

# — Youth Speak —

A group of people, including young adults and professionals, are seated around a long table in a meeting room. They appear to be engaged in a discussion or listening to a presentation. A sign on the table reads "JAKARTA". The room has large windows and a framed picture on the wall.

*Comments and Inputs  
on the Proposed  
Youth Employment Project Concept Note*

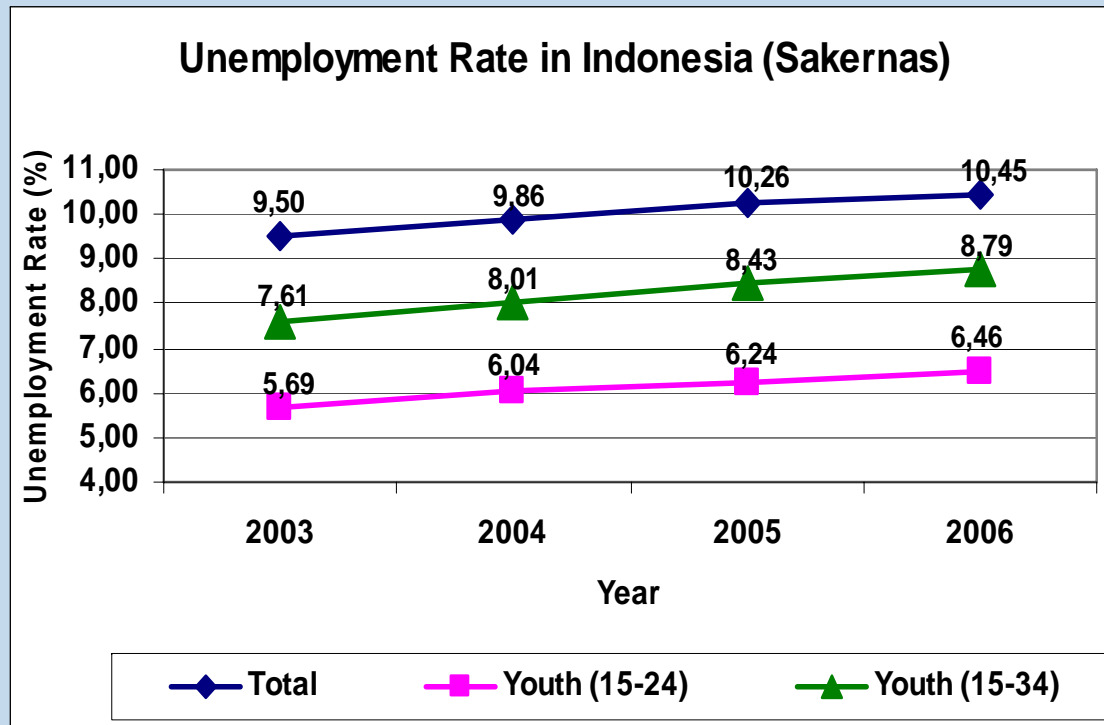
**Presented by:  
Youth Group from World Bank Office  
Jakarta, Indonesia  
June 29, 2007**

# Presentation Outline

- Context of youth unemployment in Indonesia
- Youth Employment Program (YEP) Concept Note
- Comments and Inputs from a group of young people in Jakarta, Depok, and Bogor
- Conclusion and general remarks

# Unemployment in Indonesia

“Unemployment rate increases annually. In 2006, 10.45% (approx. 11 million) of the working force is unemployed”



(Sakernas, 2003-2006)

Why?

- ✓ Human resources supply > market demand
- ✓ Economic growth < population growth
- ✓ Bad infrastructure management

# Youth Unemployment

“Youth (15-24 years) is 62%  
of the total number of unemployment”

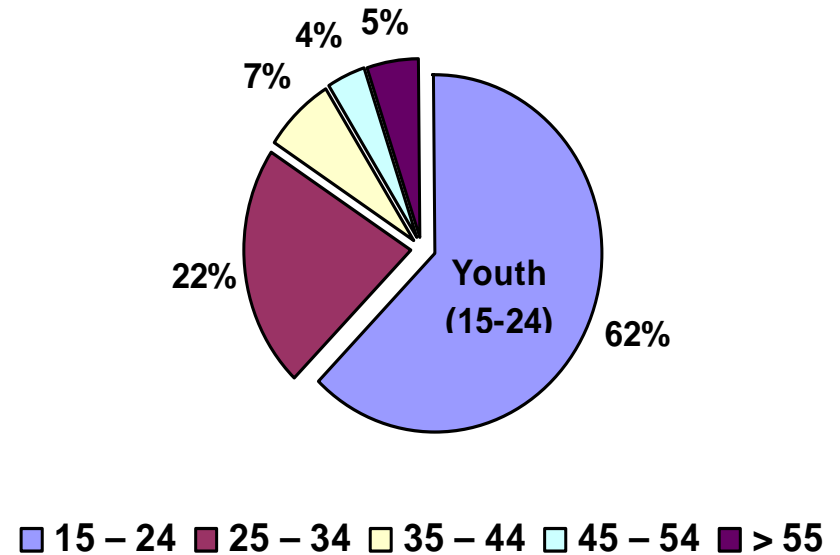
Stimulating factors:

- ✓ Low human skills
- ✓ Low capital
- ✓ Doing business is hard


More :

- ✓ Underserved youth worse
- ✓ The issue is Government demand driven

Unemployment By Age Group, 2006



(Sakernas, 2006)

The background of the slide features a close-up photograph of two hands holding a blue smartphone. The hands are positioned as if presenting the device, with one hand at the top and the other at the bottom. The lighting is soft, highlighting the texture of the skin and the color of the phone. The overall tone is professional and collaborative.

# Government Proposed Youth Employment Program (YEP)

- Supported by the World Bank Office Jakarta
- Under Preparation Stage
- 2 main components:
  - **Enhancing Employability/Maximizing Existing Jobs**
  - **Job Creation**
- 3 Approaches:
  1. Up Scale JSDF-EYE Pilot Project
  2. Youth Entrepreneurship
  3. Continual Assessment

# 1. Up Scale JSDF-EYE Pilot Project

## What is JSDF-EYE?

Education for Youth Employment, conducted by Ministry of National Education in 2003-2006, in 6 districts/provinces in Indonesia, which is successful in employing ±89% of its youth graduates.

## Components?

→ Packet B

→ Community Learning Centers (CLCs)

→ Voucher Mechanism

## Notes:

*Packet B = equivalency education for Junior Secondary School (12-15 year of age) drop-outs.*

*CLCs = public/private institution which conduct equivalency education.*

*Voucher = scholarship to join training/course and being placed in existing jobs/being assisted to create new jobs.*

# What do youth say?

<b>JSDF-EYE Up Scale</b>	<b>Comments and Inputs</b>
Strengthening and scaling up Packet B + Life Skills (focus on <u>curriculum</u> )	<u>Expanding access</u> to equivalency education (Packet A, B, and C) + Life Skills
Strengthening and scaling up CLC (focus on <u>empowering CLC's management</u> )	Use CLCs as the above strategy vehicle. Thus, need to identify the government <u>accredited</u> CLC/accredited the unaccredited (related to graduates' quality)
Strengthening and scaling up Voucher. Participants <u>age range</u> 18-35 years old	Strengthening and scaling up the Voucher scheme. <u>Expand the age range to 15-35</u> ( $\pm 62\%$ of the unemployed is in the age range of 15-24)

## 2. Youth Entrepreneurship

To support, facilitate, and encourage youth to start business/to be self-employed through:

Pilot a Business  
Development  
Service  
(BDS) model

Establish a  
Youth-friendly  
Micro Bank

# What do youth say?

Entrepreneurship	Comments and Inputs
Pilot a BDS model	Give special emphasis on effective <u>training</u> and building <u>network</u> to prevent future dependency and to maintain <u>sustainability</u>
Youth-friendly Micro Bank	<ul style="list-style-type: none"><li>• <u>Group system</u> such as Grameen Bank to maintain on-time <u>instalment</u>. <u>Peer to peer</u> approach is by far more effective amongst youth.</li><li>* Consider to integrate <u>competitiveness factor</u> in the appropriate condition (e.g. Start up capital grant for the top 10 well-planned and promising business plans)</li></ul>

### 3. Continual Assessment

Continual Assessment	Comments and Inputs
Evaluation of pilot projects, esp. on project implementation	Should be followed by active <u>participation</u> of youth in particular and <u>communities</u> in general at regional level.

# General Notes and Inputs

- Indonesia is characterized by a large differences, thus the needs and ways to solve youth unemployment requires **different approaches**.
- Dialogue or Focus-Group-Discussion (**FGD**) with local beneficiaries (village government, youth groups, and communities) is necessary to decide on **their needs** and methods on executing the pilot project at regional level.
- Establish “Local Community Information Centers”. This is feasible under the completion of regional autonomy. Rationale: to **map local potential** in meeting labor supply and demand; as well as in reducing urbanization.



## General Notes and Inputs [2]

- Incorporate Government's current plans/related programs in reducing youth unemployment (e.g. existing training strategy, etc.)
- It is also important for the government to secure business climate and to cooperate with business sector in generating job fields for youth and protection for workers.

# Conclusions

## "Youth Need CHANCES"

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- ✓ Chances to gain education
  - Larger target group = wider-ranged protection
  
- ✓ Chances to be heard
  - Let youth speak for themselves through dialogues with them at regional level
  
- ✓ Chances to be entrusted
  - Work with local youth groups
  - Let them to be the examples for each other
  - Avoid dependency between youth and programs



*World Bank Youth Group is willing to be  
further engaged*

*Thank You*