

ECONOMIC EMPOWERMENT COMPONENT

Skills Development for Youth (SDY) Project



ECONOMIC EMPOWERMENT FOR A MORE INCLUSIVE AND STABLE FUTURE

Strengthening the economic resilience of vulnerable communities in Rakhine State is at the heart of GIZ's SDY Project, funded by the Federal Ministry for Economic Cooperation and Development (BMZ). The Economic Empowerment component builds on the successful skills training initiatives in favor of 7,500 vulnerable young individuals in Rakhine State, Myanmar. This component aims to facilitate the economic engagement of these youths and help them secure sustainable livelihoods through four different pathways: (i) Employment, (ii) Self-Employment, (iii) Income Generation and (iv) Livelihood Recovery. By equipping these young individuals with vital skills and support, the Project aims to help them navigate adversity and create a more stable future.

In the context of ongoing conflict and economic stagnation in Myanmar, job prospects are severely limited, and the purchasing power of the local population has declined, resulting in fewer business opportunities. To address this, GIZ, in collaboration with its implementing partners, has introduced a range of measures that encompass technical, social, and business skills. These initiatives are designed to enhance the employability of young beneficiaries, whether they seek employment or wish to become self-employed.

The employment support strategy emphasizes training modules that integrate both hard and soft skills alongside business development training. These modules are tailored to the specific economic opportunities and technical profiles of the graduates, ensuring that they achieve the highest employability in the shortest time possible, ideally in their own communities or townships of origin.



ECONOMIC EMPOWERMENT PLATFORM: STRENGTHENING KNOWLEDGE, PRACTICE, AND COOPERATION

The Economic Empowerment Learning Platform aims to strengthen SDY's Implementing Partners by equipping them with the knowledge, skills, and tools to drive impactful, community-based initiatives. The platform sessions create a collaborative space for sharing best practices, addressing common challenges, and improving project effectiveness. The overall goal is to enhance the impact of economic empowerment interventions particularly for vulnerable youth by enabling stronger collaboration among partners and more consistent support for sustainable livelihoods and economic independence.

Among all sessions, the Cooperative/Group Business Session was particularly impactful for implementing partners (IPs). It deepened understanding of cooperative business models and reshaped how partners approached economic inclusion and collective action in fragile contexts like Rakhine.

One striking example came from ACTED's experience with sewing trainees. Initially organized into group businesses, the women encountered challenges in profit-sharing and decision-making. In response, they transitioned to individual enterprises, which proved more effective for income generation. However, they retained collaborative practices by supporting one another, exchanging market insights, and sharing skills.

This subtle shift marked a deeper learning: group dynamics do not always have to center around profit-sharing: they can evolve into a platform for peer learning, collective marketing strategies, and strengthened bargaining power, unlocking new avenues for empowerment without rigid structures.

BRIDGING TRAINING AND EMPLOYMENT OPPORTUNITIES

The integrated scheme approach aims to empower marginalized and at-risk youth by providing them with comprehensive training and creating employment opportunities in the communities. Through a combination of vocational skills training, soft skills, business development support and career guidance services, GIZ seeks to enhance the employability and socio-economic status of vulnerable youth populations in Rakhine State.

FOUR PATHWAYS AND SUPPORT PACKAGES



1) **Employment:** This pathway focuses on equipping beneficiaries with the necessary skills and training to secure employment opportunities in various sectors of the economy. After undergoing a skills training program, through job readiness programs and job placement services, participants are prepared to enter the workforce and pursue sustainable employment opportunities.

2) **Entrepreneurship:** This pathway empowers start-ups to launch and establish their own businesses. Participants receive training in business management, financial literacy, and entrepreneurship skills to develop and implement viable business ideas. Additional support is provided to help entrepreneurs access financing, coaching or mentorship, and resources necessary for business success.

3) **Income Generation:** Through this pathway, beneficiaries engage in productive activities to secure stable income after receiving non-formal training in specific production skills or trades with a high market demand. In relatively short periods of time, they are enabled to generate income and integrate into the local economy.

4) **Livelihood Recovery:** This pathway, also called the "2.0 Approach" (see below), combines cash or in-kind support to reconstitute the beneficiaries' original livelihood with technical and/or business skills to generate extra revenue in the shortest possible time.

The 2.0 Approach

When Cyclone Mocha struck Rakhine State in May 2023, the immediate effects on the lives and livelihoods not only of the Project beneficiaries but of all the region's inhabitants were devastating. All SDY's interventions had to be suspended to allow the beneficiaries to restart their lives. Directly or indirectly, they faced severe needs ranging from drinking water and food, to shelter and medicines. To help them address their most essential concerns and allow them to gradually come back to the various training programs the Project had rolled out for them, the "2.0 Approach" was collectively designed within SDY's network of implementing partners.

In an acute crisis, the "2.0 Approach" combines cash or in-kind support with long-term oriented skills development in economic sectors with a strong market demand such as agriculture, fishery, construction or trade. The approach ensures that emergency response in favor of particularly vulnerable beneficiaries is complemented by measures offering concrete perspectives for social and economic stability. As such, the approach embraces the core principles of the humanitarian-development-peace nexus strategy within a single integrated intervention.

The approach integrates emergency response in the form of livelihood recovery, and comprehensive skills development into a single cohesive framework that contributes to sustainable resilience. Through the 2.0 approach, marginalized women and youth are empowered not just to overcome crises but to rely on new or enhanced skills and become active, resilient members of their communities.

Through cash or in-kind assistance coupled with vocational skills training and business development support, beneficiaries can rebuild their livelihoods on a higher and stronger platform, which opens doors to new economic opportunities. This integrated approach transforms emergency assistance into a foundation for a more reliable future.

Applied across all intervention areas, the project has delivered tangible results such as the increase of household incomes, improved food security and employability, as well as more resilient communities, proving if emergency aid is strategically blended with socio-economic skills development, recovery and resilience can grow hand in hand.

Ko Aung's Journey from Crisis to Recovery

Ko Aung, a 25-year-old farmer from Thein Taung Pyin village in Buthidaung is member of the Dinnet ethnic group, a minority group in Rakhine State. He is the breadwinner of his family, and to support them, he relies on vegetable farming. The convergence of armed conflict, roadblocks, soaring prices, and the devastation of Cyclone Mocha left his livelihood in ruins.

“Farming, once our lifeline, could no longer support my family. I had lost hope,” he shared.

Through ACTED's support under the 2.0 Approach, Ko Aung received:

- Taro and turmeric seedlings, fertilizer, and cash assistance
- Training in Good Agricultural Practices, covering sustainable techniques and production of organic fertilizers
- Business Development & Entrepreneurship (BDE) Training, including business planning, market strategy, and profit maximization
- Soft skills training, focused on social cohesion and gender-based violence prevention

Equipped with new and enhanced know-how, he adopted improved farming techniques, which led to healthier and more productive harvests. He carefully stored part of his turmeric harvest for the next planting season, while selling the rest to generate a steady income for his family. The BDE training further empowered him with market knowledge, allowing him to maximize his profits by strategically selling his crops at the right time and place. Beyond economic recovery, the soft skills sessions helped Ko Aung develop better communication and leadership skills, enabling him and his fellow farmers to strengthen their collaboration across different ethnic and religious backgrounds. In a region where deep-rooted divisions often fuel tensions, these initiatives played a vital role in promoting peaceful coexistence and strengthening community ties.

“The training not only helped me restore my livelihood but also gave me a new perspective on community cooperation. I now have the knowledge and resources to farm more efficiently and build a better future for my family.” Ko Aung said with pride.

Empowering Communities through Business Development Training



GIZ's partners support young start-ups through diverse entrepreneurship trainings. Organization for Building Better Society and Rakhine Young Entrepreneurs' Association conduct “Business Eye-Opening Training,” while NRC applies ILO's “Start and Improve Your Business” module. These short-term courses are complemented by individualized business coaching to address participants' specific needs and challenges.



BUSINESS COMPETITIONS

GIZ identifies promising young entrepreneurs through training and business plan competitions, enhancing their skills in planning and venture creation. Participants develop actionable ideas to address sector challenges. So far, 30 business grants have been awarded, complemented by BBS's similar grant competitions supporting innovative start-ups.

BUSINESS COACHING

GIZ's partners, including BBS, TLDA, and NRC, provide post-training coaching and mentoring to youth entrepreneurs and startups, enhancing employability and business growth. Business Coaching Training also strengthens partners' coaching capacity, promoting entrepreneurship in Rakhine through business health checks, community engagement, and entrepreneurial skill development.

LINKING BENEFICIARIES TO MARKETS BY FOSTERING COOPERATION

NRC has conducted sewing workshops for particularly vulnerable women, empowering them to launch home-based businesses. For instance, they are linked to the face-mask supply chain, enabling them to swiftly generate income for themselves.

BBS offers practical training sessions, enabling young individuals to promptly enter the production and marketing of processed foods like cooking powder, potato chips, fish crackers, and/or fruit preserves.

PROMOTING VALUE ADDITION IN AGRICULTURE AND FISHERY

GIZ collaborates with partners to enhance value addition in Rakhine's key sectors—agriculture and fishery. YCDN promotes mushroom cultivation and product diversification, producing items like mushroom powder, snacks, and juice. These initiatives increase income, sustain small-scale enterprises, and improve food security. Similarly, fish-paste production training boosts income and employment while ensuring business sustainability. Through capacity building and exchange of best practices, GIZ's economic empowerment platform strengthens market linkages and supports community development. Overall, these interventions foster innovation, promote local entrepreneurship, and contribute to long-term economic growth and resilience in Rakhine State by transforming traditional livelihoods into profitable, value-added enterprises with broader market reach.



Promotion of Cooperative Business and Business Associations

Within GIZ's economic empowerment strategy, investments in cooperative businesses and business associations among youth entrepreneurs enabled them to pool resources, share risks, and access markets more effectively. Through cooperatives and associations, young entrepreneurs were empowered to establish sustainable businesses, strengthen their bargaining power, and improve their livelihoods. These initiatives not only promoted entrepreneurship but also promoted a sense of community and solidarity among youth, ultimately contributing to inclusive economic growth and development.

TESTIMONIALS

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Aye Aye Hlaing, a young woman from Yay Chan Pyin Village, Sittwe, is a graduate of the sewing training and business plan competition organized by GIZ.

“The training not only equipped me with sewing techniques but also instilled valuable business skills through the business plan competition. Winning the grant from the competition boosted my confidence and provided essential support for launching my small sewing business. The trainers remained invested in our success, monitoring our progress even after the training ended. Their surprise inspections and ongoing technical support have been instrumental in fine-tuning my business operations. Thanks to their guidance, my small sewing enterprise is improving day by day.”

Aung Lin Kyaw, a young man from Kyauk Taw Township, graduated from the GIZ's Electrical Wiring Training and Entrepreneurship & Business Plan Training, was also awarded a grant in the Business Plan Competition.

“After the training, I adopted best practices in my business, like balancing expenses and prioritizing work more effectively. Although I had some business knowledge before attending the training, I didn't have a basic economic mindset. I'm thankful to our trainers for their patience and dedicated follow-up. They even visited my town to check on my progress and provide advice on how to improve my business. Now, my Electrical Services and Electrical Wiring Accessories Shop is thriving more than ever.”



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