



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

2023 Annual Impact Report

Youth Entrepreneurship and Innovation Multi-Donor Trust Fund Empowering Africa's Youth



MINISTRY OF FOREIGN AFFAIRS
OF DENMARK



Ministry of Foreign Affairs
and International Cooperation



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Vimbainashe Bare Crisp n Clean Dry Cleaner.

Credit: AfDB

Foreword

As we present this Annual Impact Report for 2023, we reflect on a period marked by significant strides towards addressing the persistent challenge of youth unemployment in Africa—a challenge amplified by an ever-growing population that does not match the pace of job creation. With an annual requirement for 18 million new jobs to keep unemployment rates stableⁱ, our efforts through the Youth Entrepreneurship and Innovation Multi-Donor Trust Fund have been more crucial than ever.

This past year, the Trust Fund has demonstrated remarkable progress, deploying US\$2.5 million across five new projects, impacting six countries, and leveraging a total of US\$253.4 million in financing. This collective effort will enable the creation of approximately 685,000 jobs, benefiting about 18,000 youth-owned startups and micro, small and medium enterprises. These achievements highlight our commitment to fostering sustainable economic growth and substantially reducing unemployment among Africa’s youth.

Our success in 2023 extends beyond numbers. It encompasses strengthening the ecosystem of support for young entrepreneurs, particularly women, and integrating innovative practices across our operations. The upcoming rollout of the Youth, Jobs, and Skills Marker System promises to refine our approach further, ensuring that our investments are precisely aligned with the critical needs of job and skill creation.

However, we face ongoing challenges, including the depletion of allocated funds and an ever-increasing demand for employment solutions. In response, we are aligning the Trust Fund’s operations with the African Development Bank’s enhanced Trust Fund Policy, which expands the use of diverse financial instruments to amplify our impact.

Our gratitude extends to our donors, whose steadfast support has been pivotal. In 2023, Italy’s generous contribution of 5.5 million euros (approximately \$6 million) has been instrumental in sustaining our momentum. As we look to the future, your continued partnership will be vital in extending our reach and deepening our impact.

In closing, this report documents our achievements and underscores the ongoing need for innovative and collaborative solutions to harness Africa’s demographic dividend. Let us continue to empower the continent’s youth with the skills, opportunities, and means to thrive. Thank you for your unwavering support and commitment.



A handwritten signature in black ink that reads "Beth Dunford".

Dr. Beth Dunford
Vice President, Agriculture, Human and Social Development,
African Development Bank Group

Payne Murandu's employee tends to his onion crop. The infrastructure for the horticulture was financed from profits from Payne's other business.

Credit: AfDB

YEI MDTF at a Glance

Africa's 'youth bulge' offers a significant opportunity for economic growth but also poses a pressing challenge: creating enough jobs for the growing labor force. With only 3.7 million jobs generated annually, there remains a stark imbalance in the labor market. This is against a requirement to add an average of 1.7 million jobs per month across the continent to simply maintain current participation and unemployment rates.ⁱ This is worsened by the impacts of climate change and the lingering effects of the COVID-19 pandemic, which have disproportionately affected youth and women. Addressing Africa's job creation crisis for its youth is essential for achieving peace, stability, and sustainable economic development across the continent.

Despite these challenges, Africa's private sector remains underdeveloped, and industrialization progresses slowly. Entrepreneurship emerges as a vital pathway for generating quality jobs for young people. However, many micro and small enterprises, including those led by youth, struggle due to high competition and substantial risks, resulting in a high failure rate for start-ups.

ⁱ Malabo Montpellier Panel, Job opportunities for young Africans in Food and agriculture, new report demonstrates, 2024

The Youth Entrepreneurship and Innovation Multi-Donor Trust Fund (YEI MDTF or the Trust Fund) is dedicated to nurturing the entrepreneurship ecosystem and fostering job creation for Africa's youth. As the principal grant facility supporting the African Development Bank's Jobs for Youth in Africa Strategy (2016–2025), the Trust Fund aims to scale impactful interventions through catalytic grant disbursements. By empowering youth-led start-ups and micro, small, and medium-sized enterprises (MSMEs) with the necessary skills and business development support, the Trust Fund contributes to enterprise growth and job creation across the continent.

At the heart of YEI MDTF's mission is equipping young men and women with the skills and opportunities to shape their futures and create employment for themselves and their peers.

The YEI MDTF operates through three strategic intervention areas: Business Development Services; Policy and Regulatory Support; and Research and Feasibility Studies (Figure 1).

Since its inception in 2017, the YEI MDTF has been instrumental in supporting 38 projects. As of 31 December 2023, the Trust Fund has committed US\$33.1 million, achieving a commitment rate of 87%. These resources have successfully mobilized an additional US\$590 million in African Development Bank investments and US\$458 million in co-financing, resulting in an impressive financial leverage ratio of 1:35.

The YEI MDTF has significantly contributed to the creation of over 70,100 direct jobs for youth, 26% of which for young women. The Fund has further facilitated financing for 6,796 youth-owned start-ups and MSMEs, and more than 18,470 MSMEs have benefited from business development services. These services include expert advice, business management and entrepreneurship training, mentoring, and coaching. Additionally, YEI MDTF has supported seven legal and regulatory reforms, further enhancing the business environment.

Figure 1.



Business Development Services

Enhancing the capacity of youth-owned start-ups and MSMEs, and improving their access to financial services



Policy and Regulatory Support

Assisting countries in strengthening enabling environments for MSMEs and private sector development.



Research and Feasibility Studies

Conducting research to increase knowledge and evidence on entrepreneurship ecosystems and support the design of Bank projects.

70,136

Direct jobs created

6,531

Youth-owned start-ups and micro, small and medium-sized enterprises (MSMEs) reported increased knowledge and entrepreneurial skills

18,471

Youth-owned start-ups and MSMEs trained in entrepreneurial skills

18,557 (26%)

Direct jobs created for young women

6,796

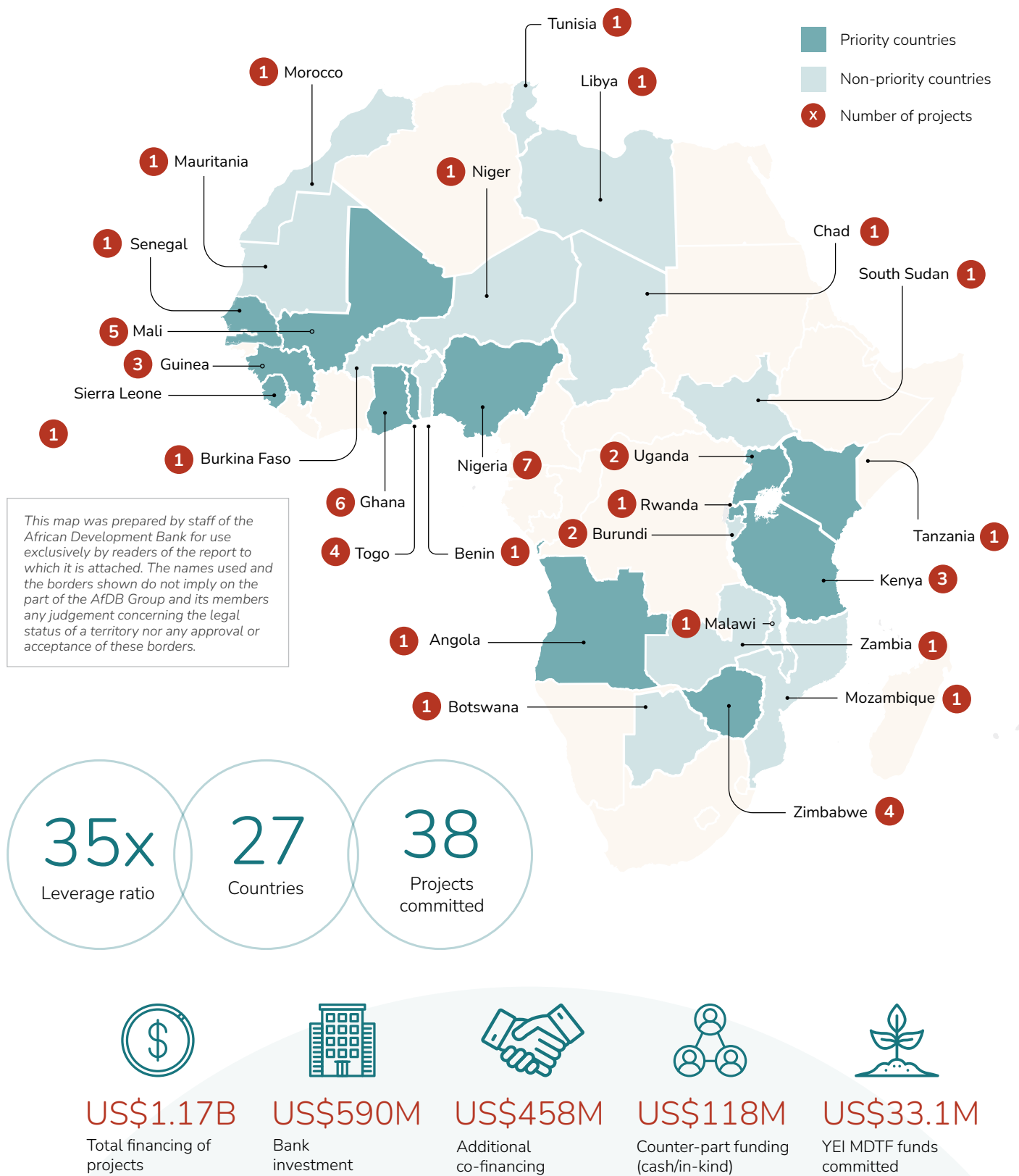
Youth-owned start-ups and MSMEs accessed finance

7

Policy reforms implemented

YEI MDTF's reach

The Trust Fund has strategically focused on regional member countries in transition and regions affected by economic migration. Its geographic reach extends across 27 countries.ⁱⁱ Notably, 67% of these countries are dedicated to the regional member countries that are eligible for the African Development Fund, the concessional window of the Bank, emphasizing the commitment to empowering youth-owned start-ups and MSMEs in the least developed African countries.



Leveraging for impact

A core objective of the YEI MDTF is to scale up interventions aligned with the Bank's Jobs for Youth in Africa Strategy, which targets the creation of 25 million jobs and the equipping of 50 million youth with employable and entrepreneurial skills by 2025. The Trust Fund strategically enhances the Bank's investments in youth economic development by integrating projects within the Bank's broader investment operations. This approach complements both the Bank's lending and concessional windows, leveraging a high co-financing ratio with core Bank resources and other trust funds to maximize the impact of youth economic initiatives in regional member countries. The YEI MDTF has also been instrumental in building and leveraging productive local partnerships to scale up interventions efficiently and sustainably across the continent. The Trust Fund has supported various government entities, particularly in the least developed African countries, to create conducive environments for private sector development. Beyond government partnerships, the YEI MDTF has collaborated with non-governmental organizations (NGOs), African philanthropic organizations, financial intermediaries, and the private sector during project design and implementation. By facilitating the convergence of financial resources, technical expertise, and market access, the YEI MDTF aims to make investments in youth-owned MSMEs an attractive prospect for the private sector, thereby fueling job creation and employment opportunities for youth.

Driving change with innovation and creativity

The YEI MDTF aims to harness youth talent and creativity by focusing on emerging economic sectors such as the creative industries, climate-smart enterprises, digital innovation, and artificial intelligence (AI)-enabled businesses. By supporting groundbreaking programs like the *Investment in Digital and Creative Enterprise (i-DICE)* in Nigeria, the YEI MDTF and its implementing partners are unlocking opportunities for young creative and tech talent. These initiatives incentivize the discovery, incubation, and acceleration of investable start-ups, driving growth in progressive sectors that attract youth.

In addition, the YEI MDTF leverages advancements in mobile technologies, fintech, and digital platforms to enhance access to finance through data analytics in Ghana and Benin, and crowdfunding in the East Africa Community. The Fund has also been pivotal in promoting innovation in climate-smart adaptation and mitigation solutions. Programs such as the *YouthADAPT Solutions Challenge*, *MicroGreen* in Ghana and Senegal, and *Job Creation for Women and Youth in Climate Smart Agriculture* in Sierra Leone highlight the Trust Fund's commitment to supporting climate entrepreneurs.

The influence of the YEI MDTF extends beyond financial contributions. It has catalyzed critical Bank initiatives, such as the *Enable Youth AgriPitch Competitions*, the *Entrepreneurship Innovations and Advice Platform (EiNA)* in North Africa, and the *Youth, Jobs, and Skills Marker System (YJSMS)*. The YJSMS, a unique tool designed to maximize job and skill outcomes, is shaping the way investments are made to achieve significant employment gains. By driving innovation and creativity, the YEI MDTF fosters youth entrepreneurship and paves the way for novel ideas and approaches to driving systemic change.

ⁱⁱ This excludes the 10 projects in the YEI MDTF portfolio with multi-country coverage.



Progress to Date

In 2023, the YEI MDTF facilitated a total of US\$253.4 million in financing for youth-owned start-ups and MSMEs, marking a substantial 67% increase compared to 2022. These projects are anticipated to benefit approximately 18,000 youth-owned start-ups and MSMEs and 50 enterprise support organizations (ESOs) and to create around 685,000 jobs.

As of 31 December 2023, YEI MDTF has committed US\$2.5 million for five projects spanning six countries: Angola, Ghana, Nigeria, Senegal, Sierra Leone, and Zambia.

Additionally, the Trust Fund successfully catalyzed over US\$189.4 million in Bank investments and secured an additional US\$37.7 million in co-financing to support young entrepreneurs in Africa. This success was realized through the strategic use of YEI MDTF grants to bolster larger Bank operations or finance project preparation, unlocking funds for projects with high job creation potential. Co-financing was mobilized from the Bank's public and private partners through long-term partnerships or parallel financing agreements.

In terms of focus areas, the largest share of the committed projects (60%) comprised research and feasibility studies that have informed the preparation of four Bank projects. The Trust Fund also advanced the institutionalization of the Youth, Jobs, and Skills Marker System to drive systemic change in designing and reporting on jobs and skills-related development projects across the Bank's operations. This initiative includes strengthening staff capacity through training and sector guidance tools, thus positioning the Bank for long-term success in youth employment.

The remaining 40% of the total funds committed focused on providing business development services and supporting regional member countries to enhance their enabling environments. Significant emphasis was placed on key youth beneficiaries, including young women and people with disabilities, with a notable focus on the creatives and technology sectors. Additionally, in 2013, increased attention was paid to green job creation, climate-smart agriculture, and waste management. For the first time, projects were planned in Sierra Leone, Angola, and Zambia.

Implementation status

A key objective of the Secretariat in 2023 was to accelerate project implementation and disbursement, and strengthen its focus on producing tangible results; US\$16.6 million out of the US\$33.1 million committed were disbursed, indicating that ongoing projects are still maturing and expected to reach their peak.



In 2023, the YEI MDTF disbursed US\$4.4 million for projects under implementation, contributing to a total disbursement of US\$16.6 million, marking a 46% increase compared to 2022. The disbursement rate (i.e. the total amount spent out of the amount committed as of 31 December 2023) improved from 30% in 2022 to 45% in 2023. However, overall disbursement fell slightly short of the US\$17.5 million target set in the 2023 Work Plan. Several factors led to delayed disbursements. These included lengthy procurement and recruitment processes averaging six months; executing agencies' non-compliance with Bank procurement rules or not meeting first disbursement conditions. Implementation delays were caused by slow negotiations, delays in signing project agreements with implementing agencies, lack of partner engagement and prioritization, political instability, government restructuring, and elections.

Political instability in the Sahel region, for example, delayed the implementation of the Resilience of Youth-led Enterprises (PAREJ) project. In Zimbabwe and Malawi, delays in signing legal agreements and establishing the Project Implementation Unit led to the initiation of the cancellation process for a project aimed at enhancing e-commerce environments for youth employment and food security. In Botswana, Ghana, and Kenya, projects faced issues such as government restructuring, unfamiliarity with the Bank's procurement process, and challenges in opening special accounts.

To address these challenges and improve project efficiency, several measures were adopted in 2023 and will continue into 2024, such as: (i) building the capacity of Project Implementation Units through Bank fiduciary clinics to enhance knowledge of the Bank's rules and procedures; (ii) streamlining procurement processes to reduce delays and withdrawals of preferred bidders; (iii) conducting supervision missions and providing on-site support to monitor project progress and mitigate challenges as they arise; (iv) regularly engaging with task managers and project teams through consultation meetings to ensure project continuity and informed decision-making; and (v) reallocating and recovering funds from non-performing projects in alignment with the Bank's cancellation guidelines to ensure effective management of resources.

Efforts in 2024 will focus on improving project disbursement, maximizing fund utilization, monitoring results and progress, identifying implementation barriers, and implementing mitigation measures to ensure smooth execution of the Fund's portfolio. Disbursements are expected to reach US\$29.1 million by the end of 2024 as more projects wind down and finalize their activities.

Strengthening monitoring and reporting capabilities

In 2023, the Secretariat continued to prioritize and enhance results reporting and data collection capabilities across all projects. Throughout the year, capacity-building sessions were conducted to train implementing partners on designing theories of change, developing monitoring and evaluation frameworks, and applying effective data collection techniques. Additionally, implementing partners received training on the Fund's results reporting requirements to ensure the timely, reliable, and credible transmission of data for informed decision-making. This training was essential in equipping project teams with the skills needed to accurately document and communicate outcomes and impacts.

A notable milestone in 2023 was the full deployment of a web-based online monitoring system. This innovative tool allows for real-time tracking of the Trust Fund's projects and portfolio performance through a visualization dashboard. Developed in collaboration with the Corporate Information and Technology Department of the Bank, this system is the first of its kind for trust funds within the Bank, utilizing digital solutions to facilitate more efficient reporting.

Measures were taken to extend access to this platform to members of the Oversight Committee, supported by training sessions and a comprehensive user manual. The Secretariat took additional steps to ensure the coherence, consistency, and credibility of the data accessible through the platform. Following its deployment, the tool was commended as a best practice during a mid-term review of the Bank's Resource Mobilization and Partnership function. The review recommended rolling out the interactive donor dashboard in order to track project progress, outcomes, and financial and operational information.

Managing risks and ensuring project continuity

In 2023, the Secretariat maintained a proactive approach to risk management, identifying early warning signals to facilitate timely corrective actions and ensure that projects remained on track despite changing contexts and conditions. Several risks were encountered during the year, necessitating various mitigation measures. Political risks posed significant challenges, leading to implementation delays and activity suspensions. For example, national elections in Zimbabwe disrupted training and capacity-building sessions for the Project Implementation Unit. The Secretariat and project team rescheduled these sessions for the post-election period, involving newly elected local leaders at the provincial and district levels. Unexpected political and governance shifts in the Sahel region also impacted the Project to Support the Resilience of Youth Enterprises in the G5 Sahel Countries (PAREJ).

Natural disasters such as flooding in Derna, Libya further compounded external risks. The flooding destroyed infrastructure, displaced thousands, and halted project activities. In response, the Secretariat closely monitored the situation and worked with implementing partners and the local government to support recovery and resilience strategies.

Operational risks included a lack of ownership, capacity, and clarity among implementation partners, resulting in delayed disbursement and implementation. The Secretariat addressed these issues by strengthening the capacities of

Project Implementation Units through fiduciary clinics and on-site support, providing partners with necessary skills and tools. Fiduciary risks were evident in Botswana, Ghana, and Kenya, where issues with the adequacy and constraints in fiduciary systems caused disbursement delays. The Secretariat strengthened its engagement and capacity-building efforts through the Bank's fiduciary clinics, close monitoring, and supervision. Additional measures, such as no-cost extensions and fund reallocation, were implemented to mitigate these risks.

The 2023 Work Plan emphasized a proactive approach to risk identification and management, leveraging the Bank's risk management processes and tools. Risk management practices and reporting were aligned with the Bank's rules and procedures, covering compliance, integrity, safeguarding, and policy requirements, including environmental and social safeguards (ESS), policies on the prevention of illicit financial flows, and zero tolerance for sexual exploitation, abuse, and harassment (SEAH).

At the portfolio level, the Secretariat enhanced monitoring through staff field visits and risk-based monitoring of 'watch-listed projects'. Collaboration with the Resource Mobilization and Partnerships Department helped rectify portfolio issues and address underperforming projects before enforcing cancellation policies.



Impact Highlights

The YEI MDTF has made significant strides towards its goal of supporting youth employment and entrepreneurship across Africa. Here are some highlights and analyses of the impact achieved in 2023.

Job creation and youth employability

Increasing job creation and employability is at the core of the YEI MDTF mission. By applying a 'jobs lens' in its programming approach, the Trust Fund focuses on initiatives that maximize employment outcomes and build a strong ecosystem of youth-centered entrepreneurship and business development. Addressing the youth unemployment and underemployment crisis across Africa, YEI MDTF supports countries in creating sustainable job opportunities and equipping young people with essential skills, driving long-term, inclusive growth.

In 2023, the YEI MDTF contributed to the creation of 1,567 direct jobs for youth, a 180% increase compared to 2022 and to meeting 98% of the 2023 target. However, only 36% of these jobs were occupied by young women, a decrease from 49% in 2022. The agriculture and agro-industrial sectors accounted for the majority of these jobs (46%). For instance, the **Youth Enterprise Development and Capacity Building project in Central Equatoria State**, South Sudan, financed by YEI MDTF, enhanced entrepreneurial skills and increased access to financing for youth-led start-ups in viable agricultural value chains such as horticulture, honey production, and poultry. This initiative secured direct employment for over 450 youth from the supported MSMEs.

The Africa Guarantee Fund Capacity-Building Program concluded in 2023, resulting in the creation of 624 direct jobs and over 960 indirect jobs among youth through beneficiary MSMEs in Ghana, Mali, Nigeria, Togo, and Zimbabwe. These outcomes were attributed to capacity building, skills development, access to finance, and market linkages provided to 344 youth-owned start-ups and MSMEs in high-impact sectors such as health, education, agriculture, inclusive finance, and climate adaptation and mitigation. Most of these enterprises saw their revenue increase by more than 10% during the program, and around 133 enterprises reported enhanced business knowledge and entrepreneurial skills, making them viable for investment.

The 2022 AgriPitch Challenge Competition also had a lasting impact. Twenty-five youth-led start-ups and growing small and medium-sized enterprises (SMEs) received intensive training, mentorship, and advisory support on investment readiness, financial management, market readiness, food safety certification, digital marketing tools, climate adaptation, and gender lens investing. The objective was to nurture technology-led innovations in youth agribusiness and link them with relevant investors. By the end of the program, participating MSMEs reported a 23% increase in employment, with all 25 MSMEs remaining operational, demonstrating a 100% survival rate.

Additionally, 2023 saw an increase in jobs created within the green economy, particularly in sustainable agriculture and waste management. The inaugural **Africa Youth Adaptation Solutions Challenge** cohort of ten innovators concluded in 2023 with impressive results, creating a total of 8,512 direct and indirect jobs, and achieving an average revenue increase of 123%. Two enterprises expanded into international markets, and eight received prestigious awards such as the Kofi Annan Award and Beko's prize for the Sustainability Hackathon Event. These enterprises are now being supported to secure longer-term blended finance to expand their innovations.

In the textiles, accessories, and apparel sector, the **Fashionomics Africa Incubator and Accelerator Program** facilitated the creation of more than 350 jobs across 21 countries, 61% of which filled by young women. Data from an impact survey revealed that 34% of participants identified new selling opportunities abroad, 56% formed new collaborations, and 32% registered their businesses on online marketplaces. This has led to a 40% average revenue increase post-training, underscoring the program's positive impact on financial outcomes.

Furthermore, in 2023, 469 youth-led enterprises reported enhanced knowledge and entrepreneurial skills, a significant 560% increase compared to the previous year. Data from five programs – the **2022 AgriPitch Challenge Competition, Fashionomics Africa incubator and accelerator program, the African Youth Adaptation Challenge, the Youth Enterprise Development and Capacity Building project in South Sudan, and the Africa Guarantee Fund Capacity Building Program** – were collected through impact surveys to gauge improvements in business and entrepreneurial-related knowledge, skills, and employability.

In Zimbabwe, the **Sustainable Enterprise Development for Women and Youth** project concluded with the successful implementation of the Sustainable and Resilient Enterprises (SURE) program. Developed by the International Labour Organization, SURE aims to strengthen SME resilience against complex hazards. Following training, coaching, and mentoring, 143 participating enterprises submitted business resilience strategies, risk treatment action plans, incident response plans, and recovery plans. This program was complemented by the Green Your Business training, which introduced sustainable business principles and developed competencies, skills, and awareness of green entrepreneurship opportunities. These enterprises are now transitioning to greener production techniques and enhancing resource efficiency.

Cumulatively, the Trust Fund has contributed to the creation of over 70,100 direct jobs, of which 26% were filled by young women. Most projects in the portfolio are ongoing as of 31 December 2023. As the portfolio matures, the Secretariat anticipates a significant increase in direct job creation over the next two years.

Increasing access to finance

African MSMEs, particularly youth-owned start-ups, face significant challenges in accessing finance due to perceptions of high risk by financial service providers. Several fundamental issues contribute to this, including poor management systems, inadequate corporate governance structures, and a lack of collateral typically required by lending institutions. Overcoming these obstacles largely depends on enhancing the entrepreneurial and market development skills, business acumen, and technical skills of young entrepreneurs. Business development services are also crucial for risk mitigation because they improve the credibility and viability of youth-owned MSMEs in the eyes of financial intermediaries.

In 2023, YEI MDTF facilitated over US\$2 million in grants, loans, and equity investments, directly benefiting 139 MSMEs. This funding empowered entrepreneurship and enhanced the ability of these businesses to compete regionally and globally.

In the **Youth Enterprise Development and Capacity Building Project in Central Equatorial State, South Sudan**, the United Nations Development Programme (UNDP) established a financing platform through Stanbic Bank, offering interest-free loans ranging from US\$2,000 to US\$10,000 to youth-led MSMEs. This initiative aimed to support business growth, job creation, and local economic development. To date, 42 cooperatives and MSMEs have been approved for loans, contributing to increased economic growth and resilience. The use of mobile money for disbursement and repayment promoted mobile banking and provided a secure and reliable mechanism for financial transactions, particularly in remote and insecure locations.

Through the **Fashionomics Incubator and Accelerator Program**, participants gained awareness of various financing channels and forms of capital. As a result, 38 start-ups and MSMEs accessed additional financing, including grants, loans from financial institutions, and venture capital investments.

In Zimbabwe, the **Business Growth for Youth Entrepreneurs Project** in Mutoko, Karoi, and Masvingo strengthened linkages between Business Development Services providers and value chain support actors, such as financial institutions, insurance companies, the Zimbabwe Revenue Authority, and the Registrar of Companies. Financial institutions such as VIRL Finance, Old Mutual, and the Small and Medium Enterprises Development Corporation (SMEDCO) provided immediate support to participating enterprises and extended loans.

The **African Guarantee Fund Capacity Building Program** also yielded significant results. By the end of the program, 46 participating MSMEs had accessed various types of investments, including debt, grants, and equity. Many more MSMEs are in advanced stages of engagement with potential investors, preparing bankable business plans and securing collateral to access loans.

Building capacities through Business Development Services

The YEI MDTF is committed to fostering enterprise development and employment by building the capacities of young entrepreneurs, thereby enhancing the sustainability of their ventures. In collaboration with specialized training providers, incubation centers, accelerators, and technical and vocational education and training (TVET) institutions, the YEI MDTF empowers MSMEs by bolstering their business capabilities while offering valuable networking and mentoring opportunities to spur growth and success.

In 2023, the Trust Fund directly supported **4,565 youth-owned start-ups and MSMEs through training activities provided by its partner institutions, around 71% owned by young women. Additionally, the Trust Fund facilitated the training of 17 ESOs to enhance their ability to support youth-led start-ups and MSMEs. Another 18 ESOs received funding from YEI MDTF to further develop youth-led enterprises with high growth potential.** These organizations offer a wealth of expertise, mentorship, and resources that are crucial for navigating the early stages of business growth.

In Libya, the Executing Agency, UNDP, launched the **Deraya Entrepreneurship Initiative** in collaboration with the Ministry of Local Governance, Flat6Labs, Tatweer Research, and Mazam. This program included virtual awareness sessions and start-up weekends in Benghazi, Derna, and Sebha, engaging over 1,000 youths, including those from vulnerable groups facing employment challenges. Six webinars attracted over 800 participants, providing entrepreneurial guidance and insights on opportunities in Libya. The initiative equipped young Libyan entrepreneurs with practical tools to establish successful businesses, contributing to a more diverse and resilient economy. Start-up weekends facilitated interactions between municipal staff, private sector leaders, and local leaders, inspiring youth to generate business ideas addressing critical needs. In August 2023, six hackathons with over 100 participants covered topics such as e-commerce, EdTech, AgriTech, and health. Thirty-two young entrepreneurs pitched their ideas, and six winners received seed funding. These activities also fostered social engagement and targeted national and local challenges identified in UNDP's peacebuilding and resilience assessments.



Participants at the Deraya Startup Weekend.
Credit: AfDB

In Zimbabwe, the **Sustainability and Resilient Enterprises (SURE) and Greening Your Business** training programs were rolled out in Bulawayo, Hauna, and Umguza districts in response to the country's volatile economic and business environment. Training was provided to a total of 17 ESOs on the SURE program and Greening Your Business, and subsequently to more than 254 MSMEs, 165 of which (65%) were women-led (five women with disabilities). The training aimed to equip entrepreneurs with the knowledge, tools, and skills to prepare for, respond to, and adapt to shocks such as disasters, conflicts, pandemics, and economic crises. It emphasized sustainable practices, responsible business conduct, and resilience-building strategies. Key concepts included business adaptation, risk analysis, business ecosystem dynamics, digital transformation, staff development, and responsible business practices.

Feedback from 136 participants of the **Fashionomics Africa incubator and accelerator Program** revealed significant positive impacts on their businesses, with increased customer bases and improved entrepreneurial skills. However, participants expressed the need for further training on accessing various forms of financing to support their businesses post-training. They also highlighted the importance of facilitating networking events, forums and online platforms to encourage collaboration, knowledge sharing, and potential partnerships among participants.

Strengthening the enabling environment for entrepreneurial ecosystems

Strengthening the enabling environment for entrepreneurial ecosystems is essential to empower youth entrepreneurs and facilitate the success of their businesses. The YEI MDTF supports these efforts through short-term technical assistance, the implementation of enabling reforms, and tailored dialogue with countries to create favorable policy environments.

In 2023, the YEI MDTF continued to engage with governments to review and reform existing laws and regulations, making it easier for youth-owned businesses to grow and become more competitive. **To date, the Trust Fund has contributed to seven legal and regulatory reforms aimed at fostering entrepreneurship, private sector development, and youth employability.**

In Morocco, the YEI MDTF supported the country's efforts to improve its entrepreneurial environment through the **Entrepreneurship Innovations and Advice (EiNA) initiative**. This led to the creation of the Entrepreneurial Profile of Morocco, a pioneering study based on a national survey of entrepreneurial profiles. The study identifies the socio-demographic characteristics and capacities of entrepreneurs, as well as the main constraints to and needs for business creation and development.

Responding to the survey's findings, Morocco implemented several reforms, including strengthening the national system of guaranteed financing and support for entrepreneurship, adopting a national strategy for financial inclusion, a new investment charter, and integrating entrepreneurship into the national business environment framework. Initiatives like the Ana Mokawil program aim to support 100,000 entrepreneurs by 2026.



BleagLee, a cleantech company in Cameroon that aims to combat climate change by turning large amounts of waste into useful products around the world.

Credit: AfDB

In Tunisia, the Taskforce for Entrepreneurship and SMEs for Employment Impacts in North Africa was launched under a partnership between the African Development Bank and the European Bank for Reconstruction and Development (EBRD). Facilitated by EiNA, the Taskforce will identify and implement joint initiatives to address MSME challenges. During the 2023 Global Entrepreneurship Week in Tunisia, the Taskforce organized a workshop to launch the Entrepreneurship Profile of Tunisia study, which will inform policies and programs to support entrepreneurship and SME development.

In Guinea, the **Technical Assistance Project for Youth Employment**, funded by the YEI MDTF and implemented by UNDP, completed 90% of its activities. Following the adoption of the Interim Reference Program (2023–2025) in 2022, several activities led to the development of Guinea's National Employment Policy. The YEI MDTF supported a study on the Guinea Employment Profile 2023, analyzing youth employability, including in the informal sector, and providing a framework for formalizing self-employed or entrepreneurial status under the Organization for the Harmonization of Business Law in Africa (OHADA) framework.

In 2023, Guinea also adopted the Jobs and Skills Facility, an innovative tool launched by the International Labour Organization (ILO) and the International Training Centre with support from African Development Fund, UNDP, and the Institut de la Francophonie pour l'éducation et la formation (IFEFF). The Facility aims to strengthen the capacity of countries to design, implement, monitor, and evaluate employment and training policies more effectively. A consultation workshop involved over 100 executives from senior ministerial departments, the private sector, and civil society organizations, resulting in the validation of an employment training roadmap. The National Employment Policy programmatic framework is expected to be validated in 2024.

Catalyzing opportunities through project preparation and research

The Trust Fund grants have proven highly impactful when used to support larger investments or to undertake feasibility studies aimed at catalyzing greater opportunities. This is particularly critical for projects requiring new operational structures, systems, expertise, skills, and risk mitigation measures, which require thorough feasibility analysis. Additionally, the Trust Fund plays a pivotal role in financing analytical and economic sector work to enhance knowledge and share best practices in building entrepreneurship ecosystems.

In 2023, the YEI MDTF financed the feasibility study and design roadmap for the **Ekiti Knowledge Zone Project** in Nigeria. This study provided evidence-based analysis and job creation strategies, leading to the approval by the Bank's Board of Directors of a US\$80 million loan in November 2023 to finance this groundbreaking initiative. The Ekiti Knowledge Zone project, praised for its innovative approach to developing knowledge economy value chains, is expected to generate 26,000 direct and indirect jobs and contribute approximately US\$14 million annually in net economic benefits during its lifecycle.

Another notable example is the YEI MDTF's support for a study that conducted a holistic diagnostic of the COVID-19 impacts on youth-owned SMEs in Mali, Ghana, Nigeria, and Togo, particularly in the agricultural and information and communications technology (ICT) sectors. This work culminated in a post-pandemic action plan for the recovery of business operations. The study also assessed the readiness of youth-owned SMEs in the context of the Africa Continental Free Trade Area (AfCFTA) and delivered a two-year roadmap incorporating a toolkit to support the digital transformation of MSMEs in these countries. National consultation workshops convened key stakeholders from the public and private sectors to validate the study's outcomes and agree on recommendations and policy measures to support youth-owned enterprises in these four countries.

The YEI MDTF's influence extends beyond financial contributions. The Trust Fund has been instrumental in supporting the institutionalization of the **Youth, Jobs, and Skills Marker System**, endorsed and developed in partnership with ILO. Building on the initial phase approved in 2021, YEI MDTF provided additional financing in 2023 to scale up the implementation of the system for both Bank Non-Sovereign Operations (NSOs) and Sovereign Operations (SOs). The Youth, Jobs, and Skills Marker System aims to significantly enhance youth employment outcomes of Bank investments by better integrating job considerations into projects, standardizing results measurement, and improving portfolio management. The Bank plans to pilot the system in 2024 before rolling it out across all operations.

Rudo of ROD sews a custom designed dress for a client.

Credit: AfDB

Impact Stories from the Field

Amaka Scovia at her fruit shop in Juba, South Sudan

Credit: AfDB



Employees at work at Amaka's fruit shop

Credit: AfDB



From fruit vendor to CEO: Amaka's inspiring journey

In the bustling streets of Juba, South Sudan, Amaka Scovia's story stands as a beacon of resilience and determination. At 27, she embodies the spirit of youth empowerment through entrepreneurship enabled by the **Youth Enterprise Development and Capacity Building (YEDCB) Project**.

Amaka's entrepreneurial journey began three years ago with a humble fruit and juice business. She rented a small shop with a seating capacity of ten customers. Despite her passion and hard work, she faced significant barriers common to many young entrepreneurs: limited access to capital, inflation, market challenges, and the struggle to balance business ambitions with household responsibilities. Amaka advises, "To youth: stay focused, set goals, and strive to achieve them. Empowerment comes from within, and entrepreneurship offers a pathway to self-sufficiency and prosperity."

The YEDCB project has been a lifeline for aspiring youth entrepreneurs like Amaka. Aimed at enhancing employability and job creation for young women and men aged 18–35 in South Sudan, the project focuses on strengthening the private sector, building entrepreneurship skills, and improving the enabling environment. Through the project, Amaka received a substantial interest-free loan of SSP 4,000,000 (US\$30,700)ⁱⁱⁱ to expand her business. With newfound resources and unwavering determination, she transformed her small fruit stand into a thriving enterprise with a seating capacity of 30 customers and employs six individuals, i.e. four young women and two boda boda riders for deliveries across Juba. Amaka's success extends beyond financial gains; it is a testament to the holistic support provided by the YEDCB project. Equipped

with financial literacy training from UNDP, she learned essential skills in budgeting and bookkeeping, enabling her to manage her business finances effectively and repay her loan without difficulty within the stipulated period. The financial infrastructure of YEDCB is supported by Stanbic Bank and M-Gurush. Amaka's aspirations do not end with her current achievements. With a vision as vast as the African horizon, she dreams of expanding her business further.

Plans for new branches in Juba and a local food restaurant are already in motion, with ambitious dreams of establishing a juice processing plant that will supply markets across East Africa.

Grateful for the support she received, Amaka extends her heartfelt appreciation to UNDP and the African Development Bank for believing in the potential of young female entrepreneurs like herself. With our continued support, she envisions a future where the youth and women of South Sudan can thrive as active participants in the country's economic growth and development.

“To youth: stay focused, set goals, and strive to achieve them. Empowerment comes from within, and entrepreneurship offers a pathway to self-sufficiency and prosperity.”

Talent Mapungwana shows Chipshow Tours' latest acquisition to Morris Mudiwa of ZADT

Credit: AfDB



Chipshow Tours Owner and staff pose in front of part of their fleet of buses

Credit: AfDB

From one bus to a fleet: Talent Mapungwana's journey of innovation and growth

In front of a shiny new fleet of buses, Talent Mapungwana poses with his staff, all dressed in branded navy-blue suits. This scene is a testament to the remarkable transformation of Chipshow, a company that started with a single old bus and now serves some of Zimbabwe's largest corporate clients and government agencies.

Talent vividly recalls the early days of their journey, "We bought that bus second-hand and soon discovered that the repair costs were escalating each year. We then acquired two additional buses, but the business model was flawed. Each bus travelled about 600 kilometers daily, leading to high repair costs."

Recognizing the need for change, Chipshow shifted its business model. It ordered brand-new buses from South Africa and opted for a private hire model, which generated higher income with less mileage. This strategic pivot coincided with the onset of the COVID-19 pandemic. Rather than slowing down their business, the pandemic brought new opportunities. Major companies, needing to transport employees safely, awarded Chipshow significant contracts. These contracts provided sufficient income to pay off the new vehicles and expand the fleet further.

Despite this rapid growth, Chipshow faced challenges in establishing a brand reputation capable of satisfying demanding corporate clients. Attending the YEI MDTF program provided the breakthrough they needed.

"With the training we received, we identified numerous areas for improvement in our business, including financial management, marketing, and human resources. We learned to manage our finances better, set targets, and control costs through proper bookkeeping," Talent explains.

The company also focused on consistent service delivery and brand visibility. Initiatives included branded water for clients, smartly dressed drivers, and office staff proudly wearing the Chipshow logo. These changes significantly enhanced their brand reputation and service quality.

The transport business remains capital-intensive, but Talent believes that the insights and skills gained from the YEI MDTF-supported training will make Chipshow more bankable. This improved financial management and operational efficiency are expected to open doors to the financing needed for the next stage of growth.

Talent extends his gratitude to the Africa Guarantee Fund and the YEI MDTF for the support and training that have been instrumental in transforming Chipshow. He envisions a future where the company continues to innovate and expand, contributing to Zimbabwe's economic development and providing reliable transportation services across the nation.

“ With the training we received, we identified numerous areas for improvement in our business, including financial management, marketing, and human resources. We learned to manage our finances better, set targets, and control costs through proper bookkeeping, ”



Top / bottom photos:

Sustainable Builders has come up with strategies to help smallholder farmers in mitigating against the effects of climate change through the use of drought tolerant seeds

Credit: AfDB



Transforming agriculture in Zambia: Joseph Weluzani's vision for Sustainable Builders

In Southern Africa, three-quarters of the population rely on agriculture for their livelihoods. However, severe climatic events, including droughts, flash floods, and extreme temperatures, are increasingly common, threatening food and water security, especially for smallholder farmers who make up the majority of agricultural producers in Zambia.

Driven by a strong desire to provide long-term solutions for smallholder farmers struggling with these drastic changes, Joseph Weluzani founded Sustainable Builders Zambia. The social enterprise focuses on managing supply chains, integrating digital solutions, and enabling structured market access to improve the lives of smallholder farmers.

Initially, Sustainable Builders operated as a capacity-building and local program implementer for other development organizations. However, Weluzani and his team aspired to evolve into an independent social enterprise but lacked the financial resources, technical expertise, and business development experience to achieve their vision.

Weluzani applied to the **African Youth Adaptation Solutions Challenge** (YouthADAPT Challenge), an annual competition that targets Africa's next generation of entrepreneurs and business leaders. The inaugural edition, jointly organized by the Global Center on Adaptation, in collaboration with the African Development Bank through the YEI MDTF, provided Sustainable Builders with a US\$100,000 grant and a 12-month business acceleration program. This support enabled the enterprise to expand its reach, helping more farmers build capacity, educate peers on crop diversification and seed variation, and establish partnerships to grow their businesses and increase returns.

Before joining the YouthADAPT Challenge, Sustainable Builders faced significant obstacles, including limited access to finance, markets, and

information. Winning the Challenge alleviated some of these obstacles by providing additional resources to expand operational services and personnel. For example, the grant allowed them to extend their operations from one district to two, with further growth planned.

One of the most significant benefits for Weluzani was the mentorship program. A mentor with technical knowledge provided tailor-made assistance and valuable insights, helping Sustainable Builders overcome challenges. Customized sessions on leadership, management, and system productivity were pivotal. *"It was amazing to be a part of the mentoring program. It was a massive learning experience and a tailor-made approach that not many people get when starting their entrepreneurial business,"* said Weluzani.

Sustainable Builders has laid out an ambitious plan for the future, aiming to improve production systems and find sustainable markets for farmers to sell their products. Its impact is already visible, through an increased disposable income for farmers, enabling them to address critical needs like education for their children. Weluzani emphasizes the importance of creative and innovative thinking for Africa's development. *"We need entrepreneurs that think outside the box,"* he said, highlighting that addressing inefficiencies can drive significant change.

The journey of Sustainable Builders is an inspiring example of how innovative thinking and a commitment to positive impact can drive real change and empowerment within communities. Helping youth-led enterprises like Sustainable Builders to scale up their adaptation solutions is central to the YouthADAPT Challenge.

"It was amazing to be a part of the mentoring program. It was a massive learning experience and a tailor-made approach that not many people get when starting their entrepreneurial business."

ELNAK Recycle, a textile waste management company, has significantly advanced its business since securing seed funding. The business collected more than 10,000 kg of textile waste in eight months.

Credit: AfDB



The Bank's Fashionomics Africa program is promoting investments in the fashion industry and building a Made in Africa brand.

Credit: AfDB



Empowering women entrepreneurs in fashion: The impact of Fashionomics Africa Incubator and Accelerator Program

The fashion and textile industry in Africa, valued at an estimated US\$31 billion, is the continent's second-largest sector after agriculture and continues to grow annually. This industry holds significant potential for job creation, particularly for women and youth. However, its development is hampered by challenges such as low production capacity, skill shortages, inadequate training centers, and a lack of local and regional production facilities. Despite these hurdles, Africa's fashion industry is poised to become a US\$15.5 billion market as personal incomes rise and the middle class expands.

The YEI MDTF supported the Fashionomics Africa incubator and accelerator programs to address investment readiness and growth potential of early-stage and growth-stage African fashion businesses. More than 5,000 entrepreneurs from 40 African countries participated in the eight-week online training, offered in four languages, followed by mentoring, coaching, and networking sessions. Standout entrepreneurs that emerged from these sessions pitched their business plans to industry experts and investors. As a result, six entrepreneurs were each awarded US\$20,000 in seed money.

One of the winners, Fese Ndumbe Eyoh, runs a Cameroon-based luxury fashion brand, Eloli, which produces African-inspired clothing and accessories. *"The Fashionomics Africa program gave me time to pause and rethink my strategy. Now, I understand my brand holistically,"* Eyoh said. *"With the tools I have received from this program, I know I have everything I need to succeed as an established brand."*

Another beneficiary, Emma Forson, founder of ELNAK Recycle, a textile waste management company, has significantly advanced her business since securing the seed funding. ELNAK Recycle collected over 10,000 kg of textile waste in its first eight months and aims to divert 1 million kg of textile waste from landfills by December 2024. The funding has enabled ELNAK Recycle to expand its team, commence vocational training for women, and initiate media collaborations to raise pollution awareness. *"The Fashionomics Africa program was the best incubator experience I have ever had. It greatly helped us create a solid foundation for scaling. We've acquired land, expanded our storage facility, and trained more female staff,"* Forson added.

“

The Fashionomics Africa program was the best incubator experience I have ever had. It greatly helped us create a solid foundation for scaling. We've acquired land, expanded our storage facility, and trained more female staff,

”

Financial Highlights

Status of contributions

Table 1 provides a comprehensive overview of the total funds contributed by donors to the YEI MDTF from 2017 to 2023, detailing the disbursement schedules of the five principal donors. Following the execution of the additional contribution agreement by the Italian Ministry of Foreign Affairs and International Cooperation, an initial disbursement of US\$2,712,750 was processed. Notably, contributions from all other donors were fully realized by the end of 2021, with no new contributions recorded for 2022 and 2023.

Table 1. Summary of contributions due and paid by YEI MDTF donors (US\$)

Donors	Years						Total
	2018	2019	2020	2021	2022	2023	
Denmark	1,558,720	3,781,862	–	–	–	–	5,340,582
Norway	5,925,305	–	–	–	–	–	5,925,305
Italy	–	2,231,200	607,100	–	–	2,712,750	5,551,050
The Netherlands	4,999,980	3,999,980	4,000,000	4,000,000	–	–	16,999,960
Sweden	2,212,812	2,091,811	2,322,622	1,750,244	–	–	8,377,489
Total	14,696,817	12,104,853	6,929,722	5,750,244	–	2,712,750	42,194,386

Expenses in 2023 and cumulative expenses since 2018

In 2023, the YEI MDTF incurred total expenses of US\$5,256,318. A significant portion, 83.13%, or US\$4,369,789, was allocated to the disbursement of 15 active projects. Additionally, 10.61%, or US\$557,929, was utilized to cover the management fees of the YEI MDTF Secretariat, while the remaining 6%, or US\$328,600, was directed towards the Bank’s administrative fees.

Table 2 provides a consolidated view of the Trust Fund’s financial outlay, encompassing both project-related and management expenditures for 2023, as well as historical spending since the YEI MDTF’s inception. Funds not utilized for non-project-related expenses and Bank administrative fees in 2023 will be rolled over into the 2024 fiscal plan.

Table 2. Spending of Fund resources by expense category

Activities - Expense categories	Cumulative spending in 2023 (US\$)	Cumulative spending since 2018* (US\$)
Projects	4,369,789	14,239,073
Core operations cost of YEI MDTF (consultants, communications, monitoring and evaluation, and audit)	557,929	1,392,745
The Bank's administrative fees	328,600	996,472
Total	5,256,318	16,628,290

Note: *Including completed projects.

Current state of resources

As of 31 December 2023, a total of US\$33.1 million from donor contributions has been allocated to both ongoing and newly approved projects. Additionally, US\$3.76 million has been earmarked for essential operational expenses of the Trust Fund as well as for the Bank's administrative fees. Consequently, there remains a balance of US\$5.38 million available for future commitments.

Expense categories	Cumulative spending since 2018* (US\$)
Projects	33,058,348
Core operations cost of YEI MDTF (consultants, communications, monitoring and evaluation, and audit)	1,785,438
The Bank's administrative fees	1,974,082
Total	36,817,868





Lessons Learned

The past year has provided numerous learning opportunities that have enhanced the relevance, efficiency, effectiveness, and sustainability of the YEI MDTF. An Independent Development Evaluation (IDEV) of the Bank's Jobs for Youth in Africa Strategy (2016–2025), conducted at its mid-term has been instrumental in assessing progress, identifying lessons, and recommending adjustments to the implementation of the Strategy. This evaluation, approved by the Bank's Committee on Operations and Development Effectiveness (CODE) in November 2023, also included a case study specifically focusing on the performance of the Trust Fund. The insights gained and recommendations made through this evaluation are expected to shape the strategic direction of the YEI MDTF in its next phase.

Several key lessons emerged over the past year:

- 1 Small grants as catalysts:** Small grants can be effective in unlocking catalytic opportunities. The YEI MDTF has been particularly successful in financing feasibility and research studies for innovative initiatives that have the potential to create a significant number of jobs.
- 2 Adapting training to local contexts:** Customizing training content and methodologies based on the distinct needs and contexts of MSMEs in various regions ensures relevance and effectiveness.
- 3 Sustainability focus:** Ensuring the sustainability of project outcomes beyond the funding period remains a key priority. Locally led and inclusive implementation structures foster capacity building, ownership, sustainability, and potential replication.
- 4 Gender and green jobs:** Prioritizing projects that generate many decent green jobs, especially for young women, is crucial. Integrating gender considerations into research, program design, and implementation ensures greater focus on women's economic empowerment. Focusing on climate adaptation and mitigation projects supports MSMEs in delivering climate-smart solutions for local economies.
- 5 Local partnerships:** Collaborating with local organizations, governmental bodies, and industry associations enhances a project's credibility, broadens its reach, and leverages local insights for MSME support.
- 6 Comprehensive monitoring and evaluation:** Streamlining the YEI MDTF's monitoring and reporting processes is essential. Timely preparation of expected deliverables from individual grants and the Fund facilitates decision-making, course correction, and impact estimation.

Members of the Ahaayo Cooperative Group in South Sudan gather for a meeting.

Credit: AfDB

YEI MDTF Roadmap and Progress Towards its Vision

The Independent Development Evaluation of the Bank's Jobs for Youth in Africa Strategy (2016–2025) reaffirmed the Strategy's relevance in addressing youth employment across Africa. The evaluation highlighted that 50% of all approved projects now incorporate youth employment components, showcasing significant progress. The Youth, Jobs, and Skills Marker, funded by the YEI MDTF, stands out as a game-changing tool, systematically considering the job impact for every dollar invested.

As a result of these efforts, the Bank has placed youth employment and entrepreneurship at the core of its new Ten-Year Strategy (2024–2033). This new Strategy views young people not just as beneficiaries, but also as key actors driving Africa's economic transformation. The YEI MDTF will be instrumental in promoting favorable policies and investments for entrepreneurship, particularly in countries in transition.

Despite its significant impact, the YEI MDTF faces challenges. The initial funding allocated between 2017 and 2023 is nearly exhausted, and resource mobilization efforts are hindered by fiscal pressures and shifting political landscapes. These factors pose risks to the sustainability of the Trust Fund. The independent evaluation recommended expanding the scope of the Trust Fund's financing instruments and mobilizing additional resources to have a greater impact on youth employment.

Looking forward, the YEI MDTF Secretariat will align the Fund's legal and operational documents with the Bank's new Trust Fund Policy. This policy aims to expand the use of the Bank's financial instruments by trust funds, increasing thresholds for project approvals and donor contributions. A market study will be conducted to identify current trends and market needs, strengthening the Trust Fund's deployment of financing instruments beyond grants. Subsequently, a new structure for the YEI MDTF will be proposed to align with the Bank's ambitious goals outlined in its new Ten-Year Strategy 2024–2033 and the new Trust Fund Policy.

This strategic move aims to leverage the Trust Fund's experience and achievements to ensure its long-term sustainability. By capitalizing on past successes, the YEI MDTF will continue to play a pivotal role in driving youth employment and entrepreneurship across Africa, seizing this unparalleled demographic opportunity.

Annex 1: New Project Spotlight

Guidance tools, integrating Bank non-sovereign operation dimensions and scaling up the Youth, Jobs, and Skills Marker System

Country: Multinational



US\$1.7 million

Total project value



US\$698,002

YEI MDTF financing

The fashion and textile industry in Africa, valued at an estimated US\$31 billion, is the continent's second-largest sector after agriculture and continues to grow annually. This industry holds significant potential for job creation, particularly for women and youth. However, its development is hampered by challenges such as low production capacity, skill shortages, inadequate training centers, and a lack of local and regional production facilities. Despite these hurdles, Africa's fashion industry is poised to become a US\$15.5 billion market as personal incomes rise and the middle class expands.

The Bank's Fashionomics Africa program aims to harness this potential by promoting investments in the fashion industry and building a Made in Africa brand. By fostering trade expansion within Africa and internationally, the program specifically empowers women-led businesses. Partnering with organizations such as Facebook, DHL, Google and the Tony Elumelu Foundation, Fashionomics Africa hosts masterclasses to help fashion entrepreneurs establish and build their brands from idea to execution. Over 2,500

textile, apparel, and accessories entrepreneurs, 65% of whom were women, completed the training held in six countries.

The YEI MDTF supported the Fashionomics Africa Incubator and Accelerator Program to address investment readiness and growth potential of early-stage and growth-stage African fashion businesses. More than 5,000 entrepreneurs from 40 African countries participated in the eight-week online training offered in four languages, followed by mentoring, coaching, and networking sessions. Standout entrepreneurs that emerged from these sessions pitched their business plans to industry experts and investors. As a result, six entrepreneurs were each awarded US\$20,000 in seed money.

Annexes

Feasibility study for the Nigeria MSME Industrial Clusters Programme

Country: Nigeria



US\$50 million

Total estimated project value



US\$698,002

YEI MDTF financing

Youth unemployment remains a significant challenge in Nigeria, which has been exacerbated by the COVID-19 pandemic and the rising population, which grows at an annual rate of 3.5%. The pandemic led to job losses for approximately 13 million people in 2021, further complicating the unemployment crisis. This situation has pushed many Nigerians into poverty; the number of people living in extreme poverty increased from 84 million in 2019 to an estimated 94 million in 2021.

To address the above issues, the Nigerian Government aims to enhance the productivity and employment capacity of micro, small and medium-sized enterprises (MSMEs). MSMEs are critical for job creation and poverty reduction; in 2019, they employed over 59.6 million people and accounted for 86.3% of jobs. However, MSMEs face numerous challenges, including limited access to finance, poor infrastructure, low technology adoption, and insufficient technical and managerial skills. Additionally, many MSMEs lack climate change adaptation measures, making them vulnerable to climate-related shocks.

The Nigeria MSME Industrial Clusters Program (N-MICP) seeks to support MSME development by clustering them in industrial development centers, which serve as job creation hubs.

These clusters provide shared infrastructure, equipment, and business development services, facilitating access to inputs, improving product quality, and enhancing competitiveness. This approach aims to create more job opportunities, reduce unemployment, and improve workers' conditions.

In 2018, the Small and Medium Enterprises Development Agency (SMEDAN) conducted a study on MSME clustering with the financial support of the African Development Bank, demonstrating the viability of MSME development centers. However, since many industrial development centers in Nigeria were not established based on the comparative advantages of the states, further studies are required to guide their development.

The feasibility study for the N-MICP aims to support the design of the program listed in the Nigeria 2020–2024 country strategy paper. This project aligns with the government's commitment to boost MSME development and mitigate the impact of COVID-19. The YEI MDTF grant will support the preparation and design of this project, which is part of the Nigeria Country Department's approved lending projects for 2023 with allocated resources of UA 36 million (US\$47.4 million) through an ADB loan.

MicroGREEN: Strengthening Women, Youth, and People with Disabilities' Micro-Entrepreneurship for Green Jobs

Country: Ghana & Senegal



US\$1.7 million

Total project value



US\$698,002

YEI MDTF financing



400

New direct jobs estimated to be created



1,000

Youth, women, and people with disabilities estimated to benefit from training and green business opportunities

African economies heavily rely on climate-sensitive natural resources such as land, fisheries, water, and forestry. With the depletion of Africa's terrestrial and aquatic biodiversity, sustainable utilization of these resources is crucial. The MicroGREEN project aims to create opportunities for green jobs in agriculture, forestry, and fisheries sectors, which are vital for employment, especially among vulnerable populations such as women and youth in Ghana and Senegal. These sectors generate significant greenhouse gas emissions and are highly vulnerable to climate change impacts, yet they remain the largest source of employment in sub-Saharan Africa.

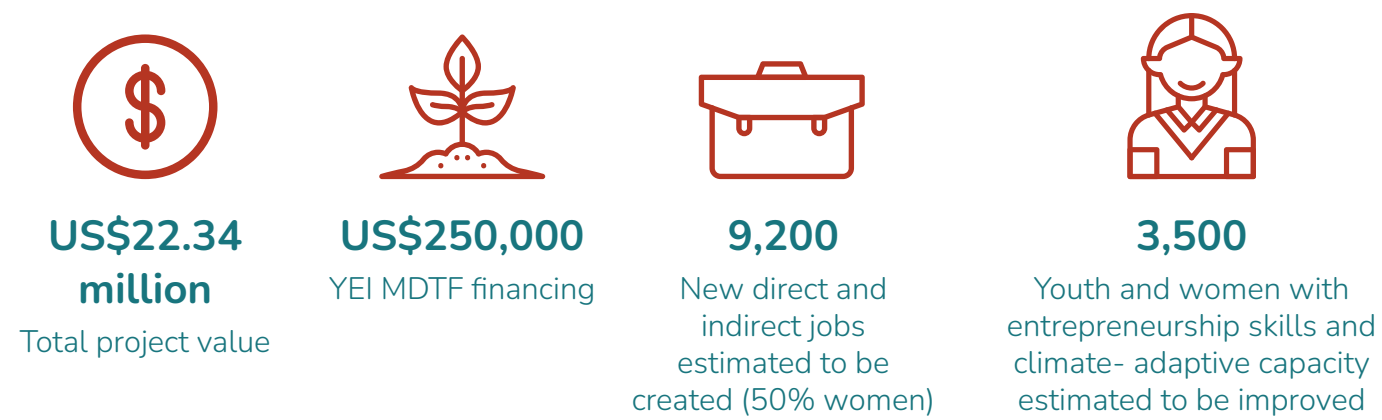
The project focuses on enhancing inter-sectoral linkages in agroforestry, fisheries, and biodiversity by building the capacity of young women, youth, and people with disabilities (PWDs). It equips them with necessary skills and knowledge about existing opportunities in these sectors and shape policy and practice to create an enabling environment for women-led micro, small, and medium-sized enterprises (MSMEs).

MicroGREEN's overall goal is to highlight green job opportunities for youth, women, and PWDs while managing natural resources sustainably. The project adopts value chain-based MSME development models to create employment, ensure entity sustainability, and integrate them into economic systems. It targets three thematic areas: entrepreneurship development, market access, and business environment reforms to support MSMEs.

The project has a tangible goal of supporting 200 jobs in each participating country, benefiting 1,000 youth, women, and PWDs with access to business development services. At least 500 beneficiaries will receive direct training in each country. By focusing on capacity building, market access, and conducive business environment reforms, MicroGREEN aims to foster sustainable practices, reduce greenhouse gas emissions, enhance resilience to climate change, and create more green jobs and opportunities for vulnerable populations in rural areas.

Feasibility study for the Job Creation for Youth and Women in Climate Smart Agriculture Value Chains and Waste Management project

Country: Sierra Leone



Sierra Leone, with a population of approximately 8.5 million, faces significant challenges in providing adequate social services, particularly in health, education, and social protection. Youth, comprising one-third of the population, are especially vulnerable, with 70% underemployed or unemployed, and 50% illiterate and unskilled. This dire situation contributes to poverty, social discontent, and potential conflict.

Micro, small and medium-sized enterprises (MSMEs) in Sierra Leone provide livelihoods for around 70% of the population and represent over 90% of the domestic private sector, playing a crucial role in job creation and poverty reduction. Nevertheless , MSMEs face challenges such as inadequate skills, limited access to finance and markets, and a lack of an enabling environment. Agriculture, which employs 56.96% of the total workforce, and fisheries, which contribute over 10% to GDP, are key sectors in Sierra Leone’s economy but are vulnerable to climate change impacts.

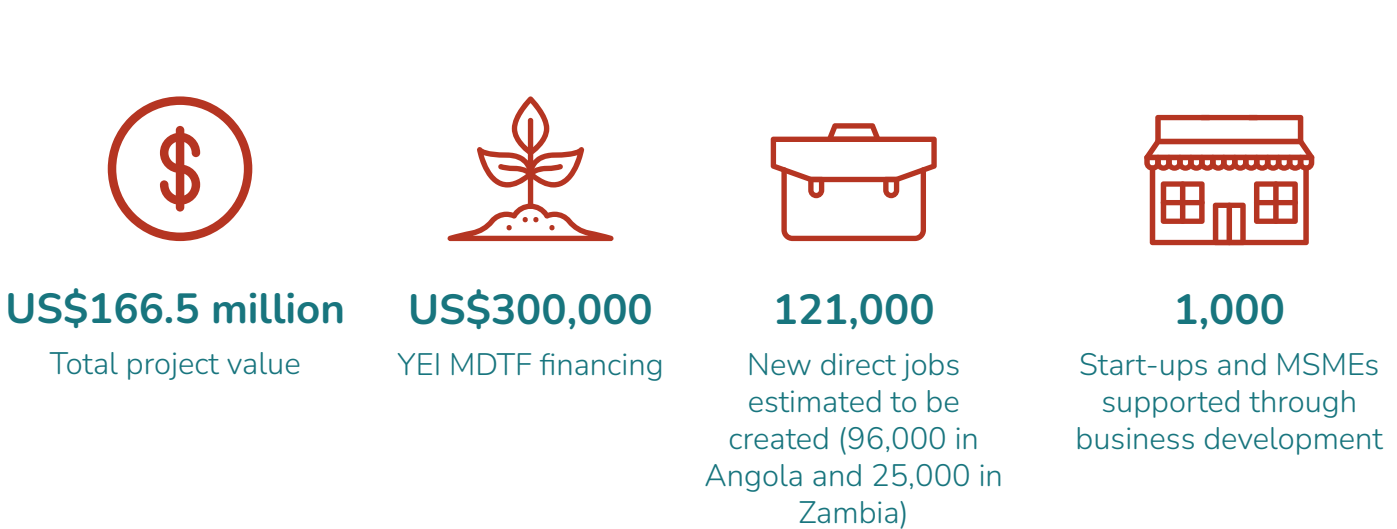
The Job Creation for Youth and Women in Climate Smart Agriculture Value Chains and Waste Management project aims to address these issues by creating jobs for women and young people through the development of climate-smart agriculture and waste management value chains. The project seeks to empower women and youth with productive business opportunities, focusing on value chains

where they are most active, such as cassava and fisheries. Women will constitute 70% of the project’s beneficiaries.

The project will build the capacities of 700 youth and women-led MSMEs in agro-processing and waste management, creating 9,200 direct jobs and offering opportunities for up to 2,200 indirect jobs; at least 30% will be green or adaptation jobs. The feasibility study will support the preparation and design of the project’s activities by conducting a comprehensive assessment of climate-smart agricultural value chains, entrepreneurship development, and access to finance for women and youth in Sierra Leone. The study will focus on maximizing employment and entrepreneurship opportunities, enhancing resilience to climate change, and promoting sustainable practices in key sectors. required to guide their development.

Feasibility studies for the Skills Entrepreneurship and Enterprise Development project in Angola and Support to Tech-Enabled Agriculture and Creative Enterprises in Zambia

Country: Angola & Zambia



As Angola and Zambia recover from the COVID-19 pandemic, both nations face significant challenges in youth unemployment and economic diversification. There are concerning high youth unemployment rates both in Angola and Zambia, which grapples with poverty and limited formal employment opportunities. The Angolan Government’s National Development Plan 2023–2027 aims to address these issues, targeting a real GDP growth of 2.9% in 2022 and 3.3% in 2023. However, Angola continues to face challenges such as skill shortages and limited job opportunities outside the capital-intensive oil sector. Similarly, Zambia’s National Development Plan (2022–2026) emphasizes job creation and human development through ICT, recognizing the potential of the ICT and creative industries to drive socio-economic transformation.

The proposed projects in Angola and Zambia focus on promoting entrepreneurship, innovation, and employable TVET skills in agriculture, creatives, and technology sectors to create jobs for youth. In Angola, the initiative aims to harness youth talent and creativity through tech-enabled enterprises, particularly

in agriculture. This strategy aligns with Angola’s goals to diversify its economy and improve its global rankings in innovation and entrepreneurship.

In Zambia, the project seeks to address the high poverty and inequality rates by investing in technology-enabled enterprises. Since a significant portion of the Zambian youth work in the insecure informal sector, this initiative aims to provide sustainable job opportunities through innovation and growth in the agriculture and creative sectors.

The YEI MDTF grant will finance the feasibility and design studies of these projects, covering the project framework, theory of change, and results-based framework. The feasibility studies will propose intervention components, activities, financial and economic viability, and impact assessments on beneficiaries. By leveraging digital technology innovation ecosystems, these projects aim to catalyze entrepreneurship opportunities for youth, develop agriculture and creative value chains, and ultimately create jobs for youth in both countries.

Annex 2: The YEI MDTF’s portfolio of projects and their status as at the end 2023

Project title	Country/region	Bank/recipient	Implementing partner	Area of intervention	Value (USD)	Disbursement rate (%)	Project period	Status
AgriPitch 2019	Regional	Bank-executed	–	Business development services (BDS)	260,100	95	Apr. 2019 – Apr. 2020	Completed
Africa Investment Forum 2019	Regional	Bank-executed	–	BDS	33,484	100	Oct. 2019 – Dec. 2021	Completed
Tony Elumelu Foundation	Regional	Recipient-executed	Tony Elumelu Foundation	BDS	5,000,000	100	Nov. 2019 – Dec. 2020	Completed
AgriPitch 2020	Regional	Bank-executed	–	BDS	280,000	84	Apr. 2020 – Nov. 2021	Completed
Feasibility study on the Nigeria Innovation Program	Nigeria	Bank-executed	–	Research/study	250,000	99	Jul. 2020 – Aug. 2021	Completed
Country diagnostic studies, Special Agro-Industrial Processing Zones (SAPZ) in Uganda, and Agricultural Transformation Clusters (ATC) in Kenya	Kenya, Uganda	Bank-executed	–	Research/study	250,000	100	Aug. 2019 – Dec. 2021	Completed
Africa Guarantee Fund: Supporting Capacity Development of Small and Medium-sized Enterprises	Ghana, Mali, Nigeria, Togo Zimbabwe	Bank-executed	Africa Guarantee Fund	BDS	500,000	41	Mar. 2020 – Jun. 2024	Implementation
Research study, The determinants of entrepreneurship and entrepreneurial success in six countries	Mali, Ghana, Guinea, Nigeria, and Zimbabwe	Bank-executed	-	Research/study	250,000	94	Nov. 2020 – Dec. 2023	Completed
Strengthening Ghana’s Financing Pillars of the Entrepreneurship Ecosystem Project	Ghana	Recipient-executed	Ministry of Trade and Industry, Government of Ghana	Enabling environment	400,000	15	Oct. 2020 – May 2024	Implementation – cancellation in Progress
Supporting the Ecosystem Development of Micro, Small and Medium-sized Enterprises/Industries	Mali	Recipient-executed	Ministry for Private Investment, SMEs and National Entrepreneurship, Government of Mali	Enabling environment	360,000	81	Nov. 2020 – Jul. 2023	Completed
Youth Employment Technical Assistance Project (PATEJ)	Guinea	Recipient-executed	Ministry of Planning and Economic Development, Government of Guinea, and United Nations Development Programme (UNDP)	Enabling environment	500,000	100	Sep. 2019 – Dec. 2024	Implementation
Post-AfricaVsVirus Challenge	Regional	Recipient-executed	MDF West Africa	BDS	500,000	89	Jun. 2021 – Oct. 2023	Completed
Resilience of Youth-Led Enterprises (PAREJ) in the G5 Sahel countries	Mali, Burkina Faso, Niger, Mauritania, Chad	Recipient-executed	Union of Chamber of Commerce of the G5 Sahel	BDS and enabling environment	4,000,000	11	Apr. 2021 – Jun. 2025	Implementation – Cancellation in Progress

Project title	Country/region	Bank/recipient	Implementing partner	Area of intervention	Value (USD)	Disbursement rate (%)	Project period	Status
Local Content Development Program for Youth and Women-led MSMEs	Mozambique	Recipient-executed	The Institute for the Promotion of Small and Medium-Sized Enterprises (IPEME), Government of Mozambique	BDS and enabling environment	990,000	45	Dec. 2020 – Dec. 2024	Implementation
Feasibility Study on Youth Entrepreneurship Investment Banks for Africa	Regional	Bank-executed	-	Research/study	250,000	54	Dec. 2020 – Jul. 2023	Completed
Fashionomics Africa: Online Masterclasses and Pitching Days Competitions	Regional	Bank-executed	-	BDS	950,000	39	Jun. 2021 – Dec. 2025	Implementation
YouthADAPT: Empowering Youth for Entrepreneurship and Job Creation in Climate Adaptation and Resilience	Regional	Recipient-executed	Global Centre on Adaptation	BDS and enabling environment	999,990	66	Aug. 2021 – Dec. 2023	Completed
Deploying Digitization and Trade for Resilience Building in West Africa: Posturing youth-led small and medium-sized enterprises for the African Continental Free Trade Area	Mali, Ghana, Nigeria, and Togo	Bank-executed	-	Research/study	378,000	54	Jul. 2021 – Aug. 2023	Completed
AgriPitch 2022	Regional	Bank-executed	-	BDS	324,733	97	Aug. 2021 – Oct. 2023	Completed
Youth Entrepreneurship and Employability in Burundi's Agribusiness Value Chains (YEEBAV) project preparation study	Burundi	Bank-executed	-	Research/study	250,000	80	Jul. 2021 – Jun. 2023	Completed
Youth, Skills and Jobs Marker Phase I	Regional	Recipient-executed	International Labour Organization (ILO)	Research/study and enabling environment	999,990	80	Jan. 2022 – Dec. 2024	Implementation
Youth Enterprise Development and Capacity Building (YEDCB) project in South Sudan	South Sudan	Recipient-executed	Government of South Sudan and UNDP	BDS and enabling environment	999,990	80	Feb. 2022 – Dec. 2025	Implementation
Libya youth migration and employment	Libya	Recipient- executed	UNDP	BDS and enabling environment	900,000	50	Apr. 2022 – Feb. 2025	Implementation
Scaling-up and Accelerating Youth Entrepreneurship in Botswana	Botswana	Recipient-executed	Local Enterprise Authority, Government of Botswana	Enabling environment	450,000	0	May 2022 – Feb. 2025	Implementation
Enhancing E-Commerce Environments for Youth Employment and Food Security (3E4Y&F)	Zimbabwe and Malawi	Recipient-executed	Southern African Confederation of Agricultural Unions (SACAU)	BDS and enabling environment	998,000	0	Jul. 2022 – Jun. 2025	Effectiveness – Cancellation in Progress

Project title	Country/region	Bank/recipient	Implementing partner	Area of intervention	Value (USD)	Disbursement rate (%)	Project period	Status
Housing Finance and Integrated Skills Development	Nigeria	Recipient-executed	Family Homes Funds (FHF)	BDS and enabling environment	999,999	0	Jul. 2022 – Dec. 2024	Implementation
Technical and Vocational Education Training and Entrepreneurship (TVETE) project	Kenya	Recipient-executed	Ministry of Education, Government of Kenya, and Kenya Private Sector Alliance	BDS and enabling environment	999,000	0	Jul. 2022 – Jun. 2025	Implementation
Sustainable Enterprise Development for Women and Youth	Zimbabwe	Recipient-executed	Ministry of Finance and Economic Development, Government of Zimbabwe	BDS	999,999	21	Jul. 2022 – Jan. 2026	Implementation
Crowdfunding in the East African Community (EAC)	Kenya, Rwanda and Uganda	Recipient-executed	African Crowdfunding Association	Enabling environment	980,000	0	Jul. 2022 – Feb. 2026	Implementation
Creating Quality Jobs at Home through Scalable Interventions to Promote Entrepreneurship and Development of Youth-led MSMEs	Morocco, Tunisia	Bank-executed	-	Enabling environment	997,500	56	Jul. 2022 – Mar. 2025	Implementation
Feasibility Study and Design of the Ekiti Special Economic Zone Infrastructure	Nigeria	Recipient-executed	Federal Ministry of Finance, Budget, and National Planning	Research	250,000	96	Aug. 2022 – Jul. 2023	Completed
Project to increase the resilience of MSMEs	Benin, Ghana, and Guinea	Recipient-executed	Osez Innover	BDS	927,807	33	Feb. 2023 – Dec. 2024	Implementation
Project to support young men and women entrepreneurs in job-creating value chains	Togo	Recipient-executed	Ministry of Economy and Finance	BDS and enabling environment	4,212,108	0	May 2023 – Dec. 2027	Implementation

Annex 3: Results as of December 2023, and cumulative results from 2018 to 2023 as per the Log frame indicators

Results Chain			2023				Cumulative (2018–2023)			
			Target	Actual	No. of women	Annual completion Rate	Target	Actual	No. of women	Annual completion Rate
Impact	Increased youth employment and employability	Indicator 1: No. of youth employed by youth-led start-ups and micro, small, and medium-sized enterprises (MSMEs) who benefited from the YEI MDTF-funded activities	1,599 (50% women)	1567	595 (38%)	98%	30,476	70,136	18,557 (26%)	230%
		Indicator 2: No. (percentage) of youth who report to have increased their knowledge in business and entrepreneurial skills to enhance their employability through the YEI MDTF-funded activities.	2740 (50% women)	469	185 (39%)	17%	11,515	6,531	1,516 (13%)	57%
Outcome	Increased access to finance of youth-led start-up and MSMEs who benefited from the YEI MDTF-funded activities	Indicator 1.1: No. (percentage) of youth-led start-ups/MSMEs that accessed financing as a result of the YEI MDTF-funded activities at least 50%, of which are female-led MSMEs	587 (50% women)	115	51 (44%)	20%	10,946	6,796	921 (14%)	62%
Outputs	Increased business survival of youth-led start-up and MSMEs who benefited from the YEI MDTF-funded activities	Indicator 2.1: Success survival rate (no. and percentage) of youth-led start-ups and MSMEs that benefited from the YEI MDTF interventions.	276 (50% women)	374	10 (13%)	136%	10,339	1,260	22 (2%)	12%
	An increased enabling environment for MSME development and youth employment	Indicator 3.1: No. of policy reforms implemented to support ease of doing business for start-ups, MSMEs, and youth employment	6	7	-	117%	20	7	-	35%
	Improved quality design of Bank projects with enhanced potential for youth employment	Indicator 4.1: No. of Bank projects and country strategy papers informed by research and feasibility studies to enhance job creation for youth and women	9	5	-	56%	20	7	-	35%
	Increased capacity of enterprise support organizations (ESOs) to support youth-led MSMEs through YEI MDTF-funded activities	Indicator 1.1.1: No. of ESOs capacitated as a result of ESO training funded by the YEI MDTF to improve support provided to youth-led start-ups and MSMEs	10	17	-	170%	31	17	-	55%
		Indicator 1.1.2: No. of ESOs receiving funding from the YEI MDTF to provide capacity building to other ESOs	7	2	-	29%	11	4	-	36%
	Increased capacity of youth-led start-ups and MSMEs through YEI MDTF activities	Indicator 2.1.1: No. of youth-led start-ups/MSMEs trained as a result of the YEI MDTF activities	2,835 (50% women)	4,565	3,253 (71%)	161%	16,430	18,471	5,891 (32%)	112%
		Indicator 2.1.2: No. of ESOs that received funding from the YEI MDTF to provide business development services to youth-led start-ups/MSMEs.	19	18	-	95%	45	26	-	58%
	Increased amount of grants to youth-led start-ups and MSMEs	Indicator 3.1.1: No. of youth-led start-ups/MSMEs that received a grant from a financial intermediary or other ESO funded by the YEI	60 (50% women)	12	6 (50%)	20%	2,305	5,059	1,319 (26%)	219 %
	Increased entrepreneurship celebration for a successful and viable career	Indicator 4.1.1: No. of events funded to support high impact youth-led start-ups/MSMEs in key growth sectors	38	41	-	108%	65	57	-	88%
	Increased capacity to accelerate policy reforms through technical assistance provided to countries	Indicator 5.1.1: No. of policy recommendations proposed by the government	5	2	-	40%	20	9	-	45%

Results Chain		Indicator		2023			Cumulative (2018–2023)		
			Target	Actual	No. of women	Annual completion Rate	Target	Actual	Annual completion Rate
Outputs	Increased capacity to accelerate policy reforms through technical assistance provided to countries	Indicator 6.1.1: No. of research studies funded by the YEI MDTF	16	9	-	56%	34	33	97%
	General knowledge to advise Bank departments, Bank country offices, and governments on high employment opportunities	Indicator 6.1.2: No. of employment feasibility studies conducted on Bank projects with a high employment impact	9	5	-	56%	21	21	100%



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