



THE GOVERNMENTS OF EGYPT, JAPAN & THE WORLD BANK ADDRESS UNEMPLOYMENT CHALLENGES FACING MARGINALIZED YOUTH

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Introduction: Egypt is facing an unprecedented 'youth bulge' with approximately 60 percent of the population below the age of 30 and more unemployed youth being added every year to the labor force. However, the current youth bulge has not been fully seized as an opportunity for the country's development. Rather, it has resulted in numerous challenges, namely resource constraints to accessing education and employment opportunities for younger generations. As a result, such hardships are eroding the quality of life for families who are vulnerable to the deteriorating poverty situation and uneven growth distribution.

The situation is further worsened for youth groups at the lower end of the socio-economic ladder, including poor rural youth who are marginalized due to barriers to educational attainment and participation in TVET. Those marginalized rural youth have greater exposure to various risks including emigration, both internal and external, and fewer assets and capacities.

In response to these challenges, Japan and the World Bank joined forces with Egypt's Ministry of State for Family and Population in a new project. "Unemployment, particularly youth unemployment, is one of the most difficult



challenges in Egypt and requires selective yet high impact interventions both at the macro, community and household levels. Therefore, realizing the comparative advantages of various partners, the Ministry of State for Family and Population is keen on tackling this problem through joint cooperation with the World Bank and the Japan International Cooperation Agency (JICA), consistent with our vision of improving families' overall human development outcomes, and providing livelihood for younger generations as an integral part of it," said H.E. Moushira Khattab, Minister of State for Family and Population.

The Egypt Job Readiness and Job Placement for Marginalized Youth Project is funded by a grant from the Japanese Social Development Fund (JSDF), administered by the World Bank and implemented by Egypt's Ministry of State

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for Family and Population. Adopting a holistic approach in tackling youth unemployment, the joint project will provide marginalized youth with an integrated package of financial and non-financial services. Targeted both to urban and rural areas, it will include access to credit, loans and link to job readiness, placement and creating opportunities.

The project seeks to minimize risks of chronic and/or unsafe unemployment among marginalized youth through facilitating access to pertinent opportunities for job readiness and job placement. It responds to the national priority of the Government of Egypt to improve the skill base, employability and employment opportunities for marginalized youth while promoting inclusion, equity, and reducing disparities in Upper and Lower Egypt.

"We are very pleased to contribute to Egypt's development agenda and its continuous efforts to create job opportunities, curb high unemployment rates and the promotion of equity," said Japan International Cooperation Agency (JICA) Chief Representative Nobuhiro Ikuro.

"We are keen to support Egypt while it transforms the country's youth bulge challenge into a valuable opportunity to spur economic growth, create jobs, and in turn reduce unemployment rates among youth groups," said Japan's Ambassador to Egypt, H.E. Ambassador Kaoru Ishikawa.

"We count on the leadership and efforts of the Ministry of State for Family and Population as the Ministry which is currently embarking on a comprehensive and unique youth employment program as a means to empower families and younger generations towards self sustainability and adapting to smaller families," said Iqbal Kaur, the World Bank's Task Team Leader of the Project.

"Furthermore, we also rely on the active Egyptian civil society and our NGO partners to be in the driver's seat in reaching out at the grassroots level to the targeted marginalized youth groups," she added.

Egypt Job Readiness and Job Placement for Marginalized Youth Project consists of four major activities:

- (i) Building Capacity and Partnerships: this will include building the capacity of selected NGOs to identify, reach out and rehabilitate the targeted youth; and building effective partnerships between NGOs, CBOs (community based organizations) and employers (private sector) in the industrial zones and businesses in the target governorates to facilitate the access of marginalized youth to relevant training & employment opportunities.
- (ii) Piloting a "one-stop" shop concept to deliver an integrated package of job readiness, job placement and business incubation support services: this will include setting up the core assessment, counseling, case management, rehab services and referral networks for youth to access a variety of services through one entry point;
- (iii) Establishing and Executing Job Creation and Placement Fund: this will include establishing and executing the Job Creation and Placement Fund, which primarily constitutes a multiple grants program to facilitate targeted youth access to job readiness and job placement opportunities and start-up loans for encouraging job creation;
- (iv) Setting up a Monitoring and Evaluation System: this will include establishing a monitoring mechanism for regular monitoring of outputs over the project period, and as the basis for periodic assessments and post-Project evaluation.

Thus, the project will help youth groups to utilize the business start-up grants to develop and expand small and micro enterprises into sustainable job growth. The business incubation support would be an integral part of this model to guide the startups throughout the business cycle process and make self-employment attractive to the young people.

Such support will help youth groups, poor and non-poor, urban and rural, illiterate and literate, females and males, in turning small livelihood activities into small business / job creation

opportunities for themselves and for other unemployed young job seekers

Overall, the Egypt Job Readiness and Job Placement for Marginalized Youth Project will create a strong impetus for youth entrepreneurship and job creation among marginalized youth and will reduce the risk of emigration to cities and abroad. The integrated monitoring and evaluation mechanisms in the design of the project will allow for a better understanding of the pros and cons of this approach throughout implementation, while providing a solid ground for post-project evaluation and potential for nation-wide replication.

Egypt Job Readiness and Job Placement for Marginalized Youth Project

The project capitalizes on the outcomes of two previous projects—Child Labor Prevention Project (financed by Japanese authorities) and Poverty Alleviation Project (financed by the Italian Cooperation)—which provided adolescents and youth an opportunity to leave abusive work situations under the child labor project, and/or to obtain official identification under the poverty alleviation project to revert to the development path.

This new youth employment project will further build up the credentials of these young people and help put in place a mechanism whereby even the poorest youth could secure financial assistance and the training required to secure a sustainable livelihood.

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