

## Action Document for EU Trust Fund to be used for the decisions of the Operational Board

### 1. IDENTIFICATION

<b>Country</b>	The Gambia	
<b>Title/Number</b>	Ref. <b>T05-EUTF-SAH-GM01</b> The Gambia Youth Empowerment Scheme	
<b>Total cost</b>	Total estimated cost: 11,000,000 EUR Total amount drawn from the Trust Fund : 11,000,000 EUR	
<b>Aid method / Method of implementation</b>	Indirect management: PAGODA with International Trade Centre (ITC)	
<b>DAC-code</b>	150	
<b>Sector of intervention of the Trust Fund</b>	Objective 1. Greater economic and employment opportunities	
<b>Sector of intervention of the Valletta Action Plan</b>	Sector 1. Development benefits of migration and addressing the root causes of irregular migration and forced displacement	

### 2. RATIONALE AND CONTEXT

#### 2.1. Summary of the action and its objectives

This project aims to **contribute to the economic development of The Gambia and thus to reduce migration pressure** by improving the employability of potential and/or returning migrants. The initiative takes a market-led approach to create employment opportunities and will simultaneously upskill the workforce according to the demand of the market place.

The country has recently witnessed a significant increase in irregular migration flows to the EU, primarily to Italy, where nearly 8,300 Gambians entered in 2015. Already in 2014, according to the Italian National Commission for the Right of Asylum, The Gambia was the 3rd highest country in terms of asylum seekers with around 8,500 registered applicants. Poverty and lack of employment opportunities are among the major reasons driving an increasing number of people to leave the country.

This programme will directly support the development of the local economy by **(i) enhancing employability and self-employment opportunities for youth, with a focus on vocational training and the creation of micro and small-sized enterprises**, and **(ii) creating and improving employment opportunities in selected sectors through value addition and internationalization**. The programme will offer possibilities for those youths that might be interested to move into the commercial agriculture, service business or tourism sectors.

Skills training in vocations and technical areas demanded in the private sector is key to better preparing young people for a productive life, particularly in the context of ongoing youth employment challenges. The project addresses this through improving training and skills development opportunities available in The Gambia and through promoting entrepreneurship and supporting youth in setting up and growing their businesses.

Through developing the Gambian private sector as a whole and its enterprises in higher value adding segments the project aims to provide more and better quality employment opportunities for youth. Thriving agribusiness and services sectors also offer opportunities for entrepreneurship and provide lucrative career option. Taking a value chain approach the project will focus on integrating micro small and medium-sized enterprises and connect them to markets. The project concentrates on sectors that have biggest potential for employment, such as agribusiness, services for businesses and tourism.

This initiative matches well with the Trust Funds's priorities, by creating economic and employment opportunities in a region with a high migration potential to prevent irregular migration and facilitate returns, in particular by i) enhancing the professional skills and employability of young people, ii) stepping up support to micro, small and medium-sized enterprises in the formal and informal sector.

## **2.2. Context**

The Gambia remains on the list of least developed countries. The country's economy is significantly depending on tourism and agriculture, both sectors having recently been subject to negative external factors, such as the impact of Ebola on employment in tourism, and the insufficient rainfall with its consequences for agriculture and food security.

The Gambian economy's recent performance has not been favourable for the creation of job and employment opportunities. This compounded by a series of economic and climate related shocks has triggered a significant growth in rural-urban migration as well as created an upsurge in irregular migration to Europe over land via Libya and other crossing points. Indeed, in 2014 the Gambia had the 3rd highest number of asylum seekers in Italy, about 0.5% of the population (1). The majority of migrants are male youths, between the ages of 18 and 47 and are averagely educated. In Italy, ca. 73 per cent (2) of asylum seekers from The Gambia are rejected and returned to their country of origin.

The Gambia's development strategy and investment programme titled Programme for Accelerated Growth and Employment (PAGE) that covered the period 2012-2015 had promoting an accelerated and shared growth coupled with job creation as its main objective. It operationalizes The Gambia's Vision 2020, which is to is "to transform The Gambia into a financial centre, a tourism paradise, a trading, export-oriented agriculture and manufacturing nation, thriving on free market policies and vibrant private sector, sustained by well-educated, trained, skilled, healthy, self-reliant and enterprising population and guaranteeing a well-balanced ecosystem and a decent standard of living for one and all, under a system of Government based on the consent of the citizenry". The Government of The Gambia is currently in the process of formulating a new National Development Plan (NDP) to succeed the PAGE. The NDP will consolidate the gains of the PAGE implementation and address challenges within the context of the Vision 2020.

In The Gambia, youth unemployment and underemployment are major barriers to development. Not only does young peoples' exclusion from the labour force perpetuate generational cycles of poverty, it also breaks down social cohesion and can be associated with higher levels of youth crime and delinquency. As Africa in general, The Gambia has a huge "youth bulge": UNDP's NHD Report (2014) identified that youth (aged 13-30 years) make up 36.7% of the Gambian population. According to the Gambian Labour Force Survey (2012) the youth unemployment rate is 38%. There is a marked differential in male and female unemployment, with close to 20.9 per cent and 38.3 per cent,

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<sup>1</sup> SEE the Italian National Commission for the Right of Asylum [http://www.cir-onlus.org/index.php?option=com\\_multicategories&view=article&id=804&Itemid=242&lang=en](http://www.cir-onlus.org/index.php?option=com_multicategories&view=article&id=804&Itemid=242&lang=en) .

<sup>2</sup> SEE: <http://thepoint.gm/africa/gambia/article/more-than-2600-gambians-in-italy-camps-73-asylum-applicants-rejected-at-first-go>

respectively. This project supports The Gambia National Youth Policy and the National Employment Policy, which both recognize youth employment as a significant and growing problem in The Gambia.

Most sectors in the Gambia have extremely low labour productivity. Large segment of the population of The Gambia is working in the informal services sector. With a poverty rate of nearly 50 percent (70 in rural areas) and its workforce employed in low wage, low productivity sectors combined with a high fertility rate will keep the residents in poverty unless the structure of the economy is changed; workers need move from low paying low productivity sectors to higher productivity sectors, or the productivity in the underperforming sectors needs to be improved.

#### *R1. Improved employability and self-employment opportunities for youth*

One of the main challenges facing The Gambia's economy is the **absence of skilled labour**. Close to 60% of the labour force has **no formal education**, which impacts mobility between sectors. According to the 2012 Gambia Labour Force Survey, 10.9% of the population of 15 years and older had received some vocational training qualification. Adult literacy rate is 51%. Another challenge is that **technical and vocational skills development suffers from weak links with the market**. Even after graduating the skills needed in work life might be lacking. Equipping young people with the skills needed to meet market demand is critical for building a strong human capital base and promoting sustained growth.

Based on World Bank data, The Gambia ranks 169 of 189 countries in ease of starting a business and 162 of 189 in access to credit (down from previous years). The cost of starting a business is one of the highest compared to average income, and on average it takes 25 days. In addition to upskilling the youth, **facilitating new business formation and entrepreneurship is a critical** element for job creation. Combining technical and entrepreneurship training, coordination of training with private sector and helping young people to start their own business can make technical training more attractive. Provision of post-training services such as access to credit, business development support and linkages to new markets can provide increased economic opportunities for youth.

#### *R2. Increased employment opportunities*

Along selected value chains **Agriculture is the biggest employer** for the youth, and it offers substantial untapped potential for growth. By **moving from subsistence agriculture** to a more formally integrated system to agricultural production and commercialization, smallholder value chains will be strengthened. This transition is relatively easy to make as it has been foreseen in The Gambia's National Development Strategies. It will provide smallholders increased opportunities for value addition, efficiency and quality with regard to the cash crops grown, which in turn will translate into more and better jobs. The agro-sector can also serve as the **motor for the creation of a flourishing services sector** around it thereby multiplying the employment opportunities. For example, local services such as packaging, logistics, mechanical repairs, web design, IT services and communications form part of these value chains. . Also, the country's tourism industry would benefit from thriving agro value chains that can supply hotels and restaurants with high-quality local products. This offers opportunities to youth leaving the rural areas in search of non-agricultural jobs arriving in the urban areas looking for work, mostly in wholesale & retail trade.

Trade is a powerful engine for socio-economic development and employment creation. Given the relatively small size of the domestic market in The Gambia, **the growth of trade depends to a large extent on internationalization and sustained export development**. With a supportive overall business environment and one of West Africa's most developed ports and a new airport on its way, The Gambia's potential is substantial. Diagnostic Trade Integration Study (DTIS) Update conducted by the Enhanced Integrated Framework (EIF) in 2013 has confirmed this analysis. This has been also recognised by the Gambian Government. Still, agricultural production is largely confined to supplying

the domestic market. **Meeting international standards is still a huge challenge** for the SMEs in the food business in The Gambia. To ensure that Gambian producers and service providers can participate profitably in regional and international value chains and thus serve as employers, they must improve their production methods, increase value addition and better respond to international market requirements.

### 2.3. Lessons learnt

This project supports the results achieved under the PAGE pillars 1: Accelerating and sustaining economic growth and Pillar 3: Strengthening human capital stock to enhance employment opportunities. It is also in line with the current UNDAF for The Gambia, more specifically its Pillar on capacities, institutions strengthened and policies in place for pro-poor and equitable distribution of economic growth and employment. When finalized, this project will ensure alignment with the implementation efforts of the new National Development Plan (NDP) currently under formulation, which is to succeed the PAGE.

The project builds on the lessons learned of the implementation of the national system to increase employment, **the Gambia Priority Employment Programme (GAMJOBS)** that was examined by United Nations Development Assistance Framework (UNDAF) Mid Term Review 2010 (3). This centralised programme had the overall objective of developing a skilled, versatile, dynamic and efficient workforce and was expected to create 10,000 jobs annually and train 20,000 young women and men in vocational skills and entrepreneurship. The following lessons learnt were identified;

1. The formal and informal private sector self-employed businesses absorb an increasing share of the labour force.
2. It is good to develop the entrepreneurial acumen of youth while they are in the experimental stages in their lives.
3. Project disbursement procedures were identified as a source of delays.
4. In order to avoid project personnel turnover and achieve project progress it is essential to have the necessary funds available for implementation. In the case of GAMJOBS three years into the project 68 youth and women out of the targeted 20,000 caseload had been helped and barely 10% of pledged funds received.

The programme is developed in line with the EU strategy for civil society engagement in The Gambia, current national and regional development strategies. The project will create links to prior efforts such as EU URRLIFE project, National Youth Service Scheme activities and other existing projects such as the Songhai Initiative.

The programme is coherent with **The Gambia Decent Work Country Programme (GDWCP)** and will have strong links with the GDWCP priority on employment for sustainable growth and poverty reduction which focuses on youth and women employment and skills development in the MSME sector.

The programme is developed in line with **the EU strategy for trade development in The Gambia** and has strong links to prior efforts. This project builds on previous efforts to develop the private sector and more specifically the agribusiness sector in The Gambia. It directly continues the work of EIF funded **Sector Competitiveness and Export Diversification project (SCEDP)** as the project finishes in March 2016. The EIF and thus the SCEDP are principally funded by the EU and EU Member States. The SCEDP has been supporting cashew, groundnut and sesame sectors, enhancing export

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<sup>3</sup><https://www.google.ch/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKewjD1p75zLjKAhXDHg8KHxbjAZOQFggcMAA&url=https%3A%2F%2Ferc.undp.org%2Fevaluationadmin%2Fdownloaddocument.html%3Fdocid%3D4037&usg=AFQjCNF-PjL2or6EuZ6w-vlSm5-wwDFr2w&sig2=Lz9lWG9-7zEtXKhkeE7urQ&bvm=bv.112064104.d.bGQ>

competitiveness of enterprises and promoting new business opportunities for the Gambians. This project supports directly the implementation and management of the cashew and sesame sector strategies developed under the SCEDP project as well as larger national trade development efforts. Strengthening the role of the private sector in managing sector development efforts has been identified as best practice. Other lesson learned is that in order to succeed, the project needs to remain sensitive to the absorption capacity of local counterparts and ensure sufficient time for skills development in order to ensure sustainability.

By building the capacity of Micro, Small and Medium Enterprises (MSMEs) in processing and compliance with food safety standards this project also complements the efforts of the EU funded projects **EDES** in strengthening the food safety control systems and **Better Training for Safer Food (BTSF)** initiative's trainings for the national authority staff involved in food safety control. This project also builds on the quality related work done by the EU funded **UNIDO's West Africa Quality Programme (WAQP)** on implementation of quality assurance certification programmes in West Africa.

#### **2.4. Complementary actions**

This project is in line with the objectives of the Economic Partnership Agreement Development Program (EPADP), the EU initiative for West Africa providing a framework for the implementation of activities related to the Economic Partnership Agreement (EPA). The EPA has not yet been signed with The Gambia and is currently being negotiated with the ECOWAS group. In order for The Gambia to take the full advantage of the EPA, through the EPADP the EU supports capacity building of West African companies and exporters to overcome constraints related to production capacities, access to international markets and weaknesses of trade related infrastructure. In addition to being in line with the EPADP, this project is in line the ECOWAS Regional Poverty Reduction Strategy and the regional sectoral policies and strategies relating to agriculture (ECOWAP).

The International Organisation for Migration (IOM) is currently planning to expand their activities in The Gambia in the context of irregular migration. IOM's activities are geared towards strengthening national capacity on migration management, responding to the immediate and medium-term needs of potential and return migrants and promoting diaspora engagement to support economic growth and job creation. Linkages have already been established between this initiative and IOM's activities under development and these synergies will be continuously strengthened.

Since 2014 the Gambia Investment and Export Promotion Agency GIEPA is running an entrepreneurship programme named Empretec Gambia funded by UNDP and the Government of The Gambia. Empretec aims at training entrepreneurs including farmers and preparing them to establish a successful enterprise. It also trains trainers certified by UNCTAD. The programme will end in 2017. The Youth Empowerment Scheme creates close links to Empretec programme and aims at complementing its activities and building on the results it has achieved.

There are on-going initiatives in the country supporting the local quality insurance framework and testing supported e.g. by the African Union and the West African Quality Programme that are anchored within the local authorities such as the Gambia Standards Bureau (TGSB) and the Food Safety and Quality Authority (FSQA), Plant Protection Services and the National Agricultural Research Institute (NARI). The Youth Empowerment Scheme project will highly profit from these simultaneous efforts made on the policy and support services level in the country.

Farmers' association and sector organisations such as Cashew Alliance of The Gambia (CAG), Agribusiness Services and Producers' Association (ASPA), the National Women Farmers' Association (NAWFA) and Farmers' Platform are doing valuable work on improving agricultural outputs in The

Gambia on farm level. To increase employment and income in agriculture, this project will complement their efforts by increasing in-country processing capacities for the produce.

## **2.5. Donor co-ordination**

The present project is a stand-alone EU initiative set up to address specific urgent issues related to present and future potential migratory flows from The Gambia. It is therefore considered necessary to align with other actors in the process (for example the International Organisation for Migration who are preparing Trust Fund Conception Notes) as well as to keep other donors and vocational training initiatives informed of the process and of project activities in order to ensure synergies, wherever possible.

Regarding donors present in The Gambia, an important donor in the field of trade development present is The Enhanced Integrated Framework (EIF). EIF is a multi-donor programme which supports LDCs to be more active players in the global trading system by helping them tackle supply-side constraints to trade. The EIF is principally funded by the EU and EU Member States. The Gambia became an Integrated Framework (IF) beneficiary in 2006 and has implemented several projects aiming at making market connections. In addition to the SCEDP another thematic project on "Trade Facilitation through increased logistics infrastructure and services at the Banjul International Airport" is currently implemented. This project will seek synergies and maintain close cooperation with current and future trade-related efforts of the EIF in the Gambia. The EIF is entering its second phase in 2017. Other possible donors active in The Gambia include e.g. AfDB, The Islamic Development Bank and the AUC.

Regarding trade development, the management component of the Gambian National Export Strategy (NES) hosted at GIEPA coordinates the implementation of the sector development initiatives of the public and private sector to jointly boost trade competitiveness and mobilize resources for export development. This project will contribute to the coordination efforts of the NES by providing technical and advisory support and operationalising management structure and thus increase coherence among national institutions and private sector organisations and efficient utilization of donor resources related to Aid-for-Trade.

## **3. DETAILED DESCRIPTION**

### **3.1. Objectives**

**General objective:** To develop the economy by increasing training and employment opportunities for populations prone to migration or returnees to The Gambia.

**Specific objective:** To tackle the root causes of irregular migration through increased job opportunities and income prospects for youth. The project will improve skills, foster entrepreneurship and create employment along selected value chains.

### **3.2. Expected results and main activities**

The expected results of the project are (R1) improved employability and self-employment opportunities for youth and (R2) increased employment opportunities along selected value chains.

#### **R1. Improved employability and self-employment opportunities for youth**

Attracting young people and returnee migrants to technical and vocational training will require better linkages with potential employers as well as avenues to consider self-employment.

Improvement of entrepreneurship and life/soft skills training will be an important factor to enhance the employability of youth and increase the likelihood of them starting a business.

### **1.1. Skills upgrading through technical and vocational training programmes**

To tackle the skills gap faced by The Gambian youth and contribute to improving their employability and self-employment prospects, the existing technical and vocational skills programmes are strengthened to better match the needs of businesses in specific sectors. Training institutions are supported in their offering development and management. Effectiveness of learning is increased by adopting accessible and flexible learning models such as mobile and micro learning and broadening the recognition of vocational competencies in the market. Partnerships between industry and training institutions will help to keep up with changing market needs. Collaboration with organizations experienced in TVET programs and various knowledge partners (e.g. twinning with regional and foreign partners including EU vocational training institutions) will enable local training institutions to increase the quality, recognition and relevance of the skills development programs.

As only a limited number of youth have the right skills, ideas and personality for entrepreneurship, linking existing Gambian companies with graduates through traineeship programmes is an important avenue for increased employment. Apprenticeships and models of on-the-job-learning are developed. Traineeships that include components of coaching and skills development can serve as an entry to work life for university and vocational training graduates.

#### *Proposed activities under 1.1:*

- *Roll-out of skills development and training of trainers programmes to provide marketable technical and vocational skills training to young people, e.g. MLS-SCM Diploma in supply chain management (SCM)*
- *Capacity building of selected training institutions including preparation of training programmes and skills certification schemes*
- *Integration of entrepreneurship, basic business skills and soft skills training to complement TVET programs e.g. through ITC's E-learning tools*
- *Improved dissemination and approaches for learning and teaching: ICT based training, micro-learning, micro-mentoring*
- *Knowledge sharing, partnerships and improved collaboration among training providers, universities, international organizations and prospective employers including youth-owned businesses, regional and international networks between institutions and twinning arrangements to develop market-oriented training programmes*
- *Job matching schemes, traineeships and apprenticeships for youth graduates and returnees, promoting on-the-job training in Gambian companies including project participant enterprises*

#### *Indicators:*

- *# of youths benefitting from awareness raising, skills development and training under project (target: 20'000-40'000)*
- *# of training institutions with improved training programmes and/or operational performance (target: 15-20)*
- *# of youths benefitting of job matching schemes or participating in apprenticeships and on-the-job training programmes (target: 500)*
- *# of companies / employers signed up to the job matching schemes or offer apprenticeships and on-the-job training programmes (target: 50)*

### **1.2 Promote entrepreneurship among youth through business skills training and support programmes**

Based on the constraints encountered by young people in the Gambian business environment, ITC develops interventions to support youth-owned businesses ranging from business support services, business management and sector-specific commercial training to various innovative financing mechanisms. New concepts are created for promoting entrepreneurship, such as boost camps, idea sharing with peers and twinning through international entrepreneur networks and mentorships.

After creation of their business, young entrepreneurs often struggle with growing their business and becoming an established employer. Targeted business support services such as ITC's Trade Accelerator model are provided to improve the performance and growth of youth-owned businesses. Through training, coaching & mentoring, institutional support and facilitating access to finance the Accelerator enables the MSMEs to grow and develop their business and integrate to value chains. Connections are built to the work under component 2.2.

*Proposed activities under 1.2:*

- *Create entrepreneurship initiatives: entrepreneurship boost camps, innovation clinics, entrepreneur networks, institutional twinning, peer-to-peer arrangements, incubation and mentorships for potential young entrepreneurs*
- *Set-up a Trade Accelerator for existing high-growth businesses of young entrepreneurs in order to reach regional and international markets and value chains (training, coaching, institutional support, access to finance and support to innovation in order to connect to markets) in agro-food and services (specifically tourism and IT services) sectors*
- *Provide business development services and training: financial education, ITC SME Trade Academy, advisory services, technical training, training in sales and "pitching"*
- *Improved financial service offering for youth-owned businesses and creation of innovative financing mechanisms (e.g. saving and credit cooperatives (SACCOs), national and regional crowdfunding, impact investment platforms)*
- *Awareness campaigns on economic opportunities for youth in The Gambia including targeted information campaigns: events with guest speakers, portals and concepts that speak to youth*

*Indicators:*

- *# of youths benefitting from entrepreneurship services and business advisory support (target: 2000-4000)*
- *# of youths who started a business (target: 500)*
- *# of young entrepreneurs and youth-owned businesses enabled to access financial services such bank accounts, credit card, funding, etc. (target: 100-200)*

## **R2. Increased employment opportunities along selected value chains**

This result area focuses on strengthening The Gambian companies, particularly micro small and medium sized enterprise to grow and create more and better jobs by boosting performance of value chains.

### **2.1 Improve compliance of Gambian products to international standards and market requirements**

Food safety is still a huge challenge for SMEs in the food business in The Gambia and prevents them from accessing markets. This project component aims at building capacity of MSMEs in different food-related sectors such as food processing, hotels and restaurants to comply with food safety requirements and pre-requisites programmes (Good Agricultural Practices, Good Hygienic Practices, Good Manufacturing Practices, HACCP, ISO 22000). ITC provides technical assistance and develops cost sharing schemes for SMEs to access resources for implementing international standards and reach third-party certification. ITC also builds a network of quality and food safety advisors who can assist MSMEs in quality compliance and ensures viable business model for them. Cooperation is



fostered with technical regulatory bodies in the area of SPS measures, consumer protection and consumer safety.

*Proposed activities under 2.1:*

- *Sensitize enterprises on quality issues related business opportunities*
- *Capacity building for MSMEs to comply with food safety requirements, pre-requisites programmes and other quality-related market requirements through ITC's quality compliance methodology (e.g. Good Agricultural Practices, Good Hygienic Practices, Good Manufacturing Practices, HACCP, ISO 22000)*
- *Provide advisory support to quality governance related to food safety (aflatoxin, pesticide residues, heavy metals, etc.) and other quality aspects*
- *Create and train networks of certified advisers (Trainers cum Counsellors) in food safety related issues and ensure a viable business model for their services*

*Indicators:*

- *# MSMEs sensitized on programmes on quality improvement and food safety (target: 200)*
- *# Trainers trained (target: 40)*
- *# MSMEs coached (target 100)*
- *# MSMEs certified (target: 40)*

## **2.2 Improve MSME productive capacities**

The component provides technical assistance and capacity-building to enhance productivity of the Gambian private sector particularly the capacities of micro small and micro enterprises in food processing and other selected sectors. It will improve their production processes, increase value addition and increase the ability to respond to market demand and requirements. By supporting technology exchange through partnerships with industry leaders and best performers in the emerging markets, the project helps MSMEs to adopt advanced production techniques, promote investment, improve their products and packaging as well as increase their product variety. Marketing capacities to better serve the target markets are also developed. The component supports the entire target value chains in improving production and practices. Collaboration among value chain actors is fostered through groupings and alliances, e.g. between experienced trading enterprises, producers and entrepreneurs.

*Proposed activities under 2.2:*

- *Capacity building for MSMEs to improve their production methods, packaging, increase value addition and better respond to international market requirements in priority sectors including food processing (e.g. efficient production, packaging and labelling, supply chain development)*
- *Improve MSMEs' business management & marketing capacities (including strategy development and implementation) to better serve the target markets and attract financing*
- *Foster the creation of production clusters and alliances for action among various value chain actors*
- *Work with industry leaders (e.g. from emerging markets) to facilitate investment, transfer of knowhow and support adoption of new technologies (including appropriate technologies and frugal innovation) and IT-technology in priority sectors*
- *Support the target value chains in improving their post-harvest practices and fostering collaboration between value chain actors*

*Indicators:*

- *# trainers trained under different themes (target: 80)*

- # MSMEs benefiting from programmes on production improvement and business management (target: 150)
- % participating MSMEs reporting increase in employment (target: 70%)

### **2.3 Activate market linkages**

To ensure that the participating enterprises can profit from improved quality, production methods and quantities, market linkages need to be actively built. Thus, this component is complementary to the components 2.1 and 2.2. Through developing value chain linkages, organising buyer-seller meetings and inward missions, setting up e-commerce platforms and creating backward linkages e.g. in the tourism sector ITC fosters development of new market outlets with the MSMEs. The diaspora can also be engaged for market linkages and business development. To support private sectors efforts and to build in sustainability, local business support organizations (BSO) are engaged. BSOs are included in trainings and capacity building efforts throughout the project to ensure sustainability beyond project duration.

*Proposed activities under 2.3:*

- *Develop market linkages in priority sectors (buyer-seller meetings, inward missions, e-commerce platforms, backward linkages with the tourism sector)*
- *Provide sales and marketing training to MSMEs in collaboration with trade support institutions*

*Indicators:*

- # participating enterprises on market linkage activities (target: 80)
- % increase of participating enterprises growing their sales (target: +60-80 %)

### **2.4 Foster strategic direction and national ownership for job-centred growth**

In parallel with other activities of the project, ITC sets up a consultative process to build national ownership and strengthen stakeholder coordination. This also serves to align sector development efforts to prior work and to map out existing economic actors and initiatives. Building upon existing development plans, strategic business development action plans with specific focus on skills requirements and youth integration to value chains are elaborated for selected priority sectors such as tourism, fisheries, poultry and horticulture. In addition to selected sectors, cross-sectoral action plans will be elaborated to strengthen business development and trade support functions such as logistics, marketing, financial services, packaging, IT services, web and graphic design and communications. ITC tools will be provided to enhance the capacity of national stakeholders to coordinate and manage the implementation of the action plans, thereby ensuring strong national ownership and long-term sustainability of trade development efforts.

*Proposed activities under 2.4:*

- *Set up an engagement platform (e.g. meetings, task force) for sector stakeholders to guide and lead sector development planning*
- *Formulate strategic trade development action plans for priority sectors and functions*
- *Capacity building and tools for effective coordination, monitoring and resource planning for implementing sector development initiatives from the trade development action plans*

*Indicators:*

- # stakeholders participating in sector development through engagement platform (target: 300)
- # strategic trade development action plans developed to support decision making (target: 5)

### Sequencing of activities:

Output	Year 1	Year 2	Year 3	Year 4
1.1. Skills upgrading through technical and vocational training programmes	<ul style="list-style-type: none"> <li>Capacity building of institutions</li> <li>Developing partnerships</li> <li>Improved dissemination methods</li> </ul>			
	<ul style="list-style-type: none"> <li>Select institutions for new programmes (e.g. for SCM)</li> </ul>	<ul style="list-style-type: none"> <li>Roll-out of skills development and training of trainers programmes</li> </ul>		
	<ul style="list-style-type: none"> <li>Establish job matching schemes, apprenticeships, on-the-job training programmes</li> </ul>			
1.2. Promote entrepreneurship among youth through business skills training and support programmes	<ul style="list-style-type: none"> <li>Set up Trade Accelerator</li> <li>Deliver entrepreneurship services</li> </ul>			
		<ul style="list-style-type: none"> <li>Set up improved financing mechanisms (if deemed feasible)</li> </ul>		
	<ul style="list-style-type: none"> <li>Support to training institutions and business development service providers</li> </ul>			
2.1. Improve compliance of Gambian products with international quality standards and requirements	<ul style="list-style-type: none"> <li>Trainings of first group of SMEs</li> <li>Training of trainers</li> </ul>	<ul style="list-style-type: none"> <li>6-month programmes based on existing ITC methods throughout the project duration for SMEs</li> <li>New group of trainers trained by existing trainers as per decided through existing ITC methodology</li> </ul>		
2.2. Improve MSME productive capacities and value chain linkages	<ul style="list-style-type: none"> <li>Trainings of first group of SMEs</li> </ul>	<ul style="list-style-type: none"> <li>6-month programmes on e.g. efficient production, SCM, packaging and business management based on existing ITC methodologies</li> </ul>		
	<ul style="list-style-type: none"> <li>Search industry partners for value addition &amp; technology transfer</li> </ul>	<ul style="list-style-type: none"> <li>Training programmes with industry partners</li> <li>Simultaneous training of trainers/local BSO</li> </ul>	<ul style="list-style-type: none"> <li>Roll out value addition programmes and industry specific initiatives through local trainers/BSOs</li> </ul>	
2.3. Activate market linkages	<ul style="list-style-type: none"> <li>Platform for eCommerce</li> </ul>	<ul style="list-style-type: none"> <li>Matching and inward missions when participating enterprises are export ready</li> </ul>		
	<ul style="list-style-type: none"> <li>Sales and marketing trainings</li> <li>Work with local TPOs</li> </ul>			
2.4. Foster strategic direction and national ownership for job-centred growth	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Trade development action plans</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building for the effective coordination, monitoring and resource planning</li> </ul>		

### 3.3. Risks and assumptions

#### The main risks are:

- Delays in issuing contracts and disbursement of funds leading to delays in implementation
- Limited absorption capacity of the local counterparts resulting in delays in implementation
- Unfavourable political decisions

#### The main assumptions for the success of the project are:

- Suitable partners for skills development are found nationally and internationally
- Local vocational training institutions in the country deliver the expected number of trainings in time
- There is no negative political interference in the process

#### Mitigating measures have been considered, including:

- Networks of local, regional and eventually international experts will be exploited and their skills are disseminated in the country to national experts through training and coaching
- Engagement of local stakeholders
- Institutional support to private sector bodies, education institutions and trade and investment support institutions is included in the work plan

- Maintain some flexibility of implementation plans to the extent possible in order to adjust to capacities and needs in the country

### **3.4. Cross-cutting issues**

#### **Gender**

Regarding gender and youth skills development opportunities, there is no specific target group for this project as a whole. Regarding the specific activities, gender sensitivities are taken into account none the less. On one hand, as unemployment touches women more than men, this project will take measures to ensure the participation of women in youth issues and in national development. On the other hand, majority of migrants are male youths, between the ages of 18 and 47 and are averagely educated. This project is therefore likely to target some of the specific economic woes of this group. However this targeting will not be exclusive.

Women working in the agriculture sector will directly benefit from increased employment and household income in the agri-food sector. By supporting processing and exports in sesame, fisheries, cashew and horticulture sectors which all offer substantial job opportunities for women, the project promotes Gambian women participation in exports.

### **3.5. Stakeholders**

#### *R1. Improved employability and self-employment opportunities for youth*

The requirements for local and regional partners for development of vocational and technical training programmes are identified based on the skills analysis. ITC will issue grants and Call for Proposals (CfP) for vocational training activities. Potential partner institutions include Education and Technical Training Institutes, National Youth Service Scheme initiatives, groupings of smaller grass roots vocational training initiatives and Vocational training organisations in the European Union as well as International organizations experienced with TVET programs etc.

There will be linkages to build with the International Organisation for Migration (IOM) in the context of their return and readmission activities in The Gambia. Grants and terms of reference for Call for Proposals to potential implementing partners will be published in The Gambia and also in European Countries where vocational twinning initiatives might be considered possible. The role of the lead implementing agency, ITC, is to maximize linkages, inform and monitor possibly also through advocacy work in the EU.

For the development and delivery of entrepreneurship support services potential partner institutions include business development service providers, universities, incubators, international organizations and financial institutions. Links and synergies will be sought e.g. with the Empretec initiative funded by UNCTAD and managed by GIEPA.

#### *R2. Increased employment opportunities in The Gambia's trade and export industry by improving the value addition in selected sectors*

ITC will work together with private and public entities to coordinate sector development efforts. For testing and quality control of produce cooperation with local authorities such as the Gambia Standards Bureau (TGSB), and the Food Safety and Quality Authority (FSQA), Plant Protection Services and the (NARI) is set up.

Potential stakeholders for sector development, market linkages and dissemination of information on good agricultural and post-harvest practices include the Cashew Alliance of The Gambia (CAG), Agribusiness Services and Producers' Association (ASPA), the National Women Farmers' Association (NAWFA) and Farmers' platform among other sector associations for target sectors. Gambia Tourism

Board (GTB) will also be included, especially related to creating backward linkages with the agriculture sector. Trade support institutions e.g. The Gambia Investment and Export Promotion Agency (GIEPA) and Gambia Chamber of Commerce and Industry (GCCI) and training institutions e.g. Management Development Institute (MDI) and University of The Gambia (UTG) will be capacitated to maintain the provision of training and coaching to SMEs beyond the project duration and thus serve as anchors for sustainability.

Development partners (international organisations, development agencies, private sector partners) for whom operational activities can be subcontracted to accelerate implementation will be considered as deemed useful.

#### **4. IMPLEMENTATION ISSUES**

##### **4.1. Financing agreement, if relevant**

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country.

##### **4.2. Indicative operational implementation period**

The indicative operational implementation period of this action during which the activities will be carried out and the corresponding contracts and agreements implemented is 48 months from the date of entry into force of the delegation agreement signed between the EU and the implementing partner (International Trade Centre).

##### **4.3. Implementation components and modules**

Given the scope and scale of the proposed intervention, this project will benefit from a management structure characterized by the designation of a leading implementing agency (LIA) responsible for coordinating the delivery of all planned activities and corresponding results. The leading implementing agency will be the International Trade Centre (ITC) responsible for the development and day-to-day management and coordination of the project and for the efficient and timely implementation of all activities, including the efficient identification, engagement and coordination of partner implementing institutions. As such ITC will carry out the following budget implementation tasks: launching and evaluation of calls for tender, definition of eligibility, selection and award criteria, acting as contracting authority concluding and managing contracts, carrying out payments

Throughout the project, complementarities and synergies will be sought with previous projects and with the initiatives of donors and other International Organizations, especially of those active in the field of employment and migration (including return and readmission), to create scale and maximise the positive impact of the project in the generation of economic opportunities for the youth in the Gambia.

ITC is proposed as implementing agency due to its noteworthy experience in coordinating similarly large projects, expertise in the subjects addressed in this project's intervention, and history of successful engagement in The Gambia. ITC can draw on existing scalable programmes and tools, as well as on partnerships and networks with national, regional and international institutions, including international organization active in the area of skills development. As the joint agency of the United Nations and the WTO, ITC has as mission to foster inclusive and sustainable growth and development through trade and international business development. Thus, its focus lies on providing trade related technical assistance to developing countries and emerging economies to foster economic opportunity, job creation and income generation, paying special attention to youth, women and vulnerable and marginalized communities. The EU has a long-lasting and problem-free cooperation with the ITC which currently implements a number of EU funded projects (e.g. a recent programme

in the West African region has been the Programme d'Appui au Commerce et à l'Intégration Régionale pour la Côte d'Ivoire (PACIR) funded under the 10th EDF (NIP)). The portfolio includes large interventions where ITC is coordinating the work of several partners. ITC is assessed for the Pillar Assessed Grant or Delegation Agreement (PAGODA).

### *R1. Improved employability and self-employment opportunities for youth*

Under the coordination of ITC, implementation models of R1 consist of Technical Assistance Services and Grants provision. Technical Assistance will be delivered by ITC and some work areas in close collaboration with partner institutions (4), to which ITC will sub-delegate the implementation of selected components according to evidenced expertise and capacity. ITC will be responsible for preparing and managing the grants (5) in support to vocational training activities. ITC will also be responsible for subsequent monitoring of implementation of the grants.

Implementation components include technical and vocational training, capacity building of training institutions, improved access to finance (6) (e.g. technical assistance to entrepreneurs to prepare bankable proposals and collateralize loans, support to financial institutions to improve offering of services for entrepreneurs), institutional strengthening and advisory services. The project will look into the possibility of supporting the establishment of a credit guarantee fund facility and may also look for opportunities for matching grant facilities from development finance institutions (e.g. the World Bank, the African Development Bank and the Islamic Development bank) to assist start-ups in establishing and growing their businesses. Existing financial institutions to partner with are mapped.

The calls for proposals may take on board aspects related to:

- Twinning with European Union vocational training institutions
- Aspects related to the improved management of legal migration flows training needs, to maximise positive impact both in the development of The Gambia and in the EU member states. For example integrating following considerations into vocational training:
  - The existence of an EU blue card directive, which targets high skilled worker
  - New EU legislation regulating the conditions for seasonal workers and intra-corporate transfers as well as migration for studies, research and training
- Training needs related to return and readmission criteria especially in the context of the MOU signed between Italian and Gambian authorities in June 2015 (amended in November 2015) whereby rejected asylum seekers in Italy will be returned directly to The Gambia. Ensuring the training aspirations of returning irregular migrants are taken into account will enhance the credibility of EU policies in the field of international protection and legal migration. Synergies are sought e.g. with IOM's return and readmission activities.

The call for proposals criteria may take into account the definition of accessible and flexible learning models and the specific requirements of the learning and development capacities of the trainees.

### *R2. Increased employment opportunities in The Gambia's trade and export industry by improving the value addition in selected sectors*

It is proposed that ITC, in addition to being the lead implementing agency for the entire action, will be the principal provider of technical assistance under R2. From 2012 to 2015 ITC has been implementing the EIF funded Sector Competitiveness and Export Development project (SCEDP) in

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<sup>4</sup> Part of the work can directly be implemented by ITC (coaching, mentoring, training, incubation & acceleration etc.) For some work areas, e.g. general skills policies, ITC will work closely with other partners, including International organizations. ITC would do this through sub-delegation arrangements or other forms of subcontracting where ITC has the overall accountability and makes sure operational, financial and results target are met.

<sup>5</sup> ITC: grants can be issued within 4-6 weeks. Exact timeframe depends on size.

<sup>6</sup> ITC provides technical assistance to entrepreneurs and SMEs to prepare bankable proposals and collateralize the loans. ITC also supports financial institutions to improve offering of services for entrepreneurs / SMEs to overcome asymmetries. ITC does not provide direct lines of credit. Preferably we would go through existing financial institution(s) that are already active in this area. Here an upfront assessment will be needed before defining the exact modalities.

The Gambia. ITC therefore has experience in The Gambia in sector development of several agriculture sectors, increased value addition of food products, and engagement with private sector actors. This organisation has also a proven experience in building up quality framework of food products, enhancing export competitiveness and promoting new business opportunities for the Gambians. To accelerate implementation, part of the operational activities can be subcontracted to development partners as deemed useful.

#### 4.4. Indicative budget

Component	Amount in EUR
<b>R1. Improved employability and self-employment opportunities for youth</b>	<b>5,950,000</b>
1.1 Skills upgrading through technical and vocational training programmes	
1.2 Promote entrepreneurship among youth through business skills training and support programme	
<b>R2. Increased employment opportunities in The Gambia's trade and export industry by improving the value addition in selected sectors</b>	<b>3,900,000</b>
2.1 Improve the compliance of Gambian products to international standards and market requirements	
2.2 Improve MSME productive capacities and value chain linkages	
2.3 Activate market linkages	
2.4 Foster strategic direction and national ownership for job-centred growth	
<b>Visibility</b>	<b>50,000</b>
<b>Evaluation and Audit (under direct management)</b>	<b>200,000</b>
<b>Contingencies (after prior approval by the European Union Trust Fund)</b>	<b>900,000</b>
<b>TOTAL</b>	<b>11,000,000</b>

#### 4.5. Performance monitoring

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the ITC's responsibilities. To this aim, a dedicated team at ITC shall be nominated for performance monitoring and planning. For operational management of the project a local project team shall be located in Banjul.

ITC establishes a permanent internal, technical and financial monitoring system for the action and elaborates regular progress reports (not less than annual) and final reports. To facilitate monitoring, ITC beneficiary mapping tools are also used. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). This Action Document includes tentative indicators and targets that will be further developed in the logical framework alongside with the workplan. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation. The reports will include the implementation of communication activities and will highlight how EU visibility and communication on the project are ensured. A mid-term review is planned at the end of the second year. The main objective is to inform and guide the second half of the project's implementation phase. The mid-term review will be carried out by ITC's evaluation unit.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

#### **4.6. Evaluation and audit**

The Commission may decide to undertake a final evaluation of this action and, if deemed relevant, a mid-term evaluation for one or more of its components. Evaluations will be carried out via independent consultants.

The mid-term evaluation will be carried out for problem solving in the concerned components.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of evaluation and audit contracted by the Commission shall be covered by another measure.

#### **4.7. Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 4.4 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.