Employment Promotion Programme (EPP III)
Facility for Innovation
BACKGROUND

Sierra Leone faces high unemployment and underemployment rates in its working age population. Current labor force is estimated to be 2.7 million – out of this number 1.6 million (59%), particularly youth, are structurally unemployed or underemployed (UNDP, 2012).

The main causes are the gap between demand and supply on the labor market (weak dynamic of the private sector; low level of coordination amongst stakeholders to create employment; non-effective education and training system).

Youth marginalization, limited access to and control over resources and lack of employment opportunities remain destabilizing factors for the country. Supporting the private sector, particularly in agriculture, will strengthen the rural economy and improve income opportunities for youths and young people in the country.

Within this framework, the German Federal Ministry for Economic Cooperation and Development (BMZ) is supporting the third phase of the Employment Promotion Programme (EPP III). The Programme is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and has an order volume of 20.5 million EUR. EPP III has as main partner the Ministry of Labour and Social Security (MLSS) to which it provides institutional support.

The third phase of EPP is aiming at the sustainable improvement of employment and income situation of young people in agriculture and micro-small and medium-sized enterprises (MSMEs) through a multi-fledged approach.

EPP III FIELDS OF ACTION:

1. Capacity Support of Partners: Supporting the capacity development of partners, it aims to reinforce the macro-economic policy framework for sustainable and equitable employment.

2. Youth Development: The youth development component designs and implements labor-market-oriented training modules in life skills, business skills and labor-market-integration measures for youth in the three target districts.

3. Agricultural Value Chains: Value-chain promotion activities aim at increasing production, quality of produce and ultimately employment in selected value chains, namely cocoa & coffee, rice and vegetables.

4. Private Sector – Business Loop: Training of enterprises through service providers in management and business skills, record keeping, marketing, client/customer relationship is one of the core interventions the Programme applies to support MSMEs development.

5. Private sector – Facility for Innovation: This intervention targets 100 business ideas to be developed into “matured” business concepts which will create new opportunities for employment.
The Facility for Innovation (F4I) targets “new business ideas”. This means new products and services with increased added economic values. A core requirement for the new business idea to be selected is the potential for innovativeness and creativeness in the value addition.

F4I will focus on sectors with strong economic growth potential. The following main sectors are presently considered in the implementation of the F4I: agribusiness related activities, fisheries, renewable energy, information communication technology (ICT), transport and merchandizing, and tourism.

After initial screening, the F4I helps entrepreneurs transform their business ideas into fully developed business proposals with the assistance of technical and business experts in the sector. The pre-selected business proposals are presented to an independent selection panel and successful business plans are awarded a grant for their actual implementation.
EXPECTED OUTCOMES

The F4I targets young micro-small and medium entrepreneurs (male, female and persons with disabilities) in the age bracket 18–35 years old. The innovation aspect of the business initiative is crucial and is identified in the concept notes of applicants. Some key characteristics of the business should demonstrate:

I. Strong market opportunities for the product/services offered
II. Innovative nature of product and service
III. Opportunities to create jobs for youth and women
IV. Environmentally and socially friendly nature

By the end of the Programme lifespan 100 business ideas are transformed into fully developed business proposals, provided with financial capital and assisted in the initial phases of implementation to lead to successful business development and job creation.

GIZ IN SIERRA LEONE

GIZ has been working in Sierra Leone since 1963 on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). Its operation came to a halt due to the outbreak of civil war in 1991. Although the country has achieved stability since the end of the civil war in 2002, living conditions remain critical for majority of the people. GIZ supports Sierra Leone on behalf of the German Government in the areas of employment promotion, infrastructure development, regional resource governance and health system reform.

Potential F4I beneficiary engaged in poultry farming