

PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION

PYEI QUARTERLY PROGRESS REPORT: Q4: JANUARY – MARCH 2025

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Unlocking Sustainable Earning Opportunities For Young People





THE PRESIDENCY REPUBLIC OF SOUTH AFRICA



Message from the Deputy Minister in the Presidency

Building on the momentum of previous quarters, the Presidential Youth Employment Intervention (PYEI) continues to drive impact at scale, opening new doors to earning opportunities for young people across the country. By the end of Q4 of this financial year, the National Pathway Management Network (NPMN) had registered over 4.7 million young people, with more than 1.6 million earning opportunities secured to date. This reflects the strength of the PYEI's approach in aggregating demand, coordinating partners, and enabling pathways that enhance young people's economic participation.

Our various innovative funding mechanisms continue to show promise. The Jobs Boost Outcomes Fund, which uses an innovative pay-for-performance model to incentivise the placement of young people into sustained, quality jobs, has made steady progress in its pilot phase. To date, over R70 million has been disbursed to 11 implementing partners, with more than R30 million paid out in Q4 alone. Over 5,400 young people have now been enrolled in the programme, reaching 65% of the programme's enrolment target. More than 3,000 young people have been placed into quality jobs. In addition, we are encouraged by the strong retention trends and expect the programme to exceed its target of 4,500 placements into 12-month or longer jobs by the end of 2025. These jobs meet rigorous quality criteria, and we are already seeing shifts in employer practices to better accommodate excluded young people thanks to the programme's innovative design and focus on delivering high-quality jobs.

The Jobs Boost Fund is also generating important lessons about data systems, partner capacity, and adapting to labour market shifts. Importantly, implementation partners are learning to manage risks in real-time, reallocating targets when needed to ensure programme performance stays on track. The NPMN Innovation Fund also continues to catalyse youth employment through creative and scalable interventions focused on digital inclusion, enterprise development, and work-integrated learning. These interventions remain demand-led and oriented toward sustainability, helping to connect young people with sectors of growth and innovation.Looking ahead, we remain committed to building an ecosystem that connects young people to opportunity, supports quality job creation, and drives systemic change in the labour market. Lessons from our partners, backed by rigorous data and ongoing evaluation, will continue to shape and strengthen the PYEI.

We will continue sharing our progress through these quarterly reports. As always, detailed data and insights are available on the PYEI dashboard at www. stateofthenation.gov.za/presidential-youthemploymentintervention/tracking-progressand-facilitate-learning.

With warm regards.

Ms Nonceba Mhlauli

Deputy Minister in the Presidency

Introduction

The President launched the Presidential Youth Employment Intervention (PYEI) in 2020 as a comprehensive approach to address the country's youth unemployment challenge. The PYEI is a multi-stakeholder partnership that accelerates efforts to transition young people from learning to earning.

The Presidency's Project Management Office (PMO) coordinates and provides strategic direction while key national departments and entities lead the implementation together with a diverse set of partners.

In the PYEI, partners are working to achieve three core objectives:

- Drive systems change to address the barriers that young people face in establishing themselves in the labour market
- Aggregate existing opportunities and create new opportunities for young people
- Link young people to opportunities and available support in a single national network

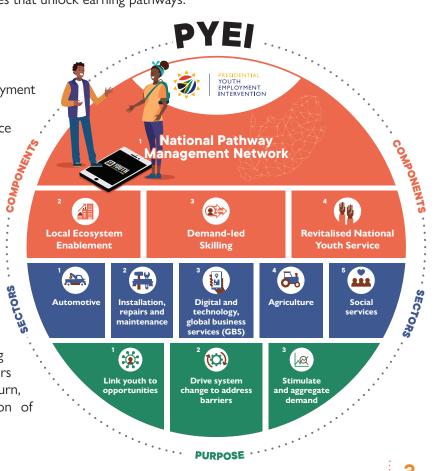
Central to the PYEI's efforts is the establishment of a National Pathway Management Network. The NPMN allows young people to find and seize opportunities that unlock earning pathways.

Other PYEI components include:

- Demand-led skills development
- Enabling local ecosystems to facilitate self-employment and enterprise opportunities
- The revitalisation of the National Youth Service (NYS)

The desired impact is to contribute to a South Africa where young people are actively participating in the economy with greater dignity and a sense of agency over their contribution to society.

The PYEI closely integrates with other interventions coordinated by the Presidency to drive structural reforms and enable job creation, such as Operation Vulindlela and the Presidential Employment Stimulus (PES). PES provides funding for several PYEI components and directly delivers public employment opportunities for youth. In turn, the PYEI's NPMN supports the implementation of PES programmes.



What has been achieved since inception?

As we enter the fifth year of the PYEI, we continue to make great strides towards unlocking earning opportunities for young people.

The PYEI has three overarching targets that capture how the intervention seeks to support young people on their journey to sustainable earning. This includes reaching the most vulnerable young people and providing them with targeted support that helps them build their profile and earning potential.

TARGET (2020 – 2025)

At least 5 million young people are engaged in the National Pathway Management **Network** and access services to help them grow their employability and pursue opportunities.

Young people supported to access **1.5 million** temporary earning opportunities including work-based placements, work-integrated learning opportunities, and paid service opportunities.

500 000 young people engaged in sustainable earning opportunities through workforce development programmes.

ACTUAL (2020 – to date)

Over 4.78 million young people are registered and accessing opportunities in the National Pathway Management Network.

Young people have been supported to access over **1.67 million temporary** earning opportunities including workbased placements, work-integrated learning opportunities, and paid-service opportunities.

Work-in-progress. Evaluations and tracing studies have commenced.







Achievements and highlights from Quarter 4

(JAN - MAR 2025)

Young people secured over 76 569 earning opportunities through the NPMN.

In the final quarter of the new financial year, **60 444 earning opportunities** were secured by young people through the SA Youth platform. A further **16 125 earning and learning opportunities** were secured on ESSA.



Expanding workplace experience opportunities for 15 175 young people.

In the final quarter of the financial year, the Youth Employment Service (YES), a private sector led initiative, placed **15 137** young people in workplace experience opportunities in various sectors of the economy. In addition, the Department of Higher Education and Training placed **5 504** young TVET learners and graduates into workplace experience opportunities.





Phase 3 of the Revitalised National Youth Service.

In Q4, **2 048** young people were recruited for phase 3 of the Revitalised National Youth Service reaching the intended target of **16 000** young people for phase 3. To date, the Revitalised National Youth Service has placed **84 426** young people in paid service opportunities across all three phases.

Supporting young people to build their enterprises.

In the final quarter of the financial year, young people continued to receive direct support for their enterprises. A total of **33 871** financial and nonfinancial enterprise opportunities were provided by the National Youth Development Agency in Q4. In addition, the Department of Small Business Development (DSBD), provided **9 589** financial and non-financial enterprise opportunities to young people.

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National Youth (Service **SPOTLIGHT 1**

Jobs Boost Outcomes Fund: Q1 2025 Results

The Jobs Boost Outcomes Fund is an exciting initiative aiming to deliver high quality jobs for previously excluded youth, by incentivising skills providers to deliver appropriate skills development and support job readiness programmes and interventions.



The Jobs Boost Outcomes Fund is a **R300 million** innovative funding mechanism designed to tackle youth unemployment in South Africa. The fund uses a pay-forperformance model to partner with skills providers to equip previously excluded young people to access high quality jobs. Traditional approaches to job creation tend to focus on inputs and activities, such as training, workshops, or events. This has resulted in large numbers of youth undergoing skills development but not necessarily finding meaningful work, often because training is not aligned with the needs of employers.

Through the pay-for-performance model of funding, Jobs Boost ensures funding for youth unemployment interventions shifts from paying for activities and inputs to paying for pre-defined outcomes. The first quarter of 2025 has seen strong momentum from the Jobs Boost Outcomes Fund, which continues to pioneer this innovative, outcomes-based approach to tackling youth unemployment.

By the end of March 2025:

Over **5,400** young people had been enrolled, reaching 65% of the programme target

More than **3,000** youth had been placed into job

Over **R70 million** had been disbursed to implementation partners for verified outcomes

We are encouraged by the strong retention rate of young people in job opportunities gained through the Jobs Boost Outcomes Fund. In addition, due to the high quality of skilling provided by Jobs Boost implementing partners, we are seeing a positive shift in employer mindsets toward hiring previously excluded young people. The progress made to date indicates that the Jobs Boost Outcomes Fund remains firmly on track to meet its 2025 goals.

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As the pilot progresses, key lessons around data systems, risk management, and demand alignment are informing our efforts to scale the programme effectively and sustainably.

Click <u>here</u> to read the full Q1 2025 Jobs Boost Outcomes Fund Report



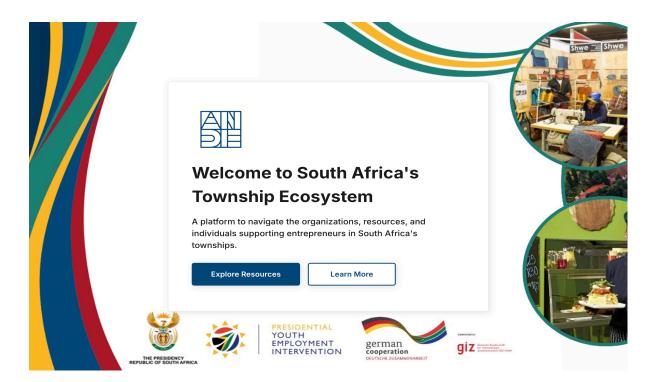


SPOTLIGHT 2

Ecosystem Spotlight: South African Township Ecosystem Mapping Platform



In March, we celebrated the launch of the South African Township Ecosystem Mapping Platform—a digital resource developed by the Aspen Network of Development Entrepreneurs (ANDE) through support from GIZ and as part of the PYEI's Local Ecosystem Enablement (LEE) component. This free-to-use platform allows users to explore the landscape of ecosystem actors supporting township and peri-urban entrepreneurs. Whether you are a local official, an NGO, or an entrepreneur, the platform enables better visibility, coordination, and access to opportunities.



We encourage organisations and entrepreneurs working in township and peri-urban settings to register and map their presence on the platform in order to grow this vital resource. Explore the platform <u>here</u>.

The PMO in the Presidency continuously monitors progress with implementation. Information on the PYEI and quarterly updates are published on the PYEI website available here: stateofthenation.gov.za/pyei

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The Presidential Youth Employment Intervention is funded from the fiscus and is implemented by participating departments. Strategic oversight is provided by the Project Management Office in the Presidency. Development partners provide technical and research support to the PYEI.

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The German Federal Ministry for Economic Cooperation and Development through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH supports the monitoring and evaluation of the PYEI as well as the dissemination of results. This included the design and printing of this document.