



Youth transformation at Mercy Corps

A comprehensive and
cross-sector approach

September 2008

By Annie Bertrand, World Youth Initiative Advisor
abertrand@nyc.mercycorps.org
518-282-4783 (US), 246-256-4782



Agenda: Youth Transformation

A) Background

B) Youth Transformation Framework™

D) Youth Transformation Toolkit

Increasing efficiency and effectiveness across the programming Process



Appendix

The Youth Transformation Framework™ and its toolkit integrates years of research on youth in the US, and years of international development expertise abroad.

- Interviewed more than 100 Mercy Corps staff (field + HQ) who:
 - directly affected 275,000 youth across more than 35 countries
 - implemented \$40 million worth of youth programs over the past three years
 - enabled 35,000 youth clients access \$42million in loans
- Consulted more than 500 young people across continents
 - Africa, Asia, Latin America
- Consulted technical experts and latest research across sectors
 - Economic development; Education; Psychology/sociology; Health
 - Positive Youth Development (PYD) theory and 40 assets from Search Institute
- Established expert review committee
 - World Bank, Unicef, UNFPA, USAID, UNDP, Institute for Applied Research in Youth Development at Tufts University, EcoVentures, ICRW.
- Leveraged tools and systematic approaches used in business management



One year
of intense
R&D

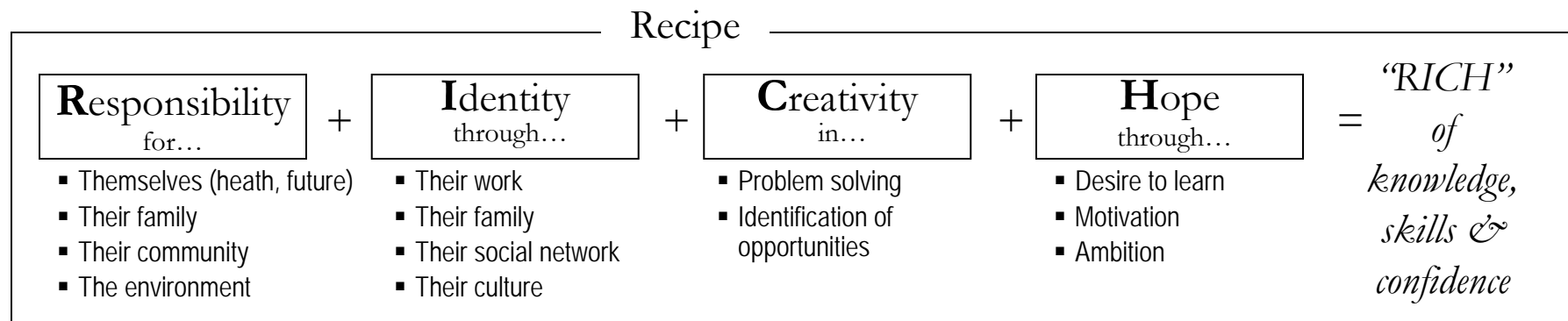
What are we talking about?

What is youth?

A period of progression toward independent responsibility (10 to 29 depending on context)

What is youth work?

A vocation or profession that focuses on social and personal development of young people



What is international youth development?

Additional focus on professional and economic development

We are talking about personal + social + professional + economic development...



What is youth transformation?

The dynamic process of empowering young people to build a **secure, productive** and **just** world across generations.

What are the two main goals of youth transformation?

Empower young people to: 1-Access income/ livelihoods

2-Become responsible* & engaged citizen**

* A sense of responsibility for their own well-being, family, peers, community and environment

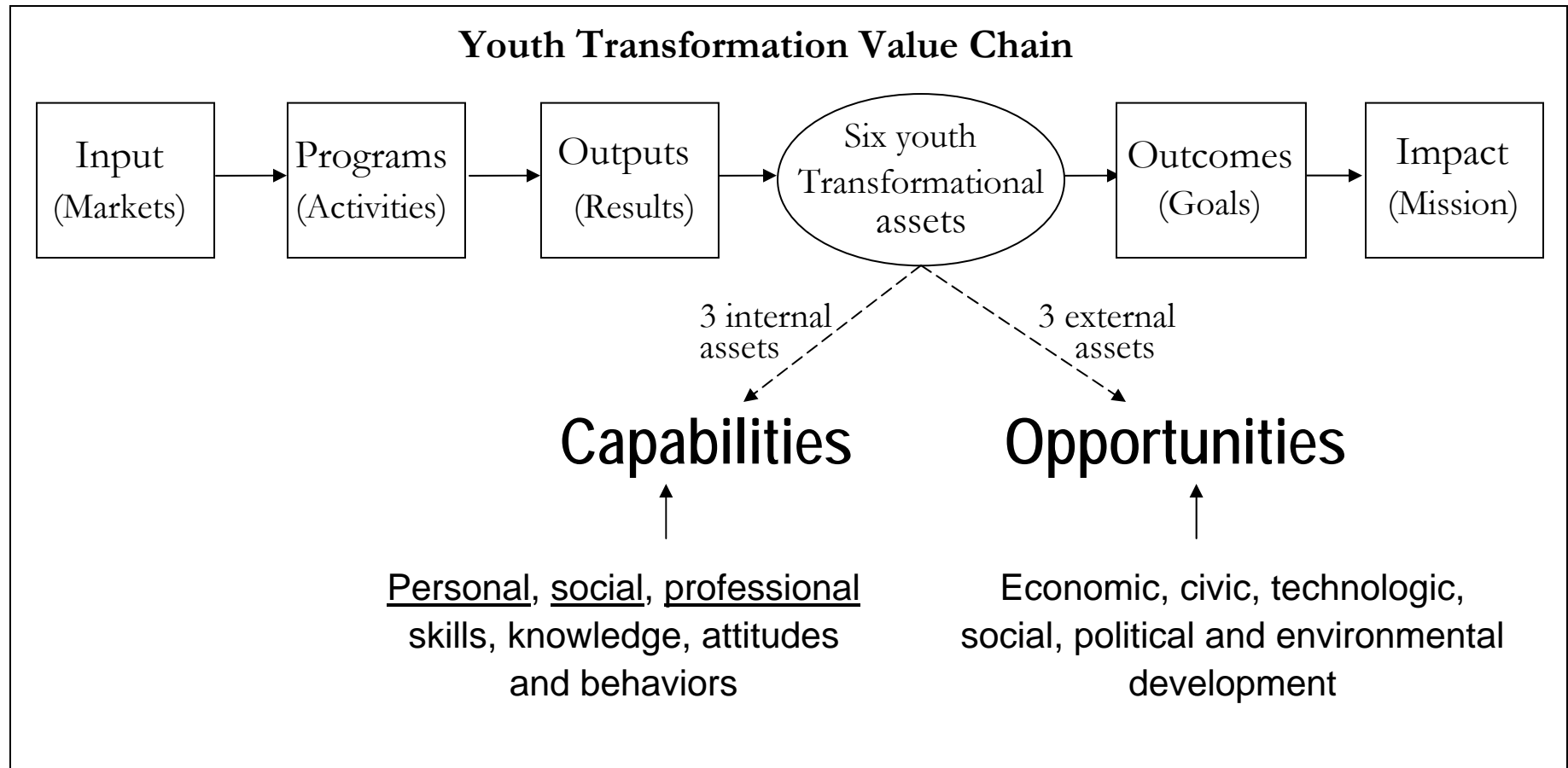
** Empowered to participate in civil society and good governance

How do we achieve these goals?

By building market-driven capabilities and providing opportunities to engage in meaningful activities

Youth need six core transformational assets during transition to adulthood

What drives these two goals?



Source: Mercy Corps' Youth Transformation Toolkit

Agenda: Youth Transformation



A) Background

B) Youth Transformation Framework™

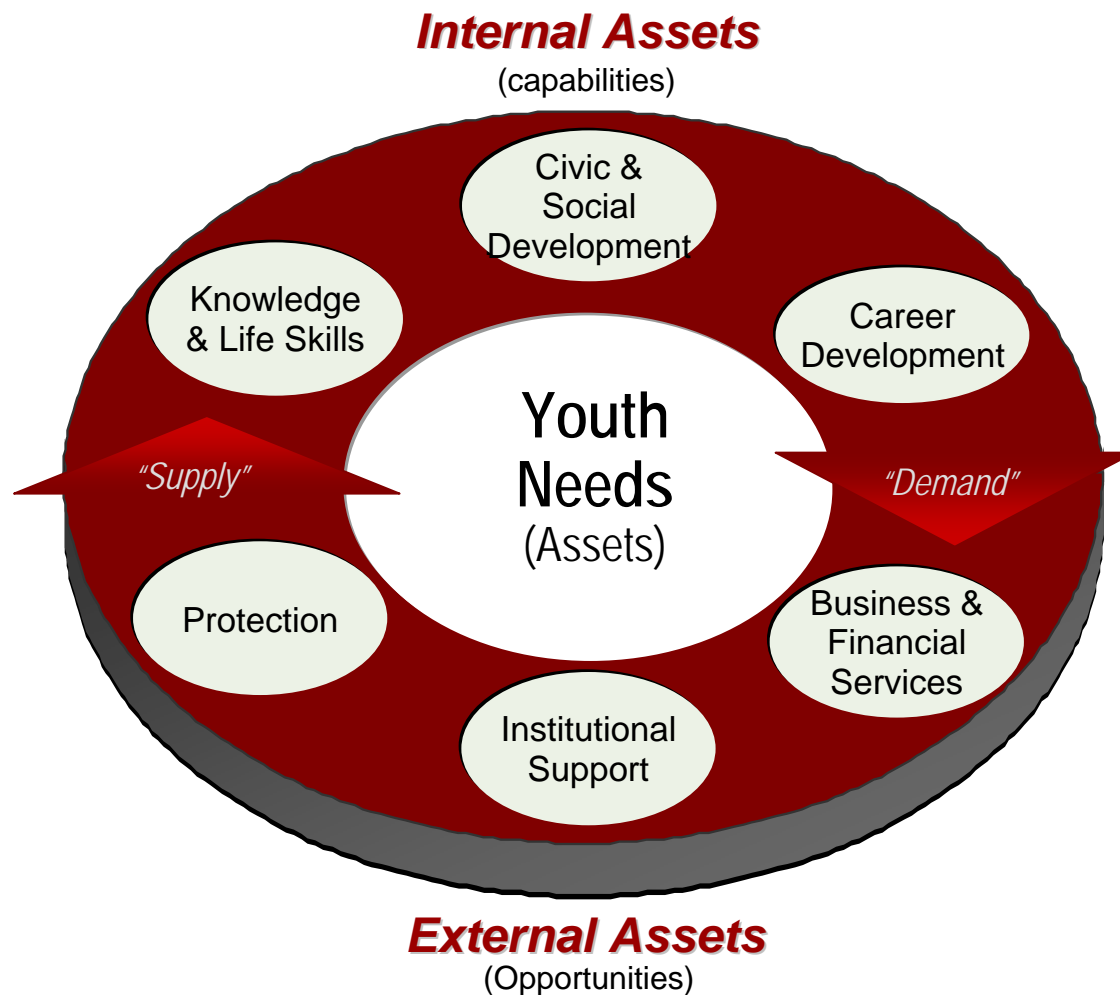
D) Youth Transformation Toolkit

Appendix

What kind of capabilities and opportunities do young people need?

What is Mercy Corps' Youth Transformation Framework™?

A holistic view of youth needs as they transition to adulthood



The Youth Transformation Framework™ illustrates the six transformational assets that we must build based on the local contexts and priorities.

- **Internal assets** represent the *demand* for youth *capabilities* by young people, parents and markets
- **External assets** represent the *supply* of *opportunities* from local stakeholders

Youth Transformation Framework™



Be the change

Capabilities (Internal Assets)

Demand for knowledge, skills, attitudes and behaviors

Opportunities (External Assets)

Supply of human and financial resources

Knowledge & Life Skills Develop life and soft skills to foster healthy and productive living through formal and informal education

- Knowledge and care
- Healthy living
- Soft skills (personal / interpersonal)

Business & Financial Services Provide access to youth-friendly financial services and markets to foster local economic development.

- Youth financial services (loans, savings, grants, etc.)
- Market access

Civic & Social Development Educate, inspire and connect global citizens to reduce poverty, hunger, and conflict around the world.

- Civic engagement
- Constructive social behaviors

Institutional Support Build the capacity of government, civil society and the private sector to ensure inclusive access to opportunities and services.

- Government
- Private sector
- Civil society
- Schools/ University
- Clinics/Hospital

Career Development Develop market-driven skills to foster entrepreneurship and employment

- Experience & information
- Entrepreneurial skills
- Technical skills

Protection Engage young people in relief and development to protect human dignity

- Safe & lawful places
- Psycho-social support
- Inclusion and rehabilitation
- Emergency education
- Disaster risk reduction

Each asset captures the most essential elements of positive youth development (i.e. drivers) identified from years of research across disciplines and field expertise.

Work-In-Progress

The +/- 75 youth needs in the framework are defined as program **outputs** and can be used as guidelines to:

- Assess the situation and prioritize outputs
- Identify activities with the greatest value-added on priorities or outputs overall
- Monitor and evaluate progress over years

| 1 KNOWLEDGE & LIFE SKILLS | | (Asset) |
|---------------------------|--|-----------|
| a | Knowledge and care | |
| 1 | Reading & writing | |
| 2 | Financial literacy | |
| 3 | Adult care & expectations | * |
| b | Healthy living | |
| 1 | Hygiene | |
| 2 | Nutrition | |
| 3 | Reproductive health | (Outputs) |
| 4 | Sexual education/Disease prevention (HIV-AIDS & STDs) | |
| 5 | Prevention of drug/ alcohol abuse | |
| 6 | Sports & athletic activities | |
| c | Soft skills | |
| 1 | Leadership | |
| 2 | Negotiation | |
| 3 | Communication | |
| 4 | Teamwork | |
| 5 | Self-awareness and confidence | |
| 6 | Critical thinking and decision making | |
| 7 | Perseverance | |

Mercy Corps' Youth Transformation Framework™ Asset #2, #3 and #4

2 CIVIC AND SOCIAL DEVELOPMENT

| | |
|---|-------------------------------------|
| a | Civic engagement |
| 1 | Political responsibility |
| 2 | Civic responsibility |
| 3 | Economic responsibility |
| 4 | Environmental responsibility |
| 5 | Global citizenship |
| b | Constructive social behavior |
| 1 | Creativity & innovation |
| 2 | Reliability |
| 3 | Respect for diversity |
| 4 | Trust |
| 5 | Reputation |

Work-In-Progress

3 CAREER DEVELOPMENT

| | |
|---|--|
| a | Experience & information |
| 1 | Career information and counseling |
| 2 | Practical experiences |
| 3 | ICT (Information, Communication & Technology) |
| 4 | Language proficiency |
| b | Entrepreneurship skills |
| 1 | Entrepreneurial mindset |
| 2 | Financial & business management training |
| c | Technical skills |
| 1 | Agribusiness/ agronomy |
| 2 | Market-driven skills (Vocational, services, professional) |

4 BUSINESS & FINANCIAL SERVICES

| | |
|---|--|
| a | Youth financial services |
| 1 | Business loans (micro and SME) |
| 2 | Educational loans/ scholarships |
| 3 | Equity or business grant |
| 4 | Savings |
| 5 | Other financial products |
| b | Market access |
| 1 | Idea generation |
| 2 | Market linkages and development |
| 3 | Mentorship/ Youth-friendly BDS |

Mercy Corps' Youth Transformation Framework™ Assets #5 and #6

5 INSTITUTIONAL SUPPORT

| | |
|---|--|
| a | Government (local, sector, national) |
| 1 | Policies and programs supporting youth |
| 2 | Labour market regulations |
| 3 | Good governance |
| b | Private sector |
| 1 | Youth Recruiting |
| 2 | Corporate Social Responsibility (CSR), Fair trade |
| 4 | Industry Competitiveness |
| c | Civil society |
| 1 | Youth associations/ CSOs |
| 2 | NGO programs supporting youth |
| 3 | Operational efficiency and effectiveness |
| d | Schools, universities |
| 1 | Accessibility (Distance, price, schedule) |
| 2 | Relevant curriculum |
| 3 | Teaching capacity |
| 4 | Alignment (Private sector & parents) |
| e | Healthcare (Hospitals/Clinics/Health workers) |
| 1 | Access (Costs, distance, schedule) |
| 2 | Services relevant to youth needs (Type & quality) |

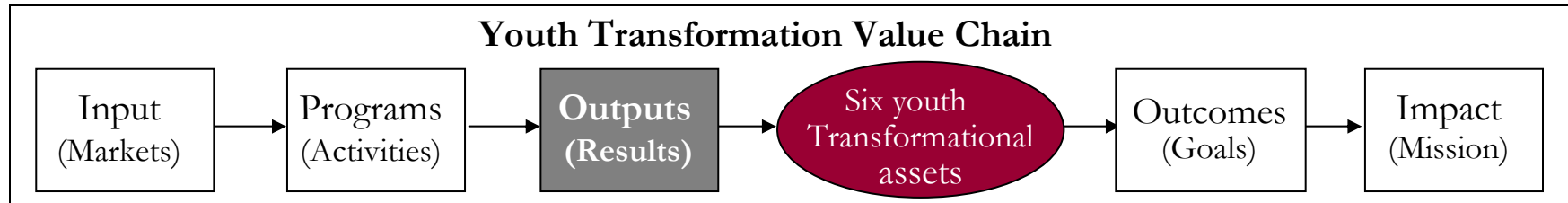
6 PROTECTION

| | |
|---|--|
| a | Safe & lawful places |
| 1 | Legal rights |
| 2 | At work (including migration) |
| 3 | In community (home, school, street) |
| b | Psycho-social support |
| 1 | Sense of normalcy |
| 2 | Well-being (Reduced anxiety) |
| 3 | Sense of hope |
| 4 | Sense of belonging |
| c | Inclusion and rehabilitation |
| 1 | Support for minorities & girls |
| 2 | Reintegration and second chances |
| 3 | Support for PWDs (physical or mental) |
| d | Emergency education |
| 1 | Appropriateness |
| 2 | Accreditation/ Certification |
| e | Disaster risk reduction |
| 1 | Information on risks of hazard |
| 2 | Mitigation and preparedness |

Work-In-Progress

These +/-75 outputs can be used as targets to accelerate the transformation process

Summary - Youth transformation value chain



Markets:

- Consumers (B2C)
- Businesses (B2B)
- Employers

Others:

- Youth
- Parents
- Government
- Civil society

Diverse depending on context, priorities, funding and interests

75 youth needs identified from research across sectors

Internal Assets (capabilities):

1. Knowledge & Life Skills
2. Civic & Social Development
3. Career Development

External Assets (opportunities):

4. Business & Financial Services
5. Institutional Support
6. Safety & Emergency Aid

1. Access to income
2. Responsible & Engaged citizen

Secure, Productive, Just communities

Agenda: Youth Transformation



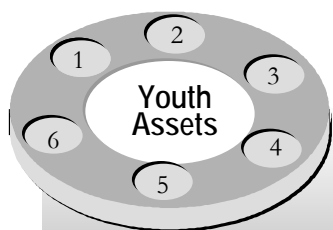
A) Background

B) Youth Transformation Framework™

D) Youth Transformation Toolkit

Appendix

Youth Transformation Toolkit to support the programming process



The Youth Transformation Toolkit is a set of tools to guide staff across the programming process

Programming Process

Assessment

Program Design

Implementation

Monitoring & Evaluation

Tools:

Diagnostic:

- Transformation Matrix™
- Questionnaires

Brainstorming & knowledge sharing:

- Activity Value Print™

Efficiency/ effectiveness

- Curriculum
 - Global Citizenship
 - Negotiation
 - Life Skills
 - Psychosocial support
 - Youth entrepreneurship
- Methodologies
 - Sports 4 change
 - Connectivity Y2Y
- Partnership agreements

Indicators + Indexes:

- Livelihood Index (LI)
- Soft Skills Index (SSI)

Assessment

Program Design

Implementation

M&E

Hint:

Output = What? (Benefits)
Outcome = So what? (Impact)



Be the change

Assessment

The diagnostic tool is used to assess the situation of youth in a community against benchmarks described for each output in the framework.

| | Purpose | Description |
|--------------------------|---|---|
| Questionnaire | <ul style="list-style-type: none">▪ Provide questions and data requirements that should be collected from youth and institutions to assess level of each output in the framework | <ul style="list-style-type: none">▪ Questions are linked to outputs listed in the Youth Transformation Framework and can be modified based on local context▪ Six questionnaires in Word format (one for each Transformational asset) that can be used separately |
| Youth Development Matrix | <ul style="list-style-type: none">▪ Benchmarks youth attitudes and resources for each dimension (outputs) of the Youth Transformation Framework™▪ Prioritize▪ Share expertise across disciplines and regions▪ Build donor capacity | <ul style="list-style-type: none">▪ Interpret the situation of a youth community at a point in time (interpretation should be inferred based on responses received from questionnaires)▪ Each output depicts the natural progression towards the optimal scenario that drives desired outcomes.▪ The key elements that constitute outputs are described according to three development levels: (1) In serious need; (2) In transition but weak or at risk; (3) Best Scenario. |

Once completed, the diagnostic can be used to monitor progress over time, and prioritize areas of focus

Snapshots of Excel tool

Youth Transformation Matrix™ (Diagnostic tool)

| | | | | |
|---|---|--|--|--|
| 1 Youth Development Toolkit - Youth Development Matrix™ [Development in progress] | | | | |
| 2 GOAL: Help build secure, productive and just communities across generations | | | | |
| 3 OUTCOMES (Ultimate impact of youth programming): | | 1-Access to employment or sufficient income (Livelihoods) 2-Responsible, resilient and informed citizen (Empowerment) | | |
| 4 OUTPUTS: What programs enable/provide to reach desired outcomes | | Development level (Progression towards leading stage that drives desired outcomes): | | |
| | | Development Level 1: In serious need | Development Level 2: In transition (but weak or at risk) | Development Level 3: Best scenario (Not always a target - depends on context) |
| Assets | Outputs sub-categories | Describe the missing elements required to achieve desired outputs. Highlight risks that may worsen the situation. | Describe strengths & weaknesses. Highlight key success factors (KSF) that are missing or not fully deployed to secure/sustain desired outputs. | Describe the critical aspects required to secure and sustain desired outputs. |
| | 1 KNOWLEDGE & LIFE SKILLS | | | (Internal Asset) |
| | a Basic knowledge | | | |
| | b Physical and mental health | | | |
| | c Soft skills | | | |
| | 2 INFORMATION & EXPRESSION | | | (Internal Asset) |
| | a Civic engagement | | | |
| | b Cultural awareness (local and international) | | | |
| | c Sports & recreation | | | |
| | d Information, Communication & Technology (ICT) | | | |
| | 3 CAREER DEVELOPMENT | | | (Internal Asset) |
| | a Career development support | | | |
| | b Entrepreneurship skills | | | |
| | c Technical skills | | | |
| | 4 BUSINESS & FINANCIAL LITERACY | | | (Internal Asset) |
| | a Youth Financial Services | | | |
| | b Business Development | | | |
| | 5 INSTITUTIONAL SUPPORT | | | (Internal Asset) |
| | a Government (local and national) | | | |
| | b Private sector | | | |
| | c Civil society | | | |
| | d Schools | | | |
| | 6 ADULT SUPPORT & SUPPORTIVE ENVIRONMENT | | | (Internal Asset) |
| | a Disaster risk and insurance | | | |
| | b Safe & peaceful places | | | |
| | c Role models at home | | | |

| | | | | |
|--|--|--|--|--|
| 1 KNOWLEDGE & LIFE SKILLS | | (Internal Asset) | | |
| a Basic knowledge | Reading, writing, math and sciences | The Youth cannot read, write or count. | The Youth can read, write or count but do not master language, math and science to the level correcting to their respective school level. | The Youth can read, write and count effectively and know basics of science (physics, natural, anthropology, etc.) because they completed primary and secondary education, or attended |
| | Financial literacy (saving, budgeting, microfinance) | The Youth > 15 yrs old do not have a basic understanding of a) living costs (value of money), b)the importance of saving for future benefits, c)budgeting/financial planning and d)the lending process (microfinance or others). | The Youth > 15 yrs old have basic understanding of a)living costs (value of money), b)the importance of saving for future benefits, c)budgeting/financial planning, and d)the lending process (microfinance or others) but do not know how to apply knowledge in their own life. | The Youth budget their income and expenses according to longer term goals that require savings and/or lending. They can estimate future financial needs and know where and how to find the financial resources required. They understand the cost of borrowing money in relation to short term expenses (short term benefits) VS Capital investments (long term) |
| | Languages (National and International) | The Youth are unable to attend school or engage in civil society because they use a different language to communicate. | The Youth have access to education but learning and civic engagement are restrained because of the language barrier. | The Youth have access to opportunities because they have sufficient mastery of the language used by the government, civil society and private sector. |
| b Physical and mental health | | | | |
| c Soft skills | | | | |
| 2 INFORMATION & EXPRESSION | | (Internal Asset) | | |
| a Civic engagement | | | | |
| b Cultural awareness (local and international) | | | | |

Youth Needs (Six core "assets")

Outputs

Sub-categories of outputs

Each output has sub-categories defined for three levels of development (see red, yellow, and green above)

Youth Development Toolkit - Youth Development Matrix™ [Development in progress]

DRAFT

GOAL: Help build secure, productive and just communities **across generations**

OUTCOMES (Ultimate impact of youth programming):

- 1-Access to employment or sufficient income (Livelihoods)
- 2-Responsible, resilient and informed citizen (Empowerment)

Example: Village x, 200 youth 12-24yrs old

OUTPUTS: *What*

programs enable/provide to reach desired outcomes

Development level (Progression towards leading stage that drives desired outcomes):

| Assets | Outputs sub-categories | Development level (Progression towards leading stage that drives desired outcomes): | | | Score | | Dev. Level and potential Indicators | Notes/Comments | |
|---------------------------|--|--|--|--|---------|------------------|-------------------------------------|---|--|
| | | Development Level 1: In serious need (10pts) | Development Level 2: In transition but weak or at risk (20pts) | Development Level 3: Best scenario (30pts) | Mal (M) | Female (F) Total | | | |
| 1 KNOWLEDGE & LIFE SKILLS | Internal Asset | | | | | 1.3 | 1.0 | | |
| | a Basic knowledge | | | Average of youth in the community: | | | 2.0 | 1.0 | |
| | Reading, writing, math and sciences | The Youth cannot read, write or count. | The Youth can read, write or count but do not master language, math and science to standards for their age/region. | The Youth can read, write and count and know basics of science (physics, natural, anthropology, etc.) according to standards for their age. | | | 1.2 | % of 16-17 yrs old who completed 8 years of schooling | Estimate of education attainment through formal or informal education. |
| | Financial literacy (saving, budgeting, microfinance) | The Youth > 15 yrs old do not have a basic understanding of a) living costs (value of money), b)the importance of saving for future benefits, c)budgeting/financial planning and d)the lending process (microfinance or others). | The Youth > 15 yrs old have basic understanding of a)living costs (value of money), b)the importance of saving for future benefits, c)budgeting/financial planning, and d)the lending process (microfinance or others) but do not know how to apply knowledge in their own life. | The Youth budget their income and expenses according to specific goals (eg:higher education) that require savings and/or lending. They can estimate future financial needs and know where and how to find the financial resources required. They understand the cost of borrowing money in relation to short term expenses (short term benefits) VS Capital investments (long term | | | 1.9 | % of 16-17 yrs old who has a bank account or access to financial services | Estimate of needs for training on managing personal finances. |
| | Languages (National and International) | The Youth are unable to attend school or engage in civil society because they use a different language to communicate. | The Youth have access to education but learning and civic engagement are restrained because of the language barrier. | The Youth have access to opportunities because they have sufficient mastery of the language used by the government, civil society and private sector. | | | 3 | % of 16-17 yrs old who are bilingual (national language + any other language) | Estimate access to opportunities for development. |
| | b Physical and mental health | | | Average of youth in the community: | | | 1.3 | 1 | |
| | c Soft skills | | | Average of youth in the community: | | | 0.5 | 1 | |
| | Leadership | The Youth don't have a vision of a positive future. They present symptoms of hopelessness and lack of ambition. | The Youth are able to coordinate but they are not fully aware of their capacity to affect positive change. | The Youth demonstrate an ability to listen and understand another's needs and circumstances (empathy) in order to inspire trust and to influence actions. They are able | | | | Soft skill index-average points by age group: 12-15yrs old | |

- Step 1: Adapt the six questionnaires for local context (as needed)
- Step 2: Assess development level (score on a scale of 0-3) for each sub-category of outputs using responses from questionnaires and suggested descriptions in the Development Matrix.
- Step 3: Identify priorities based on scores, interests of youth, communities, staff and donors
- Step 4: Design programs based on activities with the greatest effect on the outputs identified as priorities using the Program Value Print
- Step 5: Conduct same diagnostic every year to evaluate progress among aging youth and influence on new generations



Activity Value Print to help design programs



Program Design

The Activity Value Print is a tool used to brainstorm ideas about activities with the greatest value-added on desired outputs.

| | Purpose | Description |
|------------------------------|--|---|
| Activity Value Print™ | <ul style="list-style-type: none"> Identify activities that have the greatest impact on the areas identified as priority after the diagnostic Learn from others about specific areas of interests. | <ul style="list-style-type: none"> Estimated effect of activities on outputs is established subjectively based on past experiences, research, expert opinions, and/or consensus among practitioners. These estimates are not absolute truth but can be used as guidelines or references to design programs that target outputs identified as priorities through the diagnostic process. |

Snapshots of Excel tool

| Activities | Focus | Brief Description | Country | Link to DL | External Research | Assumptions | Key Success Factors (KSF) | Outputs | | | | | | | | |
|------------|---------------------------------|-------------------|------------------|-------------|-------------------|-------------|---------------------------|-------------------------|---|---|------------------|---|----------------------------|---|------------------|---|
| | | | | | | | | KNOWLEDGE & LIFE SKILLS | | | CIVIC ENGAGEMENT | | LEADERSHIP & COMMUNICATION | | CIVIC ENGAGEMENT | |
| | | | | | | | | a | b | c | a | b | c | a | | |
| 1 | Apprenticeship | Entrepreneurship | The program | India | Empov | TBD | TBD | TBD | 1 | 0 | 1 | 5 | 3 | 5 | 3 | 0 |
| 2 | Mentorship program | Entrepreneurship | This CDI | Kyrgyzstan | Apprer | TBD | TBD | TBD | 5 | 1 | 5 | 3 | c | 3 | 2 | 2 |
| 3 | Mentorship program | Entrepreneurship | Mercy Corps | China | (Work | TBD | TBD | TBD | 3 | 5 | 3 | 2 | 3 | 1 | 0 | 1 |
| 4 | Service-learning activities | Community dev. | asodfjasdij;alsd | Lebanon | to be | TBD | TBD | TBD | 2 | 3 | | | | | 1 | 5 |
| 4 | Youth committees meeting | Conflict | TCCP was a 27 | Tajikistan | (TCPF | TBD | TBD | TBD | 5 | 2 | | | | | 5 | 3 |
| 5 | Youth conference | Environment | A global youth | Internation | The Ga | TBD | TBD | TBD | 2 | 5 | 2 | 5 | 3 | 2 | 3 | 2 |
| 6 | Infrastructure benefiting youth | Community | response to the | | Sixty F | TBD | TBD | TBD | 1 | 2 | 5 | 3 | c | 5 | 2 | 3 |
| 8 | Game-Based skills | Peace building | a year long | Sudan | Sports | TBD | TBD | TBD | 0 | | 1 | 5 | 2 | 1 | 2 | 5 |
| 9 | Game-Based skills | Leadership | uses virtual and | Internation | | TBD | TBD | TBD | 1 | 0 | 5 | 2 | 5 | | 1 | 2 |

ILLUSTRATIVE



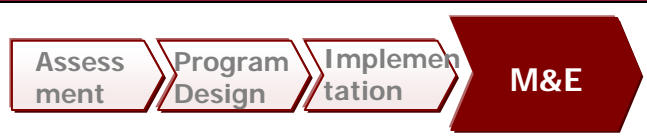
Increase efficiency and effectiveness



Implementation

There are multiple tools that can be used by field staff to facilitate implementation of youth development programs on the ground

| | Purpose | Description |
|-------------------------------|--|--|
| Curriculum | <ul style="list-style-type: none"> Provide field staff with flexible modular curriculum that can be downloaded and customized based on local needs and context. | <ul style="list-style-type: none"> Life skills Psychosocial support Negotiation Global citizenship Youth Entrepreneurship |
| Methodologies | <ul style="list-style-type: none"> Leverage lessons learnt and best practices across countries to increase efficiency Integrate market-driven approach to youth employment | <ul style="list-style-type: none"> Market assessment and Value Chain Analysis Sports/Game-based programming Service learning Youth business plan contest Youth Microfinance |
| Partnership agreements | <ul style="list-style-type: none"> MoUs facilitate sharing of resources across agencies Increase efficiency | <ul style="list-style-type: none"> MoUs Marketing at the Hunger Center in exchange of material/support |



Outputs/ Outcomes/ Impact indicators



Monitoring & Evaluation

Each output in the framework provides a list of outcome indicators and two indexes to measure impact on two main goals

| | Purpose | Description |
|----------------------------------|--|---|
| 1-Livelihood Index (LI) | Measures impact on income | <ul style="list-style-type: none"> Standard calculation based on simplified "social accounting principles" Measures of increase in net income |
| 2-Soft Skills Index (SSI) | Measures impact on: <ul style="list-style-type: none"> Behaviors Attitudes Skills Emotions | <ul style="list-style-type: none"> Standard measure based on the 20 essential elements of positive youth development identified from empirical research (longevity studies among thousands of youth) |

- Standard social accounting period: Report results of both indexes together on **June 30th** of each year, for at least five years after program completion
- Use simple sampling methods

Transforming the "5Cs" of positive youth development theory into one:

- | | | |
|---|---|--|
| <ol style="list-style-type: none"> <u>C</u>ompetencies <u>C</u>haracter <u>C</u>aring <u>C</u>onfidence <u>C</u>onnections | } | <u>C</u> ontribution to: <ul style="list-style-type: none"> Self Family Society |
|---|---|--|

A) Background

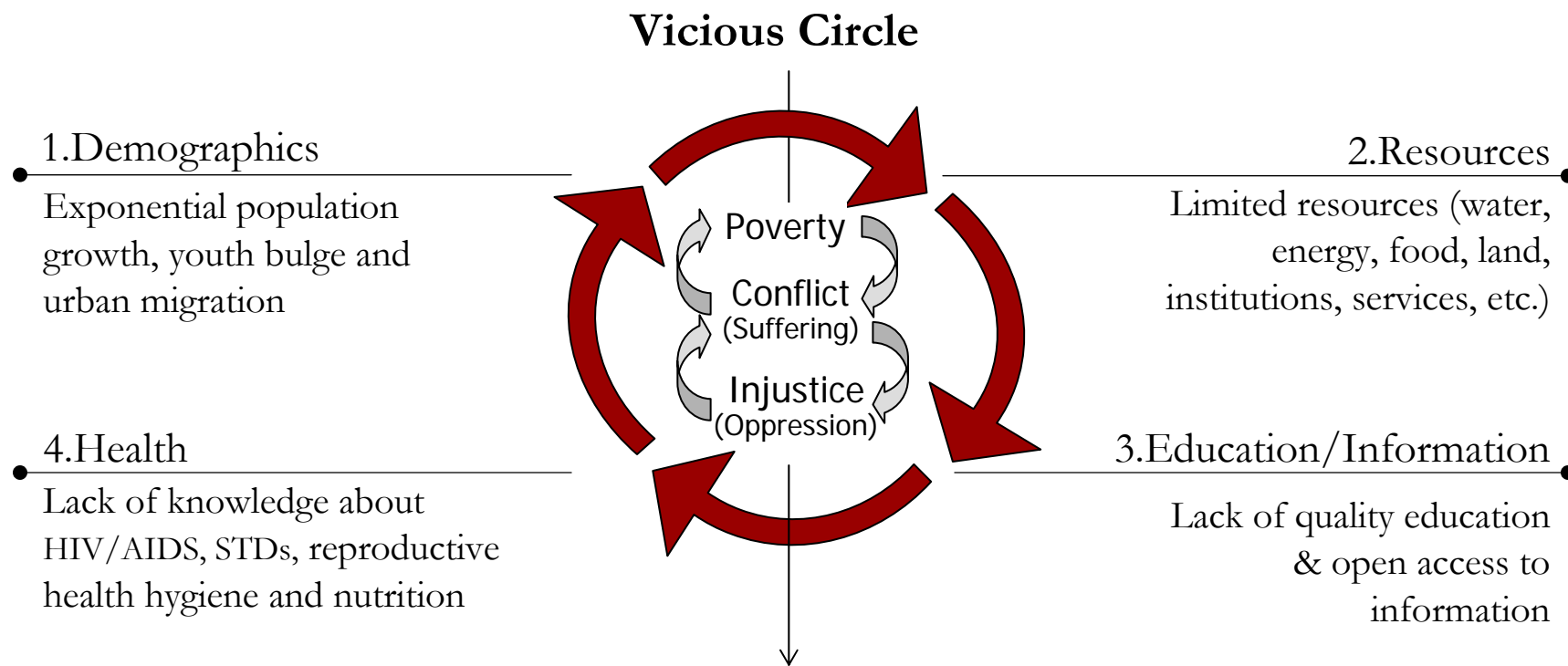
B) Youth Transformation Framework™

D) Youth Transformation Toolkit

Appendix

- The context and the vicious circle of poverty
- The youth in the Middle-East
- Past and emerging youth programs
- Key success factors in youth lending
- Vision for change

Alarming problem: Four root causes feed the vicious circle every day...



Incredible opportunity :

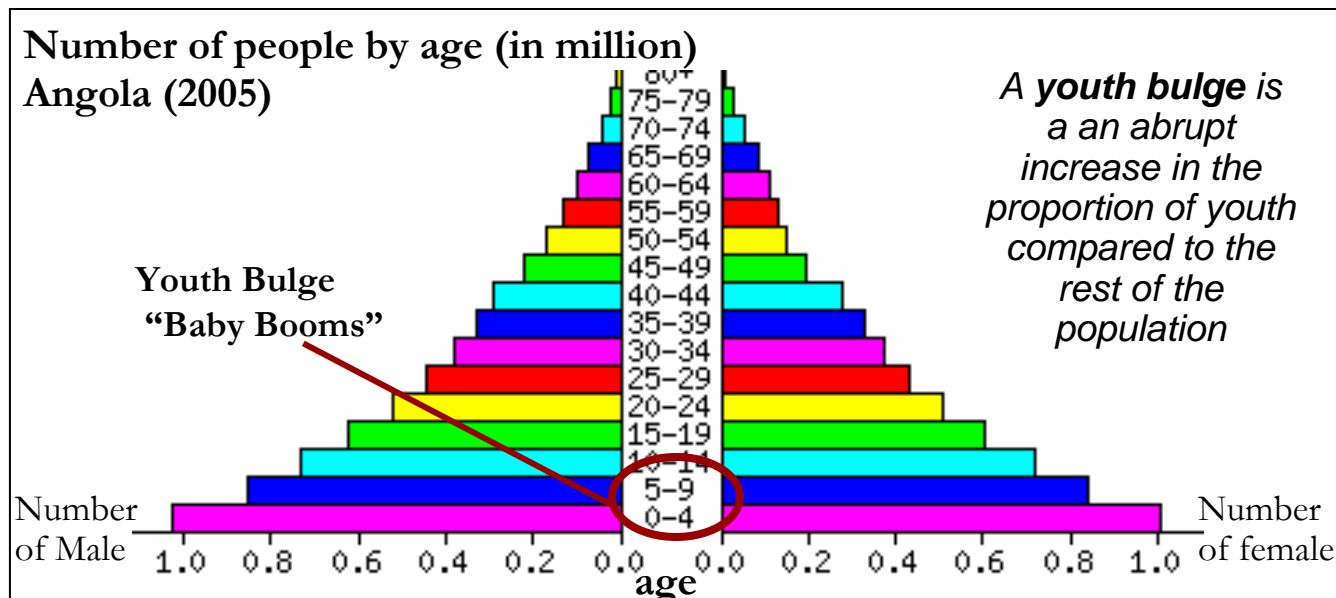
Youth can break the vicious circle today without skipping future generations

Context:

Root cause 1 – Demographics and youth bulge

More young people today and tomorrow

- 1.5 billion people are ages 12–24 worldwide, 1.3 billion (87%) of them live in developing countries - *the most ever in history (WDR2007)*.
- In many developing countries, the proportion of youth is peaking now or will peak over the next 10-15 years
- More young people means more strain on education systems, greater unemployment and risks of social unrest



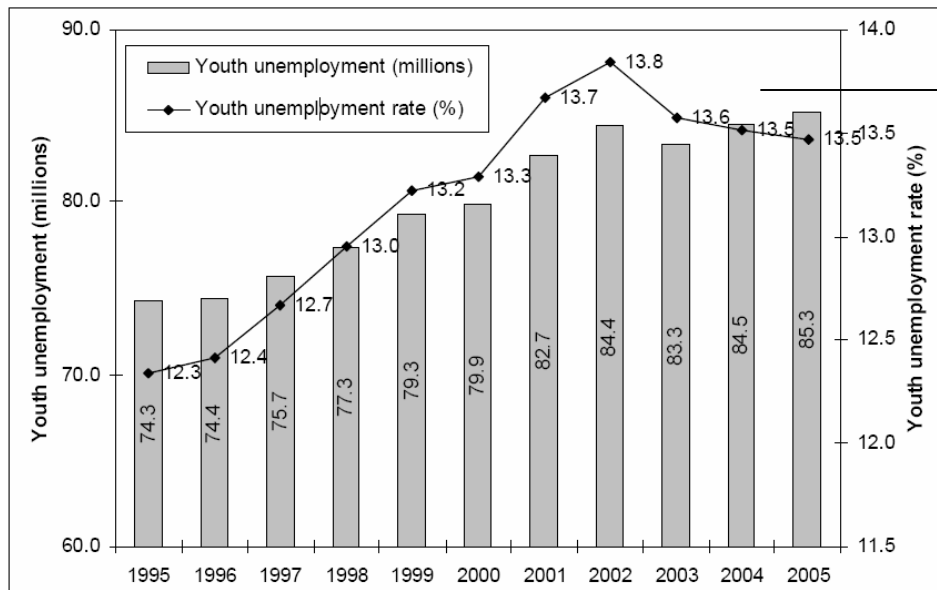
Source: Wikipedia

Alarming!

According to sociologist Heinsohn, an excess in especially young male population predictably **leads to social unrest, war and terrorism** as the youth that find no prestigious positions in their existing societies rationalize their impetus to compete by religion or political ideology.

Unemployment crisis: 405 million jobs needed today...and one billion in 10yrs?

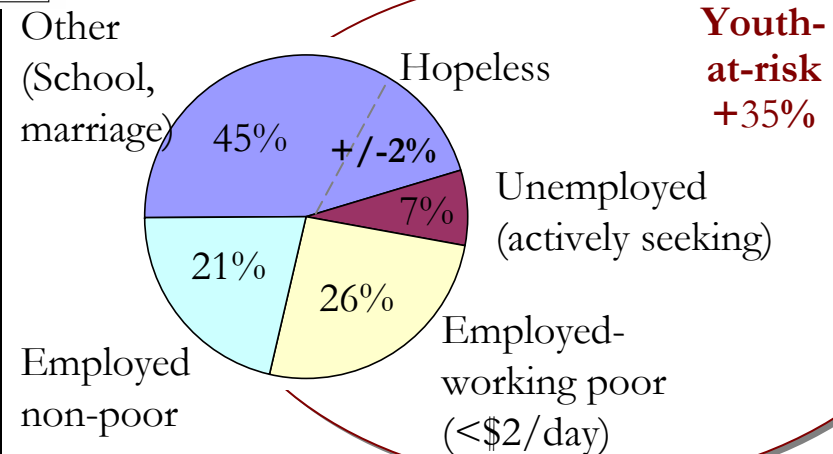
Global youth unemployment and youth unemployment rates, 1995-2005



Rate of unemployment is decreasing as more youth stay in school

Total 15-24 youth population: 1.2 billion
Estimated at-risk: 405million

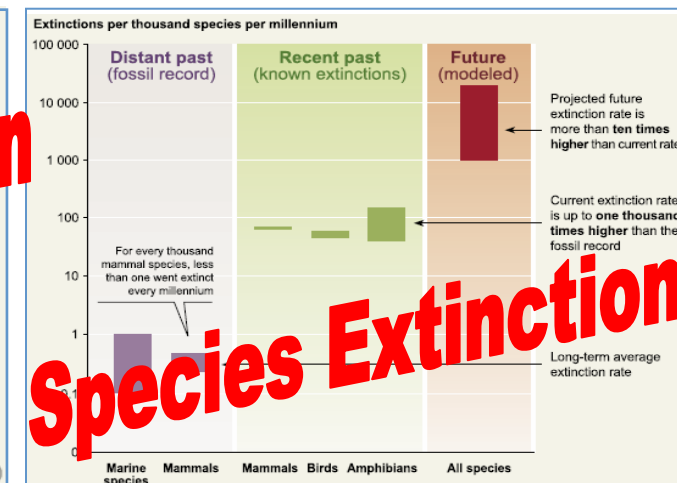
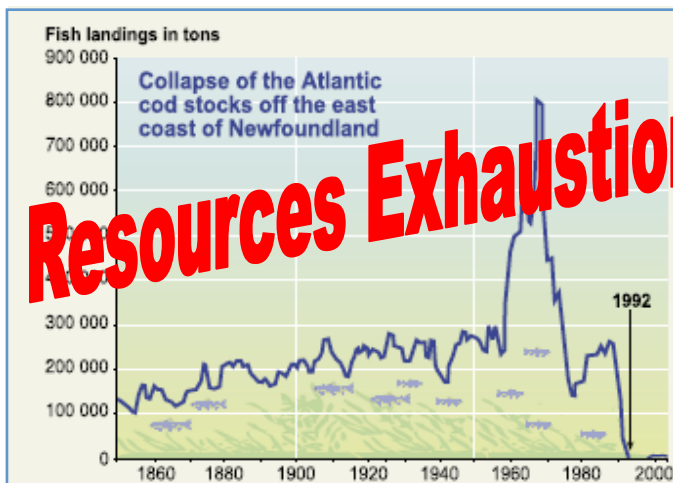
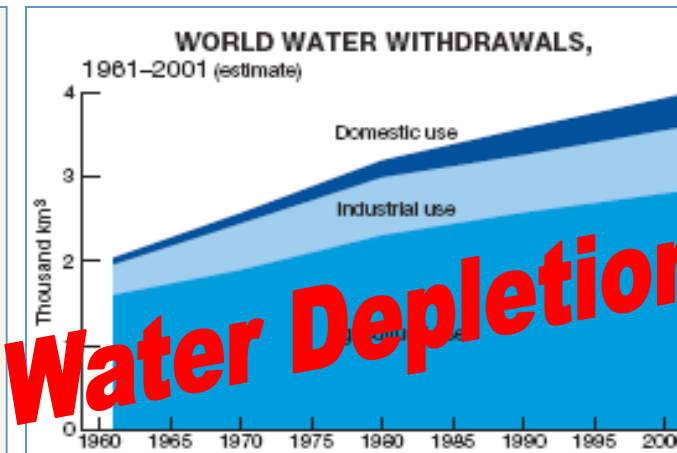
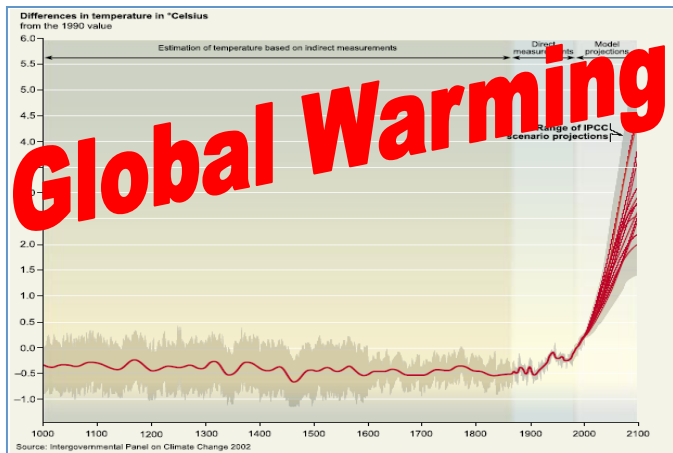
- Unemployment is a % of those who seek jobs – excludes:
 - ☛ hopeless who don't seek
 - ☛ Students
 - ☛ Wife/supported by family members
- Employment includes those who work but remain in poverty (less than \$2/day)



Source: employment trends for youth, ILO 2006

Context: Root cause 2 – Shrinking resources

More young people are sharing limited and shrinking **resources** (land, water, energy, food, etc.)



- Current generations exploited resources to unsustainable levels
- Next generations must learn new ways of filling their needs

Context:

Root cause 3 - Education / Information

Worldwide access to primary **education** is increasing but learning opportunities are still lacking

- In many countries, + 50% of children who complete primary school still cannot read a full sentence or perform a simple division problem!
 - 47 countries achieved universal primary education
 - 20 million new students in Sub-Sahara Africa and West Asia entered primary education
 - Inability to read after 6yrs of schooling destroys self-confidence
 - Secondary education systems worldwide do not have the capacity for new primary school graduates
- Formal education is not relevant - students do not learn:
 - Basic facts that could save their lives
 - Basic social skills to interact with confidence and solve problems
 - Technical or professional skills needed by employers or markets

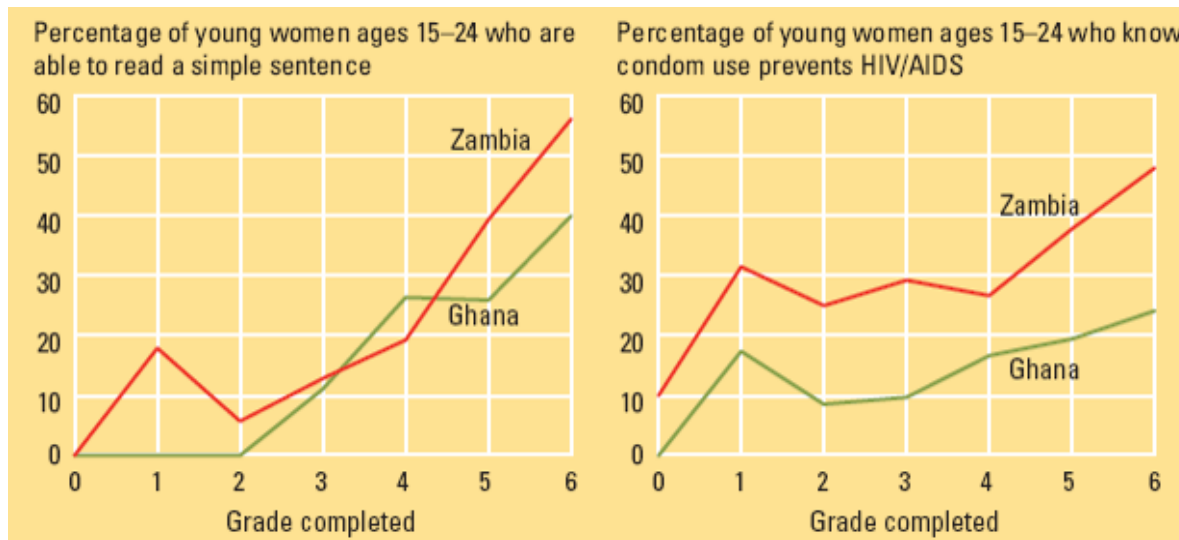
Mercy Corps can fill gaps through informal education
across multiple types of programming

Context:

Root cause 4 - Health

Health services and information are inadequate to prevent illness and risky behavior that have long term socio-economic consequences

- Reproductive health services are often not available for planned and unplanned pregnancy
 - Most births occurs among women ages 15-24*
- Risky lifestyles and behaviors (illicit drug, alcohol, solvents) are generally correlated with unemployment and poverty
 - In South Africa and Brazil, more than 50% of deaths due to homicide or traffic accidents had blood alcohol levels above legal limits*
- Lack of awareness about HIV/AIDS – partly affected by education level:



- **Less than 50% of sexually active young people use condoms***
- **The proportion of young people who begin to have sex before 15 years old is increasing since 1990***

*Source: World Development Report 2007: Development and the Next Generation, World Bank

Threat: Globalization creates expectations which can lead to social unrest if young people are excluded

- Lack of opportunities at the age of risk-taking can ignite sparks of long devastating disputes
 - The “the war on terror” should focus on engaging young people in something meaningful

Opportunity: Attitudes and behaviors learnt during youth are easier to adopt and last a lifetime

- Entrepreneurial potential – ILO found that 20% of youth have an entrepreneurial profile but less than 5% use it for income generating activities.
 - Over 55,000 youth business started since 1986, 60% of which are still trading in their 3rd year.

Building capabilities and providing opportunities can reduce risks while strengthening human capital

The youth labor force grew by 30% between 1995 and 2005 while GDP grew by about 5% during the same period

Lowest youth employment-to-population* in the world:

30%: Only one in three young people has a job

Although

...

Highest investment in education in the world over the past 35 years

5 % of GDP compared to 2% in other developing countries and 4% in developed countries

So...

Increase in educational attainment do not appear to have had impact on productivity

Why?...

**Number of youth working as a % of the youth population*

Why so little employment in the ME?

Difficult to change

- Low educational quality
- Low participation of women in labor force (only 25% are looking for work – lowest in the world)
- Emigration
 - 39% of highest educated Lebanese youth lived abroad in 2000
- Wage (+ benefits) 30% higher in the public sector (more than every where in the world)
- Initial job linked to family social status under marriage pressure
- Displacements / conflicts

Easier to change

- Lack of alignment between educational outcomes and market needs
- Lack of ability to apply knowledge and skills in the workplace
- Lack of exposure to role model entrepreneurs
- Limited understanding of career options and search process
- Only 10% of secondary school students received **vocational or technical training**, compared to about 25% in other countries and 65% in Germany

A proportion of our target group

15-24 years old (estimates)

| | Total 15-24 (UN, 2006) | Change (1995- 2015) | Employed (1) | Other (school/ family) | At risks | | |
|-----------------------|---------------------------|---------------------------|-----------------|------------------------------|-----------------------------|------------|-----------|
| | | | | | Employed (less <\$2/day) | Unemployed | Desperate |
| Jordan | 1,198 | 27% | 163 | 704 | 197 | 109 | 26 |
| Lebanon | 731 | 13% | 99 | 429 | 120 | 67 | 16 |
| Syria | 4,474 | 29% | 607 | 2,627 | 735 | 408 | 96 |
| Palestinian Territory | 785 | 52% | 107 | 461 | 129 | 72 | 17 |
| Iraq | 5,890 | 39% | 800 | 3,459 | 967 | 538 | 126 |
| Middle-East - MC | 13,078 | 32% | 1,776 | 7,680 | 2,148 | 1,193 | 281 |
| | | | 14% | 59% | 16% | 9% | 2% |
| At risk | | | | | | | 3,622 |
| WORLD | 1,193,060 | 15% | 246,566 | 543,837 | 298,265 | 84,508 | 19,884 |
| | | | 21% | 46% | 25% | 7% | 2% |
| At risk | | | | | | | 402,658 |

(1) Since only 30% of youth are employed in the ME (compared to 46% in the world), the distribution across groups was proportionally estimated

Past and emerging programs

| <i>Program area</i> | <i>Description</i> | <i>Activity samples</i> |
|---------------------------------------|--|---|
| 1. Youth-to-youth: | Engage youth as leaders and participants in civic activities | <ul style="list-style-type: none"> ▪ Youth clubs/associations ▪ Youth camps / events ▪ Peer to peer education ▪ Media – Radio, newspapers and internet ▪ Sports, drama and dance |
| 2. Youth-to-community: | Build capacity of institutions to increase impact on youth (quality, access, relevancy and attitudes) | <ul style="list-style-type: none"> ▪ Community development/ service learning ▪ Capacity building ▪ Schools, health care, government |
| 3. Youth-to-markets (Y2M): | Provide training, work experiences and resources needed to foster/fill local market demand for employment and entrepreneurship | <ul style="list-style-type: none"> ▪ Vocational/Business training ▪ Apprenticeships ▪ Financial services, literacy training, BDS ▪ Entrepreneurship and business plan contest ▪ Mentoring ▪ Information, Communication and Technology (ICT) |
| 4. Youth-post disaster | Provide psychosocial support and opportunities to build a future | <ul style="list-style-type: none"> ▪ Sports/Games/Recreational activities ▪ Emergency education ▪ Comfort for Kids (C4K) |
| 5. Youth-go-global | Connect and inspire young people across boundaries and oceans | <ul style="list-style-type: none"> ▪ Transcontinental connectivity ▪ Global citizenship |
| 5. Youth-to-environment (New): | Train and create youth employment to protect, clean and repair the environment | <ul style="list-style-type: none"> ▪ Eco-employment ▪ Environmental awareness |

Youth microfinance

Key success factors

Key success factors (KSF) in youth lending

| Preparation | Ongoing support | Evaluation |
|---|--|---|
| <ul style="list-style-type: none"> ▪ Financial literacy <ul style="list-style-type: none"> – Assumption about understanding of market system ▪ Idea generation <ul style="list-style-type: none"> – Replicating VS filling gaps ▪ Practical learning <ul style="list-style-type: none"> – Learning by doing – Learning by mistakes ▪ Marketing <ul style="list-style-type: none"> – 4Ps – Entrepreneurial profile | <ul style="list-style-type: none"> ▪ Mentorship <ul style="list-style-type: none"> – Questions – Feedback – Encouragement – Networks – Resources ▪ Business Development Services (BDS) <ul style="list-style-type: none"> – Industry expertise – Technical expertise (accounting, law, market development, etc) | <ul style="list-style-type: none"> ▪ Definition of success <ul style="list-style-type: none"> – Income level? – Sustainability of income? – # of jobs created? – Default rate? – ROI and sustainability for MFIs? – Citizenship? ▪ Measurement of success <ul style="list-style-type: none"> – Net income? |

How to implement these KSFs?

- Identify a partner for the delivery of each KSF and manage each process separately
 - Youth financial literacy : Microfinance Opportunities
 - Idea generation & learning by going: Making Cents and local NGOs
 - Mentorship & BDS: Chambers of commerce, accounting association, attorney associations, CFA network
 - Evaluation: Collaborate with all
- Define business model beyond MFI boundaries
 - Standard processes for scale (eg: financial literacy)
 - Use marketing budget
 - Customized processes for effectiveness (eg: mentorship/BDS)
 - Use community funds, foundations or CSR funding (MFI or private sector)
- Minimize risks : Entrepreneurial profile
 - Record of success (family, community, friends, school, work, sports)
 - Personal commitment
 - No need for collateral and credit history!

Conclusion – the Vision 4 change

By establishing partnerships with the private sector, public sector and civil society, we can build the *internal* and *external assets* needed by young people to achieve our vision for change...

Internal Assets

1. Knowledge & Life Skills
2. Civic & Social development
3. Career Development

External Assets

4. Business & Financial Services
5. Institutional Support
6. Protection

Principles:

- Participation
- Peaceful change
- Accountability



Conditions:

- Good governance
- Economic opportunity
- Health & well-being
- Sustainable Resource Management
- Access to information
- Respect for human rights

Vision For Change

...and sustain a **secure, productive** and **just** world across generations.