



INNOVATIONS FOR HARNESSING THE DEMOGRAPHIC DIVIDEND FOR UGANDA'S PRIVATE SECTOR: A CASE FOR YOUTH ECONOMIC SPACE AND ENGAGEMENT.

DECEMBER 2022

TABLE OF CONTENT

LIST OF ACRONYMS	iv
GLOSSARY	vi
EXECUTIVE SUMMARY	viii
1.0 BACKGROUND TO THE STUDY	1
2.0 LITERATURE REVIEW	3
3.0 METHODOLOGY FOR EXECUTION OF THE ASSIGNMENT	7
4.0 FINDINGS	11
4.1 Demographic Window of opportunity for Uganda.....	11
4.2 The role of private sector in promoting young people’s labour market access	23
4.3. Innovations that can place the youth at the center of private sector growth.....	32
4.4 Economic space for the youth in the private sector engagement.....	42
4.5 Challenges hindering private sector growth in Uganda.....	51
4.6 Recommendations to spur private sector growth.....	52
REFERENCES	54
APPENDICES	56
Appendix 1: Qualitative Guides.....	56
Appendix 2: Structured Questionnaire	59

LIST OF TABLES

Table 1:	Sampled districts	7
Table 2:	List of key informant interviews.....	8
Table 3:	Distribution of respondents by districts.....	9
Table 4:	Profile of the respondents	9
Table 5:	Employment Status of Interviewed youths by age	13
Table 6:	Employment Status of Interviewed Youth by District.....	14
Table 7:	Hindrances to achieving the needs and aspirations of the respondents.....	21
Table 8:	Desired place of work.....	26
Table 9:	Willingness to change the current employment status	27
Table 10:	Economic benefits/entitlement at work places	27
Table 11:	Distribution of training institutions by selected characteristics (%).....	28
Table 12:	Jobs created under the National Youth Policy, 2014-2017	33
Table 13:	Benefits obtained by being part of the private sector	34
Table 14:	Value addition from engagement in the private sector	36
Table 15:	Skills that are valuable in private sector operations.....	37

LIST OF FIGURES

Figure 1:	Uganda’s current and envisioned population structure	11
Figure 2:	Employment status of interviewed youth.....	12
Figure 3:	Employment status of interviewed youth by gender	13
Figure 4:	Main sources of income for interviewed youth.....	15
Figure 5:	Main income source of interviewed youth by age	16
Figure 6:	Main income source of interviewed youth by gender	17
Figure 7:	Main income source of interviewed youth by Kampala and other districts.....	17
Figure 8:	Main income source of interviewed youth by the “other” districts.....	18
Figure 9:	Satisfaction with the current job.....	19
Figure 10:	Desired type of work disaggregated by gender.....	19
Figure 11:	Needs and aspirations achieved	20
Figure 12:	Achievement of needs and aspirations of interviewed youth by gender.....	21
Figure 13:	Hindrances for interviewed youth to achieve needs and aspirations by gender.....	22
Figure 14:	Employment status of the respondents.....	25
Figure 15:	Perceived benefits of interviewed youth participating in the private sector by district.....	35
Figure 20:	Nature of value added to operations of the private sector	35
Figure 17:	Value addition of interviewed youth to the private sector by district.....	36
Figure 18:	Enablers for youth to add value to the private sector by district	37
Figure 19:	Knowledge of existing government programmes supporting youth entrepreneurship.....	39
Figure 20:	Government programmes supporting youth entrepreneurship.....	40
Figure 21:	Type of business support services valuable to the private sector.....	41
Figure 22:	Distribution of Private Sector Establishment by main activity	43
Figure 23:	Desired sectors	44
Figure 24:	Main methods of job-searching utilized	44
Figure 25:	Reasons for not searching for work among the unemployed youth	45
Figure 26:	Motivation for joining the private sector.....	45
Figure 27:	Exports of fruits and vegetables (excluding coffee), share of total exports, 2000-2018	47

LIST OF ACRONYMS

AU	African Union
CDD	Community Driven Development
COBE	Census of Business Establishment
DD	Demographic Dividend
FDI	Foreign Direct Investment
FSME	Foundation for Small and Medium Enterprises
GDP	Gross Domestic Product
ICT	Information, Communication and Technology
ILO	International Labour Organization
KCCA	Kampala Capital City Authority
KIIs	Key Informant Interviews
MGLSD	Ministry of Gender, Labour and Social Development
MoES	Ministry of Education and Sports
MoSTI	Ministry of Science, Technology and Innovation
MSME	Micro Small and Medium Enterprises
NDP III	Third National Development Plan
NGO	Non-Government Organization
NIISP	National ICT Initiatives Support Programme
NSPSD	National Strategy for Private Sector Development
NYC	National Youth Council
OWC	Operation Wealth Creation
PDM	Parish Development Model
PSFU	Private Sector Foundation Uganda
RGC	Rural Growth Centre
SDG	Sustainable Development Goals
SME	Small and Medium Enterprises
SOE	State Owned Enterprise
SRH	Sex Reproductive Health

STD Sexually Transmitted Disease
STI Science Technology and Innovation
STI Sexually Transmitted Infection
UBOS Uganda Bureau of Statistics
UIA Uganda Investment Authority
UNCCI Uganda National Chamber of Commerce and Industry
URA Uganda Revenue Authority
URSB Uganda Registration Service Bureau
UWEP Uganda Women Entrepreneurship Programme
WDR World Development Report
YCVF Youth Capital Venture Fund
YLF Youth Livelihood Fund
YLP Youth Livelihood Programme

GLOSSARY

Entrepreneurship:

This is defined by the OECD – Eurostat Entrepreneurship Indicators Programme (EIP) as the “phenomenon associated with entrepreneurial activity, which is the enterprising human action in pursuit of the generation of values, through the creation or expansion of economic activity by identifying and exploiting new products, process or markets (OECD, 2017). On the other hand, Global entrepreneurship monitor defines entrepreneurship as “any attempt at new business or new venture creation, such as self-employment, a new business organization or the expansion of existing business by an individual, a team of individuals, or an established business.

Enterprise:

An undertaking which is engaged in production and/or distribution of some goods and/or services meant mainly for purpose of sale. It may be formal enterprise or an informal enterprise (Uganda Bureau of Statistics, 2020).

Formal sector:

The National Employment Policy for Uganda, defines the formal sector as that which covers all the enterprises which fulfil the following conditions: a) offer regular wage and hours of work, b) employees carry with them employment rights, c) they are officially registered and d) are liable to taxation. These include the people working in Civil service, public sector units, government service, defence, multi-national/national/private companies, schools, colleges, research institutes, management organization, banks etc.

Household enterprise:

This is an enterprise which is run by one or more members of a household or run jointly by two or more households in partnership basis, irrespective of whether the enterprise is located in the premises of the household(s) or not. Including street corner stall or owns a major factory run by the households (Uganda Bureau of Statistics, 2020).

Informal employment:

All remunerative work that is not registered, regulated or protected by existing legal or regulatory frameworks, as well as non-remunerative work undertaken in an income-producing enterprise. Informal workers do not have secure employment contracts, workers’ benefits, social protection or workers’ representation (ILO).

Informal sector:

The informal sector is defined by International Labour Organization (ILO) as one that consists of units engaged in the production of goods and services with the primary objective of generating employment and income for the persons concerned. The units are typically run at low levels of organization, with little or no division between labour and capital as factors of production and operate on small scale. Labour relations in the sector are mostly based on casual employment, kinship or personal and social relations rather than contractual arrangements with formal

Public sector:

Public sector is that part of the economy concerned with providing basic services under the public domain. These include Central Government, Local Government, and Parastatals/semi-autonomous Statutory Bodies (Uganda Bureau of Statistics, 2017).

Private sector:

Private sector is that part of the nation’s economy which is not directly owned or controlled by the public domain. (Uganda Bureau of Statistics, 2017)

Unemployment:

The International Labour Organization (ILO) describes an unemployed person as an individual of working age (15 and above) who meets these three conditions simultaneously; a) being without employment, meaning having not worked for at least one hour during the reference week, b) being available to take up employment within two weeks, c) having actively looked for a job in the previous month or having found one starting within the next three months.

Youth:

United Nations defines the youth as people aged between 15 – 24 years, while the African Union defines the youth as people aged between 15 to 35 years. In this report, we considered the youth to be people aged between 15 to 35 years as per the AU definition.

EXECUTIVE SUMMARY

National Population Council (NPC) commissioned this study that sought to research on innovations for harnessing the Demographic Dividend (DD) for the private sector using a case for youth economic space and engagement. This study was intended to find out what can be done within the private sector to enable the youth occupy the economic space which will ultimately contribute to the DD. Specifically, the study intended to achieve six objective which were:

- a). To analyse the Demographic Window of opportunity for Uganda;
- b). To analyze the role of the private sector in promoting young people's labor market access;
- c). To analyze Innovations that can place the youth at the centre of Private sector growth;
- d). To establish economic space for the youth in the private sector engagement;
- e). To find out the key challenges hindering private sector growth in Uganda; and
- f). To propose appropriate policy recommendations to spur private sector growth.

Using a mixed methods cross sectional study design, the study collected data at National level through interviews and document reviews to generate aggregate findings that applied to the whole the country. This was followed by deep dives in 5 selected districts that represented the original four regions of the country, and Kampala Capital City Authority, to obtain deeper understanding and appreciation of private sector operation focusing on youth employment in the sampled districts.

The data collection process involved; a) document analysis/meta reviews, b) case studies, c) individual and focus group discussions, d) key informant interviews with purposively sampled informants, and e) a survey with 326 respondents.

The collected data was analyzed, where the quantitative data was analyzed descriptively using SPSS and Stata and where appropriate bivariate associations test were carried out accordingly. On the other hand, qualitative data was analyzed following the thematic analysis. The results from the quantitative and qualitative data analysis were used to generate this study report.

Summary of Findings

a). Demographic window of opportunity for Uganda

The predisposition that Uganda aspires to become an upper middle-income country by the year 2040, seeking to ensure that it is transformed from a predominantly peasant to a competitive science and technology-driven economy, is evidenced of the full involvement of the machinery of government to participate in efforts of ensuring that the country realises a DD. The envisioned population structure of the year 2040 that has a burgeoning working population and reduced childhood dependency is further evidence that government is aware of where the country ought to be and is challenged by the need to identify policies and resources needed to propel the country towards the desired population structure.

Close to half of the youths interviewed reported to be self-employed (47%), 26% indicated they were paid employees in the private sector, while 2 in 10 were unemployed. Only 3% were working as paid employees in the public sector and unpaid employees. Much less youths reported to be employers (1%). About three quarters (74%) of interviewed youths aged 30 - 35 years, and more than half (52%) of those aged 24 - 29 were unemployed. The highest proportion (39%) of those aged 18-23 were working without pay. Half of the male and 4 in 10 female youth interviewed said they were self-employed. About a quarter of both male and female youth were paid employees in the private sector. Another quarter of the females were unemployed. The unemployed males were 15%. Only 3% of female youth were employers. To realise a DD, there should be equal distribution of resources and opportunities.

Indeed, the theme of Vision 2040 is to ensure that no one is left behind. Females are especially critical as they are central to the DD efforts of ensuring reduced fertility and mortality trends of the population. Generally, most youth interviewed in the five districts were self-employed. Kikuube had the highest proportion of the self-employed youth (67%), followed by Gulu (61%), Buvuma (52%), then Busia (50%). Kampala had the fewest self-employed youth (38%). Attainment of the DD requires that the country's population has shared characteristics, particularly on income security. It then becomes realistic to model DD prospects that resonate the existing situation in all districts because then population and particularly the youths are empowered to make quality decisions on fertility size, education and health services.

The main source of income for the highest proportion of the youth was reliance on friends/family support (18%), salary as employees in the private sector (18%) as well as sales from non-agricultural business (17%), the spread of the scores was very low. Other youths relied on temporary/casual work (9%), sale of agricultural goods (7%), boda-boda (6%) and vending (6%). The highest proportion of youths aged 18 to 23 (39%) stated they relied on friends'/ family support as their main income sources. A quarter (25%) of those aged 30 to 35 years mainly depended on sales from non-agricultural business. Their counterparts aged 24 to 29 mostly (21%) depended on salary as employees in the private sector. Realisation of the DD is heavily affected by the dependency burden. DD modelling reveals that the two are inversely related. Therefore, for as long as there are indications of a dependency burden as high as the one revealed by statistics in this study, chances of realising the DD are significantly reduced. When someone is dependant, they are not free to express their opinion on health services they should get, and better still, when and how to have the children. Of the 326 youths interviewed, only 40% reported to be satisfied with their work. Close to a third (29%) were undecided while 13% were dissatisfied. Six percent were very dissatisfied, while 9% preferred not to say. Close to two thirds (62%) stated that the income they were earning from their jobs was not enough. Over half of the youth that were interviewed used their income to purchase household items (57%) and paying utility bills (54%). About a third (38%) used the income to increase their savings while nearly a quarter acquired assets like land and buildings (23%) and set up a business (21%). A concerning proportion of 22% stated they were not able to achieve any need and aspiration with their income. These needs and aspirations include the quality of services they wish to receive in terms of health, education, housing and family planning that form core pillars for harnessing the DD.

Of the youths interviewed, slightly above a third said they desired trading in general merchandise. Females (35%) preferred this a little more than their male (32%) counterparts. More females than males also desired to serve as professionals (females 21%, males 14%) and traders in agriculture related produce (females 19%, males 13%). More male youth preferred working as service and sales workers (males 15%, females 13%) and also doing technical work (males 13%, females 3%).

b). The role of the private sector in promoting young people's labour market access

According to the Demographic Dividend Effort Index report, labor market refers to efforts that seek to harness the productivity of the working population through the provision of relevant employment and human capital development opportunities. Labor market encompasses aspects such as productive investment, positioning the economy as a destination for foreign direct investments, promoting savings, developing the financial sector, contract enforcement, technical and vocational education and training.

Uganda's economic transformation has been driven by the private sector, resulting from the above, the private sector employs two third of the country's workforce while the public sector employs a third of the labor force. The private sector has been critical in the job creation process and exhibited great potential to sustainably generate jobs and economic opportunities for Uganda's growing population, particularly the youth, while contributing tax revenue for public goods and services. Despite these positive realizations, the country is still grappling with high levels of unemployment because the jobs created do not match the population increases.

A major driving force in the private sector are in the MSMEs. These collectively constitute about 90% of private sector production and a primary source of new jobs employing more than 2.5 million. Self-employment is another key factor in private sector, close to half of the youth interviewed were self-employed mainly driven by absence of opportunities in the public sector.

The private sector is also key in skilling the youth through establishing and managing training institutions, in Uganda, the majority of the secondary schools and post -primary institutions are privately owned while close to seven in every ten training institutions of higher learning in Uganda are privately owned.

Generally, the training and qualification of most of the job seekers is not very competitive to the requirements of the job market. To overcome this the Ministry of education has introduced the competence-based curriculum. In addition to introduction of this curriculum there is need for government to work with the private sector to design and implement on-job skilling for the prospective employees benchmarking from case studies from our neighboring countries.

Furthermore, there is need to support the existing MSMEs to upgrade from MSME in order to provide better quality and more jobs.

c). Innovations that can place the youth at the centre of private sector growth

There are various benefits accruing to the youth through their involvement in the private sector. The main driving factor mentioned by three quarters (77%) of the youth was being independent. Over half of them (56%) anticipated getting a better pay, while 45% hoped to widen their social network. Under a quarter of the youths (15%) recounted the benefit of paying taxes to government.

Under half (45%) of the youths that were interviewed said they increased sales in the enterprises they were part of. A quarter of them said they increased the enterprises' profitability while 23% said they increased production of the establishment. Some 20% said they were able to introduce new products and services. Of bigger concern though, 25% of the youth said they had no opportunity to add value because they were not employed while 16% felt they added no value to enterprises they were part of.

Various skills are required in the private sector, the majority of youths that were interviewed (81%) pointed to the need for one to have financial management skills. In excess of half the youths interviewed also mentioned skills in marketing and marketing research (58%) and communication skills (55%). Close proportions mentioned business plans formulation skills (44%) while fewer youths made mention of the need to have ICT skills (19%).

Most of the youths had knowledge of existing government programmes that support youth entrepreneurship. All youths interviewed in Buvuma knew of the existence of the Emyooga programme. The Emyooga programme was also mentioned by over 8 in 10 youths in Kampala, Gulu and Busia. Youth in Kikuube mostly (67%) talked of the Youth Livelihood Programme, yet none of the youths in Buvuma mentioned it. The Parish Development Model was only mentioned by 54% and 65% of youths in Kampala and Busia respectively. It was not mentioned by any of the youths in Buvuma and Kikuube districts. Launched in the fiscal year 2021/2022, the Parish Development Model (PDM) is a development approach conceived under the Third National Development Plan (NDPIII) with the aim of deepening the decentralization process; improve household incomes; enable inclusive, sustainable, balanced and equitable socio-economic transformation; and increase accountability at local levels. The model positions the parish as the epicenter of multi-sectoral community development, planning, implementation, supervision and accountability. Key among the objectives of the PDM is addressing vulnerability among youth at the grassroots by developing and Implementing Action Plans for inclusion of disadvantaged interest groups.

d). Economic space for the youth in the private sector engagement

The labour market in Uganda is characterized by fast-growing working age population. Annually, 800,000 Ugandans join the labour market this leaves a big deficit in employment. It is estimated that 650,000 jobs are annually required to bridge this gap, which jobs are not available.

Based on the above, the study proposed some sectors in the private sector which can accommodate the youth to operate profitably. Key among this was agriculture, specifically horticulture in the interim (short-term), focusing on fresh fruits and vegetables in crops like tomatoes, onions, pepper and vegetables. The rationale for recommending this sector was because it is inclusive of all the youth (regardless of the qualification and location) and the climatic



conditions of the country favours this sector. The choice of crops was informed by their fast growth that enables the youth have the quick cash that they desire and their ability to grow on the small portions of land to mitigate the challenges of absence of adequate land. These crops have a great market influence by urbanization and the regional market. In the medium term, because the productivity in similar enterprises would have improved the youth would be supported to embark on agro-processing and packaging.

The second sector is the service sector focusing on integrating ICT in the service sector, the study recommends use of online platforms to deliver back-office support and deliver a range of professional services including accounting, legal service, insurance among other on line. There is need to technically support the youth to explore this space and effectively utilize it. This sector is suitable for the youth with some post primary secondary education with some knowledge on ICT utilization on which to build on.

The third sector is promotion of small-scale manufacturing, this is mainly intended to target the big number of the youth that have dropped out of school and those that have attained technical training in the vocational institutions. This sector is recommended because it does not require huge capital investments like large scale manufacturing and can be undertaken in small spaces that dominate most of the urban and peri-urban areas.

The fourth sector was promotion of family enterprises, these enterprises are small and do not offer employment to many youths but it is the only available option for the majority of the vulnerable youth like the persons with disabilities, school drop-outs and young mothers, among others.

e). Challenges hindering private sector growth

Several challenges hindering private sector growth were identified, these included:

The high cost of doing business that is attributed to high costs of energy, high interest rates and inhibitive legislations leading to the poor performance of the country in terms of ease of doing business. Having highlighted that the private sector is central to youth empowerment and DD attainment, business barriers weaken the resolve to harness the potential of the youth so that they position themselves as forerunners for quality health, education and family planning services that form indelible feats for a sustained demographic dividend.

Access to finance is a constraint for SME growth – banks are reluctant to borrow MSMEs mainly because they are largely informal and do not have the collateral required to access these loans. The government has provided funding for MSME with different financial institutions however most of these MSME do not have knowledge of existence of these credit facilities and do not have capacities of successfully applying for these facilities.

Inadequate support by the government especially the LG to support the private sector initiatives, the central government has been proactive in supportive private sector growth through numerous initiatives this support however has not trickled down in equal measures at the LGs. Uganda's business firms face various level of challenges in areas such as starting a business, getting requisite licenses, legal regimes for hiring and firing workers, registering property, obtaining credit, protecting investments and enforcing contracts.

Investment climate and doing business; the investment climate has a direct implication for shaping the business environment influenced by such factors as the challenges of macroeconomic stability, for example, the high and variable inflation rates, high levels of corruption and crime, inhibitive regulations, level of financial market sophistication (e.g. access to loans), high costs of productions, labour skills and quality of innovation.

Uganda's private sector is weak and uncompetitive which makes it operate below its potential. The weakness is attributed to: a) the high cost of doing business, b) limited management capacities and limited institutional organization, c) a weak supporting environment, and d) weak enforcement of standards and proliferation of counterfeits in the market.

f). Recommendations to spur private sector growth

Ministry of Finance Planning and Economic Development should Improve access to affordable and accessible business finance, this will help MSMEs to expand their operations, which will in turn contribute to increase in the number and quality of jobs created in the private sector.

To enable MSMEs benefit and effectively use this financing, the Ministry of Trade, Industry and Cooperatives in partnerships with the private sector associations should expand provision of business development services to these MSMEs.

Ministry of Local Government, Local Government and Local business chambers should support improvement in the investment climate reforms especially at the LG level specifically focusing on streamlining/easing the process of business entry/registration reform, implementation of investment promotion activities, exploring and implementing public private partnerships in the LGs, provision of supportive infrastructure, for example, increased coverage of motor able roads to ease access to the markets and products.

Ministry of Trade, Industry and Cooperatives and the Local Governments, through the commercial offices, should promote more effective enterprise cooperation. The current existing association that exist in the country does not effectively support market system and value chain development and are not very inclusive, many of them are not functional.

The commercial departments in the Local Governments should support fast-track establishment, formalization and strengthening of enterprise associations to enable them reap from the benefits of collective marketing, collective purchase of inputs, and harmonization of the quality of the products in this way the existing enterprises will become more profitable and provide sustainable job opportunities for the youth.

Ministry of Education and Sports together with Ministry of Trade, Industry and Cooperatives as well as the associations of private sector organizations should combine classroom training attained by the youth in the schools with on-job technical training to make them more competitive in the labour market but also more importantly, enable them to become entrepreneurs, leading to creation of more jobs for the fellow youth.

Ministry of Education and Sports together with Ministry of Trade, Industry and Cooperatives plus the Local Governments should support establishment and publicizing of the innovation funds. The Government of Uganda has established the innovation funds in the Ministry of Science and Technology but the criteria for access to these funds is not known to many youths especially those that out of Kampala.

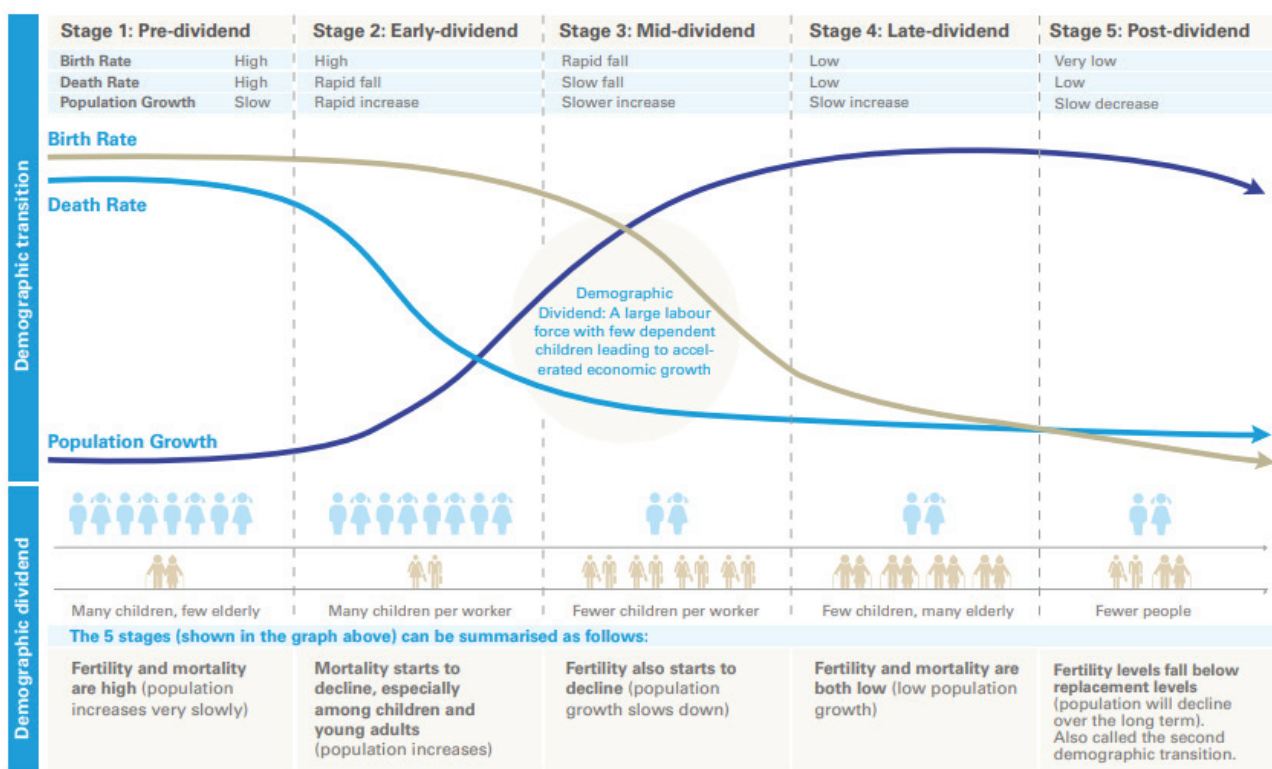
1.0 BACKGROUND TO THE STUDY

The study was commissioned by the National Population Council to research on innovations for harnessing the Demographic Dividend (DD) for the private sector using a case for youth economic space and engagement.

Demographic dividend (DD) as defined by the United Nations Population Fund (UNFPA), is the economic growth potential that can result from shifts in a population's age structure, mainly when the share of the working age population (15-64) is larger than the non-working age share of the population (14 and younger, and 65 and older). In other words, it is a boost in economic productivity that occurs when there are growing numbers of people in the workforce relative to the number of dependents. According to UNFPA, a country with both increasing numbers of young people and declining fertility has the potential to reap a demographic dividend.

Uganda is categorized as pre-dividend because its window of opportunity for accelerated economic growth has not opened up due to rapid population growth resulting into high dependence ratio. Photo 1 presents the stages of the DD.

Graph 1: Stages of harnessing the demographic dividend



Source: UNICEF. *Harnessing the Demographic Dividends in Uganda. An assessment of the Impact of Multi-sectoral approaches.*

The population of Uganda is estimated to be 42,885,900 persons, more than 70% of this population is below 30 years and 19,195,600 (44.8%) are below 15 years¹. This high youthful population, if well utilized, is an asset for the country's development as it contributes to a) high consumption per capita, b) increase in savings and investments, and c) more resources for infrastructure, and d) increase in productivity.

To achieve the above DD, strategic investment choices that create opportunities for these youth and attract them into the market have to be made. Converting the youth bulge into the demographic dividend cannot be attained if: a) the youth are under educated or unskilled leading to low productivity, b) there is high youth unemployment or under-employment, and c) youth that are not economically productive become disenchanted and cause civil unrest.

¹ The State of Uganda Population Report 2021

Uganda adopted a private sector led development strategy in the 1980s; the sector has since grown creating over 800,000 jobs between 2012-2016². The wage work in the private sector accounts for 24% of the total employment. However, the growth has not matched the population increase. It is reported that in Uganda there are about 600,000 to 700,000 new entrants in the labour market, majority of whom (95%³) are youth. This has reduced labour participation and increased un employment.

It is upon the above background that NPC commissioned this study with the aim of finding out what can be done within the private sector to enable the youth occupy the economic space which will ultimately contribute to the DD.

1.1 Objectives of the study

This study was intended to achieve the following objectives:

- a). To analyse the Demographic Window of opportunity for Uganda;
- b). To analyze the role of the private sector in promoting young people's labor market access and innovations that can place the youth at the centre of private sector growth;
- c). To establish economic space for the youth in the private sector engagement;
- d). To find out the key challenges hindering private sector growth and propose appropriate policy recommendations to spur private sector growth.

2 The World Bank (2019) Uganda Private Sector Development and Jobs

3 ACODE, Addressing youth unemployment in Uganda, August 2020

2.0 LITERATURE REVIEW

The Demographic Dividend (DD) has been widely emphasized as a gateway for the sustainable development of economies across the development spectrum of least, low, middle and highly developed economies (Kotschy, Suarez Urtaza et al. 2020). It is defined in NPC's demographic dividend effort index as an opportunity for economic development and improved well-being that arises as a result of changes in the population age structure. When the ratio of the working age population to dependents increases, a window of opportunity opens for accelerated economic growth, a phenomenon called the DD (UKaid, 2018). The DD is therefore a measure of the quality of a country's population and requires collective progress of the country's socio-economic indicators of education, health, governance, economic policies and the demographic transition. It is further asserted that for one to productively contribute to prospects of realizing a DD, they should be within ages that are energetic, innovative, agile and daring. Demographically, the ideal ages of such persons would fall within the range of 15 to 65 years and are characteristically called the working-age population (Mason 2007). In Uganda, the country is dominated by the lower segment of the working-age population with over 75% of her population aged below 30 years (UBOS 2014). This predominantly young population structure is a mainstay in many other developing economies making it extensively important that every economy has the preoccupation of ensuring that there is widened youth economic space within their development paradigm. There is therefore great need to prioritize notions such as the labor market access for young people as well as participation of youths within the private sector noting that it virtually dominates money markets for economies particularly within the developing countries (Abisuga-Oyekunle, Patra et al. 2020).

Young people's labor market access

Labor market access is a critical component for economic productivity as it stimulates innovation, resilience and income diversification. According to the Demographic Dividend Effort Index report, labor market refers to efforts that seek to harness the productivity of the working population through the provision of relevant employment and human capital development opportunities. Labor market encompasses aspects such as productive investment, positioning the economy as a destination for foreign direct investments, promoting savings, developing the financial sector, contract enforcement, technical and vocational education and training (Sloane 2020). Countries with high numbers of young people could benefit from a "demographic dividend", but only if strategic labour market and other policies and investments in human capital of children and the youth allow for the productive absorption of the growing number of workers. Moreover, the challenge of youth labour market access is unprecedented across the world as it indeed takes centre stage in both developed and less developed economies (Bălan 2014). Needless to say, that this challenge is more pronounced within the less developed economies. In Sub-Saharan Africa, where 47.5% of the population lives on less than \$1.25 a day, over 30% of the unemployed segment of the population comprises of young people disadvantaged with being semi-skilled and having weaker connections to the labour market (De Vreyer and Roubaud 2013). As such, the young people in Sub-Saharan Africa find it extremely hard to enter the world of work. In Uganda, a country that has one of the youngest populations in the world, 58% of youth aged 18 – 30 years are yet to access the labour market (UBOS 2019). Of the few (42%) that are lucky to access the labour market, 37% of these are underutilised with the lack of employability skills fronted as the major factor for the predicament. This situation gives impetus to the role of the private sector as most liberalised economies will presuppose that the semi-skilled young people find what to do within the private sector.

And rather unwittingly, the role of the private sector is especially underscored in developing economies. For example, Uganda's manpower survey reports that only 1/3 of the employees in formal employment are employed in the public sector while close to 2/3 of employees in formal employment are employed in the private sector (Uganda Bureau of Statistics, 2017). It is further reported that while 49% of all workers are employees, the majority of them (86.2%) are employed in informal employment (UBOS, 2016). In addition, most of formal sector employment is based in urban areas in comparison to the rural areas which disadvantages the majority of the youth that are based in the rural areas.

The emergence of the private sector has not fully compensated for the jobs lost out of restructuring the public sector. By the end of 2015 for example, 130,790 students graduated in the different training institutions across the

country (Uganda Bureau of Statistics, 2017). In comparison, the manpower projection for new jobs in 2016 was 102,500 jobs implying that close to 30,000 new graduates were not able to find jobs in the formal employment, if the transitioning employees are included in the equation the number of job seekers that were not able to find jobs in that year more than doubles (National Planning Authority estimates that 800,000 Ugandans join the labour market annually). It is estimated that for employment requirements to match with the population growth, Uganda needs to create at least 650,000 new jobs annually between 2015-2030 if it is to optimally employ its people (Linda Calabrese, 2019), these jobs will have to be mainly created in the private sector. With the overwhelming number of unemployed young people pre-destined for the private sector, it is crucial that the young people are placed at the center of the future of the private sector as these will inevitably form a critical mass for the private sector labor force.

Innovations that can place the youth at the center of private sector growth

Innovation is an inevitable component of the development trajectory of economies across the globe. In developing economies, innovation is a springboard for jobs creation, expansion of the economic space and an avenue for the effective utilisation of the otherwise minimal human and financial resources (Hossain 2020). In the lenses of labour markets, innovation is considered as the avenue for developing brand new, advanced solutions for sophisticated, well-off customers, through exploitation of the most recent advances in knowledge. It is also broadly seen as an attempt to try out new or improved products, processes or ways to do things and is therefore part and parcel of all economic activities (Fagerberg, Srholec et al. 2010). Indeed, innovation has been a bedrock for the inclusion of different segments of the population in the development aspirations of success economies the world over. In the Asian tiger countries, the drive towards innovation and enterprise is entrenched within the countries' education systems where they challenge the citizenry to competitively participate in the countries' hitherto small open economies that have been widely credited to be reaping the demographic dividend (Wong and Ho 2007). By contrast, innovations formed a gateway for the optimization of the engagement of the youth in harnessing the different sectors of economies in the world's developed economies. Most notably, access to open and competitive markets is highlighted as a key enabler for innovations that have yielded into development prospects of the economies in all spheres (Menna, Walsh et al. 2019).

Despite its popular significance, there have been imbalances in levels of investment for innovation ventures evidenced by faster development progress in the developed economies and slowed progress in the emerging markets (Kafouros and Forsans 2012). The situation is even more telling within the private sector that forms a virtual hive for individuals to express themselves as they have a wide room for trial and error. Widely acclaimed technological innovations such as the construction of locomotives, the diversification of product portfolios from fauna, flora, minerals and robotics have all been nurtured by the private sector (Wang, Luo et al. 2020). Noting that the working age population is dominated by the young people, it is unsurprising that most private sector-led innovations have been spearheaded by young people (Ridley 2020). By implication therefore, young people form the crust of the growth of the private sector and have shaped the development aspirations of countries presently regarded as successful economies. However, the attempt to create space for the young people in the development arena has not been left to the developed economies.

Developing economies have also awoken to the need to realign their development plans by introducing policies that prioritize the involvement of young people in the design and implementation processes of especially the private sector operations. In Uganda's national population policy, there is wide acknowledgement that young people dominate the country's population (78% of population is below the age of 30). The policy consequently underpins the need to transform Uganda's youthful population into a competitive advantage for development through the promotion of appropriate skills development and innovation. With the country's development agenda largely influenced by the private sector (employs two thirds of the country's workforce), it is inevitable that the innovations seek to identify more private sector space for youth engagement.

Economic space for the youth in private sector engagement

Given that the global economy is vastly liberalized, an extensive range of opportunities for the engagement of special interest groups exist within the private sector (Ahmad, Bhattacharya et al. 2018). Within the private sector, there are high prospects of creating new markets, business models and widening investment opportunities. It is therefore noteworthy that there are varied enablers for all categories of people to find operational space within the private sector. Popular literate discourse on the diversity of the public-private sector interplay is demonstrated in the race for competitive labour-force. Either sector strives to employ the best talent on the market and therefore parades attractive benefits to lure such talent to their side (Lausev 2014). In settings of the advanced economies, where the labor market is crowded by a working age population that is largely equipped with the right skills-set, the attractive opportunities in both private and public sectors are majorly occupied by youthful characters as they are the lot armed with the wit to innovate and the agility to deliver (Quintini and Martin 2014). Yet in the developing economies, the youth may dominate country populations in terms of size but lag behind in terms skills and employability.

The Education for All Global Monitoring Report 2012 calculates that one fifth of young people aged 15 to 24 years in all developing countries around the world have not even completed primary school and lack skills for work. While this skills crisis is adding to unemployment rates in developed countries, in developing countries, un-skilled young people are being trapped in working poverty for life (Brewer 2013). No wonder, it is increasingly common that most youths across the globe are relegated to wage assignments within the private sector. In India, where over 500 million people are within the youthful years (below 30 years) with a vast majority having primary level education, majority of the youths serve as casual laborers and their employment is undocumented (Okada 2012). In Uganda, which has the second youngest population in Africa, the youth are not doing any better in the private sector. The Uganda Bureau of Statistics notes that because majority of the youth are unskilled and are not easily employable within the technical and high paying positions of the private sector, over 40% of them have to settle for less utility task opportunities such as casual laborers and undocumented wage earners (UBOS 2019). Whereas it is not gloom in a vast majority of economies, particularly the developing economies, the private sector is yet to create the critical space for the engagement of the youth. The country's DD roadmap prescribes that competence-based skills such as Music, Dance and Drama, sports and handwork, Art and Crafts, in addition to the traditional career skills in areas of medicine, engineering, geography, mineral development and agriculture will strategically empower the youth to optimally engage in the private sector (NPC 2018).

Uganda's policy and legal instruments prescribe strategies that seek to empower the country's large segment of the youthful population with skills, multiple avenues for cheap capital, youth representation at political fora through appointments of youthful members of parliament, ministers, youth councillors and targeting their interests by investments within the private sector.

The third National Development Plan (NDP III) compliments these efforts by emphasising investments in youth as a centre piece for the country's human capital development encouraging the strengthening of policies such as the universal primary and secondary education, the affirmative action in higher institutions of learning, adherence to calls of the Sustainable Development Goals (SDGs) where the needs of the youths are emphasised in all the 17 goals. More specifically, Goal 8 of the SDGs encourages its member states, inclusive of Uganda, to promote inclusive and sustainable economic growth, full and productive employment and decent work for all. Further to this, NDP III encourages pursuit of sustainable industrialization by the country in order to increase the country's resilience, transform the lives of the people through better incomes and gainful jobs, and strengthen the country's regional and international competitiveness. In doing this, the country will have a modern, people centered, independent, integrated, resilient and self-sustaining economy in the year 2040.

Broadly, the policies impacting youth entrepreneurship are categorized into two broad categories which are:

- a) **Employment policies;** these include several policies for example the National Youth Policy, National Employment Policy and BTVET Act & Plan. These policies support employment and skills development among the youth. These policies are supported by the National Youth Act CAP 319, the Employment Act, No.6 of 2006, the Equal

Opportunities Commission Act of 2007 and the BTVET Act, 2008. The policies and the supportive legislation are intended to empower the youths to demand their rights for quality employment, education and skills.

b) Enterprise support policies; these include Micro, Small & Medium Enterprise Policy, Micro-Finance Policy and the Investment code. These policies support business development and regulatory environment.

Moreover, there is wide acknowledgement in all policies that the prospects of the country's sustainable development aspirations, which are otherwise mirrored by economists as the DD, are entrenched in the private sector given that it has a larger employability capacity of the youths as it currently employs around 2.5 million people, according to statistics from the Uganda Bureau of Statistics. According to the Federation for Small and Medium Sized Enterprises (FSME), 85% of the economy is into private sector and informal economy. The public sector therefore constitutes only 15% of the economy. In all these policies, the significance of young people, most particularly opportunities for their engagement in the private sector as well as their strategic relevance to the country's development aspirations are greatly emphasised. Through these policies and strategies, government and the private sector have designed programs that seek to facilitate increased productive participation of the youth in the private sector. These programs notably include the Youth Livelihood Program (YLP), the skills development facility, skilling Uganda, the Youth enterprise fund and the youth venture capital fund. They seek to improve access to capital, equip the youth with relevant skills and ensure that the youths have a foundation for sustainable growth within the private sector.

Furthermore, the window of opportunity for the country's DD prospects is widened by the recently developed National Strategy for Private Sector Development (NSPSD) that sets up a comprehensive scheme for coordinating the growth and development of the private sector in Uganda. The NSPSD is anchored in policies such as the National Industrial Policy, 2008; the Micro, Small and Medium Enterprises (MSME) Policy, 2015; the National Agricultural Policy, 2011; and the land policy, 2013.

The country's national employment and equal opportunities act of 2007 also opens up economic spaces to target the involvement of young people by seeking to eliminate discrimination and inequalities against any individual or group of persons on the ground of sex, age, race, color, ethnic origin, tribe, birth, creed or religion, health status, social or economic standing, political opinion or disability, and taking affirmative action in favor of groups marginalized on the basis of gender, age, disability or any other reason created by history, tradition or custom for the purpose of redressing imbalances which exist against them; and to provide for other related matters.

3.0 METHODOLOGY

The study adopted a mixed methods cross sectional study design. The mixed methods design adopted quantitative and qualitative methods in a complementary way. This included use of semi-structured interviews, documentation analysis and structured interviews. This was aimed at collecting reliable information and data that served as a basis for the formulation of sound and realistic conclusions and recommendations.

A **two-level data collection approach** was employed, by initially and as far as possible focusing on generating findings from the whole country through interviews at national level and review of available documentation. The second level was at the District Local Government level with deeper dives into **five districts**, which was carried out for a more focused approach to conduct in-depth interviews.

The data collection strategy aimed at gathering information in an incremental process. Data was collected from the available documentation (secondary data) and initial findings and hypothesis were drawn to understand the existing situation and formulate questions that were further investigated and confirmed through direct interviews with national and local stakeholders (primary data).

Broadly, the data collection process involved the following methods:

- a). **Documentary analysis/Meta review:** This involved review of all the documentation provided initially and successively during the study. Three sets of documents were reviewed; the consultant reviewed the policy and legal framework related to private sector development in Uganda, there was a review of documents related to reports on demographic dividend and private sector in Uganda and the region, and reports related to the design and implementation of similar studies in Uganda and other countries.
- b). **Case studies:** The study was conducted in the 5 regions of the country (Central, Eastern, Northern, Western and Kampala). The selection of the particular district in each of the region was informed by findings from document review. Cases were selected carefully according to the overall purpose, such as finding a typical case or a case where most information about private sector activities can be found and inclusion of the districts that have challenges in attracting and supporting private sector operations. **Table 1** below presents the sampled districts.

Table 1: Sampled districts

S/N	District/LG	Reason for selection
1	Kampala	<ul style="list-style-type: none">• The Capital City of Uganda• Selected for hosting the most enterprises in the Country
2	Kikuube	<ul style="list-style-type: none">• Representing Western region• Rural district• Refugee hosting district• Potential opportunities for youth arising out of the oil explorations
3	Busia	<ul style="list-style-type: none">• Representing Eastern region• Peri-urban district• Border district

S/N	District/LG	Reason for selection
4	Buvuma	<ul style="list-style-type: none"> • Representing Central region • Rural district • Hard to reach and stay district
5	Gulu	<ul style="list-style-type: none"> • Representing Northern region • Urban district • Representing district emerging from prolonged conflicts

c) Individual and group interviews: The interviews were conducted using a semi-structured tool. Individual interviews were conducted with young people aged 18-30 years in the study districts given that they are the foundation for the country's prospects of realising a demographic dividend. These young people were traced using the selected enterprises as landmarks. In each of the five districts, enterprises that had been purposively selected using the Census of Business Establishments as the sampling frame were used to locate youths within that geographical area to establish whether the presence of the private sector enterprise influenced their lifestyles and prospects of achieving their dreams and aspirations. Specifically, the interviews conducted with the young people sought for their perceptions and thoughts on the role of the private sector in promoting young people's labour market success, their thoughts on the existing and possible innovations that can place the youth at the centre of Private sector growth in country which would ultimately position the country on the pathway for the realisation of the DD.

d) Key Informant Interviews (KIIs): A total of 30 key informant interviews were carried out with youth enterprise leaders, national key stakeholders, community leaders, the key sectors linked to the demographic dividend including (Education, Health, Economy, Governance/accountability and Economic Reforms). **Table 2** provides the list of key informants interviewed.

Table 2: List of key informant interviews

National Level Key Stakeholders	District Level Key Stakeholders
<ul style="list-style-type: none"> • Private Sector Foundation Uganda • Enterprise Uganda • Federation of Small and Medium Enterprises (FSME) Uganda • Ministry of Trade, Industry and Cooperatives (Micro, Small and Medium Enterprise Department) • Ministry of Gender, Labour and Social Development (Children and Youth Affairs Department) • Ministry of Education and Sports (BTJET Department) 	<ul style="list-style-type: none"> • Leaders of Local Business Associations • Leaders of Youth Councils • Youth Councilors • Leaders of Youth Groups • Community Development Officers • Commercial Officers • Business owners

Using the Yamane formula, a sample of 326 respondents was obtained and spread across the enterprise areas in the selected districts using the probability proportionate to size (PPS) technique. The estimated population of enterprises was obtained from the Census of Business Establishments, this was estimated at 458,106.

$$n = \frac{N}{1 + N(e)^2} * \frac{100}{r} = \frac{458,106}{1 + 458,106 * 0.07 * 0.07} * \frac{100}{95} \approx 215$$

Where n is the desired sample size; N is the population, e is the permissible error term, and r is the response rate.

Following the above computations, a sample size of 215 enterprises was selected, the study however expanded this sample size by 51% to take care of the increment in the number of enterprises from 2011 when COBE was undertaken to date thus arriving at the sample size of 326 respondents.

Half of the number of enterprises were selected from Kampala because it has a high proportion of enterprises and the youth population in the Country- this was informed by the figures obtained from Uganda Bureau of Statistics (UBOS) Census of Business Establishments (COBE). The **Table 3** below presents the distribution of respondents by their districts.

Table 3: Distribution of respondents by districts

No.	District	Frequency	Percent
1	1-Kampala	170	52.1
2	2-Busia	42	12.9
3	3-Gulu	41	12.6
4	4-Buvuma	43	13.2
5	5-Kikuube	30	9.2
	Total	326	100.0

Within each of the selected district, the study team worked with the district officials, specifically the Community Development Officers and the Commercial Officers to identify enterprises from the COBE list which were still operational in the district. The locations of these enterprises would then form landmarks for the selection of respondents informed by the pre-determined sample (in the table above) that had earlier been obtained. The team ensured that the selected enterprises included key sectors, notably a) trade and commerce, b) industry and manufacturing, c) services, and d) agriculture, among others. These sectors form a critical mass of harnessing the potential of young people so that they become a dividend to themselves and the country. The table below presents the profile of the respondents (occupation/sectors).

Table 4: Profile of the respondents

No.	Main occupation	Frequency	Percentage
1	Sale of agricultural goods	23	7.06
2	Sale of non-agricultural products	55	16.87
3	Temporary/casual work	30	9.2
4	Gaming and lottery	2	0.61
5	Salary as civil servant/government employee	7	2.15

No.	Main occupation	Frequency	Percentage
6	Salary as employee in private sector	59	18.10
7	Vending	20	6.13
8	“Bodaboda” cyclist	20	6.13
9	Friends/family support	60	18.40
10	Remittances	2	0.61
11	Others	48	14.72
	Total	326	100.00

Source: Study findings

When youths take up gainful opportunities in the private sector, they gain the power to also decide the quality of health, education, housing and other socio-economic services they deserve. It increases independence of mind and challenges them to focus on transforming the societies they live in. In each of the selected enterprises, interviews were held with the owner/proprietor and the youth working in these enterprises.

e). Approach to Data aggregation analysis and generation of findings

Data was collected from all available documentation obtained and reviewed and from the interviews. The principle of triangulation was followed for gathering of solid evidence. The data aggregation process started with findings from documents as the first layer of data. Thereafter, interviews with national stakeholders, followed by selected stakeholders in the sampled districts.

The quantitative data collected was analyzed descriptively by examining the baseline indicators established linking the assessment to the demographic dividend and the respective youth-based innovations in the private sector based on proportional means. Appropriate bivariate associations tests were carried out accordingly.

Qualitative data was mainly analyzed following thematic analysis (i.e. using radial diagrams to present main themes and sub themes, explanation building, and conclusions), discourse analysis technique and content analysis technique. In certain instances, direct quotes and case studies/ stories from stakeholders, were used. The process involved data deduction, displaying data and drawing conclusions. Thematic areas generated data which was used to corroborate findings generated through other sources in accordance with the Terms of Reference and indicator profiles.

Information collected was condensed in accordance with themes under study and exported to the report in accordance with the study objectives. The aim was to corroborate the findings from primary sources.

4.0 FINDINGS

4.1 Demographic Window of opportunity for Uganda

The demographic window of opportunity for Uganda is presented in a multiplicity of avenues. This section presents results generated from exploration of the country's opportunities for the attainment of the demographic dividend, exploring avenues entrenched within the private sector.

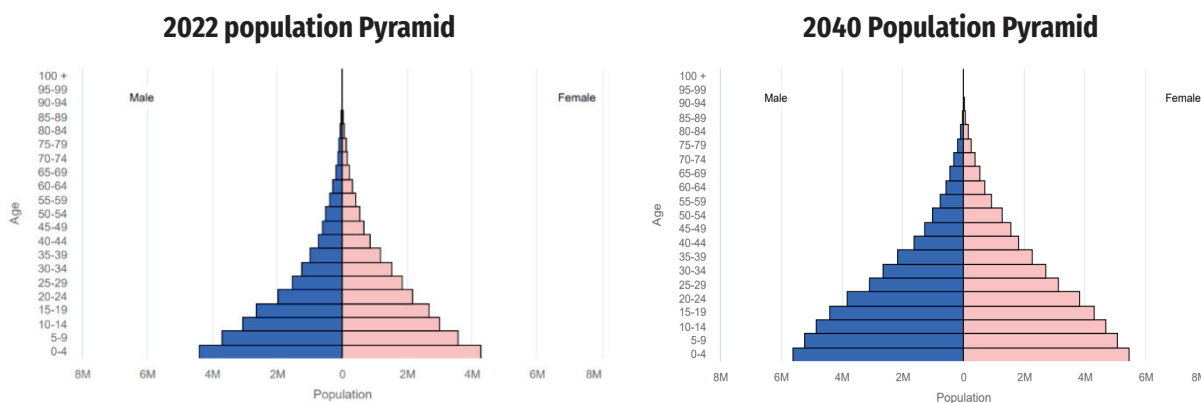
In order to gain an avid understanding of the DD window of opportunity for Uganda through the creation of youth economic spaces within the private sector, it was also important that existential information on the most recent economic livelihood profile of the youth is sought.

4.1.1 Uganda's current and envisioned population structure

The predisposition that Uganda aspires to become an upper middle-income country by the year 2040, seeking to ensure that it is transformed from a predominantly peasant to a competitive science and technology-driven economy, is evidence of the full involvement of the machinery of government to participate in efforts of ensuring that the country realises a DD.

The current population projection for 2022 is 46,205,893 and is expected to reach 77,275,388 in 2040 and 96,972,729 by 2050⁴. Uganda's population growth rate is among the highest in the World, at 3.3 per cent per annum, with total fertility rate at 5.36⁵ (however, the fertility rates have been gradually reducing from 6.9 in 1995 to 6.2 in 2011 and 5.4 in 2016 which has remained constant to date). It is projected that the annual growth rate will significantly reduce to 2.47% in 2040 and 2.07% in 2050. Likewise, the total fertility rate is expected to decline to 3.79 in 2040 and 3.14 in 2050. Figure 2 shows the population structure as of 2022 and that envisioned in the year 2040.

Figure 1: Uganda's current and envisioned population structure



Source: U.S. Census Bureau, International Database

The population pyramids above present a high dependency ratio dominated by young children below 15 years that make up close to half of the population. From the pyramids, it is observed that the population structure will not have significant change by 2040, similar to the structure in 2020 where 48.2% of the population is below 15 years, in 2040, 39.89% of the population will be below 15 years. Likewise, there will not be significant differences in the contribution of the youth to the total population. In 2020, 33.6% of the population were youth (aged 15 to 34). This will slightly improve to 36.1% in 2040. Further emphasising the great contribution of the youth to total population structure.

4 Ibid

5 International Database (census.gov)

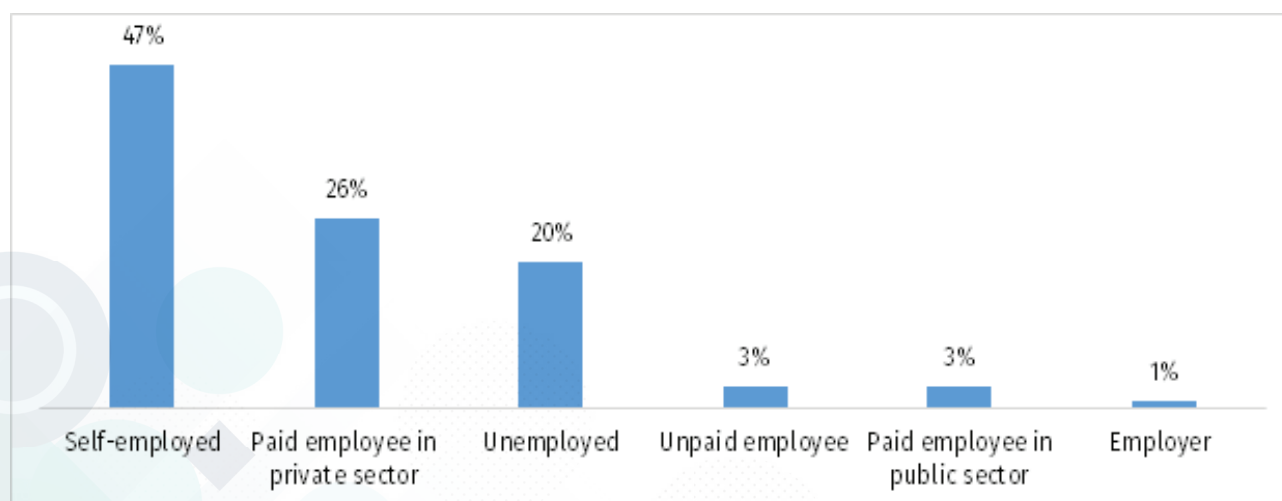
Whereas the pre-existing population structure reflects a burgeoning youthful population and a high childhood dependency presupposing a largely consumptive, rather than a productive population and a demographic burden which may hinder Uganda’s potential to reap the demographic dividend, the envisioned population structure of the year 2040 that has a burgeoning working population and reduced childhood dependency is evidence that government is aware of where the country ought to be and is challenged by the need to identify policies and resources needed to propel the country towards the desired structure. It is notably highlighted in the demographic dividend roadmap that achieving a faster socioeconomic transformation requires transforming the young population into a productive youthful human capital that will contribute to the economic growth of the country. When the country realises stable economic growth together with strategic investments in the key sectors of health, education, governance and demographic transition, then it becomes imminent that the DD is within reach.

4.1.1.2 Youth employment status

The employment status of youths is highlighted in the country’s development frameworks as the avenue for exploring the productive potential of youths, yet this is a sure avenue for increasing prospects of the country’s DD. On the contrary, the proportion of unemployed youths increases the dependency burden on their benefactors which has a direct repercussion on diminishing prospects of realising a demographic dividend. Youths that are unemployed also miss out on the opportunity to unleash their innovative and productive potential that would otherwise facilitate the prospects of self-sustenance. Results from the study indicate that close to half of the youths interviewed reported to be self-employed (47%). A quarter of them (26%) indicated they were paid employees in the private sector while 2 in 10 were unemployed. Only 3% were working as paid employees in the public sector and unpaid employees. Much less youths reported to be employers (1%) as shown in figure 2. Whereas the development frameworks have the potential to position the country in the DD pathway, statistics reveal that there is more effort needed to translate these strategies into DD prospects.

It was found that many of the youth do not go into self – employment as a choice but after failing to obtain opportunities in the public and private sector. The challenge observed was that most of these businesses started by the youth that are self-employed do not survive for many years. The high mortality of businesses questions the sustainability of their existence in the country to further contribute to economic development. Moreover, in order for a country to attain a DD, the tenet of decent employment and income must be sustained for almost a decade. The collapse of businesses even before their first birthday takes the country backwards and require that the youths are empowered to start afresh.

Figure 2: Employment status of interviewed youth



Source: Study Findings

4.1.1.3 Employment status by age

About three quarters (74%) of interviewed youths aged 30 - 35 years and more than half (52%) of those aged 24 - 29 were unemployed. The highest proportion (39%) of those aged 18-23 were working without pay. In order to increase the prospects of realising the dividend, it is important that the population is productively engaged in the economy as soon as they enter the working age of 18 years. All people in the working age group must be actively involved in the money economy. Further worry is that the age group with the highest proportion of the unemployed population is that of 30-35 that is instead expected to be at the periphery of innovation, business creation and income diversification because they would have attained parental responsibilities as well as being an inspiration for the younger youths to earn, spend wisely, save, innovate and invest.

Table 5: Employment Status of Interviewed youths by age

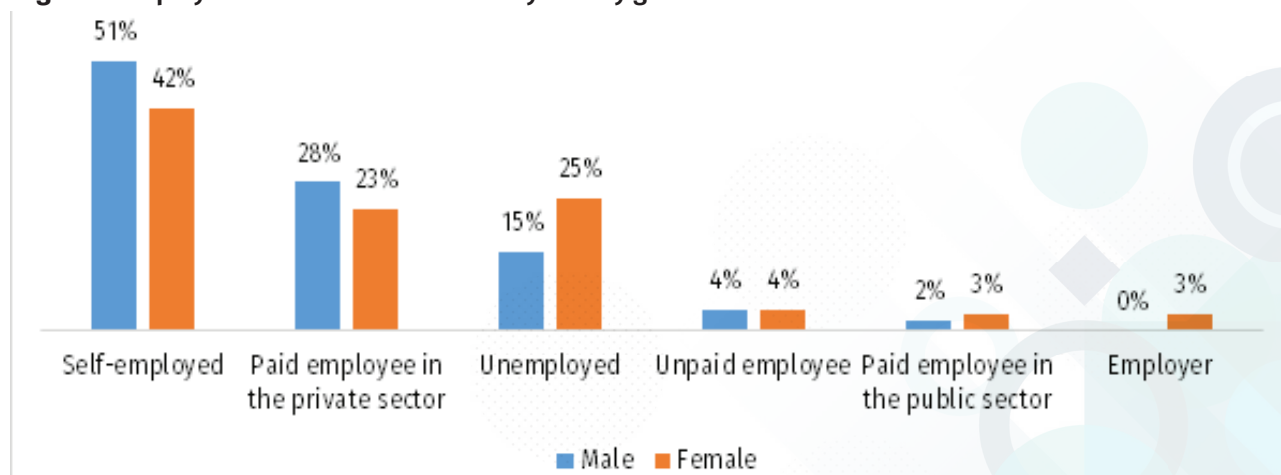
Employment Status	18-23	24-29	30-35	Average
Unemployed	22%	52%	74%	49%
Self employed	30%	30%	12%	24%
Unpaid employee	39%	12%	6%	19%
Paid employee in public sector	0%	3%	6%	3%
Employer	0%	1%	3%	1%
Paid employee in the private sector	7%	2%	0%	3%

Source: Study Findings

4.1.1.4 Employment status by gender

Half of the male and 4 in 10 female youth interviewed said they were self-employed. About a quarter of both male and female youth were paid employees in the private sector. Another quarter of the females were unemployed. The unemployed males were 15%. Only 3% of female youth were employers and there was no male youth reported to be an employer as shown in figure 3. This disaggregation shows that females still lag behind their male counterparts in the exploration of employment opportunities in the private sector despite the various affirmative programmes designed and implemented to support women entrepreneurship key among these include the Uganda Women Entrepreneurship Programme. To realise a DD, there should be equal distribution of resources and opportunities and indeed, the theme of Vision 2040 is to ensure that no one is left behind. Females are especially critical as they are central to the DD efforts of ensuring reduced fertility and mortality trends of the population. When resources are indiscriminately distributed, it will mean that the females will also be empowered to make decisions that greatly impact on the number of children they should have, their health and livelihood. There is thus a need to review and refine these affirmative action programmes to ensure that they are targeting the right beneficiaries and that the beneficiaries are supported to achieve the objectives of the programmes.

Figure 3: Employment status of interviewed youth by gender



Source: Study Findings

4.1.1.5 Employment status by district

Generally, most youth interviewed in the five districts were self-employed. Kikuube had the highest proportion of the self-employed youth (67%), followed by Gulu (61%), Buvuma (52%), then Busia (50%). Kampala had the fewest self-employed youth (38%). Instead, a proportionately higher number of youths in Kampala (35%) and Busia (36%) were paid employees in the private sector while a tenth of youths in Buvuma were working without pay. Only Kampala (2%) had youths who were employers. Notably, more than a quarter of youths interviewed in Buvuma (30%), Gulu (27%) and Kikuube (27%) were unemployed. It is critical that youths across the country are engaged in the money economy. Vision 2040 indicates that the failure to ensure this would result in an imbalance that would negate the vision of attaining a DD, particularly among the young people.

Table 6: Employment Status of Interviewed Youth by District.

Employment Status	Kampala	Busia	Gulu	Buvuma	Kikuube	Average
Self-employed	38%	50%	61%	52%	67%	54%
Paid employee in the private sector	35%	36%	12%	8%	6%	19%
Unemployed	16%	12%	27%	30%	27%	22%
Paid employee in the public sector	5%	0%	0%	0%	0%	1%
Unpaid employee	4%	2%	0%	10%	0%	3%
Employer	2%	0%	0%	0%	0%	0%

Source: Study Findings

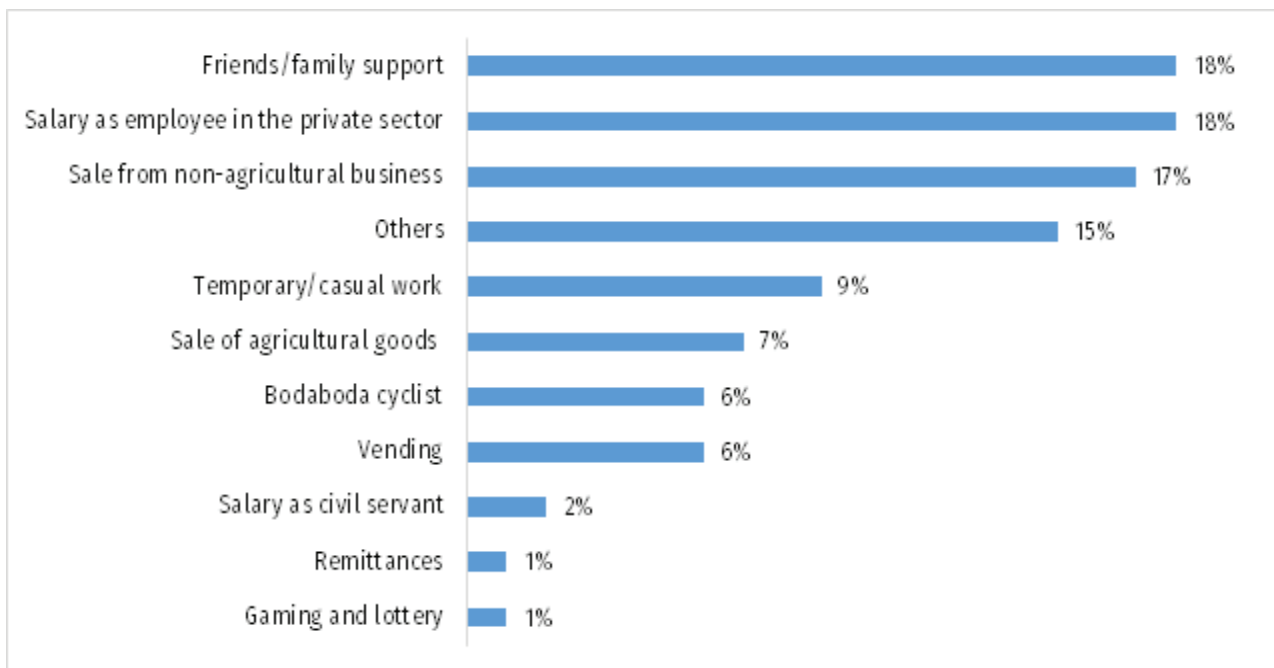
4.1.1.6 Youths main source of income

Main sources of income are an essential enabler of the prospects for harnessing the demographic dividend. They are absolute avenues for the propensity of youths to earn, save, innovate and invest. The type of income source is either a driver or deterrent factor for these possibilities.

Youths interviewed mentioned a diversity of income sources. Whereas the highest proportion mentioned reliance on friends'/family support (18%), salary as employees in the private sector (18%) as well as sales from non-agricultural business (17%), the spread of the scores was very low. Other youths relied on temporary/casual work (9%), sale of agricultural goods (7%), boda-boda (6%) and vending (6%) as shown in figure 4. A notable 15% mentioned a multiplicity of sources lumped as others. These others comprised of petty businesses such as salons, chapati stalls, drug shops, mobile money kiosks, merchandise shops, restaurants, tailoring, washing bays, welding and metal fabrication.

The existence of a substantial number of the youth whose main source of income is from family/friend support resonate the challenges on dependence that has encircled the country. This is worsened by the great mass of population (44.8%) that is below 15 years. Realisation of the DD is heavily affected by the dependency burden. DD modelling reveals that the two are inversely related. Therefore, for as long as there are indications of a dependency burden as high as the one revealed by statistics in this study, chances of realising the DD are significantly reduced. When someone is dependant, they are not free to express their opinion on health services they should get, and better still, when and how to have children.

Figure 4: Main sources of income for interviewed youth

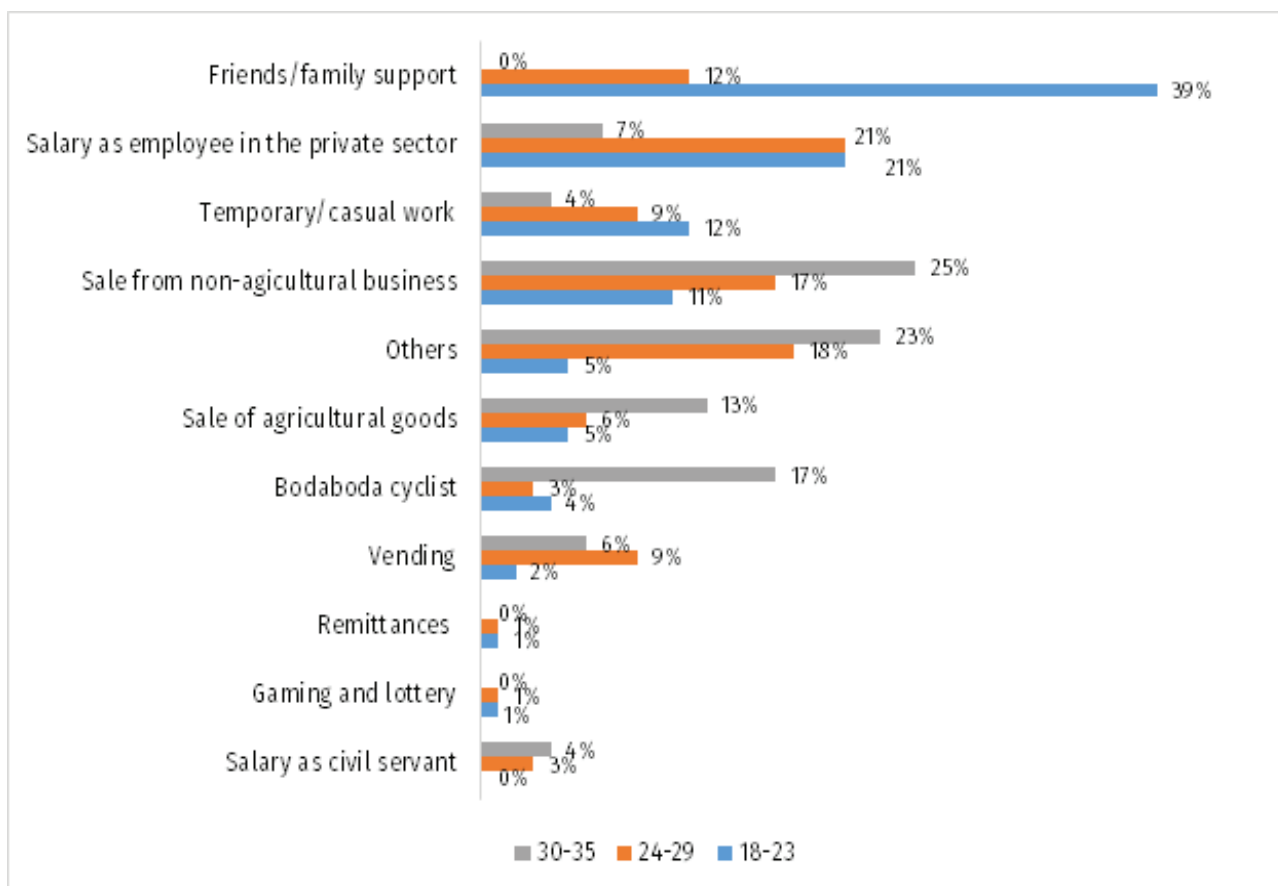


Source: Study Findings

4.1.1.7 Main income source by age

The main source of income is key in deriving an understanding of the youth's self-sustenance and the likely prevalence of the dependency burden on the diminished working population. These two factors have a direct binding on the prospects of a DD for the young people and country by far. The highest proportion of youths aged 18 to 23 (39%) stated they relied on friends'/family support as their main income sources, this could be partially attributed to the education; at the age of 18-23, many of the youths are completing university and have not effectively entered the job market. A quarter (25%) of those aged 30 to 35 years mainly depended on sales from non-agricultural business. Their counterparts aged 24 to 29 mostly (21%) depended on salary as employees in the private sector as shown in figure 5. Vision 2040 guides that as soon as anyone attains the youthful age of 16 and is out of school, they are expected to join the money economy so that we have a critical mass of a responsive and productive citizenry required to spur growth and the pathway to prospects of the DD.

Figure 5: Main income source of interviewed youth by age

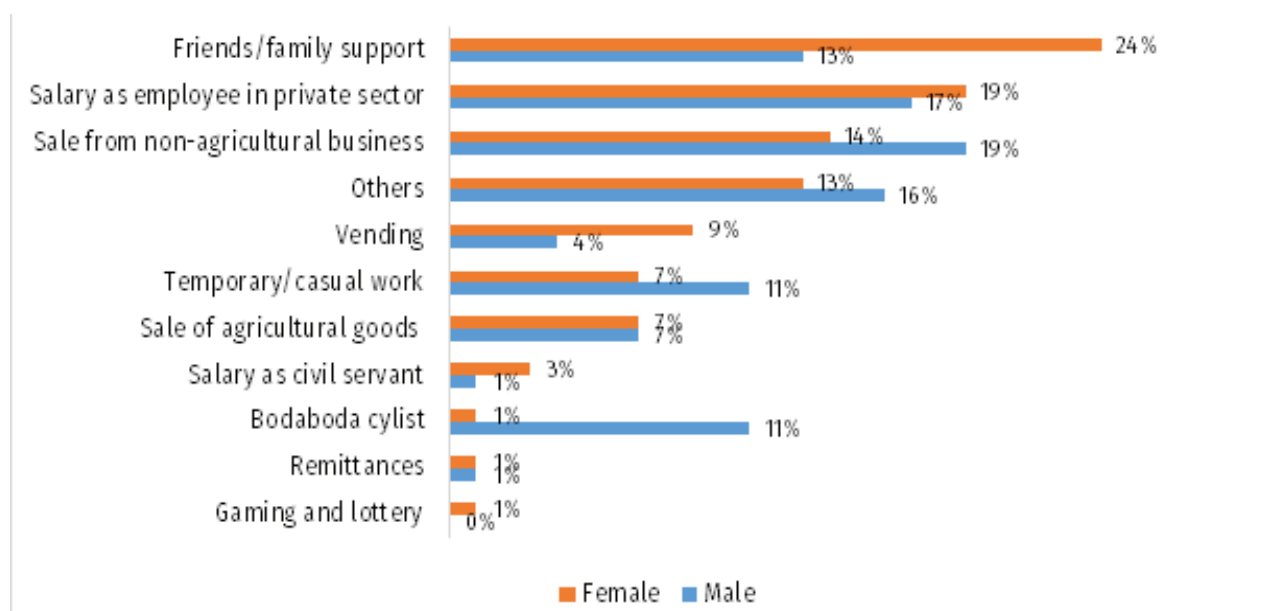


Source: Study Findings

4.1.1.8 Main income source by gender

Gender disaggregation provides an insight into prospects of harnessing the DD equitably. The third National Development Plan (NDPIII) as well as the DD roadmap are resolute on ensuring that no one is left behind. They advocate for holistic development and guide that this would be the only ultimate opportunity of realising a DD as a country. As such, higher proportions of females (24%) relied on friends’/family support as their main income source. This could be partially attributed to the patriarchal set-up of the societies in Uganda where men are expected to support their spouses. However, it denies the country a chance to harness the potential of these spouses that would widen the prospects of a DD getting realised from such a family and extending to the country. The spouses are also not empowered enough to decide how many children they should have, the quality of health and education services they deserve as well as issues around how they would wish to be governed. Their male counterparts, on the other hand, largely depended on salary as employees in the private sector (19%) and sales from non-agricultural business (19%). Significant proportions of females also depended on salary as employees in the private sector (17%) as well as sales from non-agricultural business (14%). The males were also into a series of other avenues (16%) which consisted of petty businesses such as salons, chapati stalls, drug shops, mobile money kiosks, merchandise shops, restaurants, tailoring, washing bays, welding and metal fabrication. Eleven percent (11%) depended on proceeds from casual work and boda boda taxi. There is still need to support youths of both sexes to ensure that they engage in activities that are more sustained and generate more revenue to make it possible to save and invest so that they are able to sustain their lives and secure their future. With that, the country will be assured of a DD.

Figure 6: Main source of income of youth by gender

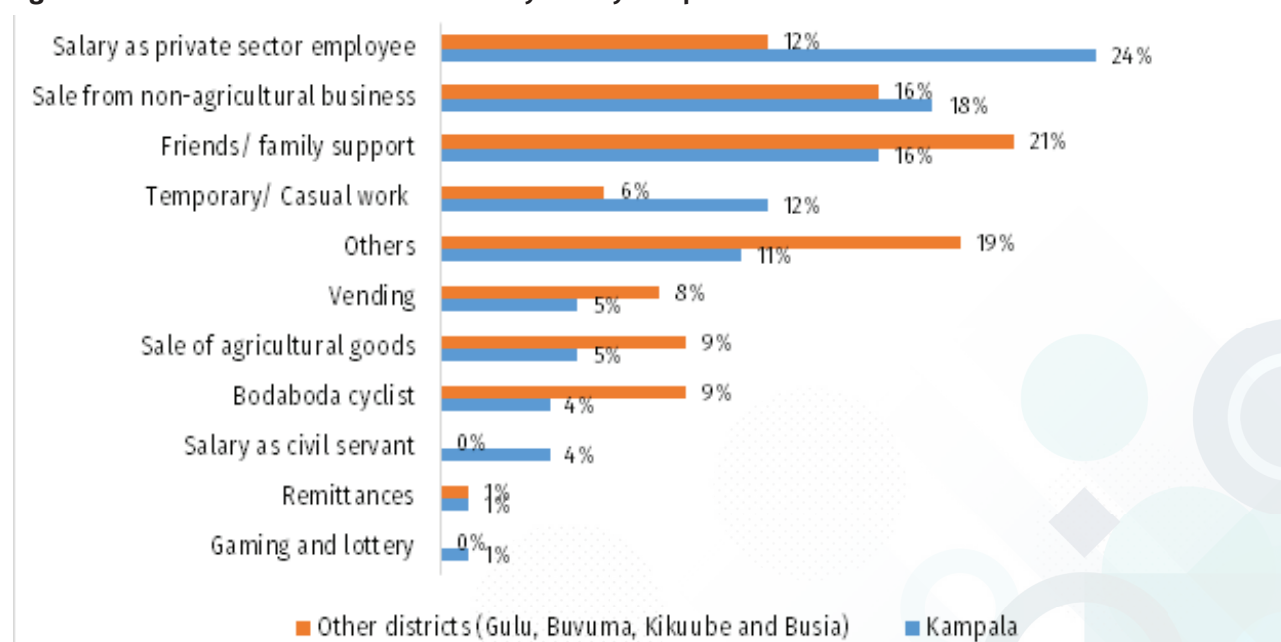


Source: Study Findings

4.1.1.9 Main income source by district

Attainment of the demographic dividend requires that youth across the country have equal access to prospects that would accord them an opportunity to earn an income that is adequate to satisfy their needs, desires and aspirations. According to results from the study, most youth interviewed within Kampala (24%) said they depended on salary as private sector employees (Figure 7). A notable proportion relied on sales from non-agricultural business (18%). In the other districts, 21% of youths said they relied on friends'/family support. A significant proportion (19%) also stated they depended on other avenues which consisted of petty businesses such as salons, chapati stalls, drug shops, mobile money kiosks, merchandise shops, restaurants, tailoring, washing bays, welding and metal fabrication.

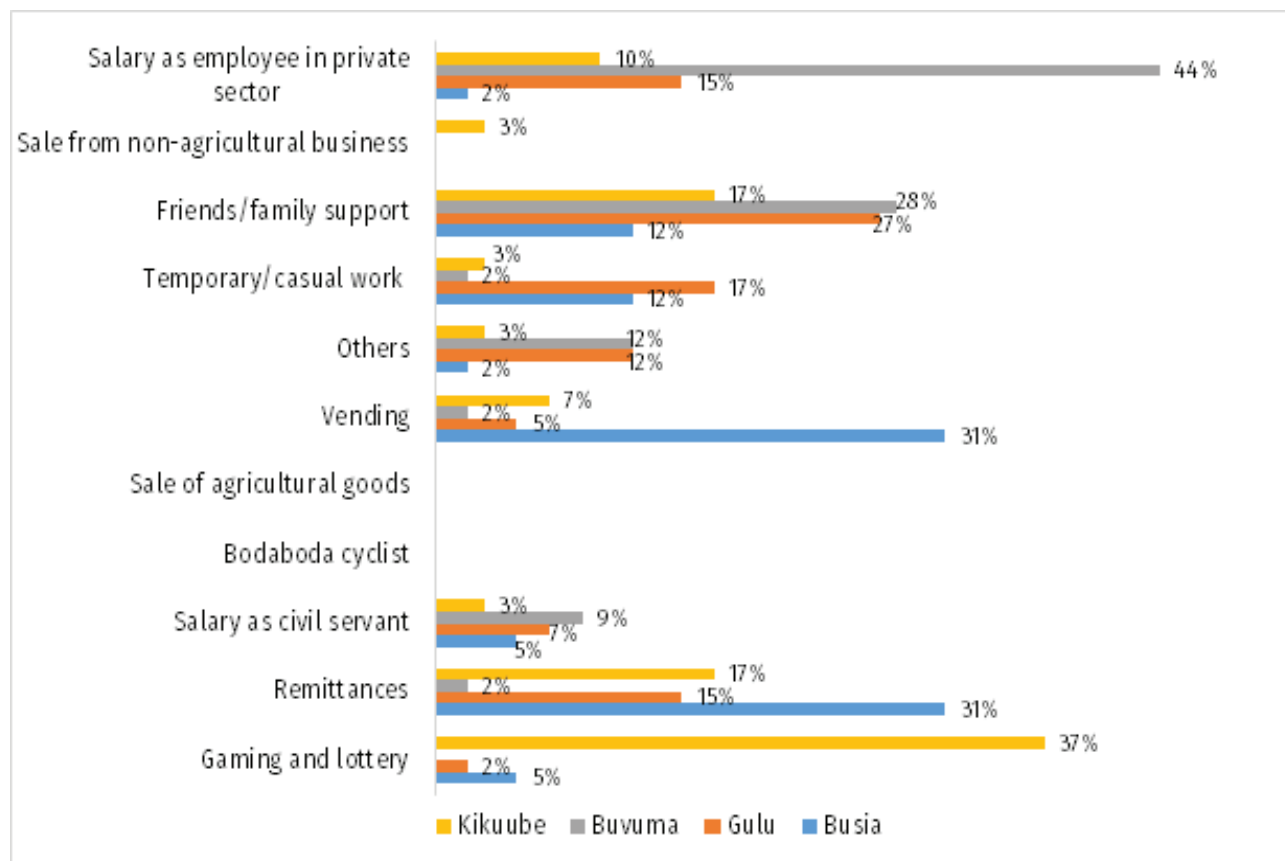
Figure 7: Main income source of interviewed youth by Kampala and other districts



Source: Study Findings

In the exploration of results generated from the districts of Gulu, Buvuma, Kikuube and Busia (Figure 10), close to half of youth interviewed in Buvuma (44%) revealed they mainly generated their income through their salary as private sector employees, over a third of those in Kikuube (37%) thrived on gaming and lottery. The highest proportion of youth in Busia (31%) thrived on vending and remittances, as more than a quarter (27%) of their counterparts in Gulu indicated they depended on friends'/family support. Attainment of the DD requires that the country's population has shared characteristics, particularly on income security. It then becomes realistic to model DD prospects that resonate the existing situation in all districts because then the population, and particularly the youth are empowered to make quality decisions on fertility size, education and health services. As it stands, districts have disproportionate characteristics and prospects of realising a DD for the country cannot be generalised.

Figure 8: Main income source of interviewed youth by in other districts

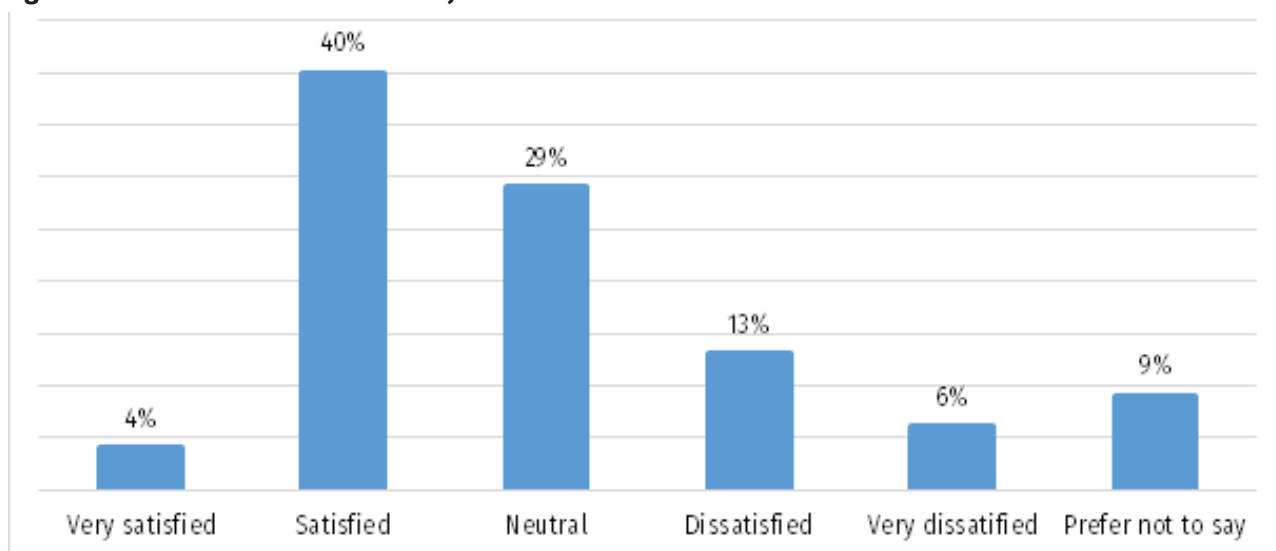


Source: Study Findings

4.1.1.10 Job satisfaction

Attainment of a demographic dividend by the youth who constitute close to 80% of the country's population requires that there are employment opportunities for them that would make it possible to generate an income that is adequate for their developmental needs and aspirations. These needs and aspirations include the quality of services they wish to receive in terms of health, education, housing and family planning that form core pillars for harnessing the DD. It is emphasised in Uganda Vision 2040 and even more directed in the DD roadmap that youth can only yield a demographic dividend if they have a decent income, savings and investment possibilities. Of the 326 youths interviewed, only 40% reported to be satisfied with their work. Close to a third (29%) were undecided while 13% were dissatisfied. Six percent were very dissatisfied while 9% preferred not to say. When asked if the income they were earning was adequate in addressing their individual needs and aspirations, two thirds (62%) stated it was not enough. A significant proportion (17%) said that the income they were earning was insignificant and could not in any way serve to address their needs and aspirations.

Figure 9: Satisfaction with the current job

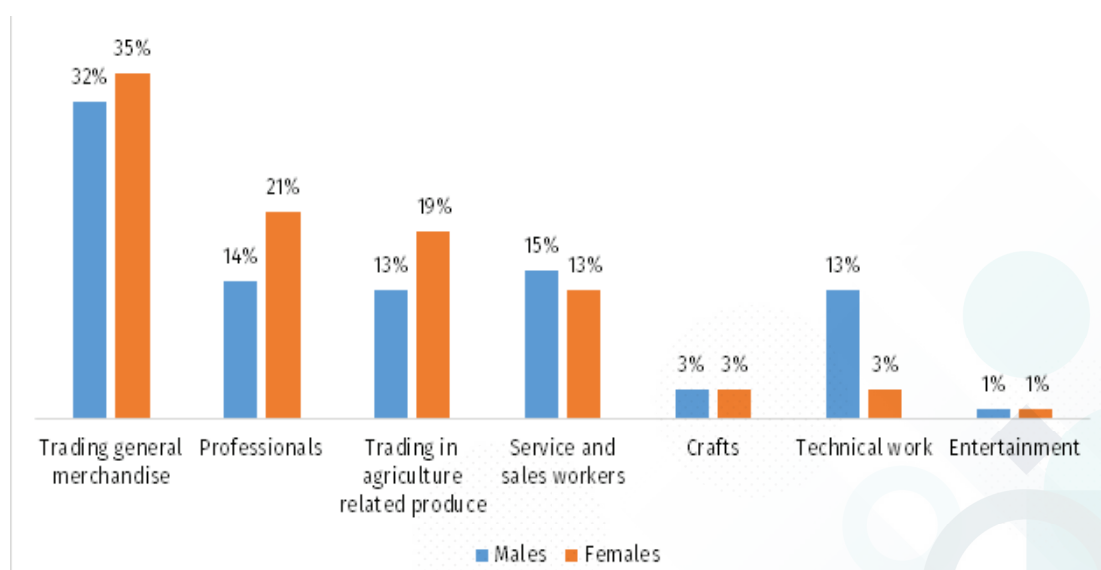


Source: Study Findings

4.1.1.1 Desired type of work

Positioning the youth on the path to the realisation of the DD requires that they are engaged in areas where they will be productive and interested. If they are interested, then they will ensure to keep healthy, energetic and safe so that they are enabled to serve. It is also through engagement in sectors where they have the passion and interest that their full potential will be easily harnessed. Of the youths interviewed, slightly above a third said they desired trading in general merchandise. Females (35%) preferred this a little more than their male (32%) counterparts. More females than males also desired to serve as professionals (females 21%, males 14%) and traders in agriculture related produce (females 19%, males 13%). More male youth preferred working as service and sales workers (males 15%, females 13%) and also doing technical work (males 13%, females 3%) as in figure 10. It is impressive to note that males and females are desirous of engaging in work and in rather close proportions. This implies that if given the right skills and environment to access these opportunities, there will be reduced vulnerability of the females and a society with a population that is empowered to make critical decisions about their health, wealth and preference of the number of children to have. The realisation of the DD can only be facilitated when these attributes are comprehensively addressed.

Figure 10: Desired type of work disaggregated by gender



Source: Study Findings

4.1.1.12 Youth needs and aspirations

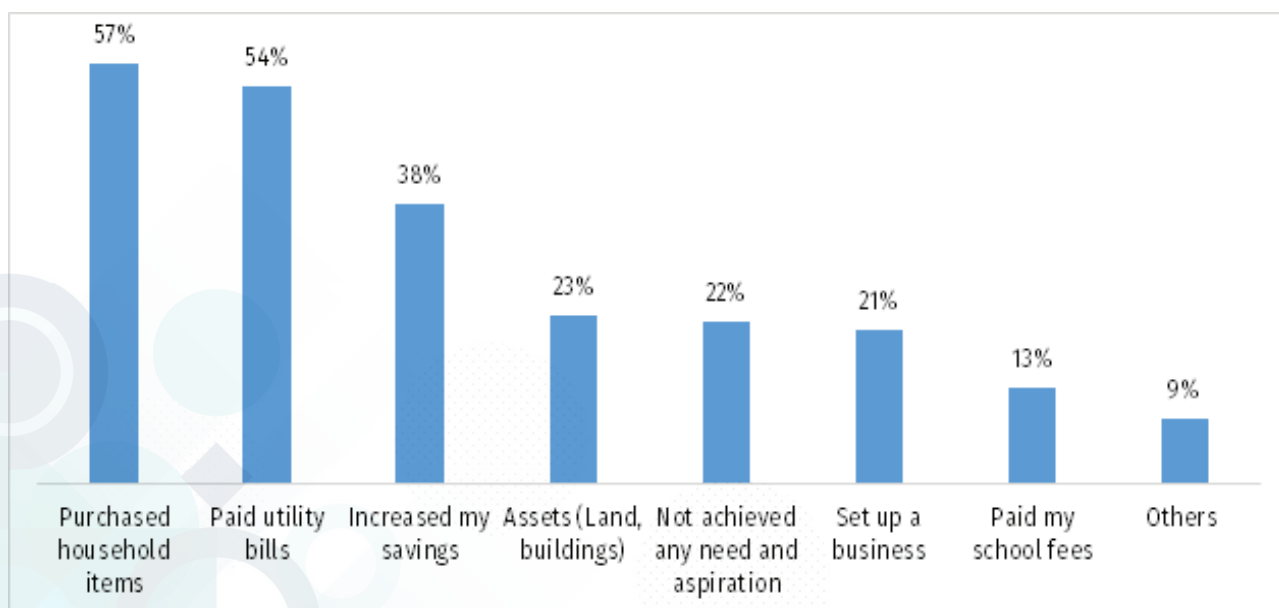
The demographic dividend of a country is a consolidation of achievements made by its citizens coupled with strategic investments in the pillars of health, education, governance, economic policy and demographic transition. With the strategic positioning of the youth in Uganda, it is prudent that youth have an enabling environment and more so their income to meet their needs and aspirations. Study results revealed that over half of youth that were interviewed used their income to purchase household items (57%) and paying utility bills (54%). About a third (38%) used the income to increase their savings while nearly a quarter acquired assets like land and buildings (23%) and set up a business (21%). A concerning proportion of 22% stated they were not able to achieve any need and aspiration with their income. Although of less proportion, 13% of the youth interviewed said they used their income to pay their school fees. Nine percent of the youth had more unique responses that were categorised as others. These included those who said they were still students, some said they hadn't worked for a long time arguing that they had nothing to achieve within the 3 months of taking up the job.

The study established that most youth in urban areas especially Kampala reside in the slums/ghettos due to low cost of living. This is because majority had migrated from rural areas due to pull factors but actually with no meaningful employment. A high population of the youth was reported to be living in the ghettos of Nateete, Ndeeba, Nakulabye, Bwaise and Kazo Angola.

Out of desperation, majority of the youth that reside in slums were reported to be living reckless lifestyles including abusing drugs, having multiple partners hence putting their health at risk. A number have contracted Sexually Transmitted Diseases and Infections (STDs/STIs). Health reports have equally pointed out that a number of youths especially in slum areas have encountered mental health problems due to rampant drug abuse. This threatens chances of attaining the dividend because the youth who are not healthy will then lack the impetus to be economically productive. The DD is also an outcome of a change in the population structure with reducing fertility and mortality. Yet, when the population and particularly the young people on whom the DD is envisioned, are unhealthy, there is increased likelihood of mortality and disruption in the prospects of realizing a DD by individuals and country.

Unlike in the urban and peri-urban districts, the case in rural district seemed different as youth were reported to residing in villages and commuting to Rural Growth Centers (RGCs) for work with exception of those involved in fishing. Equally, cases of drug abuse and multiple partners were not highly reported in rural sampled districts.

Figure 11: Needs and aspirations achieved

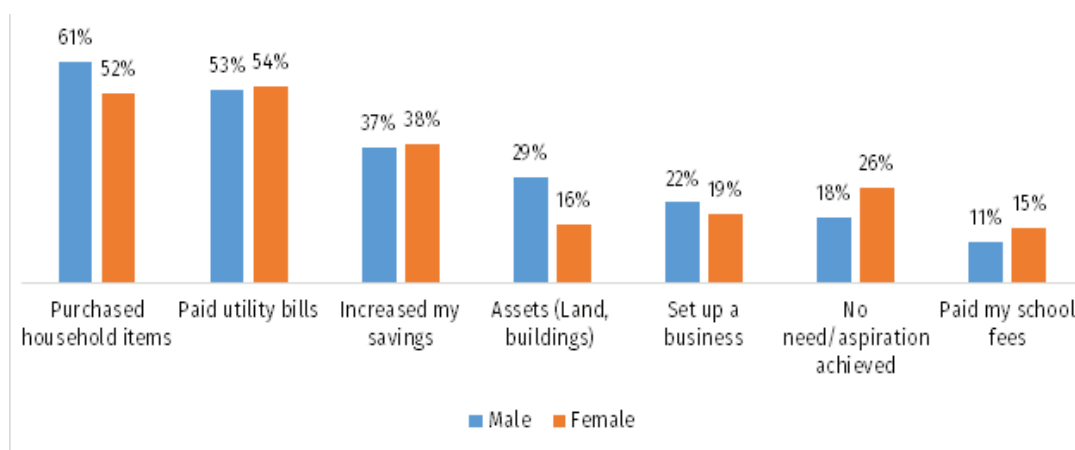


Source: Study Findings

4.1.1.13 Youth needs and aspirations by gender

Gender dynamics play a critical role particularly in influencing the formulation of programmatic interventions that seek to propel the population towards being productive and awakening prospects of a demographic dividend. When the males and females have adequate support at generating income and an opportunity at a decent life, it then becomes easier to steer through the agenda of equitable health, education and the involvement of men in reducing fertility trends so that a DD window of opportunity is opened. Study findings showed that males were not highly distinct from females with regard to the significance of their incomes to the needs and aspirations. For either gender, over half of the youth indicated they used their income to purchase household items (61% male, 52% female) and paying utility bills (53% male, 54% female). About a third of either gender also used their income to increase their savings (37% male, 38% female). There was however a marked difference on purchase of assets having close to a third of the males (29%) and just 16% of the females. Also, a higher proportion of females (26%) indicated they had no need and aspiration achieved. Fewer males (18%) shared the same opinion as shown in figure 12.

Figure 12: Achievement of needs and aspirations of interviewed youth by gender



Source: Study findings

4.1.1.14 Hindrances to Youth needs and aspirations

Obstacles to the realisation of youth needs and aspirations hinder the attainment of the DD as a country. Almost 7 in 10 youth interviewed (69%) mentioned an obstacle of the high cost of goods and services as a hindrance to the fruition of their needs and aspirations. Notable proportions also mentioned inadequate remuneration (37%), unfavourable policies (35%), lack of information on investment opportunities (12%), demotivation by relatives and friends (11%) and 7% lack of skills to engage in their dream ventures as shown in Table 7.

Table 7: Hindrances to achieving the needs and aspirations of the respondents

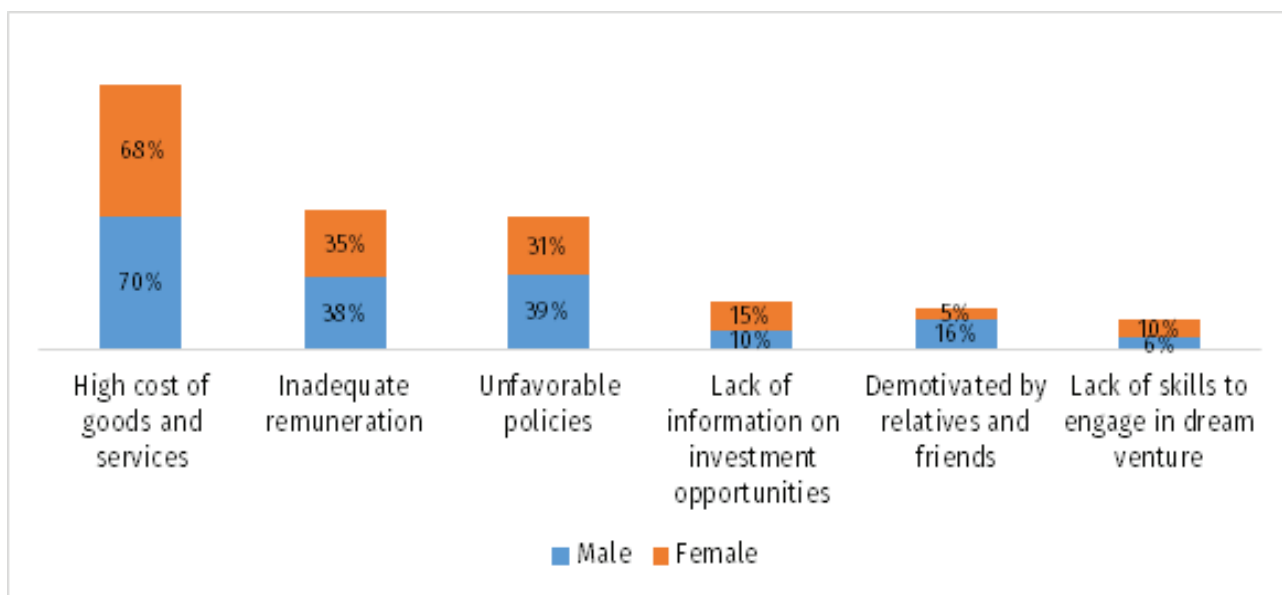
No.	Item	Percentage (%)
1	High cost of goods and services	69
2	Inadequate remuneration	37
3	Unfavourable policies	35
4	Lack of information on investment opportunities	12
5	Demotivated by relatives and friends	11
6	Lack of skills to engage in dream venture	7

Source: Study findings

4.1.1.15 Hindrances to youth needs and aspirations by gender

Exploration of results to understand the spread of impediments for male and female youth towards achieving their needs and aspirations held that females and males faced the same hindrances where the males were more disadvantaged on some and the females on the other. Slightly more males (70%) than females (68%) decried the high cost of goods and services, inhibiting prospects of achieving their needs and aspirations. More males also decried inadequate remuneration (38%) as well as unfavourable policies (39%). More females raised the issue of lack of information on investment opportunities (15%) and lack of skills to engage in their dream ventures (10%).

Figure 13: Hindrances for interviewed youth to achieve needs and aspirations by gender



Source: Study Findings

4.1.2 Conclusion and recommendations

Conclusions

The country has a very young population and is willing to invest in efforts of harnessing its potential, cognisant that the nation's development aspirations should be anchored on the young people.

The private sector is attracting the attention of policy makers. Government is looking to it to address the challenge of a large number of unemployed youths who increase the dependency burden on the smaller working population. The increased dependency burden greatly interferes with the prospects of harnessing the demographic dividend when the potential of the unemployed youth is not harnessed.

There is a favourable legal and policy regime for the youth to exploit the private sector given the right skills and mindset.

Young people are desirous of being self-employed, a feat that can be achieved in the private sector. This is coupled with their readiness to get engaged with work of the private sector even when they do not get paid for the start.

Young people are optimistic about the growth of the private sector and are interested in being part of it.

Recommendations

The policy and legal instruments that seek to promote the growth of the private sector should be operationalised beyond boardroom talk. Little is known about most of the policies by the public, and most particularly the youth in the outskirts of Kampala and other districts.

The demographic dividend should be popularised among the youth so that they fully understand their central importance and what they are expected of.

The country should partner with the private sector enterprises to absorb any shocks that they might encounter as they engage the youth. It is important that the operations of private sector enterprises are sustained so that the dividend realised from the youth is not short lived.

Government should tailor programmes to identify, train and nurture skills among the youth. These programmes should have a national character and should have minimal restrictions of access. Such programmes can be channelled through the Business, Technical Vocational Education and Training (BTJET) institutions so that they are part of national curriculum.

Government needs to step up investment in sexual and reproductive health (SRH) programmes, specifically focusing on family planning, in order to control population growth. Funding for SRH programmes is left to Non-Governmental Organizations, with Central Government and Local Governments making minimal allocations and limited implementation of SRH programmes.

4.2 The role of private sector in promoting young people's labour market access

4.2.1 Overview

The World Development Report (WDR) on jobs reports that more than 200 million people worldwide are unemployed, while another 2 billion working age adults remain outside the work force. The report estimates that 600 million additional jobs were required from 2013 to 2028 to keep pace with new entrants in the labour market (World Bank, 2013). The report argues that the private sector is the only sustainable engine of job creation in any economy, emphasizing the widely reported statistics that 9 out of every 10 jobs are in the private sector (World Bank, 2013).

The private sector includes; farmers, other self-employed, and informal workers, in addition to those that are wage workers in formal enterprises. This indeed is a prime foundation for constructing prospects of realizing a demographic dividend for any country as the economic wellbeing of a population is critical towards the quality of health and education services that the population demands for. It also empowers the population to be able to participate in the governance as well as making bold fertility decisions.

At the regional level, the members of the African Union have made commitments on the promotion of youth entrepreneurship. Key among these include; the AU Constitutive Act, the African Youth Charter, the AU Agenda 2063, the African Plan of Action of Youth Empowerment, the African Union Chairperson's 1 million by 2021 Initiative and the 2017 AU theme and summit Resolution on Harnessing the Youth Demographic Dividend, among others (African Union, 2020). The member States, under the AU Youth Charter (art 15) committed to create employment opportunities for the youth.

Uganda, like many countries in Sub-Saharan Africa, adopted a free market approach driven by the private sector to spur growth in the 1980s. This approach has been entrenched with the enactment of supportive policies and legislations. Key among these was the liberalization of the economy that was driven by the structural adjustment programmes and the establishment of agencies to support private sector development and growth. These included Uganda National Chamber of Commerce and Industry (UNCCI), Uganda Investment Authority (UIA) Private Sector Foundation of Uganda (PSFU), among others.

Since the early 1990s, the country embarked on the privatization of the State-Owned Enterprises (SOEs), this drastically reduced the number of SOEs from 139 down to 33 (World Bank Group, 2022). This restructuring of the economy led to a sharp decline in the number of the public sector jobs leading to fewer public sector openings, stiffening the public sector jobs and giving rise to the private sector employment space. Additional findings from documentary review revealed that the public sector is facing enormous financial challenges and cannot be perceived as the only actual engine of economic growth and development. The potentially beneficial role of the private sector in sustainable development is being increasingly recognized (De Gobbi, 2014).

Uganda's overarching development framework is expressed in the National Development Plan (NDP), currently in the third phase NDP III. NDP III aims at increasing household incomes and improving the quality of life of Ugandans through sustainable industrialization for inclusive growth, employment and sustainable wealth creation. In the plan, sustainable industrialization is being pursued in order to increase the country's resilience, transform the lives of people through better incomes and gainful jobs and strengthen the country's regional and international competitiveness. NDP III recognizes that Uganda is gifted with a youthful population, and commits the government to partner with the private sector to pathways to positively harnessing the dynamism and energies that young people have and creating opportunities to earn livelihood and support nation building. During the NDP III implementation period, the government envisions creating an annual average of 520,000 jobs through promoting Foreign Direct Investment (FDI) and expanding exports, with a focus on supporting small and medium enterprises (SMEs) to access export markets while supporting small domestic firms to grow to medium and large firms. Three of NDP III programs namely a) Private sector development program, b) manufacturing, and c) digital transformation majorly contribute to attainment of the second NDP III objective of strengthening the private sector capacity to drive growth and create jobs (National Planning Authority, 2020).

From the above discussions, it is evident that globally, regionally and nationally, there is a consensus that a) population is sporadically increasing, leading to the increased number of un-employed persons most especially the youth; and b) the governments have liberalized the economies which contracted the available opportunities in the public sector. Based on this, there is acknowledgement that private sector has a critical role to play in creating jobs for the youth ultimately contributing to economic growth and development of the economies.

4.2.2 Findings

Globally, almost 43% of the global youth labour workforce is either un employed, or working but nonetheless living in poverty (Seife Ayele, 2018). There are over 71 million young people unemployed and many millions more are in precarious or informal work (United Nations, 2018). ILO estimated that 156 million youth in low- and middle-income countries are living in poverty even though they are employed (United Nations, 2018). On the African continent, 12 million young people enter the labour force each year (Seife Ayele, 2018).

Nationally, Uganda's economy has experienced sustained growth since the 1990s. Real Gross Domestic Product (GDP) grew at an average of 6.5% annually between 1990 -2018. During this period of growth, Uganda experienced some degree of economic transformation. The share of agriculture value added in GDP declined from 53% in 1990 to 24% in 2018. The contribution of industry (including manufacturing, construction and mining) to GDP grew from 10% to 20%, and the contribution of the service sector from 30% to 48% (Linda Calabrese, 2019).

4.2.2.1 Private sector as a job creator

Uganda's economic transformation has been driven by the private sector, leading to creation of many jobs in the sector. The private sector in Uganda provides plenty of opportunity for promoting inclusive and sustainable growth and doing so at a profit. The sector is critical in the job creation process; privately owned enterprises are a source of newest job opportunities which when met by a skilled labour force, results in quality jobs. The quality jobs have the potential to turn around the fears of a disenfranchised population that is weak to demand for quality services of health, education, family planning and governance that also form the recipe of realizing the demographic dividend. Better yet, private sector led growth has the potential to sustainably generate jobs and economic opportunities for Uganda's growing population, particularly youth, while contributing tax revenue for public goods and services. The sector also offers innovation, technical expertise and efficient distribution of goods and services.

“Those who have tried to get jobs and failed yet they are educated, the private sector has given them opportunities for a living, and they have gained skills and the experiences. These skills and experiences have helped them to advance at later stages when they want to go independent of their employers”.
Respondent in Kampala.

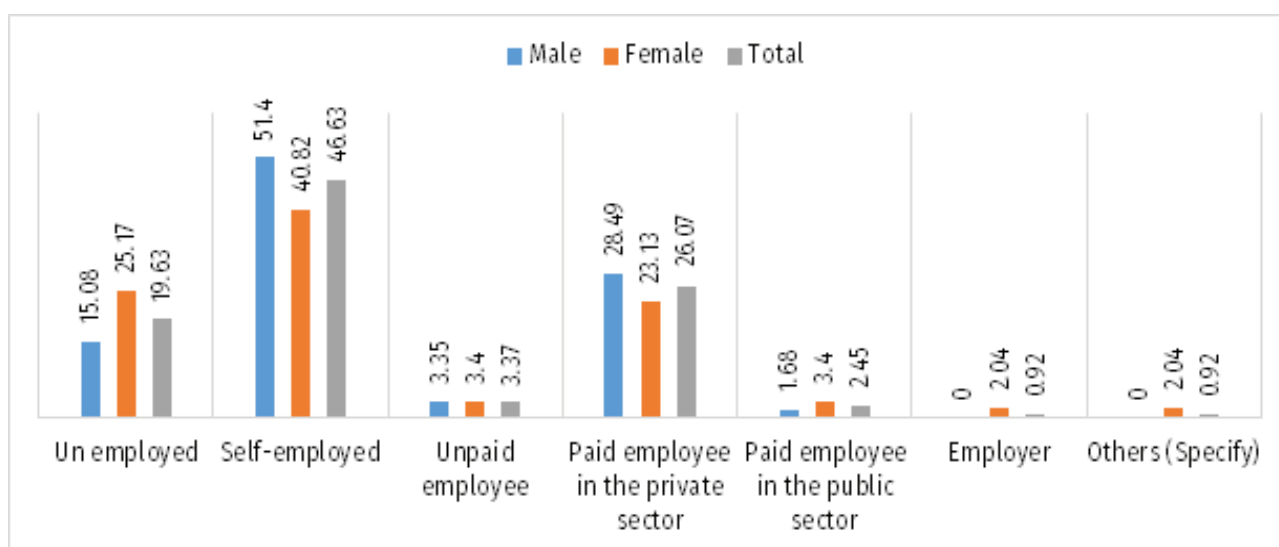
Private sector entities are not only actors in society, but also stakeholders with the capacity and responsibility to contribute to social and economic development. The private sector specifically the MSMEs is the engine of economic growth in the country. In Uganda, the private sector is characterized by the proliferation of MSMEs, which exhibit low levels of productivity and high levels of informality (World Bank Group, 2022), these collectively constitute about 90% of private sector production and a primary source of new jobs, employing more than 2.5 million people, including the marginalized groups, such as women and youth (Nathan Associates, 2015).

Globally, SMEs employ about 50% of the workers in developing countries and contribute to increased incomes for many low-income households. In Uganda, SMEs contribute about 30% of the GDP, the contribution is measured in terms of job creation, income generation and poverty reduction. Employment growth is estimated at 25% per annum, and the SME sub-sector is the prime creator of the new jobs in Uganda.

Findings from the survey revealed that only 2.45% of the respondents interviewed were employed in the public sector while 26.1% were paid employees in the private sector. These were supplemented by 46.6% that were self-employed. These self-employed respondents are in essence part of the private sector, implying that 72.7% of the respondents were in the private sector. The study further found out that formal private sector employment is mostly concentrated in the urban areas where a significant number of youths possess the requisite academic qualification compared to the rural areas where many of the youth drop out of school before obtaining the requisite skills. On the downside, there was a significant number of respondents (19.6%) that were not employed and these were mainly the female respondents (25%).

From figure 14 below, it is observed that most of the youth are self-employed. This is because it is the only entry point into the labour market and the only way out of poverty for many young people.

Figure 14: Employment status of the respondents



Source: Study Findings

Findings from other studies done in in low and middle- income countries report that self-employment is the dominant form of entrepreneurship and accounts for an important share of youth employment in low-and middle-income countries because of lack of choices. Wage employment opportunities are scarce and formal job creation insufficient to give most youth a chance to access decent work. In contexts where poverty is widespread and

social safety nets like unemployment benefits are almost non-existent, most individuals cannot afford to remain unemployed and have no choice but to take whatever job they find. This situation results in individuals, and in particular the young people, ending up engaging in self-employed informal and subsistence activities (OECD, 2017). Policy makers also warn that societies dominated by an unemployed population are a hive of crime, disease, high fertility and illiteracy (UNDP, 2019). Additionally, such a population has no power to fight/demand for rights in view of health, family planning, education and governance. In this regard therefore, it is evident that prospects of a DD in the country's existing situation may be a far cry.

More to that, the study found out that the majority of the youth desired being self-employed (74.8%). There were only 7.7% of the youth that desired being employed in a private company while 9.8% desired working in a Non-Governmental Organization. On the other hand, there were 6.4% of the youth that desired being employed in government/public sector. If the youth are facilitated to be decently employed in the private sector, it will awaken them to the realization that they ought to demand for quality socio-economic services as well as governance and this would in turn brighten the prospects of the country's DD aspirations.

Table 8: Desired place of work

Desired place of work	Employment Status							
	Un employed	Self-employed	Unpaid employee	Paid employee in the private sector	Paid employee in the public sector	Employer	Others (Specify)	Total
Government	9.38	1.97	0.00	7.06	50.00	33.33	33.33	6.44
Self employed	62.50	90.13	54.55	68.24	0.00	33.33	66.67	74.85
Private company	12.50	2.63	45.45	8.24	0.00	33.33	0.00	7.67
Corporate company	1.56	0.66	0.00	2.35	0.00	0.00	0.00	1.23
NGOs	14.06	4.61	0.00	14.12	50.00	0.00	0.00	9.82
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Study Findings

From the qualitative inquiries, the study found out that many youths find themselves in the private sector not as a choice but because the requirements to get employed in the private sector are not as stringent as in the public sector that requires high qualification and the lengthy bureaucratic process. The study acknowledges that many youths are employed in jobs which they do not desire but have no option. For a DD to be attained, it is important that the population is fully harnessed and this is only possible when the population is given the opportunity to make choices for the jobs they desire, the governance they desire to have, the housing, health and education opportunities they wish to pursue as well as the family planning decisions they wish to make.

Conversely, the study found out that the majority of the employees in the public sector (87.5%) were not willing to change their current employment status. On the other hand, most of the paid employees in the private sector (57.6%) expressed willingness to change their current employment situation. The implication from this discussion is that employment in the private enterprises is not very attractive, yet it is the main employer of the youth. Public sector is more appealing to the young people because it often combines characteristics that are valued by the young workers such as job formality, stability or security (OECD, 2017).

Table 9: Willingness to change the current employment status

Willingness to change your current employment situation	Employment status							
	Un-employed	Self-employed	Unpaid employee	Paid employee in the private sector	Paid employee in the public sector	Employer	Others (Specify)	Total
Yes	37.50	36.18	72.73	57.65	12.50	33.33	66.67	42.94
No	62.50	63.82	27.27	42.35	87.50	66.67	33.33	57.06
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Study Findings

From the table and discussion above, there is a need to improve on the working conditions that exist in the private sector enterprises to make it more attractive for the youth in line with the commitments of the SDG No. 8 of “promoting sustained, inclusive and sustainable economic growth, full and productive employment and of ensuring decent work for all”, this includes ensuring payment of competitive rates especially in absence of the minimum wage in the country and provision of allowances, among others. The basis of this recommendation is informed by the findings in table 8 below, where it is observed that the public sector is comparatively providing better entitlement to the workers compared to the private sector, leading to scramble for work in the public sector.

“There is high competition for jobs in the public sector. For example, a single position advertised may have over 1000 applicants! Imagine getting through all that kind of stress. You get a job to apply for, and you apply. They screen out and you realize that they have shortlisted 1000 people. And when you do the first screening interviews, during the second screening you remain 100 people, yet they only want one (1) person. I have also faced it before, where I applied for a job and they asked me for money. These days, jobs are for buying. I have a friend of mine who wanted to be a nurse in some government hospital, they asked her for 2millions. She paid the money but she was not given that job. She started to ask for a refund of that money but did not get it. These things are real. Jobs are for buying, they are for someone’s son, if there is no any person who can recommend you, my dear it’s hard to get a public sector job.” Youth respondent in Gulu.

Table 10: Economic benefits/entitlement at work places

	Self employed	Unpaid employee	Paid employee in private sector	Paid employee in public sector	Employer	Others	Total
Meals and allowances	55.26	90.91	63.53	100	100	0	51.84
Transport/transport allowance	36.84	27.27	38.82	75	100	0	34.05
Paid sick leave	1.32	0	11.76	62.5	33.33	0	5.83
Bonus for good performance	1.32	0	17.65	12.5	0	0	5.83
Maternity/paternity leave	1.32	0	4.71	62.5	33.33	0	4.6
Annual paid leave	0	0	8.24	62.5	33.33	0	4.29
Overtime	0.66	0	2.35	12.5	0	0	1.23
Occupation safety	4.61	0	2.35	12.5	66.67	0	3.68
Medical insurance	0	0	8.24	25	33.33	0	3.07
Education	0	0	2.35	25	66.67	0	2.45
Social security contribution	0	0	1.18	12.5	33.33	0	0.92
Severance/end of service pay	0	0	0	12.5	0	0	0.31
Pension/old age insurance	0	0	0	25	0	0	0.61
Child care facilities	0	0	1.18	0	0	0	0.31
None	37.5	9.09	22.35	0	0	100	40.18
Others (Specify)	2.63	9.09	11.76	0	0	0	5.52

Source: Study Findings

4.2.2.2 Private sector as a provider of skilling

The private sector is key in establishing and managing training institutions, the institutions are also a major source of employment for many youths. Education and training are key determinants of the success in the labour market and strong predictors of non-vulnerable jobs among the youth. Given that education is central to realization of a DD, the contribution of the private sector towards this function is one that cannot be underscored. In Uganda, education service is broadly categorized into pre-primary, primary, secondary and post primary institutions. The private sector is the major provider of pre-primary services. Of the 7210 pre-primary schools, government only owns 116 (1.6%)⁶. Likewise, of the 1171 primary schools, government owns 899 (76.7%). On the other hand, the majority of the secondary schools (66%) are privately owned while 34% are owned by government. Similarly, the majority of secondary school teachers (59%) are in private schools while 41% are in government aided schools. Furthermore, the majority of the post-primary institutions (52%) are privately owned while 48% are government institutions.

⁶ MoES; Education Abstract 2017

According to Uganda Manpower Survey 2016/17, close to seven in every ten training institutions of higher learning in Uganda are privately owned. The details are presented in table below:

Table 11: Distribution of training institutions by selected characteristics (%)

Ownership	Universities & affiliated collages	Health collages	Theological collages	Collage of commerce & business studies	Teacher's collages	Vocational & technical collages	total
Public	29.2	29.7	0.0	13.0	67.6	34.7	31.9
Private	70.8	70.3	100.0	87.0	32.4	65.3	68.1

Source: Manpower survey Uganda 2016/17

From the table above, it is evident that the private sector plays a major role in skilling the labour force in Uganda. In addition to what is indicated in the table above, many private sector players informally provide skilling to the youth through apprenticeship and internship opportunities. The manpower survey further reports that the majority of the students in these institutions were enrolled for education, business, health, social science and behavioural science courses with many of them pursuing degree programs, followed by certificates and diplomas. In 2015, when the study was undertaken, 130,790 students graduated in the different training institutions across the country (Uganda Bureau of Statistics, 2017), the majority of these were from the universities specifically in the fields of education, business, health, social and behavioural sciences. These mainly obtained degrees (53,700), certificates (48,290) and diplomas (24,550), among others.

With the introduction of Universal Primary and Secondary Education, there was a significant improvement in the enrolment of pupils especially at Primary level. Uganda National Health Survey (UNHS) 2019/20 reports that net school enrolment for Primary schools stands at 80%. However, this drastically reduces to 27% implying that many pupils drop out of schools at early stages. UNHS 2019/20 further reports that the highest education attainment for many people in Uganda (39%) was some primary, followed by a few others that had attained some secondary (18%). Only 8% had completed secondary while the same percentage has attended post-secondary and above.

Generally, the above qualifications are not very competitive in driving growth of the economy, African Development Bank (ADB) reports that even when the jobs are available, the youth often do not have the required skills despite the gains in education access over the past several decades (ADB, 2016).

To avert the above challenges, Ministry of Education and Sports (MoES) has embarked in reforms in education service deliver. Key among these was the introduction of the competence-based curriculum for lower secondary in February 2020. This curriculum is intended to impart more technical skills to learners. The curriculum follows the following principles:

- a). Student centered as opposed to teacher centered;
- b). Encourage active and inquiry-based learning;
- c). Emphasize technical competencies rather than theoretical knowledge;
- d). Require new types of assessment systems; and
- e). Emphasize training in the skills and mindsets needed for work and life such as transferable skills.

It is too early to assess the efficacy of this curriculum as it has just been rolled out, however, it shows signs of significantly improving education service delivery in the Country.

The above notwithstanding, the study identified some good case studies in Kenya and Rwanda where the public and private sectors have worked together to impart skills to the young people entering the job market. These case studies can inform the design of training program for youth and make them competitive in the labour market. The case studies are presented in Box 1 below.

Box 1: Selected case studies of effective youth skilling

CAP – Youth Empowerment Institute’s Basic Employability Skills Training (BEST).

The BEST model was developed in India by CAP foundation and has been rolled out in many Countries in Africa including Egypt, Tanzania, Sudan, South Sudan and Kenya. In Kenya the model offers out – of – school and out – of – work youth aged 18-25 entry training in a combination of transferable and technical skills as well as access to internships, jobs, and business opportunities to help them build the confidence and capacities needed to gain employment or start their own businesses. The model follows a nine-step process as follows:

- Step 1. Market scan of the local area in terms of jobs and business opportunity available and skills demanded by employers and businesses which informs development of a tailored curriculum
- The CAP-YEI team travels to communities to publicize the program
- CAP-YEI recruits and inducts the youth for the program offering them some initial transferable skills training including team-building and setting personal learning goals
- Youth inductees undertake three months of classroom training in market relevant technical skills
- During the training other transferable skills, and business training and financial literacy are imparted which involves connecting the youth to financial service providers. The technical skills are oriented to sectors with strong job growth in the local area,
- Youth then begin a work-readiness module providing them the employability or transferable skills training they need to help them negotiate varied and often unpredictable livelihood options.
- The youth are placed in internships and help them convert these into jobs or facilitates entrepreneurship opportunities
- Once the youth are in field placements, they are tracked including; participants’ outcomes and conducts new or revisited market scans, allowing for real-time program feedback to improve program design and curriculum change

The entire training program takes four months, with three months in the classroom and one month spent in field assignments.

Resulting from the program interventions between 2011 to 2015; 15,000 were trained, 75% were placed in jobs, 8% became self-employed or started business, 80% opened a bank account and started to save.

Refer to (The MasterCard Foundation, 2017)

Akazi Kanoze (AK) case study Rwanda

The project was conceived after the recognition that local institutes in Rwanda were not providing training in the kinds of transferable or soft skills sought by employers.

Akazi Kanoze (translated as work well done) youth livelihood project has since 2009 been providing the youth in Rwanda ages 14-35 with market relevant skills and work readiness training and support on-the-job training opportunities, and links to the employment and self-employment market. The program builds capacity and creates linkages between the youth, the Rwandan economy and the public and private sector so that the youth can access increased opportunities for productive engagement in society. In the 2nd phase of the program, this approach was institutionalized and adopted in the government curricula within Rwanda's secondary education system including both general secondary and technical vocation schools.

AK youth receive work readiness and entrepreneurship training in addition to internship opportunities for the on-the-job learning, job placement services and/or business start – up coaching. The process involves:

- Development of the work readiness curriculum, this was developed by the Education Development Center (EDC) of the Rwandese government, the curriculum involves a 100-hour modular training on the following topics; personal development, interpersonal communication, work habits and conduct, leadership, safety and health at work, worker and employer rights and responsibility, financial fitness and introduction to entrepreneurship
- Training and support resources; AK youth were also offered a menu of specialized workforce development skills training and resource programs. These include savings groups, in-depth skills training in targeted sectors, literacy/numeracy instruction, entrepreneurship training and youth mentoring. All the AK youth in this follow up study receive the income-generating activities (IGA) training, which focuses on business start-up and self-employment
- Workforce connections: All participating youth were offered access to workforce linkage opportunities (internships and apprenticeships) including formal sector jobs, entrepreneurship, and other livelihood opportunities. After the youth finished the in-class and technical training, the graduates are taken on a three-month internship in their trade of choice. This internship provides them with on-the-job experience and in some cases led to full time employment.

Resulting from the intervention, the beneficiary youth enhanced their chances of getting employment by 8%

Source: Mastercard Foundation, 2018

From the box above, the following observations are made:

1. Both programs involved a strong partnership between the public and private sector in the design and implementation resulting from this partnership, the youth were able to obtain the relevant skills demanded by the prospective employers, they were able to have practical experience in the enterprises and many of them were able to either get jobs or start their jobs.
2. The program was inclusive, involving different segments of the population. In that way, even the youth that had dropped out of school were able to benefit.
3. In both cases, there were deliberate efforts to institutionalize the program into the government system to ensure sustainability of the interventions.

Active labour market training programs for the youth strengthens the accumulation of the employment relevant skills ranging from specialized skills, knowledge or know how needed to perform specific duties of task to individual attributes relevant to work. It is widely acknowledged that skills training interventions raise the probability of employment among the youth.

The Uganda demographic dividend roadmap presented four appropriate skills and tools required to enhance the DD, in the box below these skills are tools are presented.

Box 2: Appropriate skills and tools required

Appropriate skills and tools required.

- Promote vocational and technical education/training opportunities (Innovation, science and technology, apprenticeship, soft skills and mind-set change through curriculum, community schools);
- Adequately equip institutions with modern skilling transformation tools through public and private partnerships;
- Rebrand TVET program to increase participatory practical skills knowledge and mindset relevant to the work environment specifically in industry, manufacturing and agriculture sub-sectors; and
- Produce self-confident and visionary students possessing entrepreneurial skills which are meaningful to them and to the employers in a competitive market.

Source: Uganda Demographic Dividend roadmap

4.2.3 Conclusion and recommendations

Overall, the private sector can be and has been involved in multiple ways to promote youth employment and skills in Uganda. However, they have not been able to match the existing demand because of the high population growth the out matches the available opportunities and the size of enterprises that are mainly MSME that cannot take on many prospective employees. This has left many youths either un employed or under employed.

To overcome the above challenges, the following recommendations are made:

- Improve of the delivery of skilling.** In addition to instructions from the established formal institutions, the government should work with the private sector to design and implement more technical skilling programs that impart technical skills that are required in the job market;
- Support the existing private sector enterprises to graduate from MSME to large enterprises** in this way, they will be able to offer better quality jobs to the youth. The support should be through provision of business development services to the MSME; improving on the regulatory framework to ensure that barriers to investments are limited; and support in access to business financing.

4.3. Innovations that can place the youth at the center of private sector growth

By virtue of their large numbers in the country's population, yet the private sector also contributes over 85% of the economy according to the census of the Business Establishments 2010/11, the youth are a population category not to be ignored in the growth of the private sector. Innovations that can place the youth at the centre of private sector growth should espouse strategic investments that inspire the youth to be creative, resilient and focused. Interactions with the youth indicated that the youths seek to be engaged more in the sector of information and communication technology as well as being think tanks in order for them to strategically contribute to the growth of the private sector better. In line with harnessing the DD, once they have been placed at the centre of private sector growth, youth can influence what goes on in their lives with regard to fertility control, health seeking behaviours, quality education and medical care for themselves and their children and the ability to earn an income decent enough to allow for them to save and invest in ventures that can sustain their lives during retirement. Findings from this study explored innovations that can place them at the centre of the sector's growth. The exploration was done through interactions with key informant interviewees officials and the youth themselves.

4.3.1 Overview

With the growing trends of technological advancements across the world, the country is quickly becoming a global village. In order to anchor the world on a path of innovation and paced industrialisation, the Sustainable Development Goals (SDGs) set targets for steering the world on the path of sustainable development which in effect would mean that the world's population is able to realise a DD for themselves and the countries in which they live. For each target under the 17 goals, there is an inherent call to the population to innovate ways out of poverty, hunger and usher the world into a demographic dividend. A feat that framers of the SDGs argue can only be achieved through a concerted effort with the private sector.

In Uganda, the government resolutely established Ministry of Science, Technology and Innovation (MoSTI) in June 2016 in recognition of the need by government to explicitly prioritize issues relating to Science, Technology and Innovation (STI) as a key driver of economic development. Cognizant of the fact that Uganda has one of the youngest populations in the world, the country supplemented this effort with deliberate policies and programmes to challenge the youth to become versatile and industrious so as to reap from the establishment of the Ministry. This would in turn empower them to lead a decent and meaningful life where they are able to comfortably demand for quality health care, fertility control and less dependency. An empowered youth would also be enlightened to demand for accountability from the leaders on the quality of services provided to the community.

The policies tailored to suit the needs of the youth include the Science, Innovation and Technology Policy that, among others, advocates for the involvement of the private sector and its innovative entrepreneurs in the implementation of government science, technology and innovation programs, recognizing their potential in affecting transformational development beyond acting merely as financiers. In addition to this, the National Youth Policy that mothered the Youth Livelihood Program (YLP), and consequently, the Youth Livelihood Fund (YLF) came in force to guide the youth towards innovating businesses that would create employment for other young jobseekers. When youths are able to find employment, it puts them on the path of self-sustenance and prospects of realizing a DD stated here above. The policy also argues that for the youth to have their skills, gifts and talents harnessed, deliberate development efforts should target private enterprise development. Efforts prescribed by the policy that have further facilitated private sector growth are the provision of entrepreneurship training, information services, and microcredit facilities to the youth. These ideals are entrenched in the policy-led youth livelihood program which has reportedly supported the creation of 114,471 jobs for youth over the preceding three years of its suspension in 2017. Of these jobs, 43 per cent were in the agricultural sector and a further three percent in Agro-industry. Trade and services also represented substantial shares of the jobs that were said to have been created (30 percent and 10 percent, respectively).

Table 12: Jobs created under the National Youth Policy, 2014-2017

Sector	Number of jobs created	Percentage
Agriculture	49695	43%
Trade	33771	30%
Services	11979	10%
Industry	7028	6%
Vocational skills	6071	5%
Agro-industry	3981	3%
Agro-forestry	1180	1%
Information communication technology	625	1%
Creative industry	137	1%
Total	114467	100

Source: Uganda National Youth Policy

The other youth facilitating policy for the private sector is the National Information and Communications Technology (ICT) Policy, 2014. The National ICT Policy aspires to, among others, promote innovation in economic and social systems. The policy strives to facilitate the greatest possible innovation and integration of ICT products, services and applications, an area that is extensively embraced by a brass of young people that are technology savvy and curious. It is held that these attributes in the young people can be turned into a dividend for themselves and the country. As such, Ministry of ICT and National Guidance highlights the need to implement a National ICT Initiatives Support Program (NIISP) that primarily seeks to support young ICT innovators through direct grants and finalization of the Innovation Hub that will provide free space and internet to ICT research and innovators. For this pre-current financial year 2021/2022, 13 billion Uganda shillings was earmarked by government for NIISP. When the innovation space for the youth is supported, it will attract the involvement of more youth. When they are allowed space to express themselves and learn to solve problems by themselves, it gives them confidence to aim for life changing opportunities. When they are engaged, they will have minimal time to engage in activities such as the abuse of drugs, aimless relationships, hence a reduced likelihood of teenage pregnancies and young parenthood. These attributes are hinged on a key DD pillar of demographic transition.

4.3.2 Findings/Practice

The study sought the opinions of youths and local area authorities to gain an understanding of the existing as well as preferable situation by the youth with regard to innovations that can place the youth at the centre of private sector growth.

4.3.2.1 Benefits of participating in the private sector

Officials in the federation of private sector enterprises held that enrolment of young people in the private sector when they have an appreciation of the operations therein would go a long way in enabling them to harness the opportunities as well as tackle the challenges with optimism and resilience. They would consequently partake of benefits that would deliver them as well as the country to a demographic dividend. When asked benefits one gets for being in the private sector, over three quarters (77%) of the 326 youths interviewed mentioned the benefit of being independent. Over half of them (56%) anticipated getting a better pay while 45% hoped to widen their social network. Under a quarter of the youths (15%) recounted the benefit of paying taxes to government. Some 2% did not know the benefits of participating in the private sector while 1% said there was no benefit being part of the private sector.

Table 13: Benefits obtained by being part of the private sector

Category	Percentage (%)
Being independent	77%
Getting a better pay	56%
Widening the social network	45%
Paying taxes to government	15%
Don't know	2%
No benefit	1%

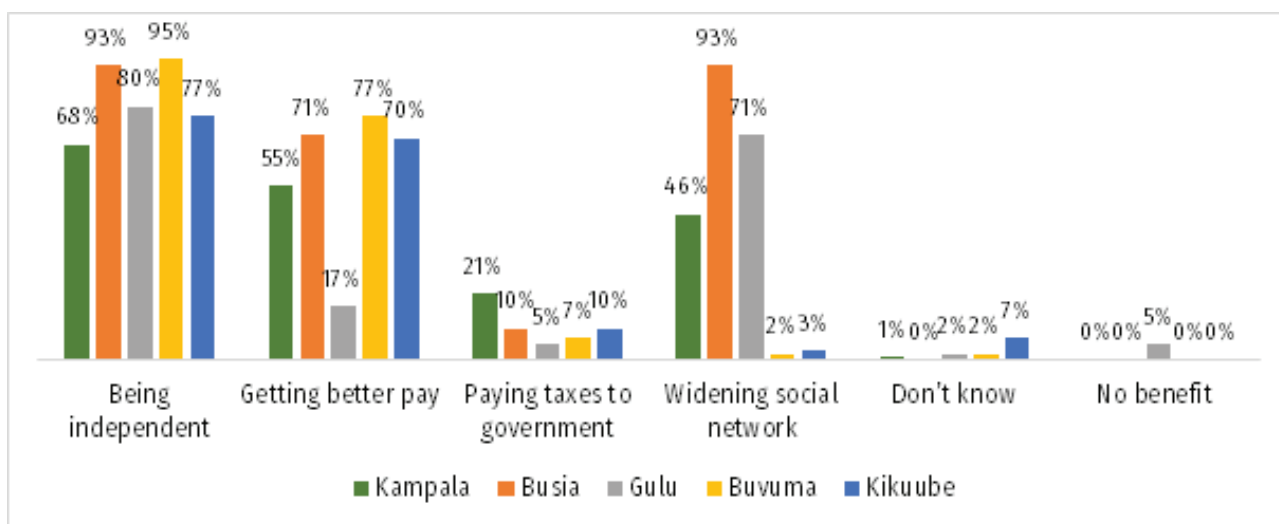
Source: Study Findings

4.3.2.2 Benefits of participating the private sector by district

Opinions of the youth are an influence of the environment in which they live. As echoed in NDP III, the prospects of youths realising their full potential that could translate into a demographic dividend for the country are a factor of the resources available in the areas in which they live. Study results thus revealed that there were variations in the private sector benefits that youths interviewed within the different districts envisioned. The majority of the youths across all districts visited postured the benefit of being independent when they participate in the private

sector. There were spaced variations on the benefit of widening the social network. While 93% and 71% of youths interviewed in Busia and Gulu respectively anticipated widening of their social networks, only 2% and 3% of their counterparts in Buvuma and Kikuube respectively held the same opinion. The notion of getting a better pay was shared by more than half of youths in all districts, except Gulu where just 17% held the same view. Paying taxes to government was mentioned as a benefit by hardly a quarter of the youths across all districts. Gulu had only 5% of the youths mentioning it. Seven percent of youth in Kikuube did not know the benefits of participating in the private sector, while 5% in Gulu said they saw no benefit in participating in the private sector.

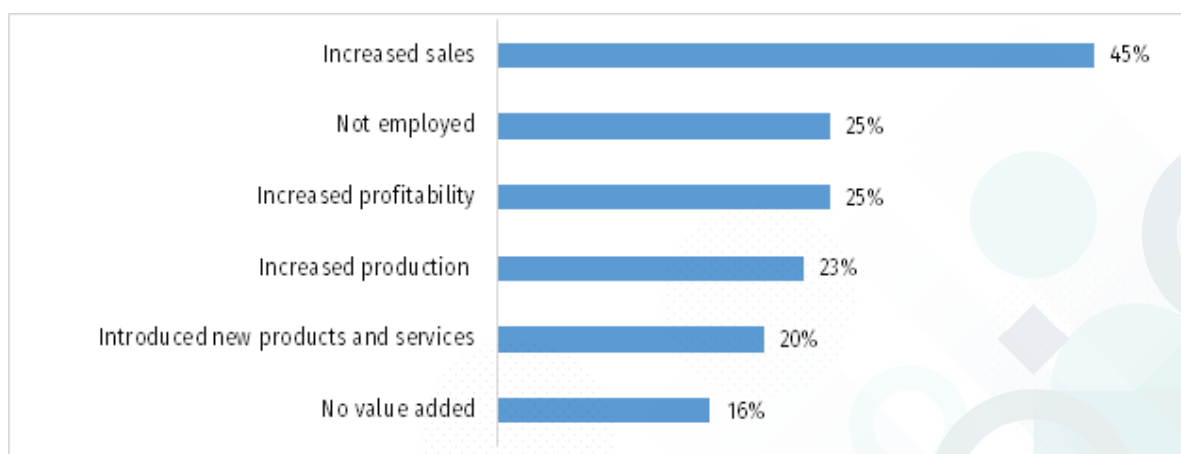
Figure 15: Perceived benefits of interviewed youth participating in the private sector by district



4.3.2.3 Value addition to the private sector

In order for the private sector to embrace the involvement of the youth as well as seek to accommodate more, it is critical that the youth have value they are adding to endeavours of the enterprises. Private sector players argue that private establishments are highly competitive and therefore require that actors that seek to reap from it, sow in equal measure. Under half (45%) of the youths that were interviewed said they increased sales in the enterprises they were part of. A quarter of them said they increased the enterprises' profitability, while 23% said they increased production of the establishment. Some 20% said they were able to introduce new products and services. Of bigger concern though, 25% of the youth said they had no opportunity to add value because they were not employed, while 16% felt they added no value to enterprises they were part of.

Figure 16: Nature of value added to operations of the private sector

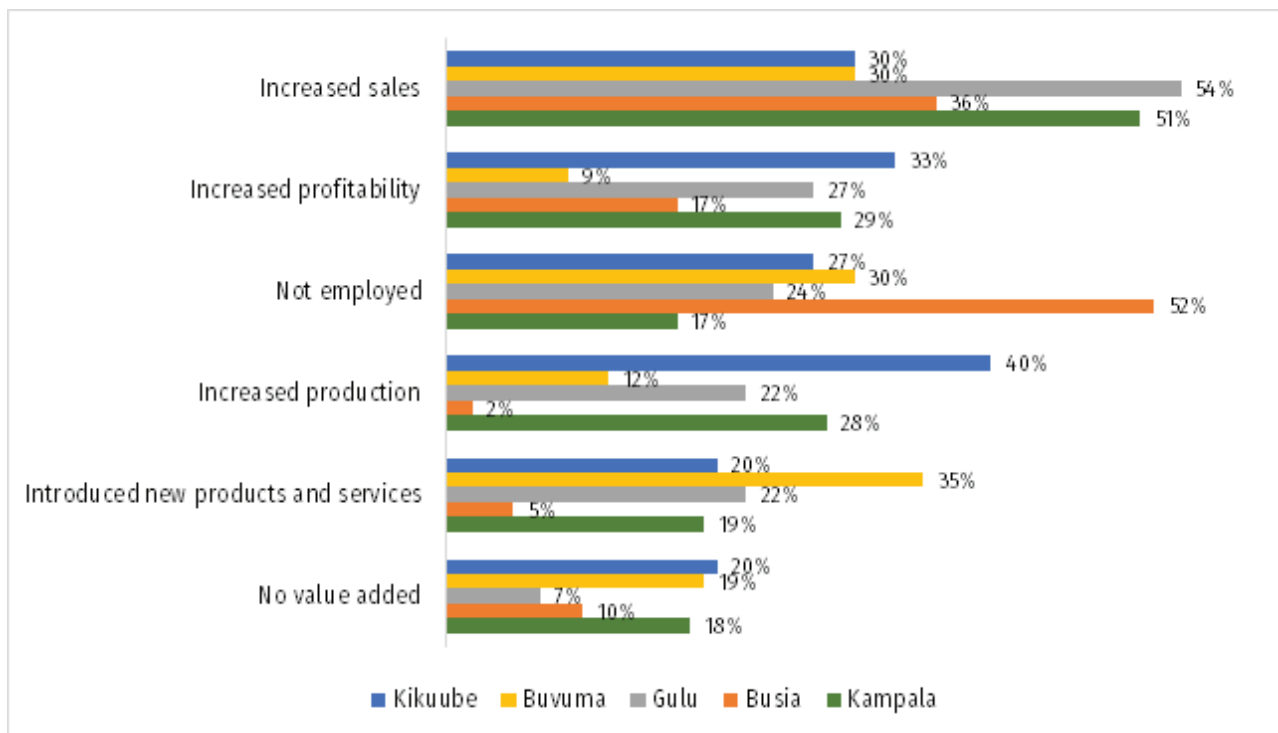


Source: Study Findings

4.3.2.4 Value addition to the private sector by district

Over half of youth interviewed in Gulu (54%) and Kampala (51%) said they increased sales in their enterprises. In Buvuma, a good number (35%) said they introduced products and services. A fourth of those in Kikuube said they increased production. Majority of those in Busia (52%) said they were unemployed.

Figure 17: Value addition of interviewed youth to the private sector by district



Source: Study Findings

4.3.2.5 Enablers for value addition to the private sector

Over half of the youths interviewed (54%) indicated they were able to add value to enterprises they were part of because they had acquired more skills. Some youths stated they were adequately facilitated (14%), while 13% said they were given more authority. Others said they were motivated by the sector being highly competitive (11%) and a reward for good performance (11%). Positioning the youth at the centre of the growth of enterprises they are part of is akin to laying the foundation that places them at the centre of private sector growth. It also serves as motivation for them to perform and gain more acceptance within the sector so that they operate more efficiently to generate bigger gains in terms of the profitability of the enterprise and improvements in their incomes.

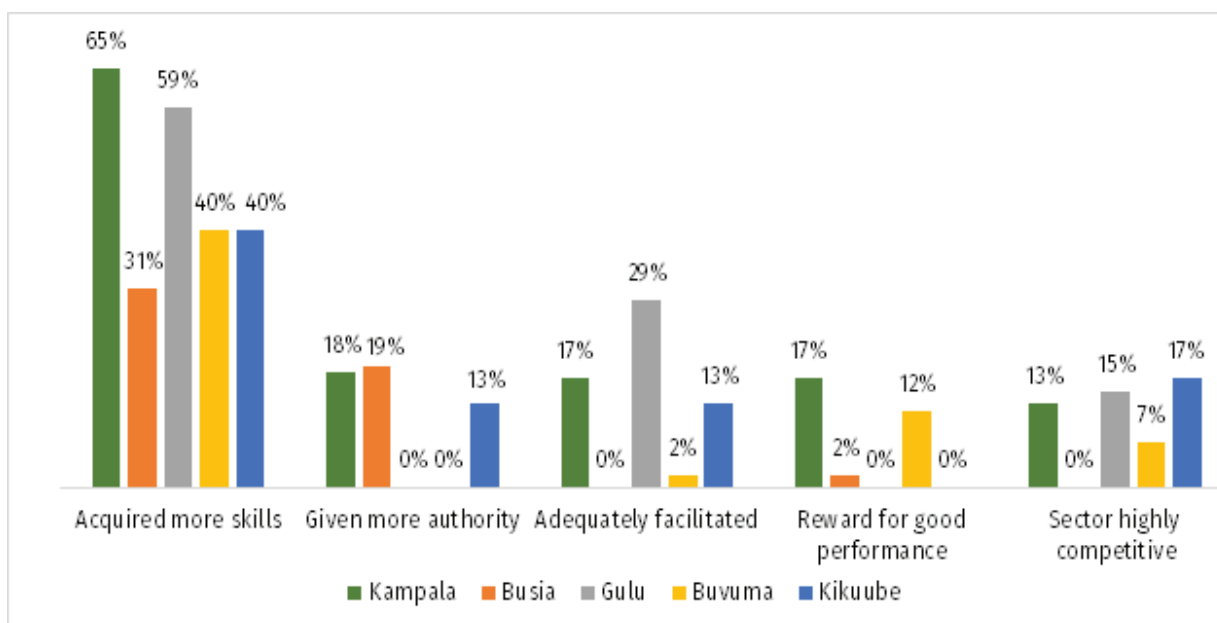
Table 17: Value addition from engagement in the private sector

Category	Percentage
Acquired more skills	54%
Adequately facilitated	14%
Given more authority	13%
Sector is highly competitive	11%
Reward for good performance	11%

Source: Study Findings

Exploration of study results by district presented variations for enablers of the youth to add value to enterprises within their respective districts. Scrutiny of these variations spell disjointed prospects of youths in the different locations to have an enabling environment that would allow them to impactful participate in the growth of the private sector. This in turn has a vulgarising consequence to prospects of attaining the demographic dividend. In Kampala and Gulu, about two thirds of the youth interviewed stated they added value to the enterprises they were part of because they had acquired the requisite skills. In Gulu, some 29% of youths attributed the ability to add value to the enterprises because they were adequately facilitated. Fewer youths in Busia (31%) assented to have had the requisite skills. Another 19% of youth in Busia indicated they were able to add value to the enterprises because they were given more authority.

Figure 18: Enablers for youth to add value to the private sector by district



Source: Study Findings

4.3.2.6 Requisite skills for valuable involvement in the private sector

For youth to position themselves at the centre of private sector growth, they should be aware of the skills needed to spur the sector's growth. NDP III guides that for Ugandans to be productive in the economy, there is need for intensified human capital development so that every Ugandan, and particularly the youth, are actively engaged in production. When asked what type of skills would be valuable in private sector operations, majority of youths that were interviewed (81%) pointed to the need for one to have financial management skills. In excess of half the youths interviewed also mentioned skills in marketing and marketing research (58%) and communication skills (55%). Close proportions mentioned business plans formulation skills (44%), while fewer youths made mention of the need to have ICT skills (19%).

Table 15: Skills that are valuable in private sector operations

Category	Percentage
Financial management	81%
Marketing and marketing research	58%
Communication skills	55%
Business plans formulation skills	44%
ICT skills	19%

Source: study findings.

4.3.2.7 Support for private sector growth

Sustained growth of the private sector requires targeted support systems to equip youths with the requisite skills and mentorship. These support efforts can only be championed by government because of its vast resource mobilisation machinery and the ability to reach youths in all parts of the country. As envisioned in the policy and legal frameworks, support towards the private sector would steer significant portions of youths towards realising their full potential and would translate into a demographic dividend for themselves and the country.

The study found out that very few youths have knowledge about the already few existing **incubation centers** in the country where they can take their ideas for development or refinement. It was however reported that even the few that have contacted these centers have not been helped. Incubation centers like Uganda Industrial Research Institute would be key to harness innovations, but most youths have reservations about these institutions.

“Majority have shared their ideas/formulae only to find them sold to elites and products on the market while the process still ongoing”. – Respondent in Rubaga Division

4.3.2.8 Awareness of government programs supporting youth entrepreneurship

The GoU, through Ministry of Gender, Labour and Social Development (MGLSD) and Ministry of Finance, Planning and Economic Development (MoFPED), has implemented several initiatives that promote youth entrepreneurship and business development. These programs are detailed below.

- a). **The Youth Entrepreneurs Scheme (YES) of 1995.** This was designed to train and equip youth with entrepreneurial skills and enable them to have access to loans for start-ups and running their enterprises. This program was however faulted for only focusing on the micro-finance component and neglecting other critical support programs such as training and business support component.
- b). **The Youth Opportunities Program (YOP) of 2005.** This was designed under the Northern Uganda Social Action Fund (NUSAF). Implementation of the above programs was concluded. In the following section, the on-going programs are discussed.
- c). **The Youth Venture Capital Fund (YVCF).** This program was launched in 2012. This program was incorporated in the NRM Manifesto of 2011 to 2015 where the government committed to disbursement of the youth graduate fund. Under this Fund, the GoU with support from KfW in partnerships with three commercial banks (Centenary Bank, DFCU and Stanbic Bank), pool resources to provide capital to the youth through these three participating commercial banks. The fund supports the growth of viable and sustainable SMEs developed by the youth in the private sector, with the objective of lending venture capital debt financing to viable projects proposed by the youth to enable them benefit from associated mentoring services from the participating banks. The program has been faulted of targeting only well-to-do urban youth, with most of the beneficiaries from urban areas in Central Uganda and neglecting the great mass of rural based youth.

Qualitative inquiries from KCCA revealed that Youth Fund that is implemented in conjunction with Centenary Bank at the tune of UGX 3 billion. This fund targets youth between 18-35 years. This fund has a 10% interest rate which is lower than the commercial rates which is on average 20% per annum in commercial banks, despite these incentives, it was found out that not very many youths have expressed interest in obtaining money from this fund which could be attributed to poor publicity and the access conditions.

- d). **The Youth Livelihood Program (YLP).** In 2013, the GoU through MGLSD launched YLP which was planned for implementation starting 2013/14, the program targets un employed youth aged 18 to 30 years. The program provides financial support to enable the youth establish income generating activities, provide youth with entrepreneurship and life skills; and provide youth with relevant knowledge and information for attitudinal change. By the time of compiling this report, disbursements for YLP had stopped, the funds were integrated in the Parish Development Model (PDM).

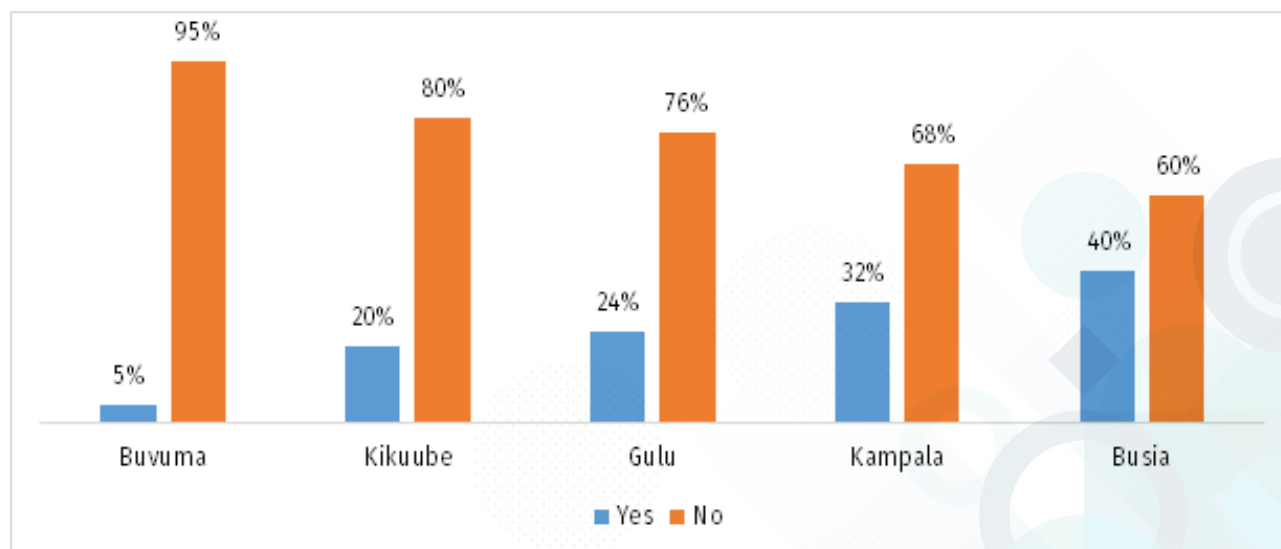
Other programs include Uganda Women Entrepreneurship Program (UWEP) from which the female youth can get financial support to implement livelihood projects; Parish Development Model (PDM); Operation Wealth Creation (OWC), among others. All these interventions are inclusive of youth. Well, as some use an approach of loans, there are those that are totally grants. It should be noted that programs like UWEP target female youth aged 18 and above, implying that the young women have an opportunity window and indeed, majority have benefited.

Of the programs enumerated above, the Parish Development Model (PDM) is the most recent one. Launched in the fiscal year 2021/2022 specifically in February 2022, the Parish Development Model is a development approach conceived under the Third National Development Plan (NDPIII) with the aim of deepening the decentralization process, improve household incomes, enable inclusive, sustainable, balanced and equitable socio-economic transformation; and increase accountability at local levels. The model positions the parish as the epicenter of multi-sectoral community development, planning, implementation, supervision and accountability. Key among the objectives of the PDM is addressing vulnerability among youth, women, PWDs at the grassroots by developing and Implementing Action Plans for inclusion of disadvantaged interest groups. Further to inclusiveness, it provides that local economic development in Uganda shall be inclusive and shall take a value chain approach, ensuring that all value chain actors (including women, youth, smallholder farmers and other Agri-MSMEs) can access appropriate services to support their needs. The PDM thus seeks to foster stable prices, availability of affordable finance, predictable markets, availability of processing or storage infrastructure, etc. Whereas the National Youth Council advocated that 35% of PDM funds are allocated for the youth, government allocated them 30% of funds. The implementation guidelines provide that the 30% funds shall be provided for youth activities. It is equally noteworthy that PDM pillars are private sector driven, giving even more credence to the role of the private sector in youth empowerment. Having established in the results of this study that the private sector roles are within areas also dominated by youth, it is evident that the youths will yield greatly from the program, whence, as early alluded, there will be increased prospects of harnessing the potential of the youth and will position the country on the pathway to the DD.

In addition to government programs, there are Non-Governmental Organizations (NGOs) that support youth entrepreneurship. One of the key programmes identified was the **up-lift tool** implemented by the World Vision that support the youth struggling with seed capital and female youth in prostitution with start-up grants to start meaningful enterprises.

Awareness of government programmes supporting youth entrepreneurship by the youth was very low across all districts surveyed. Almost all (95%) youth interviewed in Buvuma did not know of the existence of such government programmes. In the rest of the surveyed districts, ignorance of existence of these programmes still spiked above half the number of the youth interviewed.

Figure 19: Knowledge of existing government programmes supporting youth entrepreneurship

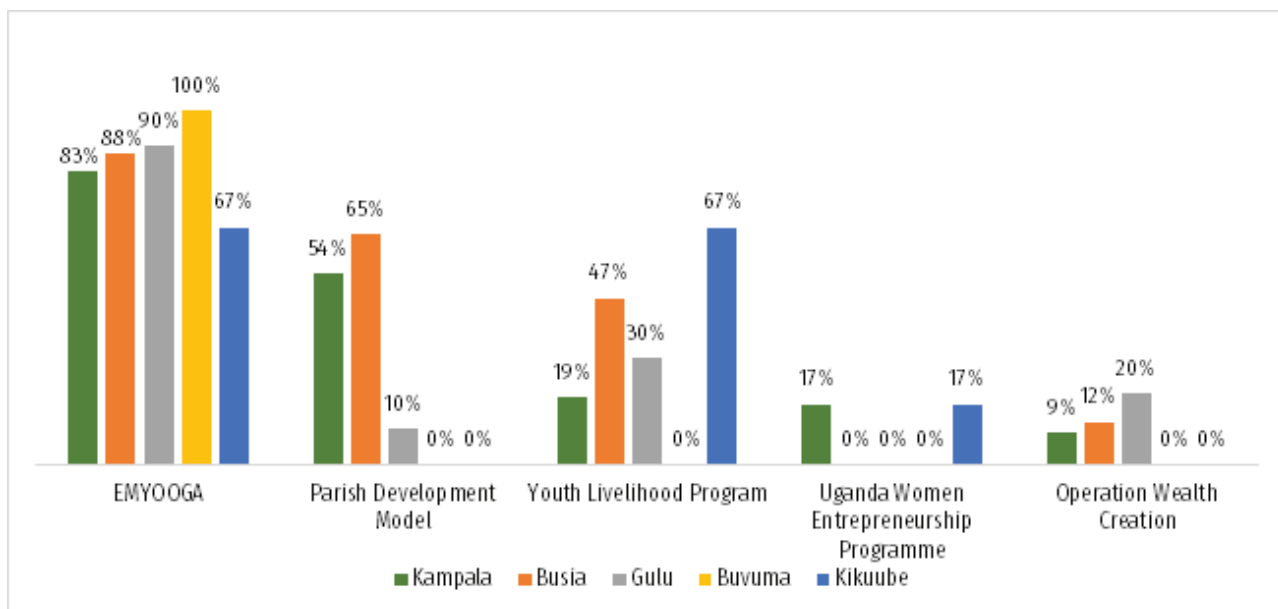


When asked about existing government programmes supporting youth entrepreneurship, all youths interviewed in Buvuma mentioned the Emyooga programme. The Emyooga programme was also mentioned by over 8 in 10 youths in Kampala, Gulu and Busia. Only Kikuube had fewer youth (67%) mentioning it. Youth in Kikuube mostly (67%) talked of the Youth Livelihood Programme, yet none of the youths in Buvuma mentioned it. The Parish Development Model was only mentioned by 54% and 65% of youths in Kampala and Busia respectively. It was not mentioned by any of the youths in Buvuma and Kikuube districts. Operation Wealth Creation was mentioned by a handful of youths across all surveyed districts.

The above notwithstanding, it was reported that many of the youth were not benefiting from these programmes because the leaders and a few youth representatives at times divert the funds provided for their person use.

“When government introduces programs for the youth, those programs are grabbed by other people who I will term as cunning. We have a category of youths here in Kampala who are cunning and when they get the money for development projects, they eat it. There is a time in 2016, H.E The President gave shs.500 million to every division for the youths but the leaders shared the money and it vanished”. Respondent in Rubaga Division.

Figure 20: Government programmes supporting youth entrepreneurship



Source: Study Findings

4.3.2.9 Support services for the private sector

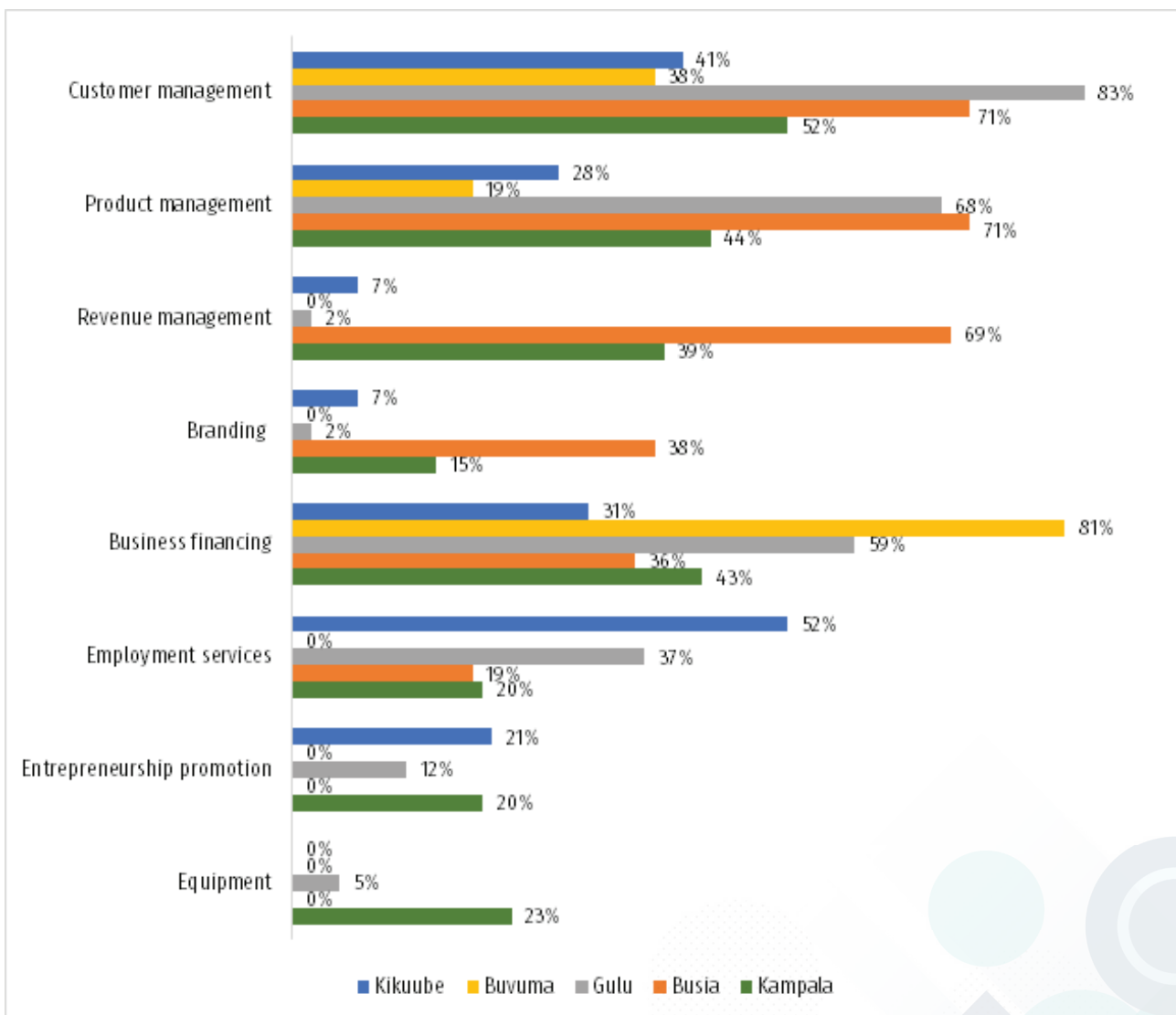
The study found out that there have been interventions by local authorities to support private sector growth. In Kampala, Kampala Capital City Authority (KCCA) works with agencies like Uganda Revenue Authority (URA) and Uganda Registration Services Bureau (URSB) to support formalization of enterprises including those of youth. In each of the Divisions visited, there were joint desk established where the youth can get information about business registration, licensing, tax regime (including applying for Tax Identification Numbers, VAT registration/exemption, payment of withholding tax, etc). This has helped the youth formalize their businesses and be able to benefit from bigger opportunities. Furthermore, KCCA has established a Youth Apprenticeship Program under Kabalagala Training Centre where participants are given hand-on skills in enterprises like soap making, hair dressing, among others. Other initiatives under the Authority include Employment Services Bureau where youth get free computer training and ICT services. Many local authorities have built markets to provide space for communities, including the youth to enhance their business opportunities.

Whereas a series of interventions towards supporting the private sector have been enumerated in the form of policy and legal frameworks, the sector is evidently in need of actionable support services to facilitate exploration of the potential of youths to position the country on the path of attaining the demographic dividend.

“After registration of these enterprise, there is not much my office does to prepare these youth to take on opportunities. The major task we do as an authority is to enforce trade order and usually the youths are the main victims of trade order. Many have lost business, could not pay loans and others demoralized from even starting due to experience gone through by peers.” –Respondent in Rubaga Division

Youths interviewed across the surveyed districts proposed a range of business support services they hoped would be valuable to the private sector. In Gulu, over 8 in 10 youths interviewed proposed support of the private sector in the form of customer management. A similar proportion of youths in Buvuma called for support in the form of business financing. High proportions of youths in Busia (71%) also called on support in customer management and product management. Notable proportions of youths in Gulu also proposed that the private sector is supported in areas of product management (68%), business financing (59%) as well as employment services (37%). Youths in Busia also extensively proposed support services in areas of revenue management (69%), branding (38%) and business financing (36%). The youth in Kampala largely called on support in areas of customer management (52%), product management (44%), business financing (43%), revenue management (39%) and working equipment (23%).

Figure 21: Type of business support services valuable to the private sector



Source: Study Findings

4.3.3 Conclusion and recommendations

Conclusion

There are legal and policy frameworks needed to support innovations to place the youth at the centre of private sector growth.

There is adequate room in the private sector to accommodate the youths with possibilities of positioning them as a centre-piece for growth of the sector.

There is an awareness gap in the far and hard to reach districts for development initiatives, fuelling discrepancies in the beneficiaries of youth empowerment programmes. A lot of youths in places distant from the capital city miss out on national youth empowerment programmes.

Recommendations

- a). There is need to strengthen youth councils across the country to ensure effective transmission of information and support systems targeting youths all over the country.
- b). Policies and legal frameworks should be revised to reflect the most recent trends of innovation and the revolving youth needs and aspirations.
- c). Vocationalisation of the education system should be fast-tracked in all academic institutions, superintended by a policy that ensures that youths complete any cycle of education with lifelong skills that would place them at the centre of private sector growth and attainment of the demographic dividend for the country.
- d). Programmes seeking to empower youths to productively participate in the private sector should be harmonised and not implemented in silos. With this, it would be easier to track youth beneficiaries and the unmet need.

4.4 Economic space for the youth in the private sector engagement

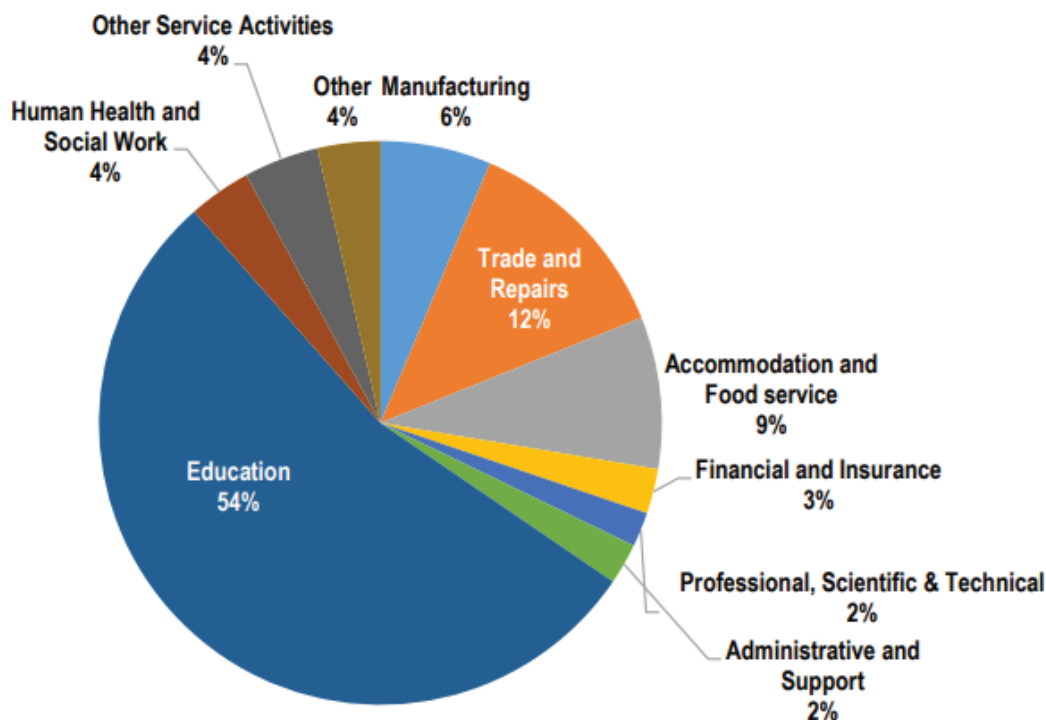
4.4.1 Overview

The labour market in Uganda is characterized by fast-growing working age population; annually, 800,000 Ugandans join the labour market, slightly above 130,000 of these coming from high institutions of learning, while only 40,000 of these coming from Universities (this directly affects the quality of the people joining the labour market). Of the 800,000 Ugandans joining the labour market, only 90,000 find gainful employment (National Planning Authority, 2020). The labour market in Uganda covers both formal and informal employment. Broadly, two types of employers exist in Uganda, these are public and private sectors. The majority of formal employment (77%) is in the private sector while the public sector contributes to 23% (Uganda Bureau of Statistics, 2017). The World Bank reports that the vast majority of new jobs will be created in the private sector which accounts 90 percent of job creation. The deduction from the above realization is that private wage employment is an important source of employment especially for the youth.

4.4.2 Findings

The majority of the working population (52%) are employed, these were followed by those in subsistence agriculture (47%) and those in unpaid apprenticeship (Uganda Bureau of Statistics, 2020).

Figure 22: Distribution of Private Sector Establishment by main activity



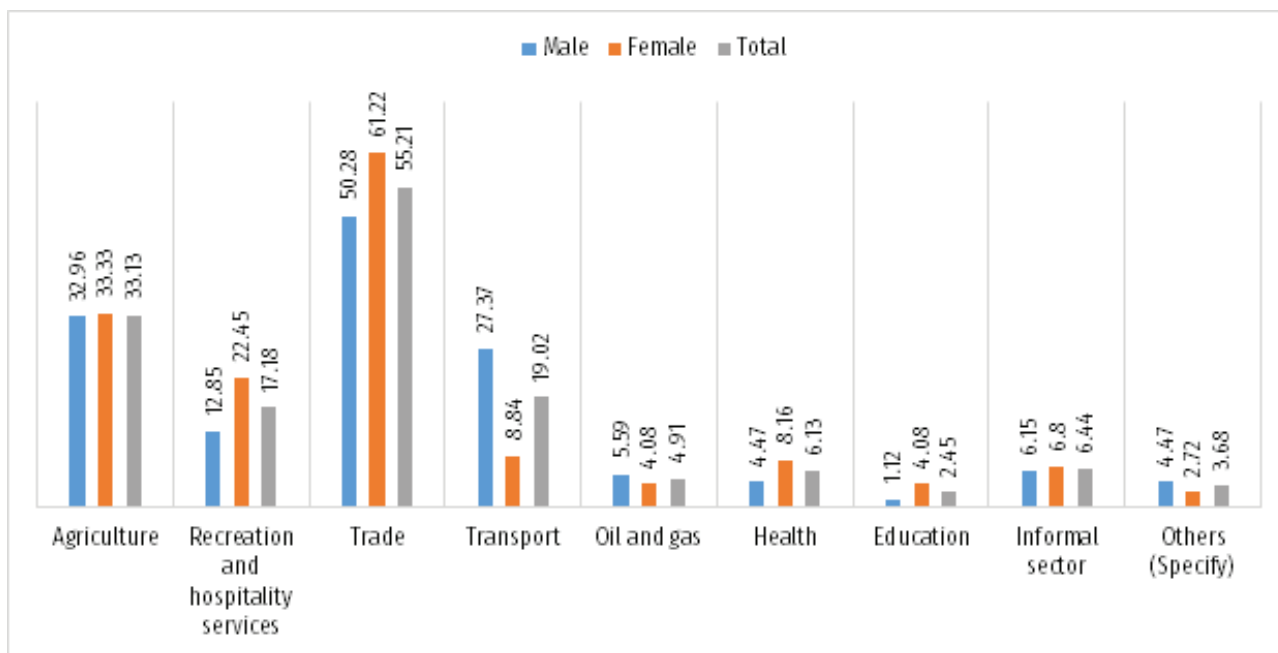
Source: UBOS 2017

The highest employment opportunities in Uganda are found in the service sector (45.6%) and the agriculture, forestry and fishing sector (37.4%) (Uganda Bureau of Statistics, 2019). In contrast, the majority of the private sector establishment (54%) are in the education sector, followed by trade and repairs (12%) and accommodation and food supplies (9%), among others (Uganda Bureau of Statistics, 2017).

Similarly, public sector establishments are mainly engaged in education activities (87%), human health and social work (7%) and public administration (6%) (Uganda Bureau of Statistics, 2017). Findings from the sampled districts revealed that in the urban and peri-urban districts, education services were mainly provided by the private sector as opposed to the rural districts, for example Buvuma district where education services were mainly delivered by government aided institutions.

That being said, study findings revealed that many of the youth are working in family businesses whether informal or formal, which are typically in micro and small enterprise range. Some of them are paid wages while others receive payment in-kind or no payment at all. The study further found out that most of the youth were seeking for jobs in trade sector (55.21%), this was mostly among the female youth (61.22%). Trade was followed by the agriculture sector (33.13%), transport (19%) and recreation and hospitality (17.18%). The figure below presents the desired sectors.

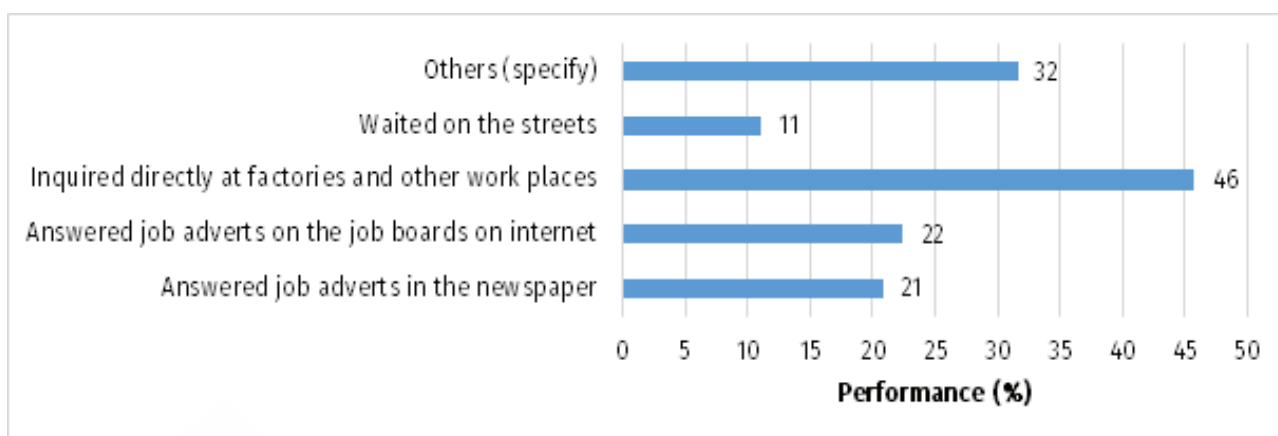
Figure 23: Desired sectors



Source: Study Findings

Generally, the youth were proactive in searching for jobs in the private sector. The study found out that most of the youth (46%) were searching for jobs by inquiring directly with the factories and other worker places, many others (22%) reported that the answered job adverts on the job boards on the internet, while 21% reported that they answered job adverts in the newspapers.

Figure 24: Main methods of job-searching utilized

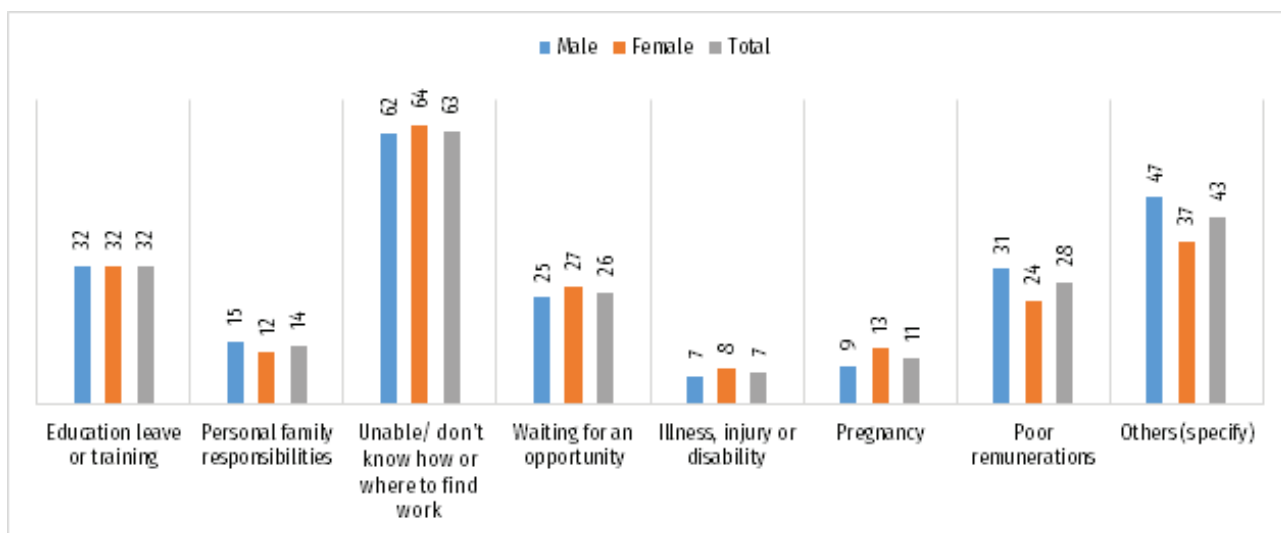


Source: Study Findings

Many young people face difficulties in finding a job because of the mismatch between their education/training and labour market requirements.

There is a significant number of the youth that were not employed and were not seeking for employment or starting a business. These were willing to work but were not actively searching for the available opportunities. The majority of these (63%) reported that they were unable or did not know how or where to find work, these were followed by 32% reporting that they were still studying, while 28% reported that they were discouraged by poor remuneration, and others (26%) were waiting for opportunities to arise. The figure below presents reasons for not seeking work among the youth.

Figure 25: Reasons for not searching for work among the unemployed youth



Source: Study Findings

Fieldwork consultations revealed that many of the youth join the private sector as a last resort after failing to get recruitment from the public sector.

From the survey, it was found out that the majority of the youths (55%) were motivated to join the private sector because they possessed business skills, others (46%) joined the private sector to exploit the available market opportunities, while many others (42%) were motivated to join the private sector because they wanted to have independence, and a significant number of the youths (17%) were motivated to join the private sector because they had failed to get jobs in the private sector.

Figure 26: Motivation for joining the private sector



Source: Study Findings

The Global Entrepreneurship Monitor (Slavica Singer, 2014) reports that Uganda has the highest youth entrepreneurial propensity among the Sub-Saharan African Countries surveyed. Uganda recorded the highest youth entrepreneurs, where more than half of the youth are involved in nascent, new or established businesses. The report however notes that the level of employment created by these youth entrepreneurs is very low. Uganda is one of the countries that were mentioned with the least impact entrepreneurs, have on job creation, with many of the enterprises established averagely employing about two people, while most of them do not survive past one year of operation.

Based on the above background, in the sub-section that follows identifies and discusses the economic spaces for youth in the private sector engagement and makes recommendations on how these spaces can effectively be exploited by the youth in Uganda.

4.4.2.1 Agriculture

The agriculture sector is the largest employer in Uganda, most of the young people are engaged in on-farm activities, whether it be helping at a family farm, being employed as casual labourers on other people's farms, or even in informal work selling agricultural products. Of the 8.45 million households in Uganda, 7.4 million (87%) are categorized as agricultural households (Uganda Bureau of Statistics, 2020). The majority of these, 81.2% agriculture is their main enterprise while only 18.8% are engaged in non-agricultural sectors. Among the youth specifically, the annual agriculture survey reports that many of them (38.2%) are mainly engaged in agriculture. Although agriculture sector is not the major contributor to the GDP, it still contributes a substantial percentage (24%) and employs 68% of the working age population (Uganda Bureau of Statistics, 2020).

Uganda is blessed with a wide range of Agro-climatic conditions, adequate water and fertile soils which makes the country suitable for producing diverse varieties of high value crops. On the downside, agriculture is mostly done on small scale, on average, the households have 2 parcels of land with each parcel averagely measuring 0.8 hectares. The planted area is about 0.73 hectares (Uganda Bureau of Statistics, 2020). Furthermore, the sector is still dominated with use rudimentary methods of farming which affects its productivity.

The young people are gradually turning away from agriculture because they often face pressing financial responsibilities that at time require their urgent attention and quick cash which agriculture cannot guarantee.

In order to rejuvenate the interest of youth in agriculture, there is need to promote fast growing and high value crops that help young people have a stable flow of to meet their daily needs. The study recommends promotion of investments in horticulture specifically the fresh fruits and vegetables among the youth. Horticulture is a fast-growing agricultural sector in Uganda. Figures from UBOS reported that horticulture was the second-best exported crop commodity after coffee in 2018, with the high potential for growth. Uganda is currently the second largest producer of fresh fruits and vegetable in Sub-Saharan Africa after Nigeria, producing an average of 5.3 million tons annually. In 2018, fresh fruits and vegetables contributed to 5.2% of the total exports (Madina M Guloba, 2021).

In Sub-Saharan Africa, horticulture exports doubled from 10 to 22% between 1990-2014, typically performing better than other exports. Horticulture generally requires less land and has a shorter pay-back period than most other crops and can thrive in all parts of the Country through-out the year, this is appealing to the youth that do not have large lands and are in need of quick cash. The crops considered include tomatoes, onions, hot pepper and vegetables, among others, these crops are fast growing and have ready market. With the growth in urbanization and the expansion in the regional markets, the demand for these products will naturally grow this coupled, with improvement in transport infrastructure in the country, ensures that the commodities can easily reach the market with ease.

Figure 27: Exports of fruits and vegetables (excluding coffee), share of total exports, 2000- 2018



Source: Extracted from (Madina M Guloba, 2021)

From the figure above, it is observed that export of fresh fruits and vegetables has steadily been increasing from around 1.2% in 2012 to 5.2% in 2018, with potential for further growth.

In the later years as the production increases, coupled with more enterprise cooperation among the producers, opportunities for Agro-processing will be explored and exploited to ensure that the post-harvest losses are limited and better prices for the products is obtained.

Agro-processing accounts for 60% of the total output in the manufacturing sector and accounts for 54% of the Country's export earnings. Food processing dominates the index production in the manufacturing sector (UBOS, 2020), thus, Agro -processing is the key sector in creating of opportunities for the youth in the economy. NDP III reports that although there has been improvement in Agro -processing from 20.7% to 39.3%, most Agro -processing industries are producing below capacities mainly because of insufficient stable supply of raw materials. In line with the aspirations of the PDM, the youth enterprise association will be supported to formalize and benefit from the support available under the PDM. By having many youths engaged in production of similar enterprises (in this case horticulture), this will ensure that there is an assured stable supply of raw materials to support effective Agro -processing in their areas. From their savings, supplemented with support from the PDM, these youth enterprise groups will be able to engage in Agro -processing in the medium term. Furthermore, through pillar 3 of the PDM, the youth will be able to obtain low-cost loans using the Parish Revolving Fund that they can use in purchase of the Agro -processing machinery and the required inputs.

There are four different options through which the youth can realize the above-described opportunities in agriculture production:

- a). **Full-time employment on an existing family holding**, for young people with no other options, the default outcome is to remain on the family holding and simply farm a portion, essentially sub-dividing an already small parcel. These youth need capital and skills to make the most of their small holdings through high value agriculture.
- b). **Full-time employment on new farms**. Under this, the young people will succeed in leaving the farm of their childhood and establishing a new and separate holding, ideally larger than the parcel they left. Those more likely to succeed in such an undertaking would probably be relatively experienced in farming and hence on the upper end of the youth age range. The youth in this category have the greatest need for land, start-up capital, training and business advisory services.

- c). Part-time farming and household enterprise.** This involves young people that maybe independent part-time farmers either managing their holdings or contributing to family operations.
- d). Wage work off the family farm.** The seasonal nature of agriculture creates demand for part time wage work at peak periods even on small farms. This group of the youth will take wage work, whether formal or informal on large commercial farms or in processing and service sectors.

4.4.2.2 Services sector

Services sector is the main contributor to the Country's GDP, contributing 43% in 2019/20 (National Population Council, 2022). This sector provides the second highest employment (23.9%) especially for the youth with post-secondary education, of whom 64.6% are employed in the sector (Uganda Bureau of Statistics, 2020).

The share of services in total output and employment for the world as a whole has been increasing over time as countries become richer. Efficient services are critical for economic development because they are determinants of the productivity of capital and labour. Services are also the backbone of connectivity, facilitating the physical movement of goods and people (transport services) and the exchange of knowledge and information (communication services).

In the past, the services sector in Uganda was typically dominated by locally traded services like salons, grocery stores, recreational activities and taxis, with limited opportunity to export productive services directly to the global markets. These were not very competitive. New technologies have emerged and are raising opportunities to export productive services directly to global markets. The introduction and increased coverage of mobile phone and the availability of associated new digital technologies, if well utilized, provide a platform for integrating many young people into the formal economy.

A major opportunity for service export is task sourcing. Many business and professional services such as accounting, legal, medical care and teaching, among others, are now tradeable beyond borders using ICT.

In advanced countries, including some in Sub-Saharan African region, task sourcing has been adopted and promoted. A growing number of workers are no longer employed in jobs with a long-term connection with a company but are hired for 'gigs' under flexible arrangements to complete a particular task or for defined time. Tasks, including responding to surveys, processing photos and videos, data entry, cleaning and verifying data, finding information, responding to customer queries and writing content for website are now provided on-line on a freelance basis. In advanced countries, a variety of entrepreneurial solutions have emerged offering, among others, a diverse array of sellers a platform to sell their goods, last mile delivery and logistics, digital payment platforms and tourism and travel solutions.

In order to benefit from the above opportunities, the youth should be supported to exploit these technological spaces as a means of trading their services and their products. Some efforts have been made in the transport and trade sector where platforms such as "uber" and "safeboda" were introduced to link transport providers to customers' other platforms for example "Jumia" have been introduced to facilitate on-line trading. During COVID-19 lock-down, many of the youth were using their social media platforms to sell products without physical interactions. These should be expanded to include provision of professional services like accounting, legal, medical and teaching services, among others.

However, Uganda is still trailing neighboring countries in the region in effective utilization of the ICT to promote service sector. Furthermore, this sector is mainly beneficial to the educated urban based youth who possess skills in ICT and with better internet-based connectivity. A study done by the Innovations Village reported that 79.5% of the developers are found in the Central region, other regions like eastern and northern have less than 10% of ICT developers (6% and 9% respectively) (The Innovations Village, 2021).

The study further reported that almost three thirds (65%) of the developers possessed a Bachelor's degree, there were only 9% with secondary school and none with primary education, implying that it is the educated youth that are better placed to benefit from this sector.

Internet access stands at 52% with 21 million people using the internet. Active mobile money subscriptions are 23 million. High-speed optical fiber cable covers 3,900 kilometers. ICT based priorities in the budget of FY 2021/22 included:

- Extension of broadband ICT infrastructure up-to the sub-county level
- Expanding the Digital Terrestrial Television and Radio Broadcasting network to facilitate tele-education for learners
- Facilitating the development of software solutions to support E-Governance, E-Commerce, and E-Payments among others
- Over the Top Service (OTT) tax was scrapped and replaced by a harmonized exercise duty of 12%
- UGX 134.9 billion was allocated for digitalizing of the economy
- UGX 358 billion was earmarked for innovation and technology development

(The Innovations Village, 2021)

On the positive note, the GoU formulated the National ICT Initiatives Support Program (NIISP) to facilitate the creation of an ICT innovation ecosystem and market place for Ugandan innovative digital products. The program focuses on tackling bottlenecks to creating digital ecosystem by promoting the development and deployment of application to create an open ecosystem that shall enable the government, companies and individuals to innovate and reach new markets, the program seeks to achieve four objectives which are:

- a). To provide systematic and sustainable support to national ICT innovators through provision of direct support to innovators to design, develop and implement solutions that address Ugandan needs.
- b). To promote ICT products, services and solutions for improved service delivery as part of a wider digital ecosystem to boost adoption of locally developed ICT products, services and solutions for improved service delivery.
- c). To establish and operationalize ICT innovation parks to create favorable working spaces hence eliminating obstacles to ease ICT product development. In this regard, an ICT innovation has been established at Nakawa.
- d). To promote local electronics manufacturing and assembly through establishing a conducive environment to facilitate local electronics manufacturing and assembly.

In the same vein, innovation villages have been established in Gulu, Jinja, Mbarara and Kampala these are intended to promote innovation cultures that embraces experimentation where people transform their ideas into solutions to solve some of the World's most pressing challenges using technology. The focus is on building technology ecosystem that speaks to the demand and need of technology talent globally.

Through the PDM, the government has prioritized creation of internet free zones in the community and the extension of the national internet infrastructure to the sub-county. The opportunities create a bigger market for the ICT based service provision across the country. These opportunities should be utilized by the youth to market their ICT based service provision.

In the text box below, the case of effective utilization of ICT in the service sector in Kenya are presented.

Box 2: Case studies of effective utilization of ICT in service sector

Case One:

Kenya is one of the leading countries in the region in effectively utilizing ICT technology to support emergence of competitive service suppliers such as KenCall (business processing outsourcing - BPO), Ushahidi (open-source software platforms to visualize information in real time on mobile devices). It is reported that Kenya service exports now include; insurance, accounting, legal, management consultancy, non-bank financial and BPO services among others. In BPO Kenyan firms export an array of services, ranging from inbound/outbound customer voice, email, and SMS support to phone-based marketing services and surveys of customer or client firms as well as a variety of back-office support services, including database management storage, and back-up facilities. Kenyan firms have also become exporters of software designs services, apps such as games for mobile devices, and user interface systems as well as high value technology services such as data recovery.

Case Two: Lynk platform

Lynk is a platform that matches thousands of jobs each month in categories ranging from plumbing and electrical work to yoga lessons and hair care. While the technology is similar to platforms like uber or TaskRabbit, Lynk takes a more hands-on approach to worker vetting and quality management. Unlike in developed countries, where gig workers often have college degrees or formal sector experience, most informal sector workers in Africa lack these educational foundation skills. Lynk addresses this by investing in onboarding and upskilling. Lynk also provides services that are often unavailable like logistics and warehousing support, material wholesaling and ongoing skill training.

For many workers on Lynk, the platform is building their first actionable digital identity. By accruing data on jobs completed, income earned, and other efficiency metrics, platform like Lynk are poised to offer advanced services such as loans or skills accreditations, areas where traditional institutions have struggled to engage.

Source: Richard S et al (2018). Industries without Smokestack

To ensure that these spaces are effectively exploited, the GoU through Ministry of ICT and National Guidance, working with the ICT providers (specifically the telecom companies) should create spaces (for example call centers) where the opportunities for task sourcing can be explored and the youth supported to exploit these opportunities.

The upcoming innovators, that are designing and creating platform for facilitating on-line service provision should be supported and marketed widely so that these platforms gain the required coverage and clientele.

4.4.2.3 Household/family enterprises

In Uganda like the rest of Africa, most employment in low-income households comes from household-based activities, these activities include family farming and very small nonfarm enterprises. This type of employment is very important for the majority of the un educated youth in Uganda. This type of employment is the only available options for many youths that drop out of education without skills to get employed in either formal or informal sector or capital to start their business.

The challenge is that majority of the family enterprises are informal, and in many cases, have been persecuted by the local authority because of their illegal operations. The case in point is in Kampala where the roadside vendors operating illegally are continuously being chased and arrested on the streets.

The major task we do as an authority is to enforce order and usually the youth are the main victims of trade order. Many have lost business, could not pay loans and others demoralized from even starting

due to experience gone through by peers. –Respondent in Rubaga Division.

The above notwithstanding, family enterprises have contributed to employment, and they provide low-cost products for, example, in the industrial sector where they engage in small scale manufacturing, such as brick making, burning charcoal and making local brew, among others. Others are involved in artisanal activities and services, such as roadside vending.

Since these family enterprises are a major and only source of employment for many vulnerable youths, including child mothers and persons with disabilities (for example the many PWDs that are roadside tailors or cobblers) among others, there is need for government to support these enterprises. Many of these enterprises do not grow and remain static for many years. They would thus require support to thrive and grow, the type of support required to enhance their growth include the following:

- a). Recognizing these enterprises and give them a platform;
- b). Enactment of urban policies that provide adequate locations and space for them to operate and sell their products;
- c). Support for programs that improve access to markets by integrating these enterprises into value chains.

4.4.3 Conclusions and Recommendations

Uganda is facing a challenge of rapid population increase that has led to un employment and under employment of the youth. Despite this, numerous opportunities exist in the private sector space that the youth can exploit to enhance their economic status. Broadly three sectors are recommended for youth involvement which are explained below.

- a). Agriculture, focusing on horticulture, specifically growing the following crops: tomatoes, onions, pepper and vegetables. These crops are selected because they are fast growing, thus, they provide the youths the required quick cash, there is ready market available especially with the urbanization, and these crops can be grown on small land holdings.
- b). The study further recommends the **service sector**, with specific emphasis on exploiting the opportunities of integrating ICT in promotion of service and trade within Uganda and beyond using ICT platforms.
- c). Family enterprises are recommended because they are the main source of income for the majority of the vulnerable youth in the community.

4.5 Challenges hindering private sector growth in Uganda

The high cost of doing business: The cost of doing business in Uganda is highly affected by among others, high costs of energy, high interest rates and inhibitive legislations. Resulting from the above, the country has continued to fare poorly in terms of ease of doing business. In 2017 Uganda ranked 122 out of the 190 economies in the World in terms of Ease in doing business, far behind Rwanda (41) and Kenya (80). Having highlighted that the private sector is central to youth empowerment and DD attainment, business barriers weaken the resolve to harness the potential of the youth so that they position themselves as forerunners for quality health, education and family planning services that form indelible feats for a sustained demographic dividend.

Access to finance is a constraint for SME growth: Banks are reluctant to borrow MSMEs mainly because they are largely informal and do not have the collateral required to access these loans, this mostly affects the youths because they have not accumulated funds to acquire the required collateral. The government has provided funding for MSMEs with different financial institutions However, most of these MSMEs do not have knowledge of existence of these credit facilities, many of them require business development support services, for example, development of the business plans before they can obtain these credit facilities. This is exacerbated by corruption which manifests in several ways, for example extorting commissions from some entrepreneurs before they can obtain these credit

facilities, while in other cases, some people, especially the leaders at times hoodwink these entrepreneurs and use the money for their personal use.

Inadequate support by the government especially the LG to support the private sector initiatives: The central government has been proactive in supporting private sector growth through numerous initiatives, this support, however, has not trickled down in equal measures to the LGs. Uganda's business firms face various level of challenges in areas such as starting a business, getting requisite licenses, legal regimes for hiring and firing workers, registering property, obtaining credit, protecting investments and enforcing contracts. LGs have not created conditions that support private sector growth in their localities. The well thought out Local Economic Development policy has not been implemented in the LGs, and the Department of Trade and Commerce that is supposed to steer private sector development in the LGs is inadequately resourced in many districts, with no substantive District Commercial Officers, and with inadequate budgets allocated for the operations of the Department.

Investment climate and doing business: The investment climate has a direct implication for shaping the business environment, influenced by such factors as the challenges of macroeconomic stability, for example, the high and variable inflation rates, high levels of corruption and crime, inhibitive regulations, level of financial market sophistication (e.g. access to loans), high costs of productions, labour skills and quality of innovation.

Uganda's private sector is weak and uncompetitive which makes it operate below its potential. The weakness is attributed to: a) the high cost of doing business, b) limited management capacities and limited institutional organization, c) a weak supportive environment, and d) weak enforcement of standards and proliferation of counterfeits in the market⁷.

4.6 Recommendations to spur private sector growth

The recommendation presented here focus on what can be done to spur private sector growth in Uganda as per the requirements in the study objectives.

Ministry of Finance Planning and Economic Development should improve access to affordable and accessible business finance. This will help MSMEs to expand their operations, which will in turn contribute to increase in the number and quality of jobs created in the private sector. To enable the MSME benefit and effectively use this financing, Ministry of Trade, Industry and Cooperatives, in partnership with the private sector associations, should expand provision of business development services to these MSMEs. It is widely acknowledged that combining access to business finance with advisory services tends to have more positive effects on employment generation.

Ministry of Local Government, Local Government and Local business chambers should support improvement in the investment climate reforms especially at the LG level specifically focusing on streamlining/easing the process of business entry/registration reform, implementation of investment promotion activities, exploring and implementing public private partnerships in the LGs, provision of supportive infrastructure for example increased coverage of motor able roads to ease access to the markets and products. This will ensure that MSMEs become more competitive and as such create more quality jobs for the youth.

Ministry of Trade, Industry and Cooperatives and the Local Governments through the commercial officers should promote more effective enterprise cooperation. The current existing association that exist in the country does not effectively support market system and value chain development and are not very inclusive of MSMEs that exist especially in the rural areas while the business associations formed in the rural areas are not formalized (they are loose associations) and many of them are not functional. The commercial departments in the LGs should support establishment, formalization and strengthening enterprise associations to enable them reap from the benefits of collective marketing, collective purchase of inputs, and harmonization of the quality of the products in this way the existing enterprises will become more profitable and provide sustainable job opportunities for the youth.

Ministry of Education and Sports together with Ministry of Trade, Industry and Cooperatives and the associations of private sector organizations should improve on the methods of skilling the youth. To achieve this, there is

need to combine classroom training attained by the youth in the schools with on-job technical training to make them more competitive in the labour market but also more importantly enable them to become entrepreneurs leading to creation of more jobs for the fellow youth. This could be attained from designing and implementing business development clinics/Programs where the youth are trained on market relevant skills complemented with the on-job technical training through placements and internships and linking the youth to employment or self-employment opportunities.

Ministry of Education and Sports together with Ministry of Trade, Industry and Cooperatives and the Local Governments should support establishment and publicizing innovation funds. The Government of Uganda has established the innovation funds in Ministry of Science, Technology and Innovation. However, the criteria for access to these funds is not known to many youths especially those that out of Kampala. This has affected the effective utilization of these grants to support youth innovations. Technology and innovation is emphasized across the private sector as most accommodative of the youth and is thus the economic space to be highly embraced in order to harness the potential of large proportions of the youth towards efforts of increasing prospects of realizing the Demographic Dividend.

REFERENCES

1. ADB . (2016). *Jobs for Youth in Africa: Strategy for Creating 25 million Jobs and Equipping 50 Million Youth 2016-2025*. ADB.
2. African Union. (2020). *Promoting Youth Entrepreneurship in Africa*. African Union.
3. De Gobbi, M. (2014). *Making Youth Entrepreneurship Work in Sub-Saharan Africa: Some Factors of Success*. Open Journal of Business and Management.
4. GRC. (2019). *Addressing Youth Unemployment in Uganda*. Gateway Research Centre.
5. Johanne Buba. (2019). *Private Sector Development and Jobs*. World Bank.
6. Linda Calabrese, F. G.-M.-P. (2019). *Industrial Development in Uganda. An assessment of the policy framework*. SET.
7. Madina M Guloba, M. K. (2021). *Employment Creation Potential, Labor Skills Requirements and Skill Gapd for Young Peoples. A Uganda Case Study*. Kampala: EPRC.
8. Mastercard Foundation. (2018). *Harnessing Africa's Youth Dividend: A new approach for large scale job-creation*.
9. Nathan Associates. (2015). *National Small Business Survey of Uganda*. Nairobi: fsdafrica.
10. National Planning Authority. (2020). *Private Sector Development: Programme Implementation Action Plan FY 2020/21-2024/25*. Kampala: National Planning Authority.
11. National Planning Authority. (2020). *Stakeholders' Common Position on Harnessing the Demographic Dividend* . Kampala.
12. National Population Council. (2022). *The State of Uganda Population Report 2020*. NOC.
13. OECD. (2017). *Unlocking the Potential of Youth Entrepreneurship in Developing Countries. From Subsistence to Performance*. OECD.
14. OECD. (2017). *Youth Aspirations and Reality of Jobs in Developing Countries: Mind the Gap*. OECD.
15. Richard S. Newfarmer, J. P. (2018). *Industries without Smokestacks: Industrialization in Africa Reconsidered*. Oxord.
16. S4YE (Goldin, N. &. (2015). *Toward Solutions for Youth Employment. A 2015 Baseline Report*. Washington DC: Solutions for Youth Employment.
17. Seife Ayele, D. G. (2018, November). *Introduction: Youth Employment and the Private Sector in Africa*. IDS.
18. Slavica Singer, J. E. (2014). *Global Entrepreneurship Monitor 2014 Global Report*.
19. The Innovation Village. (2021). *State of The Developer Landscape in Uganda*. Kampala.
20. The Innovations Village. (2021). *National Budget Analysis Fiscal Year 2021/22*. Kampala.
21. The MasterCard Foundation. (2017). *Skills at Scale: Transferable Skills in Secondary and Vocational Education in Africa*.
22. UBOS. (2016). *Urban Labour Force Survey 2015: Fact Sheet*. Kampala: UBOS.

23. UBOS. (2020). *Statistical Abstract 2020*. Kampala.
24. Uganda Bureau of Statistics. (2020). *The Uganda National Household Survey*. Kampala: UBOS.
25. Uganda Bureau of Statistics. (2011). *Census of Business Establishement, 2010/11*. Kampala: UBOS.
26. Uganda Bureau of Statistics. (2017). *Manpower Survey Uganda 2016/17*. Kampala: Republic of Uganda.
27. Uganda Bureau of Statistics. (2019). *Annual Labour Force Survey 2018/19*. Kampala: UBOS.
28. Uganda Bureau of Statistics. (2020). *Annual Agriculture Survey 2018*. Kampala: UBOS.
29. UNDP. (2020). *Framework for Engaging the Private Sector in Uganda*. Kampala: UNDP.
30. United Nations. (2018). *World Youth Report: Youth and the 2030 Agenda for Sustainable Development*. New York: United Nations.
31. World Bank. (2013). *World Development Report 2013*. Washington DC: World Bank.
32. World Bank Group. (2022). *Country Private Sector Diagnostic. Creating Markets in Uganda: Growth through the Private Sector and Trade*. The World Bank.

APPENDICES

Appendix 1: Qualitative Guides

Moderator's Name:

Date of interview:

District:

Introduction

Good morning/afternoon/evening. My name is_____. I am part of the team from Empower Consult (U) Ltd. We are working in collaboration with the National Population Council to undertake a study on “innovations for harnessing the demographic dividend for the private sector using the case of youth economic spaces and engagements. The study is being conducted in the five (05) districts of; Kampala, Kikuube, Arua, Buvuma and Busia. We are conducting this study in order to assess the contribution of the private sector towards harnessing the demographic dividend particularly among the youth. The information you provide will be treated with the utmost confidentiality and will not be traced back to you. It is only collected for research purposes in order to direct implementation measures to make a positive change for the youth. We will only be looking at the collective feedback of ALL key informants and not individual responses. The interview will take under 1 hour only.

May I start now? **1. Yes, 2. No, if no ask to schedule appointment.**

We would like to request for your name, your role in the private sector/what you do and contact.

Objective	Proposed questions	Source	Method
1. To analyse the Demographic Window of opportunity for Uganda;	1. How can you describe the type of youths living in this district/ country (in terms of living conditions, innovativeness, employability and self-sustenance)?	Officials in regulatory bodies for the private sector, MDAs, DLG, youth leaders, policy makers/ influencers, youth	Key informant interviews, Focus Group Discussions
	2. What kind of opportunities can the youths exploit in this district/country?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers, youth	Key informant interviews, Literature review
	3. As a district/country, what have you done to ensure the preparedness of the youth to partake of those opportunities?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers	Key informant interviews

Objective	Proposed questions	Source	Method
2) To analyze the role of the private sector in promoting young people's labor market access	1. What is the market share of the private sector in this district/country?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers	Key informant interviews, Focus Group discussion, literature review
	2. What proportion of the youth is engaged in the private sector? (Probe for levels of engagement e.g business owners, employees, etc)	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers	Key informant interviews, Literature review
	3. How has the involvement of youth in the private sector impacted their lives?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers, youth	Key informant interviews, Focus group discussion
3) To analyze Innovations that can place the youth at the centre of Private sector growth 4) To establish economic space for the youth in the private sector engagement	1. What would you say makes the private sector suitable for the youth?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/influencers, youth	Key informant interviews, Focus Group discussions
	2. In what ways can the youth contribute to the growth of the private sector?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/influencers, youth	Key informant interviews, Focus Group discussions
	3. What should the youth do to ensure they are not left behind by the growth of the private sector?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/influencers, youth	Key informant interviews, Focus group discussions
	4. What sectors of the private sector do the youth have a competitive advantage participating and why those?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/influencers, youth	Key informant interviews, Focus group discussions

Objective	Proposed questions	Source	Method
5) To find out the key challenges hindering private sector growth in Uganda	What key challenges would you say are hindering youth engagement in the private sector?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers, youth	Key informant interviews, Focus group discussions, Literature review
	How do those challenges impact the growth of the private sector?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers	Key informants
	Other than those, what other challenges would you say are hindering private sector growth in Uganda?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers, youth	Key informant interviews, Literature review
6) To propose appropriate policy recommendations to spur private sector growth.	In the light of challenges described above, what do you propose/recommend to solve those problems in a bid to ensure the growth of the private sector in this country?	Officials in regulatory bodies for the private sector, MDAs, DLGs, youth leaders, policy makers/ influencers	Key informant interviews

Appendix 2: Structured Questionnaire

RESEARCH ON INNOVATIONS FOR HARNESSING THE DEMOGRAPHIC DIVIDEND FOR THE PRIVATE SECTOR, A CASE FOR YOUTH ECONOMIC SPACE AND ENGAGEMENTS

Introduction

Good morning/afternoon/evening. My name is_____. I am part of the team from Empower Consult (U) Ltd. We are were contracted by the National Population Council to undertake a study on “innovations for harnessing the demographic dividend for the private sector using the case of youth economic spaces and engagements. The study is being conducted in the five (05) districts of; Kampala, Kikuube, Gulu, Buvuma and Busia. We are conducting this study in order to assess the contribution of the private sector towards harnessing the demographic dividend particularly among the youth. The information you provide will be treated with the utmost confidentiality and will not be traced back to you. It is only collected for research purposes in order to direct implementation measures to make a positive change for the youth. We will only be looking at the collective feedback of ALL respondents and not individual responses. The interview will take about 40-60 minutes only.

May I start now? **1. Yes, 2. No, if no move to the next sampled household.**

Identification

ID: Interviewer-District-Division-Questionnaire Number [__][__]-[__][__]-[____][__]-[____][__]	
Today's date DD-MM-YYYY: [__][__]-[____][__]-[2][0][2][2]	
Interviewer's name:	Interviewer code [____]
District: 1-Kampala 2-Busia 3-Gulu 4-Buvuma 5-Kikuube	District code [____]
Division/Sub-County:	Division code [____][__]
Ward/Parish:	Ward/Parish code [____][__]
Village/Cell:	Village/Cell code
Start time	Hour:
	Minutes:

1: Background/household characteristics

U001	What was your district of birth?	
U002	What is your current district of residence?	
U003	What is the gender of the respondent	Male1 Female.....2
U004	How long have you been living continuously in (District)?	Years: (If less than one year, record 00 years.)

U005	How old are you?	Below 18 years.....1 18 to 25 years.....2 26 to 35 years.....3 35 to 44 years.....4 45 and above.....5
U006	What is your marital status	Single.....1 Married.....2 Divorced/Separated.....3 Widow/er.....4
U007	Have you ever attended school?	Yes.....1 No.....2
U008	What is the highest level of school you attended: primary, secondary, or post-secondary?	Primary1 Secondary2 Vocational training.....3 University.....4
U009	What is your field of education?	General Education.....1 Business studies.....2 Training course or apprenticeship.....3 Engineering.....4 Education.....5 Health sciences.....6 Others (specify).....7
U010	What is your religion?	Catholic1 Protestant2 Muslim.....3 Born Again christian.....4 SDA/Orthodox5 Other: _____

2. Demographic window of opportunity

NO.	QUESTIONS AND FILTERS	CODING CATEGORIES	SKIP
D001	What describes your employment status?	Un employed.....01 Self-employed.....02 Unpaid employee.....03 Paid employee in the private sector.....04 Paid employee in the public sector.....05 Employer.....06 Others (specify).....07	
D002	What is your main source of income?	Sale of agricultural goods (crops / animals).....01 Sale from non-agricultural business.....02 Temporary / casual work.....03 Loans from financial institutions.....04 Salary as civil servant/government employee.....05 Salary as employee in the private sector.....06 Vending.....07 Bodaboda cyclist.....08 Friends/family support.....09 Others [specify]10	

D003	On average, how much are your monthly earnings from your main source of income?	Less than 100,000.....01 100,000 to 199,000.....02 200,000 to 299,000.....03 300,000 to 399,000.....04 400,000 to 499,000.....05 500,000 to 599,000.....06 600,000 to 699,000.....07 700,000 to 799,000.....08 800,000 to 899,000.....09 900,000 to 999,000.....10 1,000,000 and above.....11 Prefer not to say.....12 Not employed.....13	
D004	How adequate is your income in addressing your individual needs and aspirations?	More than enough.....01 Just enough.....02 Not enough.....03 Insignificant.....04 Prefer not to answer.....05	
D005	Are you satisfied with your current work?	Very satisfied.....01 Satisfied02 Dissatisfied.....03 Very dissatisfied04 Prefer not to say.....05	
D006	Do you have a written contract in your current place of work?	Yes.....01 No.....02 Prefer not to say.....03	If No skip to D008
D007	What is the length of the contract?	Less than one year.....01 Over one year.....02	

D008	Economic benefits/entitlements attained at the work place (allow for multiple choices)	Meals and allowances.....01 Transport or transport allowances.....02 Paid sick leave.....03 Bonus for good performance.....04 Maternity/paternity leave.....05 Annual paid leave.....06 Overtime.....07 Occupation safety.....08 Medical insurance.....09 Education10 Social security contribution.....11 Severance/end of service pay.....12 Pension/old age insurance13 Child care facilities.....14 None.....15 Others specify.....16	
D009	How many hours do you work in a week at your place of work?	Less than 10 hours.....01 10 to 19 hours.....02 20 to 29 hours.....03 30 to 39 hours.....04 40 to 49 hours.....05 50 to 59 hours.....06 60 to 69 hours.....07 70 to 79 hours.....08 Above 80 hours.....09	

D010	What needs and aspirations have you been able to achieve with your income?	Paid my school fees.....01 Purchased household items.....02 Paid utility bills.....03 Set up a business.....04 Increased my savings.....05 No need/aspiration achieved.....06 Others specify.....07	
D011	(For those with needs and aspirations not addressed) which of these would you say are the reasons for the failure to achieve your individual needs and aspirations?	Demotivated by relatives and friends.....01 High cost of goods and services.....02 Unfavorable policies.....03 Lack of information on investment opportunities.....04 Lack of skills to engage in dream venture.....05 Inadequate remuneration.....06 Others specify.....07	
D012	Would you be willing to change your current employment situation?	Yes.....01 No.....02	If No skip to D014
D013	What would be the reason for leaving?	Poor remuneration.....01 Lack of job security.....02 Lack of job satisfaction.....03 Mismatch of the skills.....04 Many working hours.....05 Absence of benefits.....06 Poor working environment.....07 Others (specify).....08 Prefer not to say.....09	

D014	In which of these sectors do you envision a fulfillment of your dreams and aspirations?	Agriculture.....01 Foods and accommodation.....02 Recreation and personal services.....03 Oil and gas.....04 Health.....05 Education.....06 Informal sector.....07 Others specify.....08	
D015	What is your desired place of work?	Government/public sector.....01 Self-employed.....02 Private company.....03 Others (Specify).....04	
D016	What is your desired type of work?	Professionals.....01 Trading in general merchandise.....02 Trading in agricultural related produce.....03 Crafts.....04 Service and sales workers.....05 Technical work.....06 Plant and machine operator.....07 Others specify.....08	
D017	For those youth without work, what could be the reason for not seeking work	Education leave or training.....01 Personal family responsibilities.....02 Unable/ don't know how or where to find work.....03 Waiting for an opportunity.....04 Illness, injury or disability.....05 Pregnancy.....06 Poor remunerations.....07 Others (specify).....08	

D018	What could be the reasons for discouragement from looking for work?	Don't know how or where to find work01 No jobs available in the area/district.....02 Unable to find work suiting his/her skills.....03 Poor remunerations.....04 Other (specify).....05	
D019	Which of these are you doing to ensure that you don't lose sight of your dreams and aspirations?	Stay healthy.....01 Seek skills trainings.....02 Consult relatives and friends.....03 Reduce unnecessary expenditure.....04 Look for better employment opportunities.....05 Others specify.....06 Doing nothing.....07	
	What job search method did you use when looking for the jobs?	Answered job adverts in the newspaper.....01 Answered job adverts on the job boards on internet.....02 Inquired directly at factories and other work places.....03 Waited on the streets.....04 Others (specify).....05	

3. Private sector as a promoter of youth's access to labor markets

P001	In your opinion, which of the following best suits the meaning of a private sector?	Non-government enterprises.....01 Businesses not directly supported by govt.....02 Initiatives started by individual Ugandans.....03 Ventures paying taxes to govt.....04 Others specify.....05 Don't know.....06	
P002	Are you part of the private sector in any way?	Yes.....01 No.....02	

P003	Which of these roles are you playing in the private sector?	Business owner.....01 Business partner.....02 Supplier of goods and services.....03 Employee.....04 Customer.....05 Independent service provider.....06 Others specify.....07 No role.....08	
P004	What were the reasons for going into private sector?	New source of income01 Market opportunity02 Business skills03 Higher profits04 Independence05 Lack of jobs in the private sector.....06 Others (specify).....07	
P005	If in self-employment, what are the reasons for self-employment?	Could not find a wage or salary job.....01 Greater independence.....02 Family obligation.....03 Higher income level04 More flexible hours of work.....05 Others specify.....06 Not self-employment.....07	

P006	What were the source of initial funding?	Personal savings01 Parents/friends.....02 Informal sources.....03 Commercial banks.....04 Government support.....05 Saving and credit associations.....06 Others (specify).....07 Never started a business enterprise.....08	
P007	What are the challenges faced in self-employment?	Limited financial resources.....01 Competition in the market.....02 Labour shortage.....03 Shortages in inputs and supplies.....04 Limited access to technology.....05 Unfavorable legal & tax regulations06 Limited entrepreneur skills.....07 Others (Specify).....08 Never started a business enterprise.....08	
P008	Which of these services can you access through the private sector?	Food supplies.....01 Medical supplies.....02 Entertainment.....03 Clothing.....04 Employment opportunities.....05 Others specify.....06	
P009	How else would you wish to participate in the private sector?	Business owner.....01 Business partner.....02 Employee.....03 Others specify.....04	

P010	What should be done to have your increased participation in the private sector?	Skills training.....01 Start-up capital.....02 Reduce taxes.....03 Mobilize more market from the public.....04 Others specify.....05	
------	---	--	--

4. Innovations to place the youth at the centre of private sector growth

C001	What benefits can one get by being part of the private sector?	Being a business owner.....01 Getting better pay.....02 Being independent.....03 Paying taxes to government.....04 Widening the social network.....05 Others specify.....06 Don't know.....07 No benefit.....08	
C002	How long do you intend to stay in the private sector?	Less than one year.....01 1 to 2 years.....02 2 to 5 years.....03 Longer than 5 years.....04 Not part of the private sector.....05	
C003	What value have you added to operations of this business establishment?	Increased sales.....01 Introduced new products and services.....02 Increased profitability.....03 Increased production.....04 Others specify.....05 No value added.....06 Not employed07	

C004	How have you been able to make those accomplishments?	Acquired more skills.....01 Adequately facilitated.....02 Given more authority.....03 Sector highly competitive.....04 Rewards for good performance.....05 Others specify.....06 Not employed07	
C005	What type of skills would be valuable in the private sector operations?	Financial management.....01 Marketing and marketing research02 Business plans formulation skills.....03 ICT skills.....04 Other skills05	
C006	What were the main motivators that encouraged you to enter into private entrepreneurship?	Success stories of others01 Opportunities in the sector.....02 Easy access to finance03 Family.....04 Available skills05 Others.....06 Not engaged in private entrepreneurship.....07	
C007	Do you know of existing government programme supporting youth entrepreneurship?	Yes01 No.....02	
C008	Mention these programmes	YLP.....01 Myooga.....02 UWEP.....03 Parish Development Model.....04 Others specify.....05	

C009	What type of support do these programmes provide?	Training.....01 Credit/finance.....02 Inputs.....03 Markets.....04 Advisory services.....05 Others (specify).....06 Don't know.....07	
C010	What category of persons do these programmes target?	Not targeted01 Men.....02 Women.....03 Disabled youth.....04 Low income.....05 Educated individuals06 Low level of education.....07 Individuals at risk.....08 Refugees.....09 Others (specify).....10 Don't know.....11	
C011	What type of business support services would be valuable?	Product management.....01 Customer management.....02 Revenue management.....03 Branding.....04 Equipment.....05 Entrepreneurship promotion.....06 Employment services.....07 Others (Specify).....06	

5. Challenges hindering private sector growth

H001	How would you describe the state of the enterprise you are associated with?	Downsizing01 Stable02 Growing.....03 Not part of any enterprise.....04	
H002	Have you faced any challenges getting involved in the private sector?	Yes.....01 No.....02	If No, skip to H004
H003	What challenges have you faced?	Duplication of products and services.....01 Over taxation.....02 Lack of financial support.....03 Poor remuneration.....04 Scarcity of raw materials.....05 Lack of skills.....06 Others specify.....07	
H004	Barriers preventing the youth from entering the labour market	Work related social norms01 Lack of the required skills.....02 Work and family responsibilities.....03 Insufficient private sector job growth.....04 Gender discrimination05 Access to finance06 Others.....07	

H005	What lessons have you learnt from your earlier experience as a young entrepreneur?	Investing money.....01 Go into partnership.....02 Change business location03 Change business model.....04 Control expenditures05 Get more general business education.....06 Get more sector specific business education07 Others (specify).....08 Never been an entrepreneur.....09	
H006	Obstacles in starting an enterprise	Access to finance.....01 Business support services.....02 Regulations.....03 Taxes.....04 Education, training.....05 Social and cultural attitude.....06 Age discrimination.....07 Gender discrimination.....08 Others (specify).....09 Don't know.....10	
H007	Did you get obstacles in finding your current work?	Yes.....01 No.....02 Do not have work.....03	
H008	If yes, what were the obstacles that you faced?	Jobs were not available.....01 Was not meeting the job requirements.....02 Lacked the required technical know-how.....03 Did not know where to find the job.....04 Others (specify).....05	
H009	Have faced any discouragement in engaging in entrepreneurship?	Yes.....01 No.....02	If No skip to H012

H010	What was the source of the discouragement?	Nobody.....01 Friends02 Family and parents03 Other entrepreneurs04 Others (specify).....05	
H011	What would you say could be the cause of those challenges?	Market competition.....01 Unfavorable policies.....02 Global financial crisis.....03 Lack of govt assistance.....04 Others specify.....05	
H012	Would you like to change your place and type of work?	Yes.....01 No.....02 Prefer not to say.....03	If No skip to section 6
H001	What would be the reason for the desired change?	To have a higher pay.....01 To improve the working conditions.....02 To use better their qualifications/skills.....03 To secure job security.....04 To have more convenient working time.....05 Others (specify).....06	

6. Recommendations to spur private sector growth

R001	In your opinion, what should be done to address the challenges you have mentioned?		
We have reached the end of our interview. Thank you for your time			
U1111	Record end time.	Hour:	Minutes:
Please capture GPS coordinates of the household			

