



**Department of Economic  
Development and Tourism**  
Umnyango Wezokuthuthukiswa  
Komnotho Nezokuvakasha

**KWAZULU-NATAL PROVINCIAL GOVERNMENT**

# **FRAMEWORK FOR THE REVIEW OF THE KZN YOUTH ECONOMIC EMPOWERMENT STRATEGY**

**A STUDY INTERNALLY CONDUCTED**

**BY**

**ECONOMIC PLANNING AND INTEGRATED ECONOMIC  
DEVELOPMENT SERVICES PROGRAMMES**

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## 1. Introduction

The Youth Economic Empowerment Programme, an operational arm of the KwaZulu-Natal Department of Economic Development and Tourism (DEDT), is charged with the responsibility of driving the implementation of the KZN Youth Economic Empowerment Strategy (YEES). The KZN Youth Economic Empowerment Strategy is a framework designed to ensure that all young women and men are provided meaningful opportunities to participate in the mainstream economy. The YEES was adopted by the then MEC for Economic Development, Dr. Zweli Mkhize, in 2008. As a learning organization DEDT intends to review the Youth Economic Empowerment Strategy with a view of systematically assessing achievements against planned outputs and outcomes and identifying constraints encountered during its implementation and propose solutions to improve future performance. It is envisaged that this assessment will culminate in the development of a KZN Youth Economic Empowerment Strategy (2012-2016).

The purpose of this framework is to outline the roadmap for the review of the KZN Youth Economic Empowerment Strategy. The framework also serves to clearly outline expectations by detailing the scope of work and anticipated outcomes in order to ensure that the review objectives are met to the satisfaction of the Department.

## 2. Background

The policy terrain in South Africa has undergone drastic changes since the adoption of the Youth Economic Empowerment Strategy in 2008. The national government recently unveiled the New Growth Path (NGP) and the revised Industrial Policy Action Plan (IPAP2). The KZN provincial government has recently adopted the Provincial Growth and Development Strategy, Investment and Export Strategies, among other provincial strategies. Furthermore, the review of the KZN Industrial Development Strategy is nearing completion. The common thread across all these new policies and strategies is sustainable job creation and economic growth. The focus on job creation is not surprising if one takes into account that the official unemployment rate in South Africa is 25.7%<sup>1</sup>. Approximately 4.538 million people remain unemployed, out of this 3.342 million are youths (between the ages of 15 and 24 years), representing a proportion of (71%) of the total unemployed. A similar trend is observed at a provincial level where 620,000 were unemployed during the second quarter of 2011, and the proportion of unemployed youths in this figure was about 73% of youths<sup>2</sup>. Compounding this seemingly intractable challenge is the fact that a number of people remain highly discouraged and are not counted in the bracket of the unemployed. KwaZulu-Natal accounts for the largest number of the “discouraged work seekers” and this is evidence of an economy struggling to create employment opportunities for the youths.

It is evident from the foregoing facts and figures that the economy is struggling to create enough jobs to absorb unemployed youth. To compound matters youth lack adequate work experience to compete for the available scarce jobs. The inadequate vocational skills; lack of start-up capital and limited mentorship and incubation support for young entrepreneurs further limits youth’s effective

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<sup>1</sup> STATS SA: Quarterly Labour Force Survey, 2011

<sup>2</sup> STATS SA: Quarterly Labour Force Survey, 2011

participation in the mainstream economy. This is also complicated by the fact that the majority of the people who are unemployed are generally unskilled. Unemployment among people with a tertiary qualification constitutes only about 19% of the unemployed. However, what is disheartening to note is the fact that the majority of the people without a tertiary qualification are the youth. To exacerbate the situation young people are facing the brunt of the scourge of HIV and AIDS. It is therefore, imperative that the revised Youth Economic Empowerment Strategy be tailored to effectively address some of these challenges.

Job creation should ideally target marginalised groups such as youth, women and the disabled. Against this background, the prime objective of any policy or strategy aimed at addressing inherent youth challenges should be to integrate youth into the mainstream economy and present exciting opportunities for creating sustainable jobs. One of the key policy options available is fostering an entrepreneurial culture among the youth of KwaZulu-Natal. This can be achieved by driving entrepreneurial attitudes and providing incentives for aspiring entrepreneurs. However, to successfully engage the youth in entrepreneurship, a cultural shift is vital to reduce apathy<sup>3</sup> (Tabane, 2011). Young entrepreneurs must be educated about risks and return; encouraged to manage the right risk; be respected in their communities and not be stigmatised by failed attempts. This can be achieved through skills development programmes, basic education on entrepreneurship and basic financial management courses. In light of this, the Department has over the years embarked on a number of programmes geared to promote youth entrepreneurship. These programmes include among others SMME and Cooperatives interventions, learnerships and the implementation of the B-BBEE. All these programmes were aimed at inculcating and promoting entrepreneurship among the youth.

The KZN Youth Economic Empowerment Strategy (YEES) became an official document in 2008 when it was signed off by the then MEC for Economic Development and Tourism, Dr. Zweli Mkhize. At the time the cabinet had approved the KZN B-BBEE Strategy, and the stakeholders who were working with DEDT on the YEES felt that it was imperative for the MEC to approve the YEES as an implementation arm and integral component of KZN B-BBEE regarding the youth. Hence the YEES was approved by the MEC without going to the Cabinet.

The main stakeholders that formed the YEES development Steering Committee at the time were Umsobomvu Youth Fund, KZN Youth Commission, South African Youth Council-KZN, and KZN Youth in Business Organizations (SAFED, SAYEAC, NAFCOG-Youth and SA-Youth Chamber of Commerce-KZN). The implementation of programmes and projects as per the strategic areas identified by the Youth Economic Empowerment Strategy was a collaborative effort by all relevant stakeholders. Furthermore, DEDT also canvassed private and public institutions to proactively initiate projects which were responding to YEES strategic and programmatic areas. The strategic/programmatic areas identified by YEES in 2008 were as follows:

- Youth Enterprise Development Programme
- Youth Employment Programme
- Youth Information Dissemination and Capacity Building Programme, and
- Learnerships, New Venture Creation and Training Programme

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<sup>3</sup> GABA **TABANE**: Unemployment. **Entrepreneurship**: The key to SA's job creation ambitions. Published: 2011/10/05 Business Day (<http://www.businessday.co.za/articles/Content.aspx?id=155124>)

### 3. Objectives of the Study

The overall objective of the study is to review the KwaZulu-Natal Youth Economic Empowerment Strategy. This review seeks to determine whether its outcomes were achieved and identify challenges encountered during its implementation with a view to develop a responsive strategy that is aligned with current policies, priorities and needs of the youth in the province.

#### 3.1 Specific Objectives of the Study

- To assess the extent to which the KZN Youth Economic Empowerment Strategy objectives were achieved
- To identify challenges encountered during the implementation of YEES
- To analyse the national and provincial policy environment and identify economic sectors that will provide more opportunities for young people
- To assess and identify international best practices on youth empowerment that could be replicated in KZN
- To develop a KZN Youth Economic Empowerment Strategy (2012-2016)
- To develop a detailed implementation plan for the 2012-2016 KZN Youth Economic Empowerment Strategy
- To propose an institutional arrangement to facilitate and coordinate the implementation of the 2012-2016 Youth Economic Empowerment Strategy and
- To develop a Monitoring and Evaluation framework to systematically track the implementation of the 2012-2016 Youth Economic Empowerment Strategy

### 4. Study Deliverables

The following deliverables are expected at the end of the study:

- A Situational Analysis report which includes successes and failures of the current strategy
- A 2012-2016 Youth Economic Empowerment Strategy
- A Detailed Implementation Plan, and
- A Monitoring and Evaluation Framework with clear institutional arrangements

### 5. Timeframe

The project will run over nine month's period starting from October 2011 to August 2012.

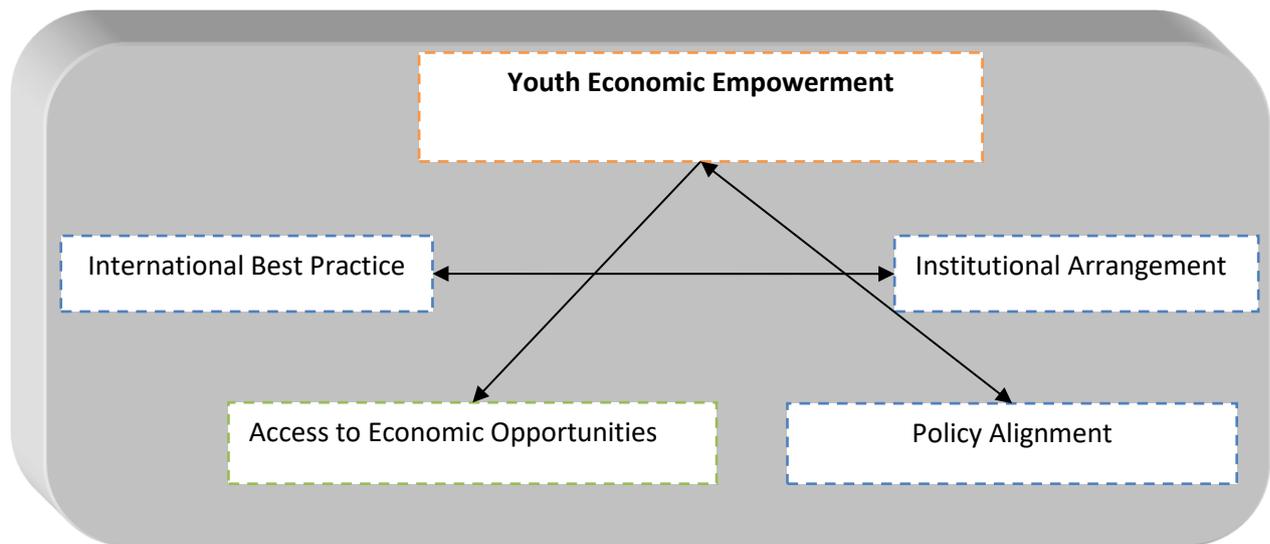
### 6. Methodology

In undertaking the Youth Economic Empowerment Strategy review, a combination of the following research methodologies will be used:

**Desk top analysis:** this constitutes the analysis of relevant literature and documents including youth development literature, policies, strategies. This will provide context in which youth development occurs, including historical developments, international trends and current policy developments.

This section will benchmark youth empowerment strategies in South Africa vis-à-vis those of comparable countries. The section will also analyse the status quo in terms of youth access to economic opportunities such as employment, entrepreneurship and ownership. It will also endeavour to review the institutional arrangements in the promotion of youth activities in South Africa and KwaZulu-Natal. One of the most critical issues in youth development is to ensure alignment of the strategy to recent policies and strategies, and this section will also review some of the previous youth strategies in South Africa and KwaZulu-Natal. Figure 1 below shows the focal areas under this section.

**Figure 1: Scope of Literature review**



**Focus Groups:** This will involve discussion workshops with various stakeholders and key technical informants such as the Economic Sectors and Infrastructure Technical Task Team, relevant government departments and youth formations in the province (See Annexure 1).

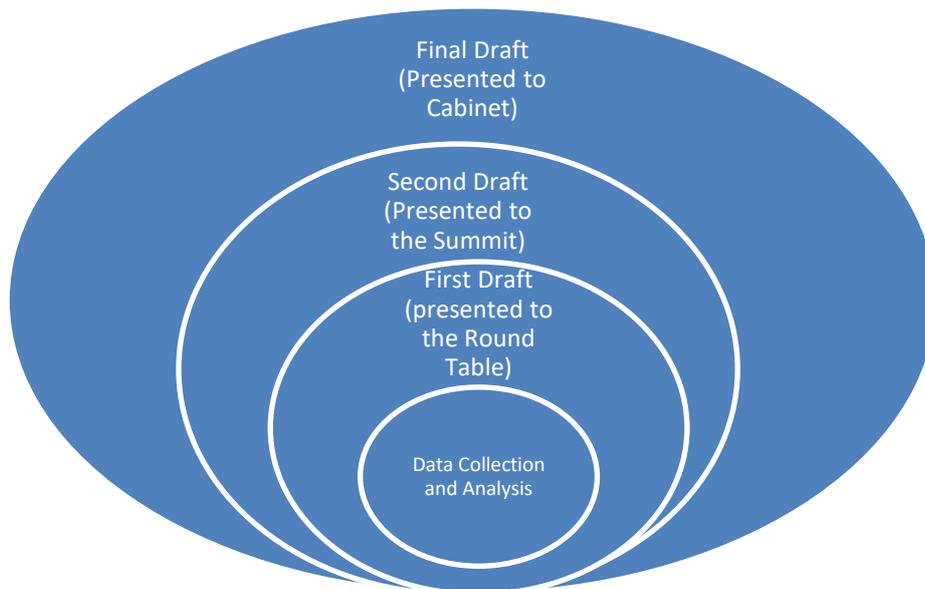
**Semi-structured Interviews:** Face to face interviews will be administered to individuals from strategic youth development structures including Graduate Business Schools, Public Entities, and Business Chambers. Telephonic interviews and e-mailed questionnaires may be administered in rare cases where target respondents are not physically accessible.

**Round Table:** A round table for Youth Development strategic partners and key experts will also be held to present the situational analysis report and the first draft strategy with a view to solicit more inputs into the revised strategy.

**Youth Summit:** Based on the inputs from all of the above processes, the team will develop the second draft strategy with a detailed implementation plan and monitoring & evaluation framework. This will be presented to the Youth Summit to be held in June 2012.

**Presentation to the Cabinet Lekgotla:** Following inputs from the Youth Summit, the third strategy will be developed and presented to the Economic Cluster Committee, and finally to the Cabinet Lekgotla in August 2012. Once approved, the strategy will be implemented across the province.

## TOWARDS THE KZN YOUTH ECONOMIC EMPOWERMENT STRATEGY

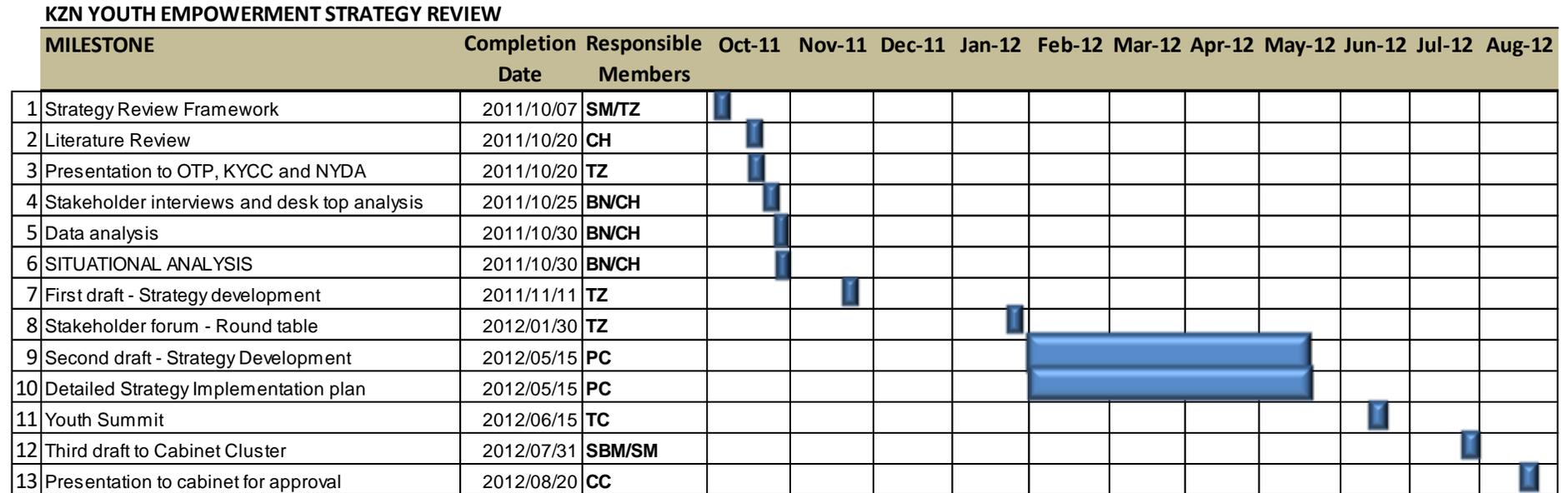


### 7. The Team

The multidisciplinary team from Economic Planning and Integrated Economic Development Services programmes will spearhead the implementation of this study. Since the project is internally driven there will be no financial implications directly observed. However, during stakeholder interviews and workshops significant subsistence and travelling costs will be incurred. The team members and their main tasks are highlighted in the table below:

Team Member	Main Task
<b>Thami Zondi</b>	<ul style="list-style-type: none"> <li>• Overall project coordination</li> <li>• Liaise with strategic stakeholders such as youth formations</li> <li>• Coordination of workshops with internal and external stakeholders</li> </ul>
<b>Sbu Myeza</b>	<ul style="list-style-type: none"> <li>• Strategic guidance</li> <li>• Presentation to Cabinet Clusters</li> </ul>
<b>Sihle Mkhize and Cosmas Hamadziripi</b>	<ul style="list-style-type: none"> <li>• Oversee research and policy team</li> <li>• Ensure quality control of outputs</li> <li>• Design and facilitate workshops with key stakeholders</li> </ul>
<b>Bheki Nowele</b>	<ul style="list-style-type: none"> <li>• Oversee stakeholder interviews</li> <li>• Develop interview questionnaires</li> <li>• Develop M&amp;E Framework</li> </ul>
<b>Paul Court</b>	<ul style="list-style-type: none"> <li>• Drafting of the revised Youth Strategy</li> <li>• Drafting of the detailed implementation plan</li> </ul>
<b>Liesel Beires, Eddie Musasiwa, Sixtus Sibeta and Dumisane Khanyile; Zodwa Blose; Nomfundo Dlamini and Nomthi Ngwenya</b>	<ul style="list-style-type: none"> <li>• Undertake literature review</li> <li>• Conduct stakeholder interviews and focus groups</li> <li>• Data analysis</li> </ul>
<b>Cebile Mkhonto</b>	<ul style="list-style-type: none"> <li>• Administrative support</li> </ul>

## 8. Gantt chart



Sihle Mkhize (SM), Thami Zondi (TZ), Cosmas Hamadziripi (CH), Bheki Now ele (BN), Paul Court (PC), Sbu Myeza (SBM), Carol Coetzee (CC)

### Annexure 1: List of Stakeholders to be engaged

Institution	Type of engagement
OTP, NYDA and KZNYC	Focus group
DEDT Programme 2 and 3	Focus group
Graduate School of business (Prof Singh), FET's, Moses Kotane, Education Dept (Nomonde Mbadi)	Individual interviews
Provincial Planning Commission and Provincial Academy	Round Table discussion and youth summit
Political youth formations	Round Table discussion and youth summit
Labour unions	Round Table discussion and youth summit
Business development Agencies (SEDA, KHULA, TKZN, TIKZN, etc.)	Individual interviews
Financial Institutions (iThala and private banks)	Individual interviews
Business Chambers	Individual interviews
National Departments (DTI, Economic Development, Treasury and Presidency)	Individual interviews
Provincial Departments	Cabinet Cluster meetings