

THE YOUTH LIVELIHOOD PROGRAMME (YLP)

END OF PHASE 1: Summary

The First phase of the Youth Livehood Programme (YLP) that was launched in FY 2013/14 was completed by the end of June, 2019.

However, following the National Review Workshop for stakeholders that was conducted in May, 2018 by the Ministry of Gender, Labour and Social Development (MGLSD) at the Office of the President, key performance improvement measures were identified and some recommendations made to enhance and maximise on the benefits of YLP.

In response, while sitting at Entebbe on March 21, 2019, Cabinet analysed the performance of YLP for the Financial Years 2013/14 to 2017/18 considering the Programme's achievements, emerging challenges in its implementation as well as performance improvement measures instituted by MGLSD and approved the proposed changes to the design and improvements for the programme with effect from July 1, 2019.

YLP is a Government of Uganda rolling Programme, targeting the poor and unemployed youth in all the districts in the country in order to enhance their incomes. The Programme is community demand-driven, being implemented under the Ministry of Gender, Labour and Social Development (MGLSD) through the existing Local Government structures. Funds are advanced to the Youth Interest Groups (YIGs) in form of a Revolving Fund in order to increase outreach and enhance sustainability of the Programme.

NATURE OF THE REVOLVING FUND

1. Interest free for all repayments made within the first 12 months and only 5% per annum charged for repayments exceeding 1 year.
2. Does not require presentation of any form of collateral (physical assets as security) but the youth co-guarantee each other.
3. Groups have up to 3 years to complete repayment of funds.
4. Provides flexibility in scheduling of repayments and amounts to be repaid and durations depend on the nature of the enterprises maturity period.
5. Accessible for both existing and new groups.

6. No administrative fees levied on any application.
7. Promotes active participation of the youth at all stages of implementation through the Youth Council Structures.
8. Youth can access up to US\$25M with US\$12.5M approval at Local Government level.

The Programme intervention provided the youth with opportunities to create both direct and indirect jobs; access to financial services; enhanced asset accumulation; impacted on their lifestyle and behavioural characteristics; expansion of the Tax base, reduced dependency syndrome amongst youth; contributed to import substitution and supported them to undertake value addition projects using locally available materials.

PROGRESS IN IMPLEMENTATION

Financing of Youth Projects

As at June 30, 2019 Ministry of Finance, Planning and Economic Development (MFPEDE) had disbursed a sum of US\$160,238,246,586/= to 20,159 projects benefitting a total number of 241,799 youth out of which 46% are female.

Breakdown of financing by FY since commencement of the Programme

Financial Year	No of Projects	Amount Disbursed	Male	Female	Total
2013 – 14	1,563	11,442,947,118	11,234	8,958	20,192
2014 – 15	3,942	27,482,868,370	28,484	23,170	51,654
2015 – 16	2,705	19,660,877,607	18,190	15,599	33,789
2016 – 17	3,284	26,117,903,019	20,825	17,663	38,488
2017 – 18	4,455	37,580,463,472	27,658	23,534	51,192
2018 – 19	4,210	37,953,187,000	25,086	21,398	46,484

Breakdown of Projects financed by Sector

Sector/Project Type	No. Projects	Amount Disbursed	%	Beneficiaries		
			Invested	Male	Female	Total
Agriculture	6,911	52,150,499,754	32.55	46,589	38,301	84,890
Trade	6,442	46,140,830,022	28.80	42,053	35,931	77,984
Service	3,556	36,335,788,612	22.68	22,168	18,266	40,434
Industry	1,214	8,788,771,955	5.48	7,837	6,464	14,301
Vocational	936	7,884,642,705	4.92	5,641	5,420	11,061

Skills						
Industry Agro	700	5,905,005,680	3.69	4,709	3,835	8,544
Agro Forestry	221	1,512,491,319	0.94	1,394	1,178	2,572
ICT	95	815,464,735	0.51	600	447	1,047
Creative Industry	80	667,751,804	0.42	462	459	921
Health Care	4	37,000,000	0.02	24	21	45

APPROVED POLICY CHANGES BY CABINET

- Minimum Group size reduced from 10 to 5 members
- SAS and Sub-Accountants removed as account signatories and replaced with Group Chairperson, Secretary and Treasurer.
- Transfer of funds to Individual group account directly from Ministry Project account in Bank of Uganda instead of Local Government account
- Management of enterprises decentralised to individuals/cluster if need be instead of one central enterprise.
- Group can share inputs at individual level but have list of sharing.
- Beneficiaries can come from as far as a Parish rather than only a village.
- Group accounts shall either be Current or Savings bank accounts.
- Enterprises in value addition and new profitable opportunities like pharmaceutical industries, construction sector, extraction of animal and plant oils, wheat, technology among others should be prioritised.
- Local content reservation schemes for the youth in public procurement at local level should be promoted.
- Youth groups that have completed repayment of funds and wish to scale-up their activities should be supported through re-financing.

ACHIEVEMENTS DURING FIRST PHASE OF IMPLEMENTATION

1. US\$36.566Billion out of US\$70.75Billion that was due had been recovered. This represents a repayment rate of 64%. Amount due means the money that is expected to be recovered according to the project work plan. However, not all projects have got the same maturity period.

2. 300 Projects had completed 100% recovery of funds and were ready to transition into Small and Medium Sized enterprises.
3. One of the cardinal pillars of YLP is revolving of the recovered funds to Local Governments to enable more Youth Groups be funded. The advantage is to provide resource leverage and reduce pressure on public resources to finance the programme. A total of US\$9,077,080,000/= was disbursed as revolving funds to 1,058 projects benefitting 9,101 youth between March, 2020 and January, 2021.
4. All the necessary documents, handbooks and guidelines were prepared and disseminated to stakeholders. They were also translated into 5 local languages (Luganda, Runyakitara, Luo, Ateso & Lumasaba). Other Communication channels like radio and TV talkshows as well as participation in exhibitions created awareness amongst stakeholders especially the youth.
5. Key district stakeholders were sensitised and trained about YLP in the entire country.
6. Equipment in form of motorcycles, bicycles and computers among others were procured and distributed to Local Governments.
7. YLP Management Information System (MIS) was rolled out to some Local Governments to enhance efficiency and effectiveness in data collection, transmission and management of information flow.

CHALLENGES AND MITIGATION MEASURES

S/N	CHALLENGES	MITIGATION MEASURES
1.	Insufficient funding and budget cuts.	Continuous advocacy for increased funding by Government. Looking for other agencies to co-fund
2.	Overwhelming demand for support across all districts amidst budgetary constraints.	
3.	Misinformation/Negative campaign by saboteurs (including some political leaders at the district and national level).	Continuous sensitisation and advocacy campaigns.
4.	Natural Calamities (droughts, disease outbreaks, floods).	Rescheduling of repayments and or Refinancing projects genuinely affected by natural calamities
5.	Low technical capacity in some Local Governments (understaffing, slow action).	Rationalisation of deployment of the existing staff at the Local Governments
6.	Poor attitude of some youth	Strengthening sensitisation and advocacy

		campaigns
7.	Reported cases of impropriety (corruption) by some Local Government officials and youth leaders.	Invoking sanctions; Administrative and legal actions including naming and shaming of culprits. A number of district officials who have been involved in malpractices have been interdicted, while others are being prosecuted.

RECOMMENDATION FOR FUTURE PROGRAMMING

1. Need for increased budget allocation for the Programme as well as reinstating operation funds for implementation of YLP activities at Local Government levels that was suspended in FY 2019/20.
2. Timely release of financial resources to allow effective mobilisation and organization of the Youth Interest Groups.
3. Effective market linkages for products developed by youth enterprises should be supported. This will enable YLP beneficiaries to access opportunities provided by other partners such as business incubation, training and mentorship to improve the quality of their products.
4. Work with Local Governments and other MDAs to organise local trade fairs at district level to promote enterprises developed by the youth.
5. Focus should mostly be on value addition of youth products and services offered.
6. Management Information System (MIS) should be rolled out to all Local Governments to enhance efficiency and effectiveness in data collection, transmission and management of information flow.
7. Increase awareness and sensitisation of the public particularly the Youth about the Programme.