.** Personalized coaching has played a key role in the success of the MIF project with *Colectivo Integral de Desarrollo* (CID) in Peru. CID provides youth with one-on-one coaching in parallel with classroom business training courses, allowing them to put learning into practice with the guidance of coaches.

**Supply of mentors can be a binding constraint.** In contrast to business coaches who are generally hired to provide advisory services to youth, mentors are typically volunteers. Recruiting and retaining quality mentors does not always come easily. Many countries lack a culture of mentorship. It has proven useful to **target private sector professionals to serve as volunteer mentors using a “Corporate Social Responsibility” message that emphasizes the positive benefits of investing in underserved sectors of society.** Once mentors are on board, it is important to clarify expectations and responsibilities. Also, mentors are most effective when they have experienced the enterprise development phases that the young mentees are going through – it is important that their background and business experience is not too far removed from the youth.

#### Cultivating Mentor Relationships for Young Entrepreneurs

The MIF-Youth Business International (YBI) project with the Barbados Youth Business Trust (BYBT) has been particularly successful in creating a well-structured process for the recruitment and management of mentors. It includes the use of a database system to facilitate feedback between mentors and program staff, and structured forums for the networking of mentors, mentees and partners. BYBT has “packaged” its mentoring model and provides advisory services to other organizations in the Caribbean interested in creating or improving mentoring programs.

**Access to finance: another binding constraint.** Beyond the seed financing provided by the programs themselves, the MIF has had mixed results in connecting trained young entrepreneurs with additional financing from banks or microfinance institutions. This is in large part due to banks’ reticence to lend to young people, and the lack of financial products and services geared towards youth. This disconnect also has to do with the executing agencies themselves. While MIF executing agencies are very good at providing business training to young entrepreneurs, they often lack expertise related to financing. In order to open the door to credit for young entrepreneurs, **programs should clearly separate and target both training and financing functions by forming partnerships with financial institutions willing to manage the credit side of the equation and provide credit to these types of entrepreneurs.**

## Scale

**Scale requires the right partners.** Increasing a program’s impact implies achieving greater coverage of a population, improving effectiveness, cost efficiency and sustainability without affecting program quality. **Scale can be achieved through replicating successful methodologies with NGOs or other private sector actors or integrating successful models into existing public sector programs or systems.** The MIF has sought both replication and integration in attempting to scale its youth projects. The *entra21* model the MIF developed with the International Youth Foundation (IYF) has been adapted and replicated by over 50 organizations in 22 countries in the region, reaching over 135,000 youth. The *A Ganar* program, which started as a three-country pilot in Brazil, Ecuador and Uruguay in 2005, has since expanded into 12 additional countries and counting. Its executing agency, Partners of the Americas, selects and trains local NGOs and community-based organizations to implement the sport-based youth employment methodology on the ground in each country. This network, called the *A Ganar* Alliance, has over 50 implementing organization partners. However, replication with NGOs has its limitations, as the sustainability of models transferred depends greatly on the recipients’ capacity to continue financing and managing the program. Also, expanding coverage is an issue, as small organizations typically don’t have the capacity to train large numbers of youth.

### The Stars were Aligned for Scale

Starting in 2003 with an *entra21* pilot project to train 450 youth in Argentina, *Fundación SES* has today successfully mainstreamed *entra21* methodologies into a national government program reaching 70,000 youth across the country. But this didn't happen by chance. Due to its recognized expertise in youth development and employability, in 2008, the Ministry of Labor and Social Security asked SES to participate in the design of its new youth employment initiative, "More and Better Work for Youth." This new program was launched in 2009 at the same time as *entra21* Phase Two, which in part aimed to scale successful projects from Phase One. The stars were aligned and the *Horizontes* project was born, aiming to build the capacity of 150 Municipal Employment Offices and 100 Professional Training Institutes to provide employment services to poor and low-income youth through the "More and Better Work for Youth" program.

*SES* trained municipality staff in how to work with poor and low-income youth - a population they had not been serving - and how to build links with the private sector to facilitate job placement. A total of 204 municipal employment offices ended up successfully adapting the *entra21* methodologies, representing 95% of the offices involved with the national youth employment program. Thanks to this effective political and technical knowledge transfer, the public sector has internalized the methodologies, empowering the Ministry to train additional employment offices in areas where *SES* is not active, which bodes well for sustainability. The Ministry continues working with *SES* to deepen the reach of the methodologies transferred. A potential youth employment law is also in development, showing that the work of *Horizontes* remains on the government's radar screen.

**Mainstreaming effective models in public sector programs.** *Governments do have the capacity to reach large numbers of youth.* The MIF's primary experience with the integration approach to scale has been through *entra21*, which has scaled a selection of methodologies developed in *entra21* projects with the public sector in Argentina, Brazil, Chile, Colombia, and Peru. These scale projects come in all shapes and sizes, working with governments at the national, state and municipal levels. In Argentina, for example, *Fundación SES* transferred know-how to the Ministry of Labor and Social Security's national youth employment program. *Fundación Chile* worked with the National Training and Employment Service (SENCE) to scale the *Jóvenes Bicentenarios* program, and in Colombia, COMFENALCO has been scaling its program with the City of Medellín. The Brazilian experience with *Instituto Aliança* started with replication via NGOs, but later switched gears to focus on incorporating their model into state public education systems, with additional funding from the Walmart Institute.

**Importance of willing public partners.** Effective scaling of successful models requires both the technical knowledge transfer and government buy-in. In a number of cases with the *entra21* experience, more time was spent on planning and monitoring the technical aspects of the transfer, which focused on training and incorporating methodologies into public programs and achieving quantitative goals, than on fostering true government ownership of the model being transferred. Some scale projects have suffered during implementation because of this disconnect. ***The executing agency and the public entity need a shared vision of the problem and the solution, trust and a philosophical agreement on the principles guiding this shared vision.*** The main tools and methodologies to be transferred need to be consistent with the design of the existing public program.

**Maintaining the quality of scaled models.** Quality control is a critical component of any scale strategy. As models are scaled, they may be adapted to specific contexts and to the needs of different public and private actors, but the core theory of change shaping the model should not be compromised. Training models like *entra21* and *A Ganar* have essentially become “brands,” generating interest and demand on behalf of governments and other organizations to adopt them and produce similar results. But in order **to expand these models while maintaining their integrity, quality control mechanisms, such as establishing quality standards, compliance guidelines, monitoring and evaluation procedures, and/or certification systems, need to be put in place.**

**Sustaining scaled programs.** Once the public sector is on board, the sustainability of the new and improved programs depends on ongoing access to public financial resources. There are substantial risks if the process rests heavily on the shoulders of individual political “champions” and on the assumption that public policies will hold after transfer of power from one government to the next. One way to mitigate this risk is to generate solid evidence that the intervention works and is cost-effective in the long run through impact evaluations. **In the face of strong evidence of the effectiveness of a given program, successive governments will be more likely to continue funding.**

**Economies of scale.** Reaching economies of scale should help to lower the overall cost of training. MIF experience has shown that greater scale has indeed led to lower costs in certain cases, as in the *Horizontes* initiative of *Fundación SES* and the Ministry of Labor and Social Security in Argentina. **This national program has reached over 70,000 youth through municipal employment offices at a cost of approximately US\$393 per youth. On average, the cost per youth trained in MIF projects is around US\$1,000.**

### Taking a Successful Life Skills Methodology to Scale

*Instituto Aliança* in Brazil is taking a number of paths to scale its successful youth life skills methodology, *Com.Dominio Digital*, all involving partnerships. This methodology, developed through *entra21* Phase One, combines training in life skills and Information and Communication Technology (ICT) with the development of life plans and hands-on, participatory team activities. Five core themes: identity, integration, communication, work and ethics, and civic engagement are connected to the world of work and the use of technology throughout the training. In *entra21* Phase Two, *Aliança* worked to transfer this methodology to 10 NGOs, as well as to 10 public high schools in the states of Pernambuco and Ceará with additional funding from the Walmart Institute. *Com. Dominio Digital* ended up being integrated into the curricula of 31 public schools in these two states. Recognizing the value of teaching youth life skills while they are still in school, the State Departments of Education are interested in implementing the methodology throughout their respective public school systems.

The private sector also sees the connection between life skills and good employees. Based on its positive experience supporting *Aliança* in both Phases One and Two of the *entra21* program, in 2010 the Walmart Institute integrated the *Com.Dominio Digital* methodology into its *Escola Social do Varejo* [Social School for Retail Sales] program, which trains poor and low-income youth for jobs in the country’s growing retail industry. The program started with the aim of training 1,000 youth in six Brazilian states, and now Walmart is expanding the program to other areas of the country, looking to train 14,500 youth by 2016. The State Departments of Education of Ceará, Pernambuco, Alagoas and Rio Grande do Sul are partnering with Walmart in this effort.



## SUMMARY OF THE KEY LESSONS LEARNED FROM MIF YOUTH PROJECTS

- ▲ Understanding Youth Needs
- ▲ Life Skills
- ▲ Employment Training
- ▲ Entrepreneurship Training
- ▲ Scale



## Understanding Youth Needs

- ▲ Program pace, components, content and teaching approaches need to be adjusted to the capacities and interests of different types of youth.
- ▲ Graduation rates can be maximized by taking specific steps to address common reasons for dropping out, e.g. transportation costs, scheduling, lack of family support, etc.
- ▲ Training programs should include content that addresses specific issues facing young women.
- ▲ Programs should actively engage youth in project design, implementation and evaluation.

## Life Skills

- ▲ Life skills, such as communication, teamwork, motivation and responsibility, are key for building youth employability and are highly valued by employers.
- ▲ Depending on the complexity of the sector-specific skills youth must learn, more hours are often dedicated to the technical training component than to the life skills component. It is therefore important to apply life skills throughout the training process to help reinforce positive behaviors and maximize teaching time for these skills.
- ▲ The quality and personality of life skills trainers are crucial: in many cases they serve as much needed positive role models for youth.
- ▲ Interactive and creative teaching methods, using sport, art or technology, are especially relevant in learning and practicing life skills.

## Employment Training

- ▲ Youth job training must be market-driven and provide business solutions for employers.
- ▲ It is important to supplement informal market assessments through employer relationships and networks with formal labor market research and wider-scale employer surveys.
- ▲ To ensure the credibility of technical training, when possible, programs should offer certification of graduates by recognized certifying entities, such as national training institutes.
- ▲ Internships are the first workplace experience for many youth. To convince employers to offer youth internships, the value to the company must be clear and formal agreements about expectations and responsibilities should be reached.
- ▲ During internships, it is essential to maintain communication with both employers and youth to ensure that supervisors are satisfied with intern performance and that internships truly provide a learning experience for youth.
- ▲ Job placement and counseling services must be fully integrated into training programs.
- ▲ When working with at-risk youth, it is important to consider creative job placement solutions, such as subsidizing employers who are willing to accept them as interns or creating youth-led cooperatives.

## Entrepreneurship Training

- ▲ It is important to systematically screen youth for latent or active entrepreneurial characteristics and behaviors, such as innovative thinking, leadership attributes, passion and results-orientation.
- ▲ Entrepreneurship training should combine “core” business administration skills, such as accounting, with “softer” entrepreneurial skills, such as problem solving.
- ▲ Business plan competitions are just part of the training process, not the end in itself. They should be combined with support services, such as coaching, mentoring, and financing.
- ▲ For personalized business coaching to be most effective, it is important to dedicate sufficient coaching hours to ensure time for both relationship-building and problem-solving with the young entrepreneur.
- ▲ Targeting private sector professionals to serve as volunteer mentors using a Corporate Social Responsibility message is a useful approach. Mentors are most effective when they have experienced the enterprise development phases that the young mentees are going through.
- ▲ Programs should clearly separate training and financing functions by forming partnerships with financial institutions to provide and manage credit for youth.



Grupo Ceiba, by Donna Cesare

## Scale

- ▲ Scale requires the right public and/or private partners, depending on the approach, e.g. model replication with NGOs or other private sector actors or integration into existing public sector programs.
- ▲ When integrating methodologies into public sector programs, both the technical aspects of the knowledge transfer and government buy-in need to be addressed.
- ▲ Quality control mechanisms such as establishing quality standards, compliance guidelines, monitoring and evaluation procedures, and/or certification systems need to be put in place to ensure that models maintain quality as they are scaled.
- ▲ The executing agency and the public entity need to trust each other and have a shared vision of the problem and the solution.
- ▲ Demonstrating to future governments the results and impact of strong models will help ensure an ongoing public resource flow and sustainability of scaled initiatives.

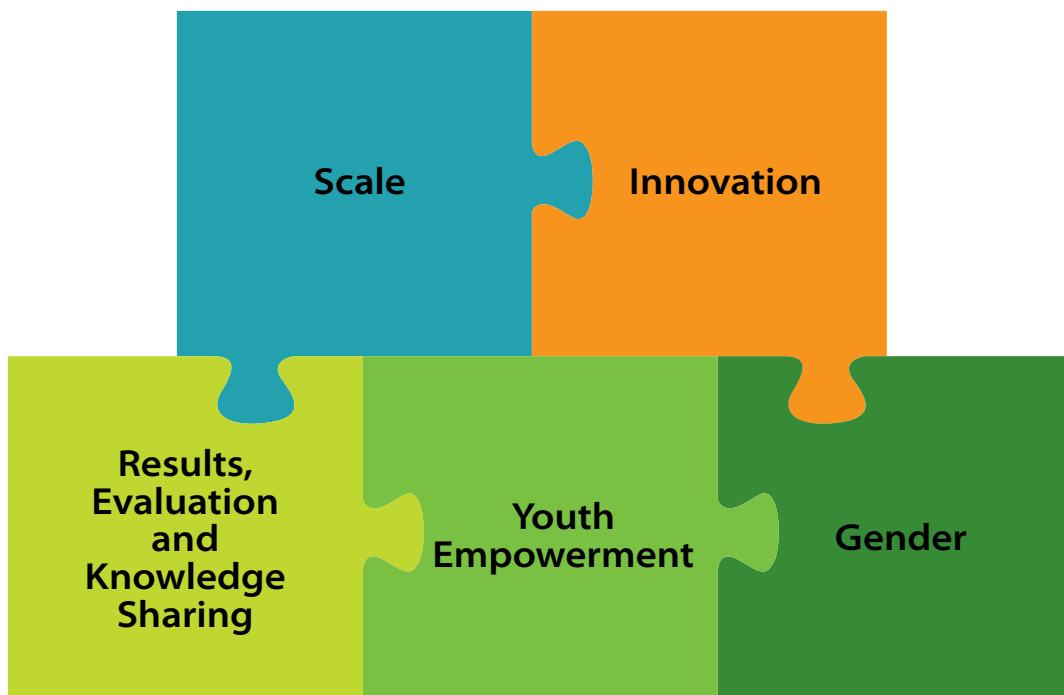


Colectivo Integral de Desarrollo

# 4 MOVING FORWARD: AN AGENDA FOR ACTION

## The New MIF Youth Agenda for Action

The MIF remains committed to the critical goals of supporting access to jobs and business opportunities for poor and low-income youth. The following outlines the next five-year phase of the MIF Youth Agenda for Action, which is comprised of five main elements:



In implementing this five-part agenda, the MIF will target poor and low-income youth between the ages of 16-29 who lack employability skills and are either unemployed or working in the informal sector. Particular emphasis will be placed on young women and youth from violence-prone areas, who are considered to be “at risk” of or already engaging in risky behavior such as dropping out of school, neither working nor studying, teen pregnancy, crime, substance abuse, etc.

At-risk youth face the greatest barriers to job market insertion. Working to build the employability skills of at-risk youth requires a time-intensive, personalized approach, with an emphasis on reinforcing basic competencies and cultivating all-important life skills. Not only is it more challenging to place at-risk youth in jobs, but job opportunities may also be very limited in certain locations, such as in rural areas. Therefore in addition to job insertion approaches, this challenge also calls for alternative solutions, such as entrepreneurship.

# SCALE

Building on its rich knowledge and experience in the area of youth employment, the MIF will focus on taking the most effective youth employment models to scale. Achieving scale requires rigorous identification of the best training models and quality control as models are scaled. It also requires bringing the right stakeholders together. Current conditions in a number of LAC countries are ripe for a shared public and private effort to address the instability and security challenges stemming from youth unemployment and the lack of formal job opportunities. Employers want to address this problem because stability, safety and a skilled workforce are good for business; governments and NGOs want to bring youth into productive economic activity and to make youth feel socially included; and youth are eager to seize opportunities and raise their incomes. But none of these actors can do it alone; shared interests call for a shared response.

## **New Employment Opportunities (NEO): Providing Job Training to One Million Youth**

With scale in mind, the MIF has mobilized and joined with others to launch an innovative regional partnership, *New Employment Opportunities for Youth (NEO)*. Its purpose is to scale up the most effective youth training and job placement models and to increase job entry among poor and low-income youth. To this end, the alliance brings together key private, public, and civil society actors to provide high-impact, market-relevant youth training and job placement services on a large scale.

### **NEO's 10-Year Goals:**

- ▲ Train 500,000 poor and low-income youth, ages 16-29, in five years – reaching one million youth in 10 years - using models that incorporate best practices of job training programs
- ▲ Achieve job placement rates of at least 50% for program graduates
- ▲ Ensure that 50% or more of the youth trained are young women
- ▲ Promote the adoption of high-impact training models in the government programs of at least 10 countries in the region
- ▲ Mobilize 1,000 companies to offer internships and employment opportunities for youth
- ▲ Strengthen the capacity of 200 job training providers

### **NEO's Founding Members**

In April 2012 at the Summit of the Americas, NEO's founding members were established, including: the MIF, the International Youth Foundation (IYF), the IDB's Social Sector Department, Caterpillar, Microsoft, CEMEX, Walmart, and Arcos Dorados.

The founding members have committed a total of US\$37 million in cash and in-kind resources to support the goals of NEO.<sup>10</sup> They are taking a leadership role in calling on other companies, organizations and governments to join the effort.

<sup>10</sup>Resources committed to NEO by founding members as of June 2012. NEO is open to other companies joining the alliance.

## Achieving Scale and Systemic Impact through NEO

NEO's strategy for reaching one million youth calls for governments, companies, civil society, and youth themselves to act collectively, with ongoing communication, adoption of best practices, and commitment to the shared measurement of progress towards the common objectives. Ultimately, a key long-term goal of NEO is to incorporate the most effective job skills programs into public education systems, national employment services and job training institutions, building their capacity to respond to the growing demands of both companies and poor and low-income youth.

### Regional Partnership Structure of NEO

In each country in which it is active, NEO will build a multi-stakeholder partnership involving the public, private, and civil society sectors, in order to design a shared youth employability strategy and financing plan for that specific country. Youth employability will be addressed in a systemic way, rather than as a series of isolated initiatives, thereby increasing the quality, scale and effectiveness of joint actions. It is expected that at least 10 partnerships with clear strategic objectives and financing plans will be developed at the country level, and that 200 service providers will increase the quality and scale of their job training programs.

### Roles

#### ▲ Role of Implementing Partners— MIF, IYF, and IDB

The MIF, IDB, and IYF will jointly lead design, implementation, and evaluation of NEO.

#### ▲ Role of Corporate Partners

Founding partners Caterpillar, Microsoft, CEMEX, Walmart and Arcos Dorados are major corporate actors and employers in the region, with the shared goal of expanding the pool of employable youth. Through the resources they are contributing to this effort, they are demonstrating their strong commitment not only to the region's economic success but to sharing that success across a broader range of the population.

Up to 1,000 additional companies with presence in the region are expected to participate in NEO in a number of ways, including but not limited to: contributing money or other resources, providing internships, mentorships, or entry-level jobs to graduates of NEO training programs, advising training providers on the needs of their industries, and reaching out to other companies and to governments to participate in NEO.

#### ▲ Role of Government Partners

Many governments in the region are interested in strengthening their support for youth employment training programs, particularly in improving their job placement results.

NEO partners will work closely with participating governments to help them put in place the most effective training and job placement models that have been identified and refined under NEO. The result will be greater impact from public expenditures, greater scale in the reach of these programs, and, over time, significant reductions in cost as scale is achieved.

## NEO's Four Core Action Areas

### ▲ Partnership Development

Build country-level, multi-stakeholder partnerships in order to design common youth employability strategies and financing plans.

### ▲ Knowledge Sharing

Systematize and package tested tools and methodologies and train consultants/trainers to work with youth job training service providers to apply them.

### ▲ Financing Youth Employability Projects

Provide grants to finance selected projects with clear potential to reach scale.

### ▲ Monitoring and Evaluation (M&E)

Capture learning, results and impact through a unified M&E system and generate knowledge through targeted research and impact evaluations.

### Driving Scale through Technology

Brazil is facing a big challenge: high unmet demand for skilled workers in its labor force. The institutions that make up the country's Industrial Training System are working to fill this gap; the National Industrial Training Service (SENAI) alone trains over two million Brazilian workers every year. The workforce desperately needs these trainees, as approximately four million trained workers are needed per year to meet the country's industrial development demands. However, millions of poor and low-income youth lack the minimum math and Portuguese language skills required to gain access to these programs in the first place. At the same time, such youth are more tech savvy than ever before, thanks to increased access to cell phones, the Internet, cyber cafes and social networks. This connection between youth and technology can be used to test and develop innovative solutions for closing the skills gap.

To this end, the Brazilian National Confederation of Industries (CNI), SENAI, and CNI's corporate social responsibility body, the Social Service of Industry (SESI), have approached the MIF to develop and co-finance the "Free Education Project," an innovative online portal designed to expand educational opportunities for poor and low-income youth and strengthen their basic competencies and life skills. Equipped with these fundamental skills, youth will be able to gain access to other technical training programs, such as those provided by SENAI, internships, and decent employment. This project will contribute to the federal government's National Program for Access to Technical Education and Employment (PRONATEC). Launched in October 2011, it aims to expand opportunities for technical training and meet the country's demand for a skilled labor force, training eight million workers by 2014. This project will also be part of the NEO Initiative, as it will achieve scale and adapt a successful life skills training methodology developed in the MIF-IYF *entra21* program to the needs of poor and low-income Brazilian youth and to a digital learning environment. To maintain youth engagement, the online curriculum will be interactive and game-based and youth will receive guidance from online tutors and additional support from volunteer mentors. Through technology, this project has the potential to reach youth at a greater scale than ever before, speeding progress on improving young people's basic competencies and on closing the skills gap.

# INNOVATION

One of the MIF's greatest strengths is the wide latitude that it has provided its executing agency partners to explore creative approaches, make and learn from mistakes, and seek alternative solutions to challenging problems. This was one of the main conclusions from an external review of MIF's youth project portfolio.<sup>11</sup> Even as the MIF scales up the most successful models from past projects through NEO, it will continue to be a laboratory for testing innovations that address the specific challenges identified through its nearly 20 years of experience. The following action items are divided into three sections: **Employment**, **Entrepreneurship**, and **Financial Inclusion for Youth**. A number of the approaches and activities outlined in the Employment section will be developed through the pilot projects to be financed under NEO.

## Employment

In the area of employment, emphasis will be placed on testing models that specifically target at-risk youth. The MIF's goal is to help low-skilled youth gain basic job skills in order to improve their livelihoods, rather than to provide intensive technical training for skills upgrading to help them get jobs in more growth-oriented sectors.

The MIF will take the following actions to address the specific challenges identified in the analysis of lessons learned from past youth employment projects:

**Better targeting of youth and labor market opportunities.** The MIF seeks to improve how projects target youth beneficiaries and conduct labor market assessments. To this end, approaches to be implemented more systematically in projects include: (i) developing relationships with the communities being served and, when possible, locating projects in or near the neighborhoods where at-risk youth live; (ii) implementing a communications strategy to recruit youth and gain community support using social media platforms like Facebook; and (iii) engaging youth participants' personal networks (family, friends, social clubs, schools) to raise awareness and gain additional support. Regarding improved targeting of labor market opportunities, the MIF seeks to build the capacity of projects to carry out more sophisticated labor market assessments and to diversify their information sources. These data can be used to complement the information received from informal relationships with employers.

**Reinforcing life skills.** Over the years, the MIF has supported life skills programming using innovative themes such as sport, the performing arts, and technology. Moving forward, it seeks to build on this core programmatic strength by: (i) helping projects to more systematically identify which life skills should be emphasized for which job sectors and to ensure that technical trainers and internship hosts reinforce life skills during their respective components; (ii) incorporating mentoring (adult mentors, peer-to-peer, alumni) and community service models for at-risk youth into life skills training; and (iii) testing partnership models with companies and/or governments, where the MIF focuses its resources on providing comprehensive life skills and basic competency training while companies cover the technical, on-the-job training.

<sup>11</sup> RTI International, *Thematic Study of MIF Youth-related Projects* (2011-2012).



**Linking skills standards and certification to youth training programs.** Competency-based standards and certification help to provide training programs with a road map of the skills youth need to acquire for certain occupations. They also signal to employers what technical skills they can expect from certified youth graduates. While some MIF youth projects have offered recognized certification in certain technical training areas, or have served as a springboard for youth graduates to transition to more intensive certification courses with national training institutes, there are opportunities to do this more systematically and on a wider scale. Going forward, the MIF will help its projects to develop methodologies for working with employers and technical training institutions to establish standards where none currently exist, or to link existing ones to training curricula. The MIF will also facilitate connections between projects and certifying entities, such as national training institutes or technical universities, to explore more flexible skills certification models (such as recognized certificates of completion) that can be used with poor and low-income youth. For example, the at-risk youth who complete technical training through the *Grupo Ceiba* program in Guatemala receive certification from the Ministry of Education.

**Strengthening job placement services.** The provision of job placement services has perhaps the greatest potential for programmatic growth and innovation. The MIF seeks to build the potential of this component by: (i) forming links between MIF projects and public National Employment Services and working with other departments of the IDB to strengthen such services; (ii) transferring and adapting existing job placement and career counseling tools developed in past projects, such as an online system to match job seekers with employers and a career counselor certification course, to new settings; (iii) using social media platforms more effectively as job placement tools; (iv) helping projects to tailor job counseling services to the individual profiles of youth participants and strengthen communication between job placement/counseling staff and trainers; and (v) forming partnerships with job placement firms to leverage their core expertise and private sector networks.

**Building stronger employer relationships.** An ongoing challenge for the MIF is helping projects to employ more sophisticated, targeted, private sector alliance-building strategies to facilitate youth internship and job placement. The MIF aims to further develop this area by testing different approaches to employer cultivation as components of future projects including: (i) implementing project promotional campaigns targeted to chambers of commerce, industry associations and individual employers; (ii) engaging the media; (iii) giving presentations to groups of employers and business associations; and (iv) promoting programs to industry associations and potential employers using a variety of marketing channels including websites, social media, videos, flyers, etc.

LEFT: entra21, ©copyright International Youth Foundation, RIGHT: Galpão Aplauso





Colectivo Integral de Desarrollo

## Entrepreneurship

MIF and other experience shows that the best results are achieved when entrepreneurship training takes a holistic approach, combining training in core business skills with training in problem solving, leadership, innovative thinking, and other entrepreneurial behaviors. Moving forward, the MIF will focus on “livelihood” entrepreneurs, targeting both at-risk youth, such as rural or gang-related youth, and poor and low-income youth more broadly. In entrepreneurship, the MIF will focus on *addressing specific challenges* identified in the analysis of lessons learned from past projects and on *exploring new entrepreneurship alternatives* for at-risk youth.

### Addressing specific challenges

**Refining existing youth entrepreneurship models.** A number of MIF youth entrepreneurship projects, such as those with *Colectivo Integral de Desarrollo* (CID) in Peru and Youth Businesses International (YBI), have shown promising results. Moving forward, the MIF intends to refine these models by adding new elements, such as different approaches for young entrepreneur screening or more interactive teaching methods, that address common challenges identified from past MIF entrepreneurship projects. As part of this refining process, the MIF will also carry out impact evaluations to help build the evidence base on the positive impacts of such interventions, as solid evidence on the effectiveness of youth entrepreneurship interventions is sparse and largely anecdotal so far.

There is public sector demand in a number of countries in the region for implementing effective youth entrepreneurship models at a larger scale. For example, CID in Peru was selected by *Fondoempleo*, Peru’s national workforce training fund, to develop a national youth entrepreneurship program in coordination with the Ministry of Labor in 17 regions of the country. Launched in February 2012, the goal is to raise awareness and train 9,000 poor and low-income youth, of whom 3,000 will receive seed capital (approximately US\$450) to start a business and four to six months of follow-up support, including personalized coaching. The MIF is considering joining CID and the Ministry of Labor in this initiative to help refine the model, complete its systematization, and incorporate a rigorous impact evaluation.

**Entrepreneurship screening.** Identifying which youth are most likely to succeed in starting a business can be challenging. In order to systematically screen youth for latent or active entrepreneurial attitudes, behaviors, characteristics, or previous experience, the MIF seeks to adapt industry-leading entrepreneurship screening models (e.g. psychometric tests of entrepreneurial attitudes and aptitude) to see if they work for poor and low-income youth. Another selection criterion that some MIF projects have used in the past, and that the MIF plans to employ more regularly moving forward, is requiring youth to invest some affordable part of their own resources in their businesses to generate deeper commitment.

**Reinforcing training in entrepreneurial attitudes and behaviors.** In future MIF projects, greater emphasis will be placed on training youth in entrepreneurial attitudes and behaviors, such as problem-solving, critical thinking, and leadership, in addition to standard business topics like accounting and pricing. More innovative and interactive teaching methods will also be introduced to engage youth in learning and complement the traditional approach of primarily lecture-based training styles. To this end, the MIF seeks to finance projects with organizations that have developed innovative methods, training styles, teaching pedagogies, and tools that are action-based, focused on problem-solving, and centered on youth applied learning.

**Business plan competitions as a means, not an end.** Business plan development and competitions are “learning by doing” tools that should be integrated into a comprehensive package of entrepreneurship services. In future MIF projects, the development of a business plan or a business plan competition will be considered the “mid-point” of a training program and will be followed by ongoing financial and non-financial support to help youth improve plans and put them into action.

**Stronger mentoring for young entrepreneurs.** MIF projects have shown the important role mentors play in the development of young entrepreneurs, but also the difficulty of finding good mentors. Projects need to develop more effective strategies for mentor cultivation, moving beyond reliance on personal relationships in the private sector to more sophisticated, targeted approaches. The MIF intends to improve the mentoring component of future projects by: (i) developing a value proposition to convince mentors to invest their personal time in working with youth and provide incentives such as “mentor of the year” recognition awards; (ii) providing mentors with training in mentoring techniques for poor and low-income youth; (iii) formalizing mentor-mentee relationships through “mentor contracts” and developing safety and security guidelines for these relationships; and (iv) making special efforts to find female mentors who can serve as role models for young women.

**Helping youth to leverage community relationships.** International experience indicates that youth can benefit significantly by leveraging relationships with families and friends in their communities. Developing an understanding of how to identify these relationships and resources can be an essential tool for young entrepreneurs. Examples include community groups, church or religious groups, extended family members, cooperatives or associations, etc. These relationships can be particularly useful when gathering information about a specific sector or market that a youth enterprise may be targeting. In addition, helping youth to understand the linkages between businesses within a sector can help to identify the best entry points for their businesses. Therefore, future MIF projects will help young entrepreneurs to take advantage of these community relationships.

## Exploring new entrepreneurship alternatives for at-risk youth

In addition to addressing the specific challenges mentioned above, the MIF will also test a variety of innovative entrepreneurship models and approaches for at-risk youth, including microfranchising, youth cooperatives, and the value chain approach.

**Microfranchising.** A promising entrepreneurship alternative for at-risk youth is microfranchising. Very few poor and low-income youth are able to create innovative businesses and instead, start simple, low-risk, “cookie-cutter” businesses that lack profitability and are mostly informal. Microfranchising is the replication of a low-cost, standardized business model tested and proven by a franchise partner that provides low-income individuals with the tools and support they need – continuous training and assistance, branding, access to large suppliers, marketing materials, manuals, etc. The MIF is at the forefront of testing and expanding the use of microfranchising in LAC and is currently implementing a microfranchise initiative for at-risk youth from eight inner-city communities in Kingston, Jamaica.

**Youth cooperatives.** An additional entrepreneurship alternative for at-risk youth that the MIF is interested in testing is the formation of youth cooperatives. For example, youth can receive training in computer repair and maintenance, web design, and other IT-related skills, and form a cooperative to which companies can outsource tasks. This allows youth to work in an in-demand sector, but not in a traditional office setting, which are typically closed to youth with such profiles. Through the *Grupo Ceiba* project in Guatemala, the MIF has experience with a youth-led IT cooperative, staffed by over 100 program graduates, which can potentially be applied elsewhere.

**Value chain approach.** Finally, another way to link young entrepreneurs to market opportunities is through the value chain approach. Value chain approaches can be used to help youth find a productive role within a specific market or production chain, potentially leading to higher profits, more stable earnings, and better linkages with other actors in the production, processing, transport or sale of a particular product. This idea of creating inclusive businesses that incorporate poor and low-income populations into specific value chains as suppliers, business partners or employees has been gaining force in the region. The MIF is already active in this area and this approach could potentially be applied to youth-led businesses as well. For example, the MIF will consider testing models to link at-risk youth in rural areas to agricultural value chains as a self-employment alternative. Identifying where youth are most likely to enter promising value chains calls for market analysis and a comprehensive understanding of both youth beneficiaries' needs and capacities and companies' demands, distribution channels, and interest in working with youth-led providers or employing youth directly. To this end, the MIF is interested in developing models for working with "anchor" companies to identify their needs and incorporate youth-led businesses into their supply chains. Experience shows that instead of analyzing a whole value chain, it is more effective to focus on specific parts in order to identify bottlenecks that can potentially provide self-employment opportunities.

## Financial Inclusion for Youth

Financial inclusion is part of holistic youth development, as the provision of youth-friendly financial services, including savings, credit and financial literacy, can facilitate higher productivity throughout adulthood. Young entrepreneurs still confront numerous obstacles to accessing credit for their businesses, including the perception that they are inherently uncreditworthy. Since very few financial institutions have ventured to provide financial services to youth, there is mainly anecdotal evidence of their ability to repay credits. This lack of evidence does not provide incentives for financial institutions to develop services and products tailored to the youth segment.

**Financial products for young entrepreneurs.** The main takeaways from the MIF's experience with financing for young entrepreneurs include the importance of access to capital to enable youth to leverage the skills gained through training programs to establish enterprises, and the importance of separating the technical training and financing functions of programs. Going forward, the MIF will test models with financial institutions to directly manage the provision of credit to young entrepreneurs. Additionally, the MIF is interested in testing models to develop complementary financial services for young entrepreneurs, such as seed capital and guarantee funds that encourage financial institutions to lend to this population by sharing the risk involved. This will entail helping to "make the business case" for the provision of financial products for young entrepreneurs by capturing and disseminating successful experiences of financial institutions that have done so.

**Youth-friendly financial services.** The MIF will also seek to partner with recognized leaders in the area of youth financial education to incorporate a financial literacy component into its youth employment and entrepreneurship projects.

# RESULTS, EVALUATION AND KNOWLEDGE SHARING

Youth projects would benefit greatly from better data collection and analysis, which would enable measurement and comparison of outcomes across projects, and help build an evidence base for the impact of youth interventions. The MIF is strongly committed to placing more rigorous emphasis on results measurement and impact evaluation throughout all its operations.

To date, few organizations, including the MIF, have carried out impact evaluations with the level of rigor necessary to yield a high degree of confidence on the effectiveness of youth job training and entrepreneurship programs. The MIF will develop a comprehensive robust approach to monitoring and evaluation (M&E), which will serve as a decision-making tool for future programming. This approach will consist of a mix of monitoring tools and evaluation methodologies (both quantitative and qualitative) to obtain a full view of projects' cost-effectiveness and key success factors.

The framework will contain the following elements to generate a data set necessary for more rigorous analysis and an evidence-based approach:

▲ **A well-defined core set of performance indicators for employment and entrepreneurship projects to track the same results and impact indicators across projects.** A common set of performance indicators regarding the number of youth who get jobs, return to school, or start a business, and measures of income and business performance, among others, will allow the MIF and others to aggregate and compare performance data and respond quickly to issues that arise during project execution.

Data across projects will also establish the foundation for the development of longitudinal data sets to measure changes in job placement and enterprise start up rates achieved by different models under different circumstances. The MIF will also explore the use of innovative tools, such as the Development Assets Profile, that can inform on the levels of life skills and knowledge acquisition youth have attained through MIF-financed projects.

▲ **Standardized monitoring tools.** The monitoring of project results and impact requires a standardized tool to enable executing agencies to capture information, track common indicators and allow the MIF to access performance and results data in an efficient manner using real-time information. Consulting services will be procured to analyze various monitoring systems and to devise a web-based tool that will allow the MIF to have access to more real-time data. Also, the MIF will take advantage of social networks, such as Facebook, to keep track of youth during and after training programs.

▲ **Capacity strengthening for project executing agencies in monitoring and data management.** A key element for rigorous analysis is the quality of the data being collected. For this reason, the MIF will provide specific incentives, training and support to project executing agencies to strengthen their capacity for systematic data gathering, storage, management, and reporting of results.

- ▲ **Consistent quantitative and qualitative evaluation methodologies.** To obtain a higher level of consistency across interventions and deeper knowledge, the MIF will define a core set of evaluation methodologies (impact evaluation, variance analysis, mixed-methods, qualitative studies, tracer studies, etc.) for its youth employment and entrepreneurship projects. The methodologies will include both quantitative and qualitative approaches to attain a higher degree of confidence on the effectiveness of MIF interventions, as well as a greater understanding of the critical success factors and challenges that affect effectiveness. This includes increasing the number of projects that conduct experimental or quasi-experimental impact evaluations to get at the question of attribution by using credible and rigorously defined counterfactuals to control for factors other than the intervention that might account for the observed change.

The components of the framework mentioned above will allow the MIF and other partners to assess project results and impact on youth beneficiaries more rigorously. At the results level, the MIF will be able to track and report on the number of youth trained, internships, business plans, etc. and gauge project performance in a more timely manner, in order to take corrective measures more proactively, if necessary, or collect lessons learned as they are occurring.

At the impact level, the MIF will be able to assess if MIF interventions led to better rates of job insertion and entrepreneurship for poor and low-income youth; if the program beneficiaries - as a result of the interventions - developed the necessary knowledge and skills that lead to employment and entrepreneurship; and the impact on their incomes. Qualitative approaches will be used to assess critical success factors and favorable conditions across projects to get at why projects work or don't work, and what mix of training components yields the best results.

## Knowledge Sharing

The MIF is committed to active knowledge sharing so that the most promising solutions are widely known and can be taken to scale. Therefore, across all activities, the MIF prioritizes generating and disseminating knowledge with key stakeholders in the youth sector. The knowledge products the MIF will produce and disseminate include:

### Studies

- ▲ A series of studies on different elements of the integrated training model (life skills, internships, job placement, on-the-job training, etc.) to acquire a deeper understanding of the specific benefits each component yields with respect to youth employment.
- ▲ Case studies on approaches used by projects with different types of at-risk youth beneficiaries, including basic guidelines and recommendations for working with this population (targeting, barriers to participation, retention, etc.).
- ▲ An overview of technical certification bodies in LAC and of youth training organizations that already possess technical certification.
- ▲ Studies combining impact evaluations of similar projects to synthesize and analyze evidence about what works or does not and why.

### Methodologies

- ▲ Systematization of the most effective life skills methodologies to be applied in new projects.
- ▲ Systematization of the best methodologies, teaching styles and tools used in MIF youth entrepreneurship projects, including guidelines for trainers, mentors and coaches.

### Guides and toolkits

- ▲ Internship guide for employers, outlining a clear value proposition for company participation and expected roles and responsibilities.
- ▲ Basic toolkit on how to conduct labor market assessments.
- ▲ Practical career counseling toolkit to guide projects on how to help youth with job searches, interview preparation, resume writing, and career paths.
- ▲ Toolkit for business plan competitions.
- ▲ Mentor cultivation guide, including how to select mentors who are a good fit for young entrepreneurs and how to tap into program alumni as mentors.
- ▲ Strategic communication and stakeholder involvement guidelines for MIF youth projects.

Additionally, the MIF will seek to incorporate the use of *technology and social networks* as knowledge sharing tools in the design, implementation, monitoring and evaluation of its projects. Facebook, for example, has proven to be very useful in past MIF projects as a way to foster communication among youth, teachers, and employers. This platform facilitates the flow of information with employers about internship and job opportunities, serves as an efficient tool to track youth, many of whom change their cell phone numbers more often than their Facebook profiles, and helps to foster a sense of peer cohesion among youth in a training program.



#### NEXSO: Solutions for Development

The MIF is in the process of developing a new community-driven online platform, NEXSO, which will connect the development community to field-tested solutions, data, and experts. Over the course of nearly 20 years, the MIF has built up a unique and valuable store of knowledge based on experience in hundreds of projects. Using this knowledge, NEXSO will help both the MIF and others involved in private sector-driven development make informed decisions and connect with a wide array of organizations in Latin America and the Caribbean. NEXSO will enhance how data is shared both inside and outside the MIF, and will make its work more exciting and strategic. NEXSO will also coordinate with the Youth Employment Network (YEN) Marketplace, a platform for exchange and coordination within the youth employment community launched by the World Bank, the United Nations and the International Labour Organization in 2012.

# YOUTH EMPOWERMENT

Creating relevant employment and entrepreneurship programs goes beyond identifying the skills demanded by the labor market. To ensure that programs meet youth needs, youth should be involved directly in program design and implementation. To date, most MIF projects have not systematically gained feedback directly from youth during these processes.

As part of its new Agenda for Action, the MIF will work with and for youth using a three-tiered approach, as defined by the United Kingdom Department for International Development (DFID) in its *Guide for Youth Participation in Development: Working for Youth as Beneficiaries, Engaging Youth as Partners and Supporting Youth as Leaders*. At the beneficiary level, this means keeping youth project beneficiaries informed, focusing on their issues and preparing the groundwork for engaging youth as partners. To involve youth as partners, MIF projects will fully consult and collaborate with youth as part of the design and implementation process. Finally, supporting youth as leaders calls for opening spaces for youth-led interventions and decision-making within existing project structures. The MIF will also work with the IDB Youth Program in this area, given their rich experience in involving youth in the development process and their large Youth Network comprised of thousands of youth leaders and organizations throughout the region.

During project implementation, structures for youth leadership will be created, giving participants the opportunity to participate in Project Steering Committees and Youth Advisory Boards, and to represent programs as “youth ambassadors” in conferences and events. Projects will also look to build youth leadership skills by involving them as peer advisors, mentors, and “community liaisons” to keep community members informed and recruit other youth participants. Some MIF projects have already taken steps in this direction, such as *Grupo Ceiba* in Guatemala, which has primarily hired program graduates to serve as trainers for future youth cohorts.



*Grupo Ceiba, by Donna Cesare*



# GENDER

Recognizing and addressing the different needs, preferences, and circumstances of both male and female youth is key to creating relevant programs for both sexes. Gender differences exist in terms of educational preparation and there is often gender segregation by sector and occupation in LAC countries, as in other parts of the world. Young women are typically clustered in lower-skilled and lower-paid jobs. This tendency can be due to girls' disproportionate share of domestic responsibilities, opposition from family or male partners, security concerns, and less awareness of available opportunities. Understanding the underpinnings of this segregation, and in some cases discrimination, is key to devising strategies for breaking down these barriers.

Even though many MIF-supported projects have female participation targets, the MIF has not had a specific gender strategy to date. Moving towards creating gender "sensitive" and "transformative" projects, the MIF is developing broad gender guidelines for its youth projects. By identifying the specific needs, realities and challenges of male and female youth, projects will be able to address gender equality and reach expected outcomes. As part of this effort, MIF staff and executing agencies will be trained to design and implement their own gender strategies using these guidelines.

## **Examples of gender-sensitive activities the MIF will develop include:**

- ▲ Conducting gender assessments early on to understand how gender differences might affect project activities.
- ▲ Addressing specific access barriers facing girls, such as domestic responsibilities and child care, among others, and adapting curriculum and scheduling accordingly.
- ▲ Targeting efforts to facilitate the entry of young women into non-traditional jobs.
- ▲ Creating girl-only "safe spaces" in which girls can speak openly and build confidence.
- ▲ Addressing safety and security issues for internships, mentor-mentee relationships, and jobs.
- ▲ Cultivating family support for training projects in order to encourage female participation.
- ▲ Including gender-related messaging in curricula in order to address skills gaps and gender norms.
- ▲ Disaggregating and actively monitoring and analyzing youth outcomes using gender-specific indicators.

# 5 CONCLUSION

These five elements will be incorporated throughout future MIF youth employment and entrepreneurship interventions. The primary measures of success for this agenda for action will include the number of trained youth who are placed in jobs, start a business, and/or go back to school, as well as indicators on the quality of employment and increase in income. The MIF also seeks to raise awareness of the benefits of action vs. the costs of inaction regarding youth unemployment and the lack of formal job opportunities in order to encourage greater efforts to address the problems. Through NEO, the MIF will support a systemic, public-private partnership approach to youth employability capable of achieving both scale and sustainability.

## **18 years have passed since the MIF began working with youth in Latin America and the Caribbean.**

Since then, a whole new generation has been born. The risks this generation faces are formidable: those who lack skills and connections will often be shut out of the formal economy, and in many ways excluded from full membership in society. Fortunately, the opportunities rival the risks. The energy, diversity, and potential of young people can be transformed into a vibrant engine of growth for the region. The MIF is resolved to help empower and partner with this new generation of youth.

### **What the MIF looks for in an implementing partner**

MIF youth projects are implemented by local, primarily private partners, including NGOs, community-based organizations, and foundations, among other organizations. For partnerships to be successful and have a greater impact, each actor needs to bring complementary assets to the table, based on their role, knowledge, and experience. Together, these assets are more powerful than they would be working alone.

**The following are the main characteristics MIF looks for in an implementing partner:**

- ▲ Youth development at its core.
- ▲ Experience and installed capacity in the implementation of youth employment and/or entrepreneurship training projects.
- ▲ Ability to learn and improve through the application of new models, best practices, tools, evaluations, partnerships, among other areas.
- ▲ Commitment to the monitoring and evaluation (M&E) of project progress, results and outcomes.
- ▲ Excellence in the provision of youth employment and intermediation services, in terms of quality of services offered, capacity to monitor results and certification.
- ▲ Capacity to build partnerships with diverse public and private actors, as well as youth-serving and youth-led organizations.





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