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Ministry of Planning and
Economic Development

Employment Promotion Programme

Facility for Growth



→ BACKGROUND

Sierra Leone remains one of the least developed countries in the world, ranking on place 182 out of 189 on the Human Development Index (2020). High rates of underemployment as well as unemployment represent a constraint to the socioeconomic development and pose a risk to the political and social stability of the country. Youth and women in rural areas of Sierra Leone are particularly affected. 60%–70% of the working population classify as working poor, meaning that despite their employment, the household falls below the poverty line (ILO 2019).

The economy in Sierra Leone is generally weak and not very dynamic; it is mainly characterised by agricultural production of a few raw materials, such as oil palms, rice, coffee and cocoa, with little value added in the country. At the same time, the level of education in Sierra Leone is also still very low and there is a mismatch between supply and demand in the labour market. The lack of basic education and skills, as well as practical and quality technical and higher education and training, has a negative impact on productivity, self-employment and entrepreneurship, and thus on the potential for creating new jobs.

Against this background, the German Federal Ministry for Economic Cooperation and Development (BMZ), co-financed by the European Union, is supporting the fourth phase of the Employment Promotion Programme (EPP IV). The programme is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The main partner on the national level is the Ministry of Planning and Economic Development. The fourth phase of EPP is aiming to sustainably improve the employment and income situation of youth in agriculture and in micro-, small-, and medium-sized enterprises (MSMEs). EPP applies a multi-pronged approach that strengthens the employability of young people, employment opportunities in the private sector, and the institutional system of vocational education and training.

EPP FIELDS OF ACTION:

1. Skills Development:

The skills development component designs and implements labour market oriented training modules in life skills, business skills and labour market integration measures for youth in the four target districts.



2. TVET and Dual Studies:

The TVET component improves the preparation of young people for the demands on the labour market through the integration of practical experiences in their training and the demand-oriented adaptation of the VET system.

3. Agricultural Value Chain Development:

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

(B-Loop): As one of the core interventions to support MSMEs, entrepreneurs are trained in business related skills such as record keeping, marketing and customer relationship. A subsequent advanced B-Loop track supports promising entrepreneurs in their further growth efforts.

5. Private Sector – Facility for Growth

(F4G): This intervention aims to further develop established micro-, small- and medium-sized enterprises through financial and in-kind support.



F4I / F4G entrepreneur who has founded her own enterprise to produce local healthy plantain baby food



→ FACILITY FOR GROWTH (F4G)

The Facility for Growth (F4G) is the follow-up programme to the Facility for Innovation (F4I). It targets business ideas with a strong potential for growth and job creation. This means new products and services with promising and untapped market opportunities. A core requirement for the businesses to be selected is its potential to create employment especially among youth and women.

Through the F4I grant, she was able to purchase new equipment and raw material



F4G will focus on enterprises that are expected to see strong growth in the near future. The following sectors are presently considered as particularly relevant for the implementation of the F4G: agribusiness related activities, fisheries, renewable energy, information communication technology (ICT), tourism, transport and merchandising. However, the selection of entrepreneurs is not limited to these. After initial screening and a business analysis, the pre-selected business promoters will present their ideas to an independent selection panel and successful business plans are awarded a grant for their further development. F4G helps the selected entrepreneurs to fully unfold their potential and overcome obstacles to growth with the assistance of technical and business experts in the sector.

→ EXPECTED OUTCOMES

The F4G targets young entrepreneurs (male, female and persons with disabilities) between 18–35 years with micro and small-sized businesses. The growth potential of the business initiative is crucial and will be verified as part of the selection process. Some key characteristics the business must demonstrate are:

- I Strong market opportunities for the product/ services offered**
- II Proof of concept: The business must have proven itself on the market for at least one year**
- III Opportunities to create jobs for youth and women**
- IV Environmentally and socially friendly nature**

By the end of the programme's lifespan, 290 business ideas will have received a fully developed business plan, an in-kind grant as well as on-the-ground implementation support during the initial phases, ensuring a successful start, sustainable business development and job creation.

Local shoe production in Kono



→ 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). GIZ supports Sierra Leone on behalf of the German Government ever since in the areas of employment promotion, value chain development, infrastructure development, regional resource governance and health system reform.



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