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<td><strong>INGO</strong></td>
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<td><strong>CBO</strong></td>
<td>Community Based Organization</td>
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<td><strong>USAID</strong></td>
<td>United States Agency for International Development</td>
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<td><strong>ISL</strong></td>
<td>Individual saving and loans</td>
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<td><strong>GDP</strong></td>
<td>Gross Domestic Product</td>
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<td><strong>DFID</strong></td>
<td>United Kingdom’s Department for International Development</td>
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<td><strong>TREE</strong></td>
<td>Training for Rural Economic Empowerment</td>
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<td><strong>QIA</strong></td>
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<td><strong>DREAMS</strong></td>
<td>Determined, Resilient, Empowered, AIDS-free, Mentored and Safe</td>
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<td>Internal Savings and Lending Scheme</td>
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<td><strong>PYD</strong></td>
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EXECUTIVE SUMMARY

INTRODUCTION AND PURPOSE
The ASPIRES Zimbabwe DREAMS Job Demand Market Analysis lays out a strategy to support youth employment and microenterprise development programs that place adolescent girls and young women (AGYW) in jobs or self-employment, building on a comprehensive job demand market analysis tailored to the situation of AGYW in Zimbabwe. The report is designed to inform design and implementation of USAID DREAMS programs in Zimbabwe and elsewhere in the region, while also supporting AGYW to better understand livelihood opportunities that might exist to help them overcome economic and social challenges. Specifically, this report provides a snapshot of who AGYW in Zimbabwe are and the challenges they face; a nuanced analysis of the economic context and opportunities relevant to AGYW; a framework of livelihood pathways with potential for growth and employment generation for AGYW; and a strategy for how livelihood programs can most effectively promote AGYW economic opportunities in Zimbabwe. The report is intended to inform the design of new AGYW livelihoods pilot activities in Zimbabwe and/or future programs.

METHODOLOGY
This market analysis was developed through a mix of desk research, data analysis, and intensive qualitative data collection in Zimbabwe; it was conducted by a mixed team of international experts and local Zimbabwean consultants between January and February 2018. Eight focus group discussions were conducted with AGYW (two each in Harare, Gweru, Bulawayo, and Mutare). Participants were beneficiaries of implementer support programs in a variety of sectors including health, income generation, savings, and entrepreneurship. In addition, key informant interviews were held with a range of INGOs, local implementers and government partners across a wide range of fields including health, civil society, agriculture, economic policy, and business.

LANDSCAPE ANALYSIS
The landscape analysis provides an overview of the beneficiary population of vulnerable adolescent girls and young women, who face increasing challenges to livelihoods due to demographic trends and a difficult economic environment, and who are almost entirely working in the informal sector. The large and growing AGYW population in Zimbabwe face serious challenges and inequalities which have only been exacerbated by the political and economic instability of the last two decades.

Segmenting the AGYW population can help to identify factors that are unique to different groups, enabling the design of interventions uniquely tailored to their needs. The fieldwork showed that a useful, broad geographic segmentation can be made among rural and urban AGYW. The contrast between rural and urban AGYW is sharper and more meaningful than...
the differences among regions. Accordingly, the report presents composite qualitative profiles of rural and urban AGYW for comparison and contrast. Focus areas for each profile include employment and economic activity, education, family and household.

**Comparison of Rural/Urban AGYW**

Rural AGYW have the least access to activities and services that can contribute to economic success or security in their lives. That includes reduced access to livelihood opportunities, as well as basic services (e.g. health, family planning, education, etc.) Economic activities are mainly agricultural, and most AGYW agricultural production is at small scale for subsistence purposes, typically focused on crops and livestock. Educational attainment is lower among rural AGYW than among their urban counterparts, due to a range of barriers that include costs (transportation, books, fees, food, etc.) or other circumstances, often gender-related, such as the need to care for family, pressure to marry, unexpected pregnancy, or having to move.

Most rural AGYW interviewed are, or were previously, married at a young age as a means of survival, either voluntarily or due to pressure from their families. In many cases they had one or two children. Yet many are now divorced, a trend also borne out in population-level data, highlighting the extreme vulnerability of AGYW. Gender-based violence was identified by several AGYW as a factor driving divorce or separation, and overall rural women tend to suffer more from intimate partner violence than urban women.

In contrast, urban AGYW interviewed have more opportunities with regard to employability, education and internships, yet they also face their own particular challenges. Focus group participants in urban areas were more diverse in terms of marital status and education level than those in rural areas. Urban AGYW interviewed also tended to be less traditional than rural counterparts, in the sense of being less likely to be married and less willing, in principle, to accept traditional job roles. Yet, in practice, most were still engaged in traditionally female trades. Women who broke the mold and succeeded in finding work outside of traditionally female trades reported benefiting from employers and mentors (often males) who were willing to help them scale their business, share resources to help them build up their own client base, and/or serve as allies in breaking down gender barriers. Unfortunately, sexual harassment also stood out as a particular challenge facing AGYW in urban employment settings, with challenges caused by gender-based discrimination and sexual harassment impeding the economic empowerment of AGYW.

**National level trends**

Zimbabwe's long legacy of positive educational outcomes from primary to tertiary levels remains an important barometer of the country's longer-term workforce capabilities. However, the economic downturn of the 2000s led to a dramatic drop in tax revenues, resulting in reduced education funding. Although education attainment remains relatively high compared to other sub-Saharan countries, completion rates for the next generation of Zimbabweans are falling in key areas. An analysis of Educational Attainment Stocks and Flows in Zimbabwe (presented in depth in the report) reveals the alarming apparent trend of an increasing number of youth with little or no primary education. The phenomenon appears to be concentrated in rural areas and particularly acute among girls and women.
Skills for Employability and Entrepreneurship
The skills of youth, in relation to available local economic opportunities, remain a crucial factor in driving employability and economic success in Zimbabwe. For AGYW, in a context where investment is limited and other forms of capital may be scarce, developing the right skills can mean the difference between livelihoods success or failure. Through the lens of the Workforce Connections skills framework designed for use in low and middle-income countries, the report examines the relevance of three categories of skills to AGYW in Zimbabwe. Specifically, these include 1) foundational skills such as numeracy and literacy, and other cross cutting skills like computer use and financial literacy; 2) technical skills specialized to a specific industry or trade; and 3) soft skills (also known as life skills or work readiness skills) which are particularly important for AGYW as they can provide cross-cutting benefits ranging from the workplace, to situations of inter-personal conflict, to intimate partner relationships.

SECTOR ANALYSIS
The sector analysis section analyzes the potential absorptive capacity of the local economy by sectors and occupations, incorporating and updating prior relevant learning from the USAID-funded Workforce Connections Zimbabwe Labor Market Assessment led by FHI 360 in 2014. The analysis is informed by the use of secondary data as well as primary data from interviews and focus groups. The central focus is on economic opportunities that appear to be accessible to AGYW and show indications of increasing demand.

The section reviews the damaging disruptions to the formal and informal economy resulting from policies over the past 15 years, and the severe implications in terms of exacerbating insecurity and undermining opportunities for AGYW. Specifically, the contraction of the formal economy (including the breakdown of many previously large formal companies) has resulted in fewer and fewer formal jobs available to the growing number of secondary and tertiary graduates each year. The result has been a proliferation of informal enterprises and employment opportunities. Nonetheless, the recent change in political leadership and nascent signs of economic reintegration show that Zimbabwe has the potential to return to prosperity, and make strides in treating the causal factors around risks to the well-being of adolescent girls and young women (AGYW) such as the spread of HIV, gender-based violence, and lack of access to health care, family planning, and employment opportunities.

Past labor market analyses and program experience have identified over a dozen sectors of opportunity that may be promising for AGYW livelihoods, depending on local economic context. Within those, pockets of growth can be identified in which micro-, small and medium enterprises may link with larger firms and traders, recreating market linkages that existed before the collapse of Zimbabwe’s formal sector, or creating new ones. In poultry, for example, firms that produce day-old chicks have economic incentives to support and train smaller businesses and micro-entrepreneurs who buy chicks to raise and sell as grown chickens for consumption. ‘Micro-value chain’ analysis is a tool that can assist in identification of such opportunities at a local level, answering questions such as what programming opportunities exist for supporting micro-enterprises within local informal channels of a value chain (e.g. poultry), or what opportunities exist to link AGYW to larger country-wide value chains or external markets.
Such growth pockets provide a range of livelihood pathways to AGYW, which can be mapped along a continuum from low to high economic security (horizontal axis) and low to high entrepreneurship capacity (vertical axis). Available livelihood pathways provide a vehicle for AGYW to progressively attain improvements in livelihood quality.

To do so, learning is needed in all three skill dimensions discussed above (foundational, technical, and soft skills). Of the three, soft skills may be the most important for AGYW. They are portable across industries and geographic locations. Moreover, skills in areas such as negotiation and communication can also be key to personal success for AGYW, whether applied to dealings with an informal sector employer or client, or coping with sexual advances from a boss or patron. Unfortunately, such skills are rarely deliberately taught to AGYW in traditional teaching institutions or communities.

Access to finance is another key area of need for AGYW who seek to manage their earnings and personal as well as business expenses, cope with financial shocks (e.g. unexpected health costs), and save or borrow for investments in education or enterprise activities. As such, building financial literacy and capabilities and facilitating access to financial services are very important focal areas for AGYW livelihoods programs. Unfortunately, access to finance is shallow in Zimbabwe, disproportionately excluding youth, women, minorities, rural individuals, and other individuals at risk. In fact, youth are essentially unbankable in the current Zimbabwe context. To address these challenges, multiple actors (including financial service providers, NGOs, and the government) are introducing new financial products and services, as well as building youth financial literacy and capabilities.

**ANALYSIS OF PROGRAMMING OPPORTUNITIES**

Despite setbacks over the past 15 years, a moment of opportunity may now be emerging for AGYW livelihoods, spurred by recent changes in the political context, and building on Zimbabwe's legacy of economic success and comparatively strong education system. However, the extent to which this is realized will be highly contingent on effective government implementation of major policy changes, as well as successful collaborative efforts by public and private stakeholders (including international development funders and implementers) to overcome pervasive, complex challenges. Accordingly, the goal of this section is to support the design and implementation of more effective, market-driven livelihoods and employment programs for AGYW in Zimbabwe, based on data collected in the field and supplementing local implementers’ deep local knowledge and experience.

The report proposes a “layered” system of support for AGYW in Zimbabwe that integrates three levels of services: 1) health and social interventions, 2) job matching services, and 3) value chain interventions (e.g. enterprise development, market linkages, access to finance, etc.) Through the holistic provision of layered services, the system is designed to support AGYW to advance along or among four livelihoods tracks (employment, self-employment, group businesses, and entrepreneurship), according to their interests and abilities.
Current programs serving AGYW in Zimbabwe, such as DREAMS, typically offer the first two layers of services (health and social, and job matching), but in most districts we observed that a distinct gap emerges at the level of value chain support, which would be needed to promote more sustainable growth and integration of AGYW enterprises.

In line with this framework and the gaps identified, the report highlights five recommended specific areas for increased attention in AGYW livelihood programming. They are 1) increasing the value chain orientation of holistic AGYW programming, 2) identifying and supporting micro-value chains, 3) promoting collective business models, 4) expanding applied learning through mentorship ‘market makers’, and 5) improving market linkages and information flow. In line with these programming areas, the report makes specific recommendations for activities or approaches to be integrated into future AGYW livelihood programs in Zimbabwe.
AUDIENCE
The ASPIRES Zimbabwe Job Demand Market Analysis concept note is intended to inform the design and implementation of programs supporting livelihoods of AGYW by USAID and other funders, regional INGO and CBO actors. The analysis also seeks to assist AGYW to better understand opportunities that might exist to help them overcome challenges in finding employment or creating self-employment opportunities.

PURPOSE
The ASPIRES Zimbabwe DREAMS Job Demand Market Analysis lays out a strategy to support youth employment and microenterprise development programs that place AGYW in jobs or self-employment, building on comprehensive job demand market analysis in Zimbabwe. Specifically, this market analysis provides:

- a snapshot of AGYW of Zimbabwe and the economic and social challenges they face
- a nuanced and detailed understanding of economic context and opportunities relevant to AGYW
- a typology of micro-enterprise models with potential for growth and employment generation for AGYW
- a review of programming approaches utilized to support AGYW in Zimbabwe
- a strategy for how best to promote these economic opportunities through programming for AGYW in Zimbabwe, to inform the design of new AGYW livelihoods pilot activities and/or future programs.

This Job Demand Market Analysis builds on many concepts identified in a 2014 Labor Market Assessment (LMA) of Zimbabwe conducted by FHI 360. The purpose of the LMA was to support the USAID/Zimbabwe with an assessment of the Zimbabwe youth workforce and labor market that would contribute to their then program design efforts. This report assessed demand and supply factors around youth employment, identified drivers of change around formal employ for youth in Zimbabwe, identified sectors that have employment potential, and introduced new concepts about possible areas in which economic growth might be possible, such as ‘pockets of growth’. During the data collection processes, multiple projects noted ways in which they had applied the report’s findings and recommendations in design and implementation.
This report builds on these findings, taking a specific focus on the needs of AGYW in Zimbabwe. There is often a dearth of information about how to specifically link these at-risk groups to economic opportunities. This report endeavors to cover that gap. This analysis also focuses more closely on challenges and opportunities for programming in the informal economic sector. With little having changed in Zimbabwe’s economic context, this focus on the informal sector can flesh out thinking originally identified in the LMA, and provide more guidance to those looking to create job opportunities or support the growth of micro-business for AGYW. Third, while this report will provide some higher-level recommendations, it aims to also provide specific programming guidance couched in a review of programs that support economic opportunities for AGYW since 2014, and identify programming options that implementers could act on in the future.

BACKGROUND ON ASPIRES
ASPIRES accelerates evidence-based practice in economic strengthening for vulnerable populations through research and technical assistance. ASPIRES is a PEPFAR- and USAID-funded economic strengthening (ES) project focused on vulnerable populations, especially those affected by HIV. We aim to promote evidence-based practice by providing technical assistance (TA) for integrated ES programming most consistent with positive livelihood, health, and well-being outcomes. At the same time, we strengthen the evidentiary record through rigorous research so that future programming efforts have stronger foundations.

Research is at the heart of the ASPIRES identity, and all of our projects begin with a systematic interrogation of the existing evidence base in relevant program areas. We make major investments in original evaluation research of the highest possible rigor, both for course correction in implementation and to add to the evidence base. We share our findings on best practices with partners, the broader development community, policymakers, and other key constituents, and we offer TA to support programs that seek to replicate those practices.

ASPIRES provides limited direct implementation. Instead, we focus on providing existing USAID-funded projects with TA and research related to ES. This allows us to balance the collaboration necessary for in-depth research with independence from program operations. In this manner, we generate findings that contribute to identifying a core set of pathways to greater resilience for vulnerable households, and that provide insight into effective, efficient, and scalable interventions to achieve the desired impacts.

ASPIRES has no single theory of change; we are not a single-model or one-size-fits-all project. We are open to all manner of integrated ES interventions of interest to our USAID and PEPFAR stakeholders, with the ultimate aim to shape interventions around the best evidence available.

METHODOLOGY
This market analysis was developed through a mix of desk research, data analysis, and intensive qualitative data collection in Zimbabwe, it was conducted by a mixed team of international experts and local Zimbabwean consultants between January and February 2018. To ensure the security and wellbeing of potential AGYW participants the questions asked
during the data collection phase were reviewed by FHI 360’s Protection of Human Subjects Committee, which determined that the activity did not qualify as human subject research and classified it as exempt from further research ethics review.

Data collection gathered key informant interviews from a range of INGOs, local implementers and government partners across a wide range of fields including health, civil society, agriculture, economic policy, and business. Key informant interviews were used to map out the context, identify best practices, understand different economic growth sectors, identify best strategies to support micro-enterprises, and identify effective local partners.

Eight focus group discussions were conducted in Harare (2), Gweru (2), Bulawayo (2), and Mutare (2) with AGYW who were beneficiaries of different implementer support programs such as health, income generation, savings, and entrepreneurship. The groups included between four and thirteen participants. Discussions focused on aspects of the programs that worked for participants, what they would like to see done differently, and on the successes and challenges of different market opportunities and strategies. These focus groups followed prescriptions aimed at empowering young participants to engage voluntarily, feel secure, remain anonymous and pursue an avenue to provide feedback and request further information as they saw fit.

The ASPIRES Zimbabwe Job Demand Market Analysis report is the first in a series of two, both of which are aimed at empowering adolescent girls and young women. The approach to this concept note builds heavily on the Labor Market Assessment strategy developed for USAID under the FHI 360 Workforce Connections project. However, given the near impossibility of accessing reliable data on microenterprises, informal sector companies, and specific town and district level industry economic demand, this report has taken a unique approach to bridge this gap by building on contextual knowledge, observed best practices and challenges in key sectors, and integration of knowledge about identified ‘pockets of growth’ that offer opportunities in Zimbabwe.
2 Landscape Analysis

The landscape analysis provides an overview of the beneficiary population of vulnerable adolescent girls and young women, who face increasing challenges to livelihoods due to demographic trends and a difficult economic environment (the dynamics of which are discussed in depth in the Sector Analysis section), and who are almost entirely working in the informal sector.

The section begins with a profile and segmentation of adolescent girls and young women in the workforce. Understanding the diverse profiles and circumstances of AGYW populations is a key starting point for informing effective program design tailored to beneficiary needs. The section also reviews other domains that affect workforce participation and success including educational attainment, skills, and labor market entry. Although Zimbabwe has historically been applauded for its high levels of education, many human capital indicators have worsened in parallel with the country's economic collapse.

The analysis draws primarily from findings of the fieldwork, including focus group conversations held with AGYW in diverse areas of Zimbabwe (Harare, Gweru, Chiundura, Bulawayo, and Mutare). Relevant population level statistics, international workforce development good practices, and other literature have also been incorporated as relevant.

WHO ARE THE AGYW WORKING IN THE INFORMAL SECTOR?

Overview of Demography, Gender & Vulnerability

AGYW in Zimbabwe face serious challenges and inequalities which have only been exacerbated by the political and economic instability of the last two decades. Zimbabwe has a young population; according to Zimbabwe’s Statistical agency, Zimstat, 61.1% of the population is 24 years of age or younger, over half of whom are female. Demographic trends have generated a growing youth bulge, which represents an opportunity or risk to economic growth, depending on the level of skills they acquire and the country’s success in integrating them into the workforce. Adolescent girls and young women between ages 15-24 years are a highly vulnerable population, socially and economically, in both rural and urban areas of the country.
Young women's cultural role remains largely defined by domestic roles and motherhood. Although women's participation in economic activities has increased since independence, gender bias and the oppression of women's rights remain widespread. Women's and girls' rights are undermined through restrictions to land ownership, restricted access to education, and economic activity, making them vulnerable to other abuses. Zimstat data show that women are more frequently restricted to traditional household tasks and domestic activities, more likely to be unemployed in a labor market, and more likely to be paid lower wages, or serve as a family business employee with no direct salary, as compared to men.³

Fieldwork revealed various factors that contribute to AGYW vulnerability; major ones are lack of education and economic independence. High rates of unemployment and underemployment, and a lack of sufficient education in adolescents and young women, contribute to risky behaviors and early marriage. Marriage can be used by girls and young women as an escape or opportunity as they move into a new household with a husband. However, in many cases, this only leads to greater dependence as assets, salaries, and even loans belonging to women can be commandeered by husbands in both rural and urban communities. The legal age of marriage is 18 and early marriage is prohibited by the new 2013 Constitution.⁴ Nonetheless, the practice continues, due to the vulnerable status of AGYW in a context of limited opportunities to pursue education or establish independent livelihoods.

Risk factors described above and how they affect the lives of AGYW in different geographic contexts are discussed further in the section below (Geographic Segmentation), drawing from focus group discussions.

Geographic Segmentation (Rural/Urban)
Segmenting the AGYW population can help to identify factors that are unique to different groups, enabling the design of interventions uniquely tailored to their needs. The fieldwork showed that a useful, broad geographic segmentation can be made among rural and urban AGYW. The contrast between rural and urban AGYW is sharper and more meaningful than the differences among regions. Accordingly, below we present composite qualitative profiles of rural and urban AGYW for comparison and contrast. Focus areas for each profile include employment and economic activity, education, family and household.

Rural AGYW
Broadly speaking, AGYW in rural areas have the least access to activities and services that can contribute to economic success or security in their lives. As Zimstat notes, “Rural women face a plethora of challenges in accessing basic services such as health, family planning, education and some means of production unlike their counterparts who reside in urban areas.”⁵

Employment, Economic Activity, and Skills
Opportunities for employment beyond the village corner shops are unfortunately rare. Economic activities are mainly agricultural, and most AGYW agricultural production is at small scale for subsistence purposes, typically focused on crops and livestock. Even if AGYW were able to produce a larger volume of agricultural goods, the local market is very limited at the

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⁴ The Constitution states, “no person may be compelled to enter marriage against their will” and stipulates that “no children are pledged into marriage.” In 2016 the legal age of marriage was increased to 18.
village level, saturated with similar small suppliers. Moreover, traditional family structures in rural areas typically ensure that the means of production are owned by men. Even when AGYW have access to means of production, it is fragile and can be revoked. Lack of collateral is a barrier to AGYW to independently embark on economic projects or access financing.

“When we are taught only how to shake hands, present ourselves to an employer, or write a basic CV, the employer does not take us seriously. They do not see us as having skills relevant to their work.”
- Young woman in Gweru

Most AGYW in Gweru focus group appeared to be focused primarily on generating income to support the costs of basic household goods, due to the high level of insecurity and poverty they faced. When asked what they did with stipends received from program internships, in most cases AGYW did not reinvest in a business endeavor. At least half the focus group participants reported buying pots and plates for the household, while others mentioned purchasing blankets. Few had started their own businesses, apparently preferring more stable forms of livelihoods.

In terms of employment, several noted employers' skill requirements as a barrier. One young woman noted, “when we are taught only how to shake hands, present ourselves to an employer, or write a basic CV, the employer does not take us seriously. They do not see us as having skills relevant to their work.” She went on to note that many employers viewed the primary value of hiring AGYW to be the stipend paid to employers by the youth employment program.

In Chiundura, five young women looked for positions in day care centers as teachers’ assistants, following their 5-day job readiness training. Unfortunately, they were not perceived by school staff to be competent enough for the roles, and were instead relegated to manual labor “We were made to sweep and were told to stay away from the children,” one participant explained. Another noted that when she explained that her training was five days, she was teased by hospital staff who said that training was insufficient to make a person employable.
Interview participants in Mutare noted the need for additional skill development, particularly technical skills. Many had already established viable microenterprises through the program in which they participated and saw improved technical skills as a way to deepen their business offerings and increase earnings. Several girls noted that mastering other technical skills would allow them to start secondary businesses or scale the ones they had, creating more income.

One young woman mentioned that she was taught how to bake in a program, but because her knowledge was very basic, her business was not competitive. She specifically asked for additional training, in cake decoration and new methods. “We need more specialized training after the introduction.” This participant also explained that the lack of a community oven for the girls who were taught to bake, led them to spend money on access to ovens in people's homes, and to be dependent upon the goodwill of those people. The lack of a fixed workspace leads customers to question the source and quality of their goods for health reasons. They, therefore, are unable to scale.

Access to markets beyond their neighborhoods, and access to bulk products were key constraints cited by the interviewees. The women making detergents explained that they purchase expensive implements as they are unable to access the wholesalers in Harare. Their local market is saturated with similar soap products, and they do not benefit from economies of scale because they can only acquire small batches at a time.

**Education**

AGYW interviewed identified a range of barriers to educational attainment. Most had not completed their Ordinary Level education, which is equivalent to a U.S. high school diploma. Only one participant (from Chiwundura) reported having entered into a tertiary degree program, but she dropped out due to cost. Her next step was marriage. Some AGYW dropped out of secondary education due to the costs of transportation, books, fees, food, or even fees for access to diplomas. Others had to drop out due to a range of circumstances, many related to gender. Those include the need to care for family, pressure to marry, unexpected pregnancy, or having to move. Although several participants expressed interest in completing or returning to school, the cost remained a challenge. Participants never mentioned quality of education as a problem. Others accepted their inability to complete school, and noted the utility of program interventions to support their livelihoods by providing technical skills.

In some cases, AGYW livelihoods programs can also provide a pathway to additional education. For example, one girl noted that, after participating in a program, “I was able to raise chickens and earn some money, because of that I am now back in school.”

**Family, Household, and Migration**

Rural AGYW are more likely to have married early, have lower levels of formal education, and have children (often one or two), in comparison with urban AGYW. In rural areas, marriage is a de facto pathway to economic stability for women in an environment with limited employment opportunities.
Rural-urban migration still occurs, although urban areas are largely saturated. The reverse trend (urban-rural migration) is also evident, with migrants taking up subsistence farming, however informants from donor organizations noted this is typically out of necessity, rather than a desire to farm.

Most rural AGYW interviewed are, or were previously, married at a young age as a means of survival, either voluntarily or due to pressure from their families. Yet many are now divorced, a trend also borne out in population-level data. Zimstat (2014) notes that 61% of divorces/separations occurred in rural areas, while only 39% were in urban areas (this is consistent with numbers of marriages overall). Zimstat reports that, “…the proportion of divorced women was more than twice that of men in the following age groups; 15-19, 20-24.”

“…the proportion of divorced women was more than twice that of men in the following age groups; 15-19, 20-24.” - Zimstat

High divorce rates highlight the extreme insecurity faced by AGYW. Traditional families often exert pressure to marry, due to perceived security. Many AGYW are encouraged to drop out of school or the workforce to raise children. Yet almost half of participants with children noted they were now divorced and raising their children alone.

Gender-based violence was also cited by several formerly married AGYW as a factor driving divorce or separation. Rural women tend to suffer more from intimate partner violence than urban women. This appears to be the result of several factors, including: community pressure linking stability with marriage, unequal power dynamics associated with disparities in age between AGYW and their husbands, low education levels and high economic dependence of rural AGYW. AGYW are approximately 29% more likely to be married than adolescent boys and young men of the same age, and girls in the poorest 20% of household incomes are more than four times as likely to be married as those in the richest 20% of households.

Urban AGYW

Urban AGYW interviewed have more opportunities with regard to employability, education and internships, in comparison with rural AGYW. Their profile is completely different, yet they face their own particular challenges. Focus group participants in urban areas were more diverse in terms of marital status and education level than those in rural areas. The urban population of Zimbabwe is 53 percent female.

Employment and Economic Activity

As noted in the above discussion of urban and rural economic trends, urban areas have tended to show higher overall employment potential. The presence of jobs or of larger numbers of potential clients and an easier supply of goods provide urban AGYW with a broader range of potential means of income generation. Although seemingly paradoxical, urban settings also have higher unemployment rates for young people, particularly AGYW. This may be due to competition among the larger youth population for employment or microenterprise clients, despite the fact that more potential job options exist than in rural areas. AGYW interviewed

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tended to be less traditional than rural counterparts, in the sense of being less likely to be married and less willing to accept traditional job roles. Nonetheless, in practice, most were engaged in traditionally female trades. This may indicate a skills gap resulting from the limited number of women gaining skills in technical areas that would allow them to work in more diverse trades.

Women who succeeded in finding work outside of traditionally female trades benefited from employers and mentors who were willing to help them scale their business, share resources to help them build up their own client base, and/or serve as allies in breaking down gender barriers. One participant, who is working in an auto mechanics shop, noted, “I told [my mentor] I wanted to work in mechanics, so he gave me a try. Now he is helping me to start my own shop.” The mentor, who was contacted later after the focus group to follow up on details of the mentorship, noted “She works hard, and when it comes to work I do not differentiate between males and females.”

“I told [my mentor] I wanted to work in mechanics, so he gave me a try. Now he is helping me to start my own shop.” - AGYW auto mechanic, Bulawayo

Unfortunately, in other cases participants noted challenges in relationships with mentors and employers. In Gweru in particular, several interview participants noted that mentors only seemed interested in the money they got as part of the program’s internship stipends, and in labor that came at no cost to them. Once the payments ended, mentors would let participants go. Worse, several participants noted that because they were deemed ‘at risk’ or ‘vulnerable,’ some mentors or bosses tried to leverage sex in exchange for keeping them on as employees or mentees. In some cases, for example girls working in early childhood development schools, or the ones working in clinics and hospitals, participants were stigmatized even by female bosses because of the assumptions related to being part of a program that focuses on HIV prevention. One participant noted being singled out and teased for being a DREAMS girl by a nurse. Nevertheless, these participants appeared to have increased their resilience and ability to handle such bosses, thanks to training they had received from their program.

Education

Dropping out of education is a problem for urban as well as rural AGYW, although the specifics of dropping out differ based on the urban or rural context. About half of urban participants interviewed noted they were rewriting their Ordinary Level examinations, because they had either failed the examinations or they did not have the funds to finish their studies independently. However, a salient difference in contrast with rural AGYW was that many urban AGYW wanted perceived value in the degree and wanted to achieve completion. Several commented that they recognized a secondary degree as a prerequisite to higher paying job opportunities. Some participants reported using money from micro-businesses and internships to further their education. Often, urban participants spoke better English, or were more confident in speaking English than their rural counterparts. English proficiency is more common in urban Zimbabwe, where it serves as a core business language. AGYW reported that language skills were important for opening up internship opportunities.
Several AGYW interviewed had attained tertiary diplomas or certificates. Yet they reported that jobs remain elusive because, in their view, many other job seekers in cities across Zimbabwe have tertiary certificates. As discussed in greater depth later in this paper, formal sector employment is shrinking, creating fewer opportunities for tertiary educated workers, while the stock of tertiary graduates is growing rapidly (around 11% per year).

Educated urbanites resist agricultural employment because they consider themselves over-qualified, so instead they continue to take more courses or operate an informal micro-business. While participants did not speak about the amount they earned, or contrast it directly to agricultural work, evidence from elsewhere in Africa suggests that informal micro-entrepreneurs tend to earn more than agricultural smallholders.\(^9\)

**Family and Household**

Urban AGYW were more mixed with regard to marriage and children, compared to those in rural communities. Interviews revealed a relatively even distribution among AGYW who were single mothers, married women, and women without husbands or children. Many single AGYW lived with extended family, indicating that they might be migrants to the city from some community further afield. Additionally, several participants noted that they had actively avoided marriage given their perception that it would likely diminish their opportunities to finish school, find a job, or generate income. This may be further emphasized with rural AGYW (who tended to be married and with family more often) who often spoke of needs to purchase basic household goods, and less about how they might save to start a business or find other sources of income. AGYW did not describe any role family would play in funding businesses or continued education. However, urban AGYW did note more instances where they would work in a microenterprise with a trusted friend or sibling.

**Sexual Harassment**

Unfortunately, sexual harassment stood out as a particular challenge facing AGYW in urban employment settings, often in cases when AGYW have the same skill set as their male counterparts. Challenges caused by gender-based discrimination and sexual harassment impede the economic empowerment of AGYW. For example, during focus group discussions in Gweru, Mutare and Bulawayo, at least six participants experienced quid pro quo requests for sexual favors or relationships in their internship placements, and described rampant sexual harassment. Some others were silent during the discussion, but gave the impression they shared such experiences. At least two thirds of the focus group participants explained that they did not know that being spoken to in a suggestive manner was sexual harassment. The findings clearly suggest that the issue requires careful attention from any programs promoting AGYW employment, and particularly in male-dominated fields. Recommendations around programming to overcome this issue will be noted at the conclusion of this report. Sexual harassment appears to be less of a risk for rural AGYW, since they tend to marry younger and spend more time working from home-based enterprises.\(^{10}\)

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\(^{10}\) It is important to note that this does not mean that acts of sexual coercion and abuse do not occur at homes in rural communities; they were just not noted as sexual harassment in those cases, which could be they are less frequent or that the rural women did not possess the language to describe them as this or were afraid to report them.
National Level Trends in AGYW Education and Skills

**Educational Attainment Stocks and Flows**

As noted above, vulnerable AGYW in urban as well as rural areas face multiple constraints on educational attainment. The trend is troubling, as it indicates that whole generations may lack the skills that previously underlay the strength of Zimbabwe’s economy. Zimbabwe’s long legacy of positive educational outcomes from primary to tertiary levels remains an important barometer of the country’s longer-term workforce capabilities. However, the economic downturn of the 2000s under Mugabe (discussed in depth in the Sector Analysis section below) led to a dramatic drop in tax revenues, resulting in reduced education funding. Although education attainment remains relatively high compared to other sub-Saharan countries, completion rates for the next generation of Zimbabweans are falling in key areas. A diagram of educational attainment stocks and flows (Figure 2) illustrates the flow of students through Zimbabwe’s educational system, and the educational attainment levels of 15-34 year olds as they exit that system.\(^1\)

The horizontal arrows at the top of the diagram show the stock of students and how they flow through the formal education system, based on gross enrollment rates for 2013. The solid downward arrows indicate the flow of students who have completed their studies and enter the workforce, while the dotted downward lines represent the youth that are exiting the formal education system without diplomas (“school leavers”).

The bottom half of the diagram shows the “stock” of youth broken into four categories or “pools” of educational attainment: less than a primary education, those with a primary education but less that a secondary education, those with a secondary education, and those with a tertiary education.

**FIGURE 2:**

*Educational Attainment Stocks and Flows: Youth In-school and Out-of-School Populations 2013*

\(^1\) The diagram was originally developed for the 2015 Workforce Connections Zimbabwe Labor Market Assessment.
The most striking aspect of the diagram is the growth rates of the four pools. The populations of youth who have completed secondary and tertiary education are growing at a healthy pace, and the number of youth with less than secondary education is shrinking. That would be entirely positive if it meant that more youth are completing their secondary education and transitioning to the “completed secondary education” pool. Disturbingly, however, it appears that the shrinkage in the “less than secondary education” pool may be partly explained by growth in the “less than primary education” pool.

Urban/Rural Divide in Educational Attainment
Who are these youth? From the available data, it is not possible to identify the reasons for this trend with certainty. However, Figure 3 below provides a plausible explanation, which is consistent with the Urban/Rural divide presented above. Striking differences between urban and rural educational attainment are apparent from data for the population aged 6+ (data showing the urban vs. rural divide are not available specifically for the 15-34 age group). Rural areas appear to have alarmingly lower levels of educational attainment. Roughly 50% of the rural population have not completed primary education, while only 22% of the urban population has such a low level of education. Conversely, in the urban areas the percentages of secondary and tertiary graduates are around 12%, while for the rural areas, those rates are closer to 2%.

**FIGURE 3:**
Educational Attainment by Gender and Urban/Rural 2015

Source: ZDHS 2015, for population aged 6 and above.
Gender differences are not as striking as the urban/rural divide, but females show lower educational attainment than males across the board. In the rural areas, the largest gaps are among girls and women lacking any primary education (11.1% for females, 7.3% for males). In the urban areas, the largest gaps are for those who completed secondary education (11.3% for females, 15.3% for males) and a similar differential for those who completed tertiary education.

In sum, the most alarming trend is the apparent increase in youth with little or no primary education, a phenomenon which appears to be concentrated in rural areas and particularly acute among girls and women.

Supply of Skills in a Changing Labor Market
The skills of youth, in relation to available local economic opportunities, remain a crucial factor in driving employability and economic success in Zimbabwe. For AGYW, in a context where investment is limited and other forms of capital may be scarce, developing the right skills can mean the difference between livelihoods success or failure.

For AGYW in Zimbabwe, having the right skills can result in being hired on as an employee at the end of an internship. They can help an adolescent girl differentiate her micro-business from competitors, gaining some extra income and autonomy. For a young woman already leading a microenterprise, acquiring the skills to recognize new opportunities or solutions to problems, can allow her business to grow. A finer grained differentiation of needed skills can help illuminate how youth workforce programs can achieve greater impact in the informal economy in Zimbabwe.

**FIGURE 4:** Skills Framework (Workforce Connections)
A general skills framework designed for use in low and middle-income countries, from the USAID-funded Workforce Connections project (Figure 4 on the previous page) focuses on three main categories.

FOUNDATIONAL SKILLS are core skills -- often built through formal education -- such as numeracy and literacy, and other cross cutting skills like computer use and financial literacy. In Zimbabwe, interviews indicated that such skills are expected by potential employers of AGYW. However, in practice it is unclear how stringently they apply this requirement, particularly for low-skilled menial jobs.

TECHNICAL SKILLS are specialized to a specific industry or trade. In Zimbabwe, agriculture has historically been one of the most prominent areas of technical skills building, due to its economic importance. However, training offerings in agriculture and other important sectors have diminished due to gaps in areas including updated content, pedagogical approaches, training tools, and funding. Additionally, many AGYW have never had the opportunity to develop technical skills to a level adequate for improving their livelihoods beyond a subsistence level. In some exceptional cases, AGYW have benefited from a traditional skills transfer process, typically an informal apprenticeship to a family member or close friend in a skilled trade. This is an area where many AGYW interviewed saw a greater need for skill development.

SOFT SKILLS (also known as life skills or work readiness skills) are cross-cutting across many industries and occupations, and are particularly important for AGYW as they can serve in a cross-cutting role – enabling them to succeed in the workplace (often in male-dominated environments), or to cope with high-risk situations such as in the presence of violence, or under sexual pressure. These cross-cutting skills have grown in economic importance in Zimbabwe over the past 15 years, consistent with global trends. Soft skills in Zimbabwe, as elsewhere, are often primarily acquired informally through family and community activities and relationships, but vulnerable youth generally are excluded from such learning opportunities. Ideally, such skills are reinforced at school through positive pedagogic processes such as creative group work, problem-solving activities, or hands-on learning, but a more passive form of learning remains the norm in Zimbabwe’s education system. Moreover, as noted above, AGYW at greatest risk are often forced out of school early, losing the opportunity to benefit from in-school skill development.

SECTOR ANALYSIS

This section analyzes the potential absorptive capacity of the local economy by sectors and occupations, incorporating and updating prior relevant learning from the Workforce Connections Zimbabwe LMA. The analysis is informed by the use of secondary data as well as primary data from interviews and focus groups. The central focus is on economic opportunities that appear to be accessible to AGYW and show indications of increasing demand.

ZIMBABWE ECONOMIC OVERVIEW

Zimbabwe has the potential to return to prosperity, and make strides in treating the causal factors around risks to the well being of adolescent girls and young women (AGYW) such as the spread of HIV, gender-based violence, and lack of access to health care, family planning, and employment opportunities. However, policies enacted over the last 15 years created disruptions throughout the formal and informal economy that have in turn exacerbated insecurity and undermined opportunities for AGYW. Below this section briefly reviews factors that have driven this economic disruption, and specific implications for AGYW.

Once described as the ‘breadbasket of Africa’, between 1980 and 1998 Zimbabwe’s large commercial farms and industrial base allowed the country to export much of what it produced, and drove economic growth. The economic stability generated at this time provided tax revenues that funded health services and educational resources that would provide support to AGYW. Yet, while some AGYW may have benefited from the employment openings that were created through this growth, the country also faced challenges with increasing inequality, as indicated by a rising GINI coefficient.15

Starting in the 2000s the implementation of several policies under Robert Mugabe (1987-2017) neutralized this growth and stability. These policies fueled challenges such as undermining land tenure, declining infrastructure quality, inflated government debt, increasing corruption, and instilling broad uncertainty across the economy and employment space. This in turn led to a fall in investment, the closing down or breaking up of large formal...
sector companies, and reduced opportunities for formal employment. While several of these measures had been aimed at countering the landlessness and lack of economic opportunities of poorer Zimbabweans, the resulting economic disruption actually exacerbated challenges and increased risks for many, including AGYW.

RECENT ECONOMIC CONTEXT AND OUTLOOK
In an unexpected political turn, in November 2017, Robert Mugabe resigned after 37 years in power, and Emmerson Mnangagwa was elected by the ZANU-PF party to take his place. The transition, which played out over a week, has since stabilized, with Zimbabwe’s High Court ruling the transition was legal. However, the unexpected nature of Mugabe’s departure has left many waiting to see what happens next, particularly employers and investors. Many are cautiously optimistic but the “wait-and-see” attitude is pervasive among business leaders, INGOs, and other actors who would ordinarily affect the potential for hiring young people in the country.

President Mnangagwa has taken on the challenge of shedding his predecessor’s image of instability and high risk, aiming to attract new international investors and financial actors to Zimbabwe. Mnangagwa has proposed a range of reforms that roll back many of the policies that first undermined the country’s formal economic system. These include proposed ideas to expand access to currency (USD and Zimbabwe Bond), scale back the indigenization policies, improve land tenure and general rule of law, compensate farmers whose land was seized by the government, and broadly re-engaging with external countries on the international stage. This has begun to translate into interest and hope that Zimbabwe will return to broader economic growth, already with global banking institutions offering loans, and growing estimates of investment for 2018.

Additionally, Mnangagwa and his wife, Auxillia, have emphasized the need to address other problems that have resulted from these decades of disruption, particularly issues that have increased challenges faced by AGYW. Zimbabwean media reports that Auxillia Mnangagwa has publicly pushed for policies that would support the treatment and spread of HIV, child marriage, and early pregnancy. Additionally, efforts to expand the economy have been directly linked to the need to create opportunities for youth, as the youth unemployment rate was estimated at 10.8 percent nationwide in 2017, and the female labor force participation rate was only about 78 percent (see further discussion of employment in the next section). While this is better than many of Zimbabwe’s neighbors it still leaves almost a quarter of women out of the workforce. Moreover, this must be taken with a degree of skepticism as the country has a massive informal economy with significant part time or low quality employment.

Forthcoming policy changes, either economic or social, will be important in shaping how programs can address problems faced by AGYW. However, given the slow pace at which they may take effect, it is anticipated that much of the following analysis regarding employment challenges and the informal economy will remain relevant for the foreseeable future in shaping programing decisions for AGYW.

17 The measure of the active number of women employed or currently looking for work.
18 Data provided by the world bank. Accessed through “The Global Economy” portal at: https://www.theglobaleconomy.com/Zimbabwe/Female_labor_force_participation/
Macro Economy and Unemployment

Overall economic conditions make employment and other income generating activities especially difficult for AGYW. The hyperinflation of the 2000’s (see Figure 5) led to a currency crisis which led to the abandonment of the Zimbabwean dollar in 2009.

**FIGURE 5:**

*Zimbabwe’s Inflation Rate was tamed in 2009*

Since then, interest rates have fallen significantly, but are still considered quite high. The official lending rates shown in Figure 6 are weighted to reflect the majority of transactions, which involve formal sector entities. The actual borrowing rates facing SMEs are reportedly considerably higher, since such entities tend to lack collateral and are regarded as high risk.

**FIGURE 6:**

*Interest rates have fallen since 2012, but remain high*

Source: World Bank Micro Data
Such high rates significantly restrict new business and entrepreneurial ventures:

“Bank lending is limited, and lending interest rates are high, while deposit interest rates are too low to compensate for the risks involved. As a result, credit to the private sector remains scarce, and reduced lending rates are only generally available to a limited number of customers with exceptionally strong credit ratings.”

Since coming out of the hyperinflation period, prices have remained stable, as shown in Figure 2. Nevertheless, interest rates are not expected to fall further, without some improvements in the overall perception of business risk.

AGYW have two main opportunities for self-sustaining income generation: employment or self-employment. Both types of opportunities are severely limited by the lack of demand in Zimbabwe. The GDP per capita has been falling slowly since 2013, as shown in Figure 7.

The outlook for AGYW who are looking for employment is constrained not only by their own personal characteristics (on average less experience, less education and less social capital), but also by the lack of overall hiring in the private sector, especially the formal sector. In the words of a prominent Zimbabwean businessman, “I can’t tell you which sectors are likely to absorb employment, because I can’t tell you which sectors are likely to grow. We are in a situation of VUCA – volatility, uncertainty, complexity and ambiguity. No forecaster in the world can tell you which sectors will grow, and when.”

The statement was made in 2014, but in terms of making forecasts, the current situation is little different, despite the new spirit of reform under the Mnangagwa administration. The economic well-being of AGYW can definitely be improved by programs such as DREAMS, but these programs are forced to succeed under the most severe and unhelpful macroeconomic conditions imaginable.

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21 https://hbr.org/2014/01/what-vuca-really-means-for-you
“I can’t tell you which sectors are likely to absorb employment, because I can’t tell you which sectors are likely to grow. We are in a situation of VUCA – volatility, uncertainty, complexity and ambiguity. No forecaster in the world can tell you which sectors will grow, and when.” - Zimbabwean Businessman

EMPLOYMENT CONTEXT AND CHALLENGES

Because of the way unemployment is defined by ZimStat, the figures provided are nearly meaningless. The last labor force survey, in 2014, reported an unemployment rate of 11.3%. However, the ILO points out that this unemployment rate includes subsistence farmers, and the ILO’s modelled unemployment rate for Zimbabwe is even lower, at 5.2% for November 2017. However, this unemployment rate counts anyone who has worked for 4 hours during the previous week as “employed,” a bar too low for meaningful employment. The 2014 labor force survey also indicates that 94.5% of employment in Zimbabwe is informal.

The ILO’s underemployment measure takes into account the number of hours worked in relation to willingness to work more hours, as well as the suitability of the occupation compared to the person’s capacity (including education). If this measure were available in Zimbabwe, it would surely have shown Zimbabwe to have one of the highest underemployment rates in Africa, giving a much more accurate picture of employment conditions than the official unemployment rate.

TABLE 1:
ILO Model Estimated Unemployment rates for ages 15 and over, selected countries, 2017

<table>
<thead>
<tr>
<th>Country</th>
<th>Source Type</th>
<th>Age</th>
<th>Year</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenya</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>11.5</td>
<td>7.9</td>
<td>15.3</td>
</tr>
<tr>
<td>South Africa</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>27.7</td>
<td>25.5</td>
<td>30.5</td>
</tr>
<tr>
<td>Swaziland</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>26.4</td>
<td>26.0</td>
<td>27.0</td>
</tr>
<tr>
<td>Tunisia</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>15.2</td>
<td>13.0</td>
<td>21.5</td>
</tr>
<tr>
<td>Zambia</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>7.8</td>
<td>7.3</td>
<td>8.4</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>ILO estimate</td>
<td>15+</td>
<td>2017</td>
<td>5.2</td>
<td>6.4</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Source: ILOSTAT
Zimbabwe’s employment context is characterized by few formal employment opportunities, and a contraction in the formal economic space. This means that as students graduate from secondary and tertiary institutions, fewer and fewer formal jobs are available to absorb them, even for those with high levels of skills demanded in the market. Moreover, the breakdown of many previously large formal companies has driven the proliferation of informal ones. In general, new owners of existing companies and new market entrants lack the knowledge, experience, or connections to grow their companies and re-formalize their activities; or the same policy challenges that drove formal companies out of business keep them from re-registering. This has led to a slow but steady growth in the informal sector, shown below in Figure 8.

**FIGURE 8:**
Growth in Informal Employment (1993-2014)

![Graph showing growth in formal and informal employment from 1993 to 2014](image)


A recent World Bank survey of employers illustrates this contraction (Figure 9 below) in formal employment, where both employment and sales growth have shrunk.

**FIGURE 9:**
Annual Employment and Sales Growth 2016

![Bar chart showing annual employment and sales growth](image)

The World Bank survey indicates that informal firms in Zimbabwe are a greater competitive concern for formal firms, as compared to other parts of Sub-Saharan Africa or other low-income countries. It also indicates that while there are many firms that have been registered since their start, very few move from the informal sector to the formal sector.

The informal economy lacks systems, data, or consistency, making it difficult to assess its size, understand how to strengthen informal economic opportunities, or improve informal employment prospects. Data on the economic scale of the informal sector, how many people it employs, the number of firms, geographically where it is most common, what industries have the highest proportion of informal firms/workers, etc. are all difficult to obtain. Informal firms are rarely registered and frequently do not pay taxes, or only ad hoc taxes, and are therefore often hesitant to draw attention to themselves by answering questions or engaging in studies, according to interviews conducted during this analysis with microenterprise owners and AGYW employees or interns. As a result the informal sector is often under-reported in terms of economic size, the opportunities it presents, and the challenges entrepreneurs and workers face. Nonetheless, employers in the informal sector are often familiar with opportunities in their industry or in their community.

According to estimates by the IMF, using the Multiple Indicators, Multiple Causes (MIMIC) approach, Zimbabwe’s informal economy is proportionally the second largest in the world, at 60.6% of its GDP. Accordingly, it has been the subject of several projects and studies that have identified areas of potential economic growth and employment, strengthened understanding of the sector, or implemented programming components aimed at improving employment opportunities for Zimbabweans.

**OPPORTUNITY SECTORS FOR AGYW EMPLOYMENT**

Which sectors show the greatest promise for generating sustainable livelihood opportunities for AGYW? Despite the extremely challenging macroeconomic environment (as well as data limitations, which are discussed in greater detail below), sector analysis reveals a number of employment and growth opportunities that exist in Zimbabwe, offering bright spots of potential for AGYW to increase their incomes, find jobs, or create their own microenterprises.

This section draws on learning from previous projects and studies to identify sectors with the greatest potential to absorb unemployed AGYW or support the growth of new AGYW-led microenterprises. Table 2 provides a list of industry areas or value chains that have sufficient growth potential to offer employment opportunities to youth or space for new enterprises to participate. Although not exhaustive, nor relevant to every geographic area, it illustrates a convergence around high-potential industries that have been identified through analysis and experience. As such, these sectors merit special consideration among youth workforce programs.

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### TABLE 2: Sectors of Opportunity

| Livestock & Animal Husbandry (incl. Poultry, Piggery, and Rabbitry) | Pharmaceuticals |
| Agriculture - Value chain addition (incl. Horticulture and Legumes) | Financial Services |
| Apiculture | Tourism |
| Dairy | ICT & Mobile Apps |
| Timber | Hairdressing |
| Welding | Solar, Energy and Power |
| Carpentry | Construction |
| Home décor | Mining |
| Catering | Engineering |
| Manufacturing | Microbiology & Biochemistry |
| Retail | Wildlife Management |
| Clothing | Services |

**KEY:**
- Workforce Connections Zimbabwe Labor Market Assessment
- Skills for Youth Employment and Rural Development Program
- Zimbabwe:Works

The most relevant feature for this study is the potential for some of these sectors to create economic opportunities at the informal level. Sectors such as mechanics, services, and many agricultural or animal rearing industries operate in small informal pockets, and could accommodate scaling up to larger formal enterprises. Others show promise for formal sector growth but have fewer linkages to informal sector and thus, the relevance to AGYW livelihood opportunities is less immediately evident (e.g. microbiology, engineering, etc.)

The sector list above is a compilation of industries identified and reported by Workforce Connections Zimbabwe Labor Market Assessment (LMA), supplemented by sectors identified through program experience of the International Labor Organization’s (ILO’s) “Skills for Youth Employment and Rural Development Program,” and International Youth Foundation’s (IYF’s) “Zimbabwe:Works” project. Methods and selection criteria for each are summarized in the following page.
The Workforce Connections LMA used employment, value add, and output data from ZIMSTAT to identify ‘best guess’ sectors that could be drivers of employment creation in the near future. The LMA also leveraged qualitative interviews with formal and informal employers, and private sector expert perspective interviewees to provide guidance in about the potential for growth in Zimbabwe’s economy.

The ILO selected industries based on assessed viability and potential to create economic opportunity for youth, as determined by a mixed methods approach. Selection is not exhaustive but represents the sectors viewed as most viable for youth employment. IYF split its programmatic focus between individual formal sector employers and sectors that could absorb new youth businesses. Selected sectors are thus those more relevant to enterprise creation.

POCKETS OF GROWTH
A central, original finding of the Workforce Connections Zimbabwe LMA, which remains highly relevant for AGYW livelihoods today, is that Zimbabwe does not have large industries that are growing enough to power widespread economic growth and employment. Rather, pockets of growth exist locally -- at village, town or district levels – formed through the natural process of reintegration. Growth pockets enable micro-, small and medium enterprises to link with larger firms and traders, recreating market linkages that existed before the collapse of Zimbabwe’s formal sector, or creating new ones. The economic dynamism generated by such growth pockets can be identified by using a combination of trade data, employment data, and qualitative interviews, although it often fails to be detected by conventional economic datasets or analytical methods. Employers in these pockets, though small, can generate jobs and economic opportunities regionally.

ADDRESSING INFORMAL SECTOR DATA CHALLENGES IN LABOR MARKET ASSESSMENTS
The informal sector is fundamentally difficult to assess, yet in spite of this, qualitative data can often give specific indications of the size, challenges and opportunities that these businesses face. Moreover employers, given their proximity to their industries, or the community, are able to identify areas in which programming around technical solutions could improve demand for their companies, or even where improvements could be made in the supply of skills relevant to their industry.

As is noted above the overall size of the informal economy can be measured, but going deeper than that is a struggle without developing approaches that attempt to bring structure to informality. The informal economy is like a blanket thrown over a collection of things – you can see the outline and vague shapes, but not the details underneath. Therefore, qualitative data collection becomes increasingly important in understanding informal structures and forces that affect the informal economy.
The poultry sector provides a good example. Firms that produce day-old chicks have economic incentives to support and train smaller businesses and micro-entrepreneurs who buy chicks to raise and sell as grown chickens for consumption. Producers may provide free training to small-scale chicken-raising businesses on raising chicks, how to enter the poultry market, and how to sell their birds once they are full grown. By engaging with microenterprises to increase their skill levels, producers can help grow the market by expanding access to goods, and raise the overall supply of chicks, broilers and eggs demanded by consumers. Linking AGYW to such market opportunities should be a priority for youth workforce programs.

**Micro-Value Chain Analysis**

‘Micro-value chain’ analysis is a tool that can assist in identification of such opportunities at a local level. Field interviews indicated that localized district- or town-level value chains, when supported properly, can support and stabilize microeconomic opportunities or employment. Micro-value chains are conceptually similar to the conventional concept of a value chain, but a more accurate description of the smaller scale of most economic activity in Zimbabwe. For example, in Zimbabwe, while it is difficult to say what potential an industry like ‘automotive repair’ might have in terms of growth opportunities country wide, it is possible to map how automotive jobs work might be a growth industry at a city or district level, a fact that local economic expertise and interviews with AGYW noted. The flow of goods is often restricted to a limited region, such as within a district or town, and typically only one or two actors are responsible for the channels of activity normally taken on by a larger population of market participants.

Having identified dynamic, informal micro-value chains at the local level, it becomes possible to use similar solutions to those applied to broader labor markets. Micro-value chain analysis can help answer questions like, “Are there opportunities within this limited value chain (e.g. chicken raising) that are accessible to AGYW?,” “What can be used to help enterprises in Gweru city’s economic context?” and “What opportunities exist to link to larger country-wide value chains or external markets?”

**Livelihood Pathways within Growth Pockets**

Zimbabwe’s informal economy and the fracturing of many formal employers and networks has resulted in a significant and sustained number of individuals looking to generate some form of self-employment or income. One study notes an apparent dramatic shift in entrepreneurship coinciding with Zimbabwe’s economic downturn. It finds that ‘entrepreneurial activity’ grew by 8 times between 1999 and 2008. Yet this terminology should not be misinterpreted to suggest a glut of new profit-making opportunities or entrepreneurial ambitions. Rather, it reflects an explosion in what is sometimes termed ‘necessity entrepreneurship,’ as many people who previously would have preferred wage employment have been forced to find or create economic opportunities for themselves due to the lack of other options.
Figure 10 below presents a graphic designed specifically to illustrate Zimbabwe’s uniquely complex and varied entrepreneurship landscape, adapted from the Workforce Connections LMA. Figure 10 is designed to provide a nuanced illustration of the stages of employment, self-employment and entrepreneurial activity along a continuum of available opportunities.

The boxes represent different groups of Zimbabweans along the pathway (size is intended to roughly illustrate population size but should not be interpreted as proportional, due to data limitations). The key groups can be summarized as follows:

1. Most vulnerable AGYW belong to the lower-left quadrant of the graphic, along with other groups of people who tend to be most vulnerable and unemployed. This quadrant represents much of the informal economy, and the majority of the population.
The lower-right quadrant includes employees in the formal sector who are the most secure, due to the consistency of having a salaried job – receiving regular payments more frequently than someone working less formally. One important facet of this is that some of these employees may be low-performing but cannot be fired due to labor law restrictions (‘deadweight employees’). This problem may be growing in importance, as field research indicates Zimbabwe’s labor laws have in fact become more punitive against companies since the 2014 LMA was conducted. In 2015 a landmark court ruling changed policy to allow employers to terminate employees on notice (mirroring employees’ ability to leave employers with notice). This resulted in rapid and significant layoffs, and subsequent widespread protests. In response the courts amended the law to cancel its effects, and do so retrospectively, requiring those laid off to receive retrenchment packages. 34,35

At the upper-right corner of this graphic are those who might be identified as true ‘opportunity entrepreneurs’. They benefit from high entrepreneurial capabilities and high economic security, such as founders of large, successful formal sector firms. While there are policy choices that could further benefit and potentially expand this group, it is outside the scope of this paper to elaborate, given the focus on opportunities for AGYW.

The upper-left corner consists of potential entrepreneurs who have entrepreneurial skills and abilities, but remain relatively insecure in terms of job or income. This population, who have many skills already, may need more tangible support to connect to opportunities (e.g. mentorship, market information, access to a new market, pitch contest opportunities, access to finance, or other forms of more conventional business support).

DEMAND FOR EDUCATION AND SKILLS IN THE INFORMAL ECONOMY

The Employment Generation Pathway can serve as a useful guide for identifying and prioritizing the kinds of skills needed for AGYW and other populations to progress along available pathways, within a harsh economic landscape. For many AGYW, livelihood opportunities are most likely to emerge in quadrants 1 and possibly 2, due to the economic challenges noted earlier. As many of these opportunities are informal they often entail working for oneself, or with a single individual (possibly a family member), or in a small team. Education requirements are often limited, and may be based on the perceived value to employers of a degree (even if unrelated to the work). As presented earlier, required skills for Zimbabwe’s economy can be classified according to three general categories: foundational skills, technical skills, and soft skills. All three categories have relevance to AGYW job opportunities, and as such should be systematically addressed by youth employment programs.

Zimbabwe has been recognized for decades for cultivating high levels of foundational and technical skills. However, as the formal economy has contracted and industries have fractured, such skills have atrophied or, in the case of AGYW, were never formed due to barriers to education and lack of access to formal employment experience. Opportunities for youth to learn these skills have decreased given Zimbabwe’s recent economic, political, and educational context.

34 https://www.newsday.co.zw/2018/05/zim-is-open-of-business-but-the-labour-law-is-closed/
A minimum proficiency in foundational skills like basic literacy and numeracy is required even for informal sector jobs like ‘hawking.’ More advanced skills and other foundational skills such as technological literacy can enable progress along the pathway (e.g. to ‘captive contractors’ status or beyond.)

Technical skills are also required even for many entry level opportunities (see ‘self-employment/livelihoods’ and ‘internships or apprenticeships’ categories). Examples of broadly useful skills at this level could include driving, working with animals or crops, sales, sewing, etc. For AGYW interns and apprentices, gaining basic proficiency in relevant technical skills may make the difference between being retained or let go at the end of a program.

For the relatively few AGYW already established as individual artisans or captive contractors, technical skills are equally consequential. These individuals have already learned the basics of a trade, providing an opportunity to move forward. Examples mentioned during fieldwork include tailors who have learned the basics of clothes making and repair, but want to learn more technically complex skills like embroidery or lace making, or a baker who wants to branch out from basic breads to make cakes.

Of the three categories, soft skills may be the most important for AGYW. They permeate all aspects of a business activity, regardless of size or industry. To illustrate the point, a recent study found that Zimbabwean employers cited 10 skills as most important to their operations: critical thinking, morality, teamwork, ethics, anger management/self-control, communication skills, integrity, reliability/trustworthiness, self-confidence, and understanding the work culture.

Soft skills are portable across industries and geographic locations, particularly benefiting AGYW who may soon leave their villages for workforce opportunities elsewhere. Negotiation and communication skills can be key to personal success for AGYW, whether applied to negotiations with an informal sector employer or client, or coping with sexual advances from a boss or patron. Unfortunately, such skills are rarely deliberately taught to AGYW in traditional teaching institutions or communities, as they may possibly be perceived to threaten traditional social hierarchies or male-dominated family structures.

International evidence shows that soft skills matter greatly for entrepreneurship as well, in which success is highly dependent on skills in areas such as opportunity identification, problem solving, perseverance, and team building, and communicating with potential buyers. Indeed, recent evaluation evidence from Togo indicates that training on personal initiative and other soft skills is more effective in encouraging the survival and growth of new small businesses than traditional business skills training.

**ACCESS TO FINANCE**

Access to finance is a key area of need for AGYW who seek to manage their earnings and personal as well as business expenses, cope with financial shocks (e.g. unexpected health costs), and save or borrow for investments in education or enterprise activities. As such, building financial literacy and capabilities and facilitating access to financial services are

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36 Johani Helena and Bhebhe Thomas. (2016) “An investigation into the Soft Skills that Employers in Zimbabwe Expect Graduate Job Seekers to Possess, A Study of Five Companies under the Industrial Development Corporation of Zimbabwe (Limited) Group.” European Centre for Research Training and Development UK 4:2 1-20. The paper also notes that in particular, although Zimbabwe has a large number of universities, educational programs tend to focus on the technical skills of a profession, and do not emphasize soft skills.


very important focal areas for AGYW livelihoods programs. Below we draw on findings of fieldwork to describe current market conditions and recent programmatic learning related to strengthening youth utilization of financial services.

According to the Zimbabwe National Financial Inclusion Strategy, challenges around access to finance disproportionately affect youth, women, minorities, rural individuals, and other individuals at risk. These challenges in turn translate into constraints and barriers to the development and operation of micro and small businesses.

Access to financial services remains low. A 2014 survey noted that only 30% of Zimbabwean adults use banking services and only 14% of micro, small, and medium enterprises (MSMEs) use formal financial services offered by banks. Informal financial service use does not fully fill the gap, particularly for micro-enterprises: only 50% of businesses use informal financial services. This highlights a huge need for additional services that can reach a large swath of informal businesses.

Youth and particularly AGYW face several challenges to accessing formal services for personal and micro-enterprise use. The core challenge is that, as one interviewee noted, youth are essentially unbankable in the current Zimbabwe context. They are unable to access formal lending services due to negative perceptions of their risk-taking, inability to provide conventional collateral, and limited life experience in general. Some common banking practices (e.g. fees, minimum balances) also function to exclude vulnerable youth. For women and girls this is exacerbated by cultural factors where, in male-headed households, fathers or brothers might take control of funds even if granted to a young woman.

A range of actors have made progress in addressing these challenges around financial product and service access for adolescent girls and young women, and MSME owners. Local financial services organizations such as Thrive Microfinance and Virl Rural & Social Financial Services, are supporting youth to mitigate the financial risks they face. Strategies include checking applicants standing in community with community members, family, and friends, building up youth financial literacy and experience, and fostering perceptions that youth can be trusted to make good financial choices.

In addition, several institutions have developed products that are accessible to AGYW who would otherwise be excluded from more conventional financial offerings. For example, Thrive Microfinance noted the importance of providing consumption loans and housing loans, along with more conventional small business loans, although this defies the convention that credit shouldn’t be provided for consumption or conventional life costs. Thrive noted that such loans smooth the everyday shocks of life, such as school fees, weddings, funerals, crucial food shortages, etc. and that clients would pay for them one way or another – through Thrive or through a more rapacious moneylender. Thus offering this loan strengthens the likelihood that a client will pay back existing non-consumption loans, remain in good standing as a customer, and continue participating with the institution. The vast majority of their loans are for microenterprises – 94 percent, while four percent go to housing, and one percent go to consumption.

41 Ibid, 27.
The government of Zimbabwe, through the National Financial Literacy Strategy, is also attempting to tackle financial literacy, by integrating financial literacy education into primary, secondary, and tertiary level courses. Local organizations are also providing financial literacy training, a crucial backbone to ensuring participants have the technical knowledge to receive, manage, and pay back loans. Moreover, this training, along with an individual assessment, serves as a key vetting mechanism to ensure participants are serious about using a loan for its intended purpose, and are committed to engaging in repayment.
4
ANALYSIS OF PROGRAMMING OPPORTUNITIES

SUMMARY OF MAJOR CONSTRAINTS AND CHALLENGES

Despite worsening trends in Zimbabwe's economic environment and youth educational attainment over the past 15 years, a moment of opportunity may be emerging for AGYW livelihoods, spurred by recent changes in the political context, and building on Zimbabwe's legacy of economic success and comparatively strong education system. However, the extent to which this is realized will be highly contingent on effective government implementation of major policy changes, as well as successful collaborative efforts by public and private stakeholders (including international development funders and implementers) to overcome pervasive, complex challenges.

Zimbabwe's economic environment has, until recently, continued to contract, with fewer and fewer large firms and formal sources of employment. Fewer Zimbabweans (even those with high skill levels) can find formal jobs, as competition tightens. The employment challenge is far greater for vulnerable AGYW who face deeply rooted structural barriers and may lack the minimum foundational, technical and soft skills to obtain and improve employment. The growing informal sector offers a potential 'second-best' alternative, in which AGYW can find employment or generate their own livelihoods.

Major gaps remain in the provision of services and support needed to empower AGYW to succeed in this endeavor. Those include information about informal markets and demand for products and services, as well as the means by which to find this informal work. Informal sector employers do not have incentives to engage in formal employment or apprenticeship systems, remain hesitant to invest in or retain AGYW, and fail to articulate their skill needs. As a result, employer resources are underutilized and AGYW are unable to understand employer skill requirements or take advantage of opportunities to build skills in the informal sector.

Our analysis shows that pockets of growth do exist, and micro-value chains within them, if identified and understood, could produce sustainable returns in terms of employment growth or enterprise formation. Moreover, livelihood upgrading pathways are available for AGYW, provided they obtain the right support, resources, information, and linkages.
IDENTIFICATION OF PROGRAMMING OPPORTUNITIES

The goal of this paper is to support the design and implementation of more effective, market-driven livelihoods and employment programs for AGYW in Zimbabwe, based on data collected in the field and supplementing local implementers’ deep local knowledge and experience.

Figure 11 below provides a customized framework for identified opportunities to enhance livelihood outcomes for AGYW, specifically DREAMS beneficiaries, in the economic context of Zimbabwe. It proposes a ‘layered’ system of support that integrates health and social interventions, job matching services, and value chain interventions. The design is intended to support AGYW to advance along or among four livelihoods tracks (employment, self-employment, group businesses, and entrepreneurship), according to their interests and abilities.

FIGURE 11:
Framework for DREAMS Pathways and Layered Support

The diagram tracks the pathway of a beneficiary from initial program referral through to sustainable income generation, with special attention to the opportunity placement or ‘value chain’ stage of the layered support structure. The term ‘layered support’ is used, noting the reality that in most districts of Zimbabwe, it is highly unlikely that a single existing program

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42 The team credits Bigbouy Chikwavarara from USAID/Zimbabwe, for proposing the term “layered” to describe this concept.
will be capable of providing the entire range of needed services (e.g. identify beneficiaries, assess health needs, stabilize, assess capabilities, provide soft skills and technical skills, perform job placement, and engage in value chain upgrading). Most organizations simply don't have such a wide variety of skills under one roof; even those that do seldom encounter projects that require (nor provide resources for) such a wide diversity of capabilities. Nevertheless, this study has concluded that just such a comprehensive set of capabilities is needed, to provide increased income stability for vulnerable AGYW in the context of Zimbabwe and other DREAMS countries.

Currently, beneficiaries are normally referred to one of the DREAMS contractors or similar programs, after which they undergo a health assessment and their situation is stabilized using various methods, generally including membership in a club where they receive coaching from a trained facilitator. At the appropriate juncture, their capabilities and aspirations are assessed, after which they are routed either to an employment track (if it is determined that they have the potential to pursue a job placement) or to become self-employed.

Those who pursue a job are often provided with some training, with soft skills and often including certain technical skills, depending on the type of employment they seek. The key first step toward a stable job is generally at attachment (internship), after which the employer or another employer in the same field may offer the beneficiary stable employment. Jobs most frequently include occupations like cashiers and hairdressers, along with (more rarely) higher paying and higher status jobs as motor vehicle mechanics or clothing designers.

As shown in the diagram, if the attachment does not lead to a job offer in that field, then the beneficiary has the option of moving laterally into some form of self-employment. The first track in that category includes activities that are generally undertaken individually, such as selling mobile airtime, or canning and selling fruits. Transition into such activities is supported by a short training of up to 5 days.

Young women who are assessed to have business leadership potential may receive additional training of up to 20 days, to enhance business skills such as leadership, management, sales and simple accounting. They may form and manage a group business with as many as ten other young women, with a slightly more elaborate structure than the pure self-employment. For example, several groups organized themselves to purchase 20 kg containers of detergent and resold them in smaller 500 ml portions using discarded water bottles, a structure with a minimal cost outlay but a price mark-up around 60%. Nevertheless, a secure storage space for the stock of detergent must be arranged, a fair distribution of sales proceeds supervised, and reputation for quality (unadulterated) product maintained, among other things. Other businesses requiring a similar degree of organization, as well as more skills on the production side, are food catering for weddings and other events, and growing day-old chicks to maturity.
Specific AGYW Livelihood Opportunities along the Spectrum of Layered Support

Of course, all of these tracks (employment, self-employment, group business, and entrepreneurship) operate along a spectrum, and progression across tracks is quite feasible. To illustrate, consider the following possibilities within the detergent micro-value chain:

- **SELF-EMPLOYMENT**: an individual can repackage detergent and make a modest income through repackaging and reselling on her own.

- **GROUP BUSINESS**: a group of such AGYW working together can develop a more distinct market profile, perhaps a unique label, and reach a little further into value addition by transporting the detergent from source to destination. If at least one or two young women have some leadership ability and management skill, they might incorporate less-experienced AGYW operating under an ‘umbrella’ or informal micro-franchise, thereby accomplishing more than they could on their own.

- **ENTREPRENEURSHIP**: a more ambitious and entrepreneurial group could learn to produce their own soaps from locally distilled herbs or available ingredients, and market it locally or regionally. That would represent a quantum leap in organizational and technical complexity, but is not unattainable.

In the poultry sector, an individual who buys 12 day-old chicks and rears them to maturity can make a transition to buying 144 day-old chicks, if she can cultivate a group of peers (group business) to help her feed them, clean the cages, and sell the chickens. With additional entrepreneurship skills (e.g. budgeting and accounting, marketing) and access to finance, she can afford to purchase better quality cages and raise thousands of chicks, marketing them widely at a higher profit per chick.

In the personal services field, a hairdresser may offer a chair in her shop to a young trainee, which is extremely valuable ‘real estate’ in her domain, if she sees potential and observes good behavior. Such an arrangement can eventually evolve into an independent hairdressing operation. A dressmaker can introduce her trainees into a specific segment of the wedding market, and if she is herself confident and generous, she may support them to become independent eventually. The production of dozens of types of food products, from the growing to harvest/slaughter to cooking to packaging to distribution and sales all have potential niches for enterprising AGYW, who can carve out increasingly larger and more sophisticated niches, which are only limited by their abilities, the organizational capability of program implementers, and the extent of the market.

Layering in Practice

As noted above, a layered structure appears to be the most robust way to ensure provision of all three of the necessary services (health and social stability, job matching and training, and value chain development). A genuinely integrated ‘blanked coverage’ of all three key functions would ensure the optimal chances of success for the AGYW. When possible, of course it would be desirable for all services to be provided under one roof, but a high level of experience across this range of technical capabilities needed is seldom found in a single
organization. Other options include sub-contracting relationships for the provision of one or more layers, or more flexible (but necessarily highly coordinated) collaborative relationships among organizations operating in different layers within a given region. The ability of such agencies and subcontractors to work together effectively to achieve the layering would require a high degree of coordination and a common vocabulary when it comes to assessing capabilities of AGYW, pathways and opportunities.

As the above diagram shows, most AGYW program beneficiaries embark on a ‘desired pathway’ represented by the upward-pointing arrows. However, if they are initially thwarted, as many inevitably will be, clubs and other peer support structures need to help them to find an ‘alternative pathway.’ In such cases, their previous experience (such as an attachment that didn’t lead to a permanent job, or an experience as a street hawker) may still contribute something of value to the next attempt. For example, in the diagram, some beneficiaries are shown taking an alternative pathway from independent operator to group business (see lateral arrow toward the right of the diagram). Those are AGYW who either did not make it as an independent operator, or who are succeeding but see a better opportunity operating in a group with peers. Other alternative pathways lead from the ‘short training’ into group businesses or entrepreneurial activities, representing options for AGYW who may not have strong leadership or entrepreneurship potential on their own, but have the skills to contribute to informal sector group businesses or with some additional technical training, in an entrepreneurial enterprise, even if they are not the drivers of the business. Through such pathways, the interpersonal bonds and especially the trust relationships formed in clubs can carry over to help girls and young women reach their highest potential, by collaborating with peers who have been more fortunately endowed with skills or who have a more favorable situation.

Effective implementation of the layered model will also hinge on the ability of programs to make nuanced assessments of the livelihood potential of AGYW coming into their clubs. Such assessments – especially of soft skills such as self-motivation, curiosity, leadership, and resilience – would help enormously to distinguish among those who are in survival mode, those who can offer good technical skills but no business skills, those who can sell but probably not make products, and those with the potential to become small group leaders or even opportunity entrepreneurs. We have observed at least these categories, but suspect that with more nuanced assessment tools, more satisfying outcomes can be attained where each AGYW can come closer to reaching her true potential.

Gap in Value Chain Support
Based on the assessment team’s observations of the structure of existing DREAMS programs and other AGYW livelihood programs, some elements of the layered model are already in place, namely the ‘health and social’ and ‘job matching’ services. The greatest current gap is at the level of value chain services (e.g. business support, technical training, mentoring) which should be offered by economic development specialists, facilitating opportunities for group businesses and entrepreneurs to develop and grow.

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43 It should be noted that in some clubs, the AGYW indicated that they would rather not work with other young women from the clubs – that they don’t trust them and would prefer to find a way to blend in with other young people who don’t come from that background. This is obviously highly dependent on the specific makeup of each club, but is included as a warning that not all clubs necessarily foster positive social capital formation uniformly among all members.
For example, mentors from the business community can play a key role in the planning stages of a business, especially when such business ideas are not already well established within the competency of a program’s coach or job matching team. Guidance on how to produce the product or perform the service, and a strong understanding of the target market, are crucial. Technical assistance from an on-going value chain development program operating in the same district can be invaluable, providing insights on likely market opportunities, contacts with potential mentors, and potentially more advanced training.

The term entrepreneurship track is reserved for the most ambitious forms of self-employment, in which a greater degree of technical skill, innovation or business structure is required, and often, a more significant level of start-up and/or working capital. To be successful, the presence of a value chain development program or similar expertise from dedicated mentors and experienced technical specialists are almost certainly required. Another valuable resource for such ventures has been dubbed a ‘market maker’, which is a type of mentor who is willing and able to offer a specific market opportunity to the AGYW. Such relationships should be systematically integrated into value chain support services.

Examples might include small dairy operations (procuring, transporting and marketing milk, sometimes with some transformation of the product), designing and producing clothing, or starting an auto repair shop. In the case of the auto repair business in Gweru, up to eight young women were already in attachments at several shops in the city. One shop, which was specialized in transmission rebuilding, offered his trainees the opportunity to set up their own shop, which would specialize in repairing some of the simpler types of transmissions, which they had already mastered. Then when customers came to him, he could funnel some of his demand to the adjacent shop, freeing up his skilled workers for types of transmissions requiring more advanced skills, while providing the young women a steady source of demand. The willingness of existing and recently retired business owners to provide such opportunities is surprisingly widespread – but it needs to be tapped in an organized fashion, from an organization with credibility in the district.

The leadership and entrepreneurship training required to support AGYW group business and entrepreneurship tracks involves a significant amount of time (in addition to the 5 days of ‘basic training’ each AGYW currently receives, this might entail 20 additional days of leadership training for group businesses and another 30 days of training for one or more individuals showing high potential in the entrepreneurship track (skill areas including general business and leadership, technical training, and sales and marketing, depending on the skills and aspirations of the AGYW). The potential advantage of doing so is that the training invested in the young women with the highest potential could have a pay-off for several other AGYW with more limited knowledge, skills, experience and potential, depending on the structure of the specific business models and their built-in multipliers.

In the next stage of this study, interviews with a variety of potential mentors and ‘market makers’ will be an essential early step to validate this model. Nevertheless, based on reports from beneficiaries and coaches during interviews in this field study, as well as interviews with mentors and market makers in the 2014 Labor Market Assessment, we are confident that a surprisingly talented and motivated group of professional are ready to lend a hand where they see a credible entity behind the AGYW. Cooks in hotel restaurants are willing to open up spots, agricultural producers who know their markets would like to enhance their volume through training and providing seeds, and dressmakers would like to have more dresses sewn using their designs and quality control.
AREAS FOR INCREASED INVESTMENT IN AGYW LIVELIHOODS

To address the key gaps and potential opportunities discussed above, below we present five recommended areas for increased attention in AGYW livelihood programming. They are:

1. increased value chain orientation of holistic AGYW programming,
2. identifying and supporting micro value chains,
3. promoting collective business models,
4. expanding applied learning through mentorship ‘market makers’, and
5. Improved market linkages and information flow

Each programming opportunity category is divided into three sections. The first is a brief review of contextual issues around the category, the second discusses information or data gathered that supports this approach, or identifies ways in which it is already being implemented, and the third discusses how programming around this opportunity could be expanded.

Increased value chain orientation of holistic AGYW programming

Rationale

International evidence has shown that programs designed to improve both workforce/employment outcomes and positive SRH behaviors among youth are more effective than activities that are limited to only one of these areas of influence. By implementing an intervention that targets more than one challenge or aspect of a participant’s life, programming can better support a positive outcome.

Consistent with a positive youth development (PYD) approach, a layered model integrates health, workforce and education interventions to create a holistic learning environment for youth participants. The result is to support young participants from multiple angles, targeting multiple challenges in their lives. Not every element of this approach is necessary for every program. Some youth may already have the access to resources, education, friends, and other life supports that allow them to overcome some challenges. They instead may need an intervention aimed at targeting one area of support. However, for many AGYW in developing communities, this is not the case. A layered approach recognizes the importance of designing programs in conscious awareness of the broad framework of the types of skills and supports AGYW need in order to thrive.

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44 Ibid. p.3
Review of Current Approaches

As described in the landscape analysis, vulnerable AGYW in Zimbabwe can be usefully segmented into urban and rural profiles, each facing a unique set of challenges and opportunities. Fieldwork revealed two main groups of programs currently serving AGYW. The groups are illustrated and compared in the graphic below (Figure 12).

**Group A programs (on the left)** provide high risk adolescent girls and young women (both urban and rural) with many layers of support (health, physical safety, community engagement), but provide relatively weak market linkages in employment-relevant skills. Program participants are at high risk for sexual violence, HIV/AIDS, early pregnancy, poverty, and social exclusion, amongst others. Participants may have completed secondary education, dropped out, or only completed primary; some have started tertiary education. USAID DREAMS programs typically fall into Group A.

**Group B programs (on the right)** support mostly urban youth who are better off. Those youth mostly face lower levels of risk, and focus predominantly on tertiary educated youth participants, though some secondary-educated youth or secondary dropouts have also been included. Activities focus on linking youth to formal sector employment or enterprise opportunities.

![Figure 12: Typology of Zimbabwe youth program groups](image)

**Guide to Visual Elements:** Colored arrows represent layered programming approaches (see colored key to these approaches below)

- Empty dotted line arrows represent identified gaps.
- Teal and yellow activities are found on the left in group A.
- Dark blue and red color activities are on the right in group B.
- Light teal arrow illustrate other additional support elements found in programs, that are then applied with AGYW participants in addition to the layers around them.
**How to increase the value chain orientation of holistic AGYW programming**

The graphic above illustrates a programming gap, as Group A beneficiaries typically lack access to market analysis and private sector engagement/job matching approaches that can lead to sustainable livelihoods. In response, future programs serving vulnerable AGYW should integrate or link to elements of Group B approaches to create a layered, holistic PYD approach to AGYW livelihoods programming that is also more responsive to identified market opportunities, thereby yielding stronger and more sustainable livelihood outcomes.

Numerous effective elements of current group A programs should be retained or further strengthened. For example, programming should be firmly rooted at the community level in order to facilitate recruitment of highly at-risk AGYW. As noted by a range of actors in interviews, this can be done through direct engagement at community activities like church or school events, through personal contacts, through friend groups, and through self-selection in response to advertising in areas frequented by youth. In such instances it is key to engage with community members such as family, local leaders, and local business owners, where they can learn about and better understand how programs are supporting youth, and why it is particularly important to support AGYW. As can been seen in existing DREAMS programming, spaces created for AGYW to interact and learn about their rights, health issues, also become points of access to HIV/AIDS or medical information, or for on-site medical consultation and treatment.

In other cases, there is an apparent need to fill gaps in services. For example, although DREAMS programs currently provide links for AGYW to access external training resources, focus group discussions indicated that many participants wished for more advanced job-related or technical training. Group A programs sometimes provided a basic five-day course on job readiness that was described by many participants as inadequate. Participants felt that strengthening technical skills would improve their employability or entrepreneurial prospects. This is in fact the approach that is already typically employed by Group B programs, offering locally tested models that could be adapted to the needs of more vulnerable populations. In such cases skill building support is provided over weeks and months, not days, and often is spread over an entire year, allowing participants to test and use the skills they learn as they progress.

Programs should also heed the perspective of several financial access providers who stressed that financial literacy should precede access to finance, followed by entrepreneurship support. In some cases, they observed that some programs (mostly from Group B but also some from Group A) are doing the reverse: starting by encouraging entrepreneurship, and then offering loans. Beginning the process with training and skill building ensures AGYW can learn relevant financial skills, and then take a more informed decision on how to form or support a company.

Finally, vulnerable AGYW could develop more valuable skills by participating in an apprenticeship, or developing a micro-enterprise. This would optimally be done in partnership with local resource partners or trainers with a strong understanding of local micro-value chains that might succeed in the area (see further discussion on the following page).
Building AGYW Understanding of Micro-Value Chains and Growth Pathways

**Rationale**

The size and structure of Zimbabwe’s highly informal economy means that many AGYW who seek to find work, start a business, or generate some form of income, will find their best opportunities within the context of micro-value chains that are driving pockets of growth. These micro-value chains also provide employment and entrepreneurship opportunities, as illustrated by Figure 11. Within specific micro-value chains, pathways are available to vulnerable AGYW with potential to progress among categories ranging from unemployment to micro-enterprise employment, artisanship, self-employment or contracting work.

However, several core constraints have prohibited many young people from accessing such pathways. AGYW interview participants who have sought employment or have started their own companies noted several elements that would help them to succeed, for example:

- support to build up a group business model, in which resources are pooled to help lower costs, and a structure is developed to help the company grow (see description of Group Business programming opportunity below).
- committed mentors who are willing to not only teach AGYW the technical elements of an industry, but who are also willing to actively support AGYW to overcome gender barriers that constrain entry to industries dominated by men.
- more in-depth and technical training that would allow them to specialize the work they’ve started in a previous development program, so that they could reach a new market segment, could differentiate their products, or charge more for a higher quality product.
- facilitation and support to develop new markets outside their hometowns.

A unifying theme of the conversations was that there was a limited understanding of available opportunities or means of accessing them at the local level. More specifically, AGYW had not received much orientation on how their employment or work fit into the broader framework of a local micro-value chain (for example, how value is added by market actors at different stages of the chain, what are the quality demands of different end markets, and what market
segments show the greatest potential for growth.) Such information is crucial for AGYW, whether they are in employment or in a micro-enterprise, to set realistic goals and make better decisions in planning their livelihoods.

**How to Build Understanding of Micro-Value Chain and Growth Pathways:**
A valuable first step for programs is to identify local micro-value chains with high growth potential, drawing from the list of promising sectors identified above (see p. 30) or others that may be identified by local market actors or experts. Because many AGYW lack accurate information about their community's economic environment, programming should support engagement with micro-value chain actors (e.g. owners of successful micro- or small enterprises), for example through youth-led market mapping activities. Through such activities, AGYW can develop the skills to interpret a value chain and identify functions that match with their skills, interests, and future goals. Similarly, for employees, this could be paired with education on career pathways, highlighting that employment is not a linear path, and the transferability of skills across occupations or even value chains. For example, a motorbike mechanic might more easily shift to machining parts, rather than going into sales.

Several local organizations in Zimbabwe have already taken the first step of mapping local or micro-value chains. We observed that this tended to be used to better understand employers' skills needs or to identify potential mentors, which are important for designing effective employment interventions.

However, the significant gap identified is that no interviewee reported engaging youth directly in market mapping, or systematically integrating market information into training or other program activities for AGYW, either to help them select their own livelihood pathways and understand the market for self-employment or other entrepreneurial opportunities. For example, AGYW exposed to the full range of livelihood opportunities offered by the detergent micro-value chain (Figure 13 below) would be better equipped to evaluate and compare opportunities across potential value chain functions (e.g. production vs. distribution) or channels (selling door-to-door vs. in road-side stalls).

**FIGURE 13:**
*Micro-value chain map for local detergent: Micro-value chains allow you to identify gaps in an industry for programming opportunities*

<table>
<thead>
<tr>
<th>CHannels</th>
<th>Bulawayo City High-end Buyers</th>
<th>Bulawayo City Low-income Buyers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution</td>
<td>Grocery stores</td>
<td>Door to door</td>
</tr>
<tr>
<td>Packaging</td>
<td>Packaging</td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td>Product - assembly of ingredients</td>
<td></td>
</tr>
<tr>
<td>Product development</td>
<td>R&amp;D: Knowledge of advanced product development</td>
<td></td>
</tr>
<tr>
<td>Inputs</td>
<td>Access to chemical inputs</td>
<td></td>
</tr>
</tbody>
</table>

**Key**
- Challenge
- No/little challenge
Supporting group business models as a means of mitigating informal sector risks, achieving economies of scale, and accessing financial services

Rationale
Informal markets are often opaque, disrupting the follow of information about market opportunities, best practices, or innovative approaches. Risks to informal sector entrepreneurs are high, as legal protection is absent, and options for protecting ones’ interests and resolving disputes are limited. Thus trust is of foremost importance in the informal sector, as trust in a counterpart may be the only assurance on which a business transaction might be built. Similarly, as discussed above (Access to Finance, p. 35) formal means of securing capital to start a business or keep it operating are absent. Informal businesses in need of credit must depend on informal black market lenders (at high interest rates), funding from friends or family, or borrowing from microfinance institutions or savings groups. AGYW knowledge of financial services is often low, as has also been noted. Interviews with AGYW in Gweru, Mutare, and Bulawayo indicated that a major challenge in building up or continuing with their businesses is the razor-thin margins on sold goods (the high costs at which they buy vs. the comparatively low price at which they sell), which can be easily disrupted by even minor mishaps.

Within this context, some participants have already identified a way to improve their margins, combining solutions that tackle challenges of trust and access to finance. These participants have employed a group business model that allows participants to pool their resources. The group as a whole can increase the amount of product they buy, lowering the cost and increasing the individual or collective returns. In cases where this model has been used girls have been able to pool savings and support each other in managing their businesses.

Benefits can be illustrated as follows. One adolescent girl or young women producing detergent might pay $2.50 for 500 g of caustic soda. By pooling resources with three other AGYW, each group member can purchase the same amount for only $2. For an entire batch of detergent, the cost savings on inputs results in an increase in profit from $48.25 to $52.25 per group member. Interviews indicate that issues of trust and leadership are important to ensure that these businesses remain viable, due to the amount of coordination and resource sharing required.

Group businesses can also be a vehicle for facilitating access to finance, including savings or credit, allowing group members to grow the proceeds of their business investments. Some participants reported registering their group businesses as savings groups, sometimes in the form of Savings and Credit Cooperatives (SACCOS). As SACCOS, they were able to register with MFIs and to receive larger loans than individuals would normally be able to obtain.

How to Build a Group Business:
The findings suggest that group businesses, under the right circumstances, can yield numerous benefits as compared with individual microenterprises performing certain kinds of market activities. Informants (including AGYW and program staff) noted several areas of needed support to maximize the chances of success. Those include:

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1 FHI 360 Interview focus group discussions in Gweru, Bulawayo and Mutare, Zimbabwe.
TRUST: The foundation of this group business model would be ideally built around group or trust building activities. These can include the creation of safe spaces to discuss ideas, play team building games, discuss business ideas and approaches, or other activities that would help AGYW overcome potential mistrust. This could allow for the build-up of trust between AGYW in an organic way. Several participants noted for them the foundation of a trusting relationship was either to pair with siblings or other friends from outside a program. Other forms of trust could be built through the inclusion of safe spaces, soft skills training, and trust building activities.

FINANCIAL LITERACY: Financial service providers consistently noted in interviews that participants in some youth workforce programs lacked basic financial skills and knowledge. This proved problematic when participants would come to them from an entrepreneurship or workforce program expecting a loan. Instead, one suggested alternative would be to build these basic financial literacy and business management skills first, prior to building out other entrepreneurial skills or expectations. Doing this would build financial understanding and capabilities, and also allow AGYW to form and formalize a SACCO first, when appropriate. For group businesses, more advanced financial literacy may be needed in areas such as basic accounting may be needed, as operations become more complex (necessitating accounting for fixed assets, depreciation, etc.). With this foundation established, AGYW could move onto acquiring more entrepreneurial or business skills or attempt to undertake a group business opportunity. This SACCO would then be a mechanism by which AGYW could save and borrow funds, and potentially to engage in group business arrangements as well.

GROUND RULES: Several interviewees specifically noted that SACCOs require the creation of an internal charter or constitution, which guides the group and can be used to resolve conflicts. The process of group business formation and accessing finance is seen in the illustrative graphic below:

**FIGURE 14:** Model for Group Business (SACCO) Formation

Strengthening Applied Learning in the Informal Sector through 'Market Maker'

1. Build trusted team, access finance
2. Identify opportunity
3. Bulk purchase goods
4. Sell collectively or apart
Mentors’

Rationale
In the informal sector in Zimbabwe, human resource development occurs largely through informal mentoring relationships, in the absence of the kinds of systems and protections offered by employment at large formal sector firms (human resources teams, mentoring programs, legal requirements around hiring, etc.) International development and entrepreneurship literature provides vast evidence of the importance of mentorship as a means of support and skill development in employment, entrepreneurship and support for microenterprises. In Zimbabwe, master craftspeople traditionally serve as mentors, bringing on one or more apprentices and teaching them key skills, in exchange for low-skilled labor. However, such connections are typically mediated by dense networks of personal or family relationships and shared ethnic links. Moreover, these relationships almost always exclude AGYW from traditionally male-dominated fields. We believe there are several areas in which mentoring systems for AGYW could be improved and scaled.

Numerous AGYW participants highlighted the importance of mentors to their employment success. Mentor relationships could be formal (recruited by programs and intentionally linked with AGYW), or informal (e.g. when AGYW found a business owner or employee willing to help her). In both types of arrangements, mentors provided on-the-job training and guidance, strengthening industry knowledge and soft and technical skills.

In some cases, AGYW interviewees reported that mentors were willing to help them learn a skill or trade, and enter an industry that has traditionally been dominated by men. These mentors, whom we have labeled ‘market makers’, provided AGYW with the support and guided expertise to develop their own skills and even reputation in the field. In some cases, such mentors would even allow mentees to use part of their shop or workspace to essentially freelance on the side, thereby establishing their own client base and independent income stream.

Many AGYW interviewed who had engaged in a more formal mentorship component of a program in Bulawayo noted their main issue was that the support was too short, with 6 months not long enough to develop the technical or on-the-job learning skills needed to allow them to fully establish themselves. While it was not clear how extensive this practice is, one group of AGYW reported that their region, mentorship relationships - when an AGYW is formally placed through a program with a mentor - involved some monthly payment to the mentor directly from the program, rather than from the participant. AGYW described how this created a challenging work environment where the mentors then would not actually treat them as an apprentice or mentee, and just wanted the money. Moreover these mentorship engagements often had no transition plan for the end of the programmatic support, often meaning that a girl would abruptly find herself without that support at the end of 6 months.

How to Build a Mentorship System:
Access to traditional AGYW mentorship opportunities depend on two main variables, AGYW’s family connections and their knowledge of job opportunities in a community. Unfortunately, both are generally very limited, especially for the most vulnerable populations. The system also presents high risks for misuse or abuse due to power imbalances and a lack of oversight. Moreover, the quality of learning is highly uneven, as relationships vary in quality and scope with no consistent structure for passing along knowledge and ensuring progress in skill development. Mentorship clearly has an important place in the scope of AGYW livelihood programs, but the potential downside and risks must be proactively addressed. Three basic guidelines for establishing effective AGYW mentorship strategies emerged from the fieldwork:

- **DEFINE AND DELIVER ON THE VALUE PROPOSITION FOR MENTORS** – Mentorship requires the time and commitment of a micro- or small business owner, artisan, or other skilled professional in order to effectively build skills in AGYW. For mentorship to be effective, mentors must find tangible value in the mentoring experience, and not just the financial return of a stipend for taking on an apprentice. Effective mentors may be motivated, at least in part, by the opportunity to make a personal contribution to improving the circumstances of vulnerable young people. Other benefits include the labor or skills offered by the young person, increased social capital through the network or connections formed, or public recognition of contributions. Payment or other direct compensation may be expected, but accounts from AGYW show the importance of identifying mentors who are not only or even primarily motivated by financial benefits. In summary, an essential prerequisite for cultivating successful mentors is to establish clear expectations about the value proposition, and ensuring that value is delivered during the mentoring process.

- **ESTABLISH, MONITOR AND ENFORCE CLEAR GROUND RULES TO PROTECT BOTH PARTIES** – Because many micro- and small businesses are informal, formal labor laws and enforcement mechanisms are often irrelevant. This can be problematic when ensuring that mentor/mentee relationships are safe, not abusive or disempowering, and have reasonable expectations of amount and type of work. For programs that work with informal businesses it appears important to establish new mechanisms, such as informal agreements or statements of commitment witnessed by a third party, that establish clear ground rules for mentoring arrangements as well as complaint mechanisms and accountability in case rules are violated. Systematic monitoring is also recommended. As described in Section II, several at-risk AGYW described how mentor relationships became predatory with the mentor making sexual advances against the girl. This was possible because no mechanism for feedback existed, and no means of punishing abusive behavior existed.

- **MAINTAIN CONTINUITY AND QUALITY OF MENTORING POOL** – Mentorship is most effective when mentors have the motivation and knowledge to transfer skills and resources, and ideally also have experience doing so with multiple generations of mentees. This requires that mentors themselves have coaching and teaching skills, are capable and willing to design

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54 FHI 360 observations from OVC programming in Uganda.
meaningful activities for the participant, and are willing to make sustained commitments. Moreover, having adequate numbers of partners in an appropriate industry is important so that mentors are not overstretched in terms of their own time commitments. Several local partner organizations have dedicated time to building up local connections and relationships that allow them to successfully gather and build up populations of mentors. An important part of this process is the time taken to understand the sectors with growth potential, who are key actors in those sectors, who among those actors might be good mentors, and ensuring that effective mentors want to reengage with a program.

**FIGURE 15:**
Developing Market Maker Mentors for AGYW

1. Identify and recruit mentors who support entry of AG/YW into their industry
2. Build capacity of mentors to ensure mentors have tasks for participant
3. Link girls to relevant mentor through apprenticeship - provide pathways to close out or higher
4. Track performance of participant and engagement with mentor

**Improved market linkages and information flow**

**Rationale**
Zimbabwe’s economic context is characterized by the shift from large formal networks and companies over the last 20 years, to one of informality and fracturing, as is noted above. Signs of reintegration are apparent, but the process of forming new linkages and associations among micro- and small enterprises and larger companies or broader markets has been slow. Micro-enterprises in Zimbabwe are local entities, operating in a niche context. They are highly susceptible to shocks and limited in their ability to grow. Moreover, they typically lack information about broader markets, prices of goods, or information about market opportunities on which to capitalize. AGYW microenterprise owners in most cases have started their businesses with whatever skills they happened to possess or were able to learn from family, friends, or informal mentors. However, their ability to grow their businesses is limited, as they lack the skills that might help them expand their offerings, improve quality, or otherwise differentiate their products and services.
According to AGYW interviewed across three regions of Zimbabwe, microenterprises and informal businesses are limited in their offering of different products, diversification or strategy around pricing, and choice of where to sell based on the limited information and resources they have when starting out. Many participants indicated that with additional specialized training, resources, market information, or access to logistical support, they would be able to sell at a higher price, access new clients, or sell higher value or different products or services.

**How to improve market linkages and information flow:**
Access to more advanced business training and market information could support existing Zimbabwean micro-entrepreneurs to sustain and grow their businesses. Skills beyond basic job readiness or business skills are crucial for the longer-term development and survival of microenterprises. Examples include problem solving, market analysis, management of employees, and product identification that would allow them to expand their offerings and scale. Already several implementers in Zimbabwe have begun to offer more advanced business courses, but there is much room for growth in order to build a more vibrant local market for business development services.

Market information refers to accurate, timely data such as the prices of products or services, differences in prices among products or locations, or sales trends. Access to such information is central to the performance of businesses like those operated by farmers or traders, who depend heavily on knowing the most up-to-date price when selling to different markets. This can also be true for many other small and micro-businesses owners. Knowledge of regional and country-wide pricing helps micro- and small business price their products, source inputs, etc.

The presence of implementers who operate around Zimbabwe and know their regions and populations, makes them ideally suited to engage in either or both activities around market information provision or more advanced skills training. Improving an offering of advanced training would require that participants have a sufficient level of business operations or acumen on which to build. It may be possible to identify this need by participants themselves who may know the types of skills they need.

Expanding market information would need to be based on a consistent and broad system of data collection, which can be difficult in Zimbabwe. Market information systems around price and areas of sales have been successful in other countries through the use of mobile phone technology. These require an actor to provide up-to-date information on pricing and markets often available through a government ministry or regular basic qualitative data collection, though the approach would depend on the actor and regional context. In such instances the access of information can be as broad as is access to cellular services.
Improving market linkages and information flow

**TRAINING AND MARKET LINKAGES**

1. **Existing micro-entrepreneurs who require additional technical skills or market information to grow business.**

   ![Diagram](image)

   - Market information
   - Connection building
   - Identify new products
   - Advanced technical/vocational skills

2. **Link entrepreneur to deeper technical training or market information tool.**

   ![Diagram](image)

**RECOMMENDATIONS**

Zimbabwe is a country ripe with opportunities, and one that is facing a unique window of opportunity in terms of changing course. These recommendations build on the team’s understanding of Zimbabwe’s economic context, particularly the informal context, and around information gathered on, interviews with, and analysis of programming opportunities detailed above. The informal market offers the most immediate potential to AGYW, since it is growing, the formal sector is contracting, and we cannot anticipate new policy changes immediately reversing this trend. We believe focusing on programming in this sector could generate employment opportunities. Below we detail recommendations that will contribute to progress around programming opportunities detailed above:

1. **Build the body of knowledge on region-specific labor markets and enhance local labor market analysis capacity.** This could be supported by multi-donor market research efforts to flesh out and expand knowledge of the informal sector, and the factors that contribute to the pockets of growth that inhabit it. In addition, AGYW implementers would benefit from training/applied learning on implementing and integrating labor market analysis into programs. Such learning would inform the design of nuanced programming customized to local economic conditions in different regions of Zimbabwe, grounded in an understanding of which local markets could best support new market entrants or job opportunities.

2. **Continue to provide programmatic flexibility to allow local partners to implement based on regional challenges and opportunities.** Programming differs between urban and rural regions, and across the districts of Zimbabwe. Opportunities in a rural community likely differ from those in cities. Local organizations are best attuned to those challenges and opportunities in their districts, and often have the best links to other regional actors that could support programming. These local
strengths should be supported, cultivated, and further built upon in programming as they will be the foundation in which to better understand the market opportunities in a community, and how many or of what type of job or microenterprise a community might be able to absorb. Some local implementers noted they are well suited to understand how many AGYW could be realistically reached in a region, and are able to achieve results through strong networks (for example, getting MOUs signed with local officials to build out mentorship opportunities).

3 **Strengthen coordination and referral networks across sectors to leverage the strengths of layered programming.** As presented in Figure 11 earlier in Section IV, layering different types of support to create a holistic growth environment can be beneficial for AGYW in Zimbabwe who face multiple risk factors. The PYD approach can be tailored to target different aspects of educational, social, community, gender, health, and economic challenges. In one interview participants specifically noted that they had benefited from group activities and a safe space in which to come together and learn. Yet there appears to be a gap at the level of value chain-oriented interventions that focus on areas such as enterprise growth and market facilitation. Several participants expressed a desire for additional, more complex or longer, industry-specific technical training to help them establish or build out businesses. This could be integrated with support for group business models, where appropriate, and expanded support for market linkages, to name just a few examples.

4 **Consider sequencing financial literacy training and access to finance before more entrepreneurship specific trainings.** Interviews with multiple local implementers indicated there were, at times, conflicts between programming approach of workforce or entrepreneurship programs and the interests of financial services providers. For example, one financial services provider recalled receiving many program participants seeking loans, following micro-enterprise training. The informant noted, “in one case we got 100 ‘entrepreneurs’ – people who want to start a small businesses – but we could only give loans to 15 or so”, as the majority of the 100 were, on closer inspection, unprepared to be entrepreneurs and actually receive loans. The firm noted that, in practice, numerous participants of this group of 100 did not have a genuine interest in starting businesses. For example, one young woman claimed to be starting a chicken business, even showing her chickens at the time of inspection. However, a follow-up visit revealed that the chickens in fact belonged to a nearby neighbor. Financial service providers suggested that programs provide financial literacy training first, allowing them to build up better knowledge of participants before setting them on an entrepreneurial track.

5 **Build programming to support business models like group businesses.** By providing AGYW with specific support, training and guidance around successful business practices, programs can funnel young entrepreneurs towards more successful practices. For example, systematizing a process by which AGYW can establish a SACCO, more easily access and pool funds, and grow a registered business could give participants greater support for starting enterprises.
Providing specific advanced technical, vocational, or business skills to businesses already in operation, to encourage job creation. While many programs have shown to provide excellent support to AGYW looking for entry-level job readiness skills, or basic knowledge about running a microenterprise, some AGYW need more skills to succeed. There is an opportunity to identify and support microenterprise owners who have deeper entrepreneurial interest or talent, and want to grow their business, expand their skills or product offering, or see an opportunity they just can't quite figure out how to access. Although many AGYW participants interviewed did not have their own businesses, in each location several described well-established AGYW-run micro-enterprises that appeared to be flourishing. One young woman who owned a successful sewing business, and even had several employees in her group at the interview, noted her interest in acquiring a specific stitching tool -- and receiving training to use it -- to make more complex clothes and patterns. Another, who owned a bakery, said, “Right now I can make basic breads, but I also want to make cakes – cakes and other fancy bread are more expensive so I would make more money.” For these AGYW, specialized technical training could be very valuable. Training courses would be most effective if they are tailored to particular groups' needs, building on existing market knowledge. Another benefit of working with existing enterprises is the potential opportunity to tie in AGYW apprenticeship and mentoring arrangements, which can lead to employment in those micro-enterprises that are able to grow.

Employ social network analysis (SNA) in program design to track linkages between various actors to better understand programming opportunities and challenges in informal market. SNA can be deployed at the start, middle and end of projects to understand how an intervention has increased linkages between broad ranges of actors in microenterprises or market oriented interventions. This can include links between AGYW employees and employers or training institutions; links between micro-enterprises and larger actors in a district or national market; links between PYD support institutions and AGYW participants, etc. Mapping these links can helpfully inform how best information flows between participants, implementers, and other actors. This in turn can lead to improved program design. During interviews multiple programs expressed interest in the technology, noted its potential use for tracking program performance after its conclusion.

Establish transparent, secure feedback mechanisms for AGYW receiving mentoring to prevent sexual harassment and manipulation, and to help ensure that mentorship is a positive experience. The benefits of positive mentoring are very well established, but also were noted by multiple informants as particularly essential for providing the necessary support for AGYW seeking to pursue livelihoods in nontraditional fields. Yet in other cases, participants noted that mentors would leverage their power during work-related internships or mentorships to attempt to coerce sex. Other protection issues also arose, as one AGYW noted, “Being in
the program is helpful, but it identifies me as HIV positive and this is stigmatizing with employers." Another noted, “Being in the program and being labeled ‘at risk’ means employers see that they can possibly take advantage of me.” More frequent monitoring with AGYW participants is recommended, as well as regular communication with mentors (which could potentially be combined with leadership coaching), demonstrating projects’ attentiveness to the welfare of participants. Some AGYW interviewed indicated that because a project provided stipends to mentors directly, they had little incentive to ensure AGYW learned. Moreover, projects must implement better methods of mentor development, screening, and monitoring. This could include surprise drop in visits by staff, follow up interviews with participants after their internship experience.
# Annex A

## KEY INFORMANT LIST

<table>
<thead>
<tr>
<th>NAME</th>
<th>ORGANISATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamela Chiromo</td>
<td>IYF</td>
</tr>
<tr>
<td>Collen Shoko</td>
<td>Mercy Corps</td>
</tr>
<tr>
<td>Simanga Chitate</td>
<td>Swedish Embassy</td>
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<td>Busisiwe Marandure</td>
<td>Boost Fellowship</td>
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<td>Adolphus Chinomwe</td>
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<td>David Mollat</td>
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<td>Virginia Sibanda</td>
<td>VIRL</td>
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<td>Dorien Beurskens</td>
<td>Young Africa</td>
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<td>Mahara Gokeka</td>
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<tr>
<td>Marko Ndlovhu</td>
<td>FHI 360 Bulawayo</td>
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<tr>
<td>Bertha Jambaya</td>
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<td>Grace Kuvengurwa</td>
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<td>Tapiwa Mbutsa</td>
<td>FHI 360 Mutare</td>
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<tr>
<td>Tariro Mugoni</td>
<td>FACT</td>
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Annex B

EXISTING INTERVENTIONS SUPPORTING AGYW

Challenges and insecurity faced by AGYW are not new. Numerous programs have attempted to support AGYW through a variety of interventions targeting many aspects of their lives. Below we briefly review several projects and an assessment that have played a role in guiding a broad range of interventions that pair interventions such as education, training, health, HIV treatment and prevention, community and family engagement, behavior change, and mentorship, with economic or income generation programming or analysis. This brief review represents a sample of those organizations that met with the field research team in 2018. It describes the objectives and activities of those programs, in order to provide a foundation from which to better understand the context of programs currently working to create economic opportunities for AGYW and others. The scope of this report does not allow for a full list of evaluated outcomes, though the Zimbabwe: Works and Skills for Youth Employment and Rural Development have undergone final evaluations. Programs reviewed include Zimbabwe: Works; Skills for Youth Employment and Rural Development; and Determined, Resilient, Empowered, AIDS-free, Mentored and Safe (DREAMS).

IYF - ZIMBABWE:WORKS
Zimbabwe:Works (Z:W) was an initiative implemented by IYF and funded by the United States Agency for International Development (USAID), the United Kingdom’s Department for International Development (DFID), and the Swedish International Development Cooperation Agency (SIDA) at the Embassy of Sweden, which ran from June 2012 to December 2017. This program engaged a broad spectrum of partners to build youths’ job skills, improve their employment or self-employment status, and engage them in the Zimbabwean economic environment. Importantly, a large portion of the participants were adolescent girls and young women.

Phase I of Zimbabwe:Works (2012-14) was established to engage unemployed youth during a turbulent election period. Phase 2 (January 2015-December 2017) was redesigned with a greater focus on entrepreneurship and employability. Specifically the project aimed to provide work readiness and entrepreneurship tools and identify pockets of growth defined by “new market demand with a clear opportunity for growth, low policy constraints, strong leadership, a manageable group of market actors, and low investment requirements.” The redesign was informed in large part by the findings of the 2014 Zimbabwe Labor Market Assessment.
Assessment conducted by the USAID-funded Workforce Connections project led by FHI 360, which analyzed economic trends, labor supply and job demand in order to inform youth entrepreneurship and employment programming. An analysis of economic trends, job supply and demand was conducted and used to inform the implementation of the project.

This second phase of the project (2015-2017) incorporated lessons learned from the first phase, focusing more on the technical needs of 20- to 35-year-olds looking for employment or seeking to create an enterprise.

This program included activities that:

- Supported young people in building job-related skills or entering into employment
- Provided business development services and mentors for young entrepreneurs and those looking for self employment
- Provided support for finance skills, and access to finance, for young entrepreneurs
- Provided access to life skills training
- Engaged corporations and larger scale employers to link youth to opportunities in the formal sector job market

**ILO - “SKILLS FOR YOUTH EMPLOYMENT AND RURAL DEVELOPMENT IN WESTERN AND SOUTHERN AFRICA PROGRAM”**

The Skills for Youth Employment and Rural Development in Western and Southern Africa Program was a program implemented by the International Labor Organization (ILO) and funded by the Government of Denmark, and ran from 2010 to 2015. This program focused primarily on skills-building programs that created access to employment and income-generating activities for young people in Zimbabwe and two other countries.

The ILO used two key approaches to fulfill its objectives. For rural areas this included the use of the “Training for Rural Economic Empowerment (TREE)” methodology, and the “Quality Informal Apprenticeship (QIA)” tool in more urban settings.

The core objectives of the program were to:

1. Support community participants in identifying opportunities, strengthen the associated value chains, support skills-building relevant for accessing jobs in those opportunities, and provide follow-on support.

2. Support existing training centers (public and private) to better provide trainings that are built on actual demand from the informal sector

3. Improve the skills and apprenticeship programs of master crafts persons, and engage new technologies, and

4. Help organizations and participants apply and expand the use of program trainings more broadly.
WHAT IS POSITIVE YOUTH DEVELOPMENT?

DREAMS implements activities that are in line with USAID’s guidance for positive youth development (PYD). This programming framework builds on the recognition that by targeting multiple domains in a young person’s life with differing activities, greater results can be achieved. By targeting four core domains of youth assets, promoting youth agency, supporting the enabling environment around youth, and engaging youth to contribute to their community, programs better support all aspects of who a young person is. “For Zimbabwean AGYW, where many of these domains may be missing this layered approach can be critical.

DETERMINED, RESILIENT, EMPOWERED, AIDS-FREE, MENTORED AND SAFE (DREAMS) PROGRAM - FHI 360, WORLD EDUCATION

Determined, Resilient, Empowered, AIDS-free, Mentored and Safe (DREAMS) is an ongoing public-private partnership led by USAID and supported by U.S. President’s Emergency Plan for AIDS Relief (PEPFAR), the Bill & Melinda Gates Foundation, Girl Effect, Johnson & Johnson, Gilead Sciences, and ViiV Healthcare. Broadly, the program is focused on meeting the Sustainable Development Goal of ending the HIV/AIDS epidemic by 2030 through a broad range of activities that target not just the disease, but factors that affect its spread to adolescent girls and young women.

In Zimbabwe the DREAMS mandate is the same, but includes a specific set of seven partners and activities based on the regional context. These activities include:

1. Social asset building - aimed at reducing HIV risk behavior and gender-based violence
2. DREAMS clubs that serve as a community platform and safe space, with relevant information on health, social, personal, and livelihoods issues.
3. Provision of health and HIV-related trainings
4. Economic strengthening support that includes short livelihoods and job readiness trainings.
5. Provision of access to savings through individual saving and loans (ISL) group creation
6. Provide linkages to out-of-school youth with TVET and other traditional education centers
7. Implement community engagement activities and trainings to raise awareness and understanding with community leaders and parents.

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USAID. (2012). “Youth in Development: Realizing the Demographic Opportunity.”