



REPUBLIC OF GHANA  
**MINISTRY OF FINANCE**

**POLICY PAPER ON THE  
YOUSTART PROGRAMME**

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LIST OF ACRONYMS

AfCFTA	African Continental Free Trade Area
ARP	American Rescue Plan
CBG	Consolidated Bank Ghana
CIB	Chartered Institute of Banks
CP	Commercial Programme
CSOs	Civil Society Organisations
DFIs	Development Finance Institutions
DEP	District Entrepreneurship Programme
FBOs	Faith Based Organisations
FDA	Food and Drugs Authority
FSD	Financial Sector Division
GAB	Ghana Association of Banks
GCB	Ghana Commercial Bank
GEA	Ghana Enterprises Agency
GOG	Government of Ghana
GSA	Ghana Standards Authority
IFC	International Finance Corporation
KPIs	Key Performance Indicators
MoF	Ministry of Finance
MMDAs	Metropolitan Municipal and District Assemblies
MSMEs	Micro Small and Medium Enterprises
NABCO	Nation Builders Corps
NAELP	National Alternative Employment and Livelihood Programme
NAP	National Afforestation Programme
NBC	National Banking College
NEIP	National Entrepreneurship and Innovation Programme
NYA	National Youth Authority

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PFI	Participating Financial Institutions
RMERD	Resource Mobilization and Economic Relations Division
SBA	Small Business Administration
SDI	Specialized Deposit-taking Institutions
SME	Small and Medium-sized Enterprises
SSNIT	Social Security and National Insurance Trust
TIN	Tax Identification Number
TVET	Technical and Vocational Education and Training
VAT	Value Added Tax
WHT	Withholding Tax
YEA	Youth Employment Agency

### EXECUTIVE SUMMARY

The purpose of this paper is to present a framework for the implementation of the YouStart programme that was announced in the 2022 Budget Statement. This paper establishes the operational framework for the programme to aid in its seamless implementation.

YouStart is a vehicle through which Government intends to provide funding and technical support to the youth (18-40 years) and youth-led businesses to assist them to start, build and grow their own businesses. YouStart is anchored on three programmes i.e., District Entrepreneurship, Commercial and Grace in tackling the unemployment situation in Ghana.

The District Entrepreneurship Programme (DEP) is designed to support urban and rural nascent entrepreneurs and existing micro businesses. The young entrepreneurs will be provided with technical and financial support to enable them start-up and grow their businesses. The following Government agencies; Ghana Enterprises Agency (GEA) and National Entrepreneurship Innovation Programme (NEIP) will be responsible for the successful implementation of the DEP. Other partners i.e., National Youth Authority, Ghana TVET Service and Nation Builders Corps (NABCO) will support the implementing agencies roll-out components of the DEP successfully. NABCO will support the NABCO trainees who desire to be entrepreneurs to grow/scale-up their businesses. This programme targets start-ups with founders under the age of 40 within the following categories, university graduates, high school leavers, vocational/diploma certificate holders and other young people not explicitly defined above.

The Commercial Programme is designed to support medium-sized businesses with technical and financial support services in order scale up existing businesses and will be spearheaded by banks and other Participating Financial Institutions (PFIs). The Government of Ghana will contribute a percentage of the programme funds to the commercial programme and the PFIs will be required to match Government's funds based on an agreed ratio and a designed standardised product. The standardised loan products (white label products) will be sold by the banks at a pre-agreed interest rate using their own internal sales mechanisms. Government together with the Ghana Association of Banks (GAB) will standardise the loan product, the application process and requirements for the loan.

The YouStart Grace programme will be spearheaded by Faith Based Organisations (FBOs) across the country. This programme focuses on providing technical skills training and business development support services to individuals and businesses to enable them to become employable and to scale-up their businesses. The programme targets unemployed youth especially graduates (i.e., SHS and University graduates), vulnerable and needy persons, rural entrepreneurs and micro businesses, especially women owned businesses.

The District Entrepreneurship programme, will be implemented by two Government agencies namely the Ghana Enterprise Agency (GEA) and National Entrepreneurship and Innovation Programme (NEIP). These institutions will supported by Ghana TVET Service, NYA and NABCO Secretariat. The Ghana Association of Banks (GAB) will also Coordinate the Commercial Programme.

To ensure proper governance around the programme, there will be a 10-member Inter-Ministerial Committee, chaired by the Minister for Finance. Members of the Inter-Ministerial

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Committee include Minister for Trade and Industry, Minister for Youth and Sports, Minister for Employment and Labour Relations, Minister for Information, Minister for Food and Agriculture, Minister of Tourism, Culture & Creative Arts, Minister for Communication and Digitalisation, Minister for Local Government, Decentralization and Rural Development and Director General for the National Development Planning Commission.

Also, there is a 13-member YouStart Steering Committee chaired by the Deputy Minister for Finance. Other members of the steering committee include the institutional heads of the Ghana Enterprises Agency (GEA), National Entrepreneurship Innovation Programme (NEIP), Ghana Association of Banks (GAB), National Youth Authority, Ghana TVET Service, NABCO secretariat and a representative of the Faith-Based Organisations (FBOs).

The Internal Audit function of the Ministry for Finance will perform audit and assurance roles for the programme.

YouStart is expected to alleviate the unemployment situation in Ghana and promote entrepreneurship in Ghana. It is estimated that, YouStart will create about 1 million jobs over the next three years and expand businesses to take advantage of the African Continental Free Trade Area (AfCFTA).

## INTRODUCTION

As part of efforts to address the high youth unemployment rate in Ghana, Government announced an ambitious entrepreneurial programme in the 2022 budget known as YouStart, with the objective of building an entrepreneurial nation and creating at least 1 million jobs for the youth in the next 3 years (2022 – 2025).

The YouStart programme is a vehicle through which Government intends to provide funding and technical support to the youth (18-40 years) and youth-led businesses to assist them start, build and grow their own businesses. The programme is benchmarked against similar successful models in the world including the Small Business Administration (SBA) in the US and the British Business Bank, UK.

Through this programme, Government intends to commit about GHS10 billion over the next 3 years towards the creation of at least a million jobs in the economy. This will be achieved using part of the proceeds from the Electronic Transaction Levy (e-Levy) and other funding sources as such the World Bank, IFC, MasterCard, select PFIs and other DFIs.

The YouStart programme forms part of the GHS100 billion Ghana Cares “ObaatanPa” programme which was launched by Government in November 2020 to mitigate the impact of the COVID-19 pandemic, return the country to a sustained path of robust growth and to create a stronger, more resilient and transformed economy.

This document proposes strategies for the implementation of the YouStart programme, the funding model and operational framework for the programme.

## BACKGROUND

Formal employment in Ghana is mainly driven by the Government. Currently, formal private sector employment as a share of total formal employment in Ghana stands at 12% as against South Africa's rate of about 50% and about 70% in Kenya. To mitigate this, Government has since 2017 implemented programmes and policies to enhance job creation including:

- Nation Builders Corps (NABCo) to offer temporary employment to about 100,000 young people;
- Youth Employment Agency (YEA) to offer employment to about 80,538 beneficiaries;
- National Afforestation Programme to offer employment to about 44,682 youth; and
- National Alternative Employment and Livelihood Programme (NAELP)

Additionally, Government has employed about 300,000 Ghanaians onto the public payroll since 2017 in key essential services sectors. Government has also received clearance and is in the process of employing about 72,825 more people into the public service. Nonetheless, youth unemployment is prevalent.

However, data from the Ghana Statistical Service shows that the current overall youth unemployment rate in Ghana is about 19.7%, thus about 1,140,009 Ghanaian youth remain unemployed out of which 605,451 are females and 534,558 are males. According to the World Bank, 50% of the labour force in Ghana are classified as underemployed. That is to say, their level of education and skill set are higher than their current job roles.

It is therefore imperative for Government and all relevant stakeholders to work together and implement more sustainable strategies that will provide meaningful employment avenues for our youth and simplify our business formalisation processes to allow for more informal businesses to be formalised. The need for such a proactive Government policy has become even more heightened when we observe that every year, over a hundred thousand young people enter the Ghanaian labour market from our tertiary institutions, training institutions, high schools and other institutions. It has also become more intensified due to the onset of AfCFTA.

To mitigate the challenge of youth unemployment, Government recognises the need to empower the private sector to grow and create more sustainable jobs for the economy. One of the surest ways to do this is to give the youth the opportunity to be innovative and self-sufficient through entrepreneurship and self-employment, hence the YouStart programme.

## THE YOSTART PROGRAMME

YouStart is a programme that seeks to support young entrepreneurs to gain access to capital, access to market, training and technical skills, compliance and quality assurance support and business development support services that will enable them start, build and grow their own businesses. This programme targets young people between the ages of 18- 40 years who have brilliant business ideas and viable businesses. YouStart seeks to support these individuals to nurture, grow and expand their businesses and create jobs in the economy.

Government through the YouStart programme intends to build an entrepreneurial nation by providing some of the key enablers that make entrepreneurship a success. These include;

- training and capacity building
- access to finance
- access to market, technology and procurement opportunities
- business development support services
- compliance and quality assurance support services

### *i. Training and Capacity Building*

YouStart will provide entrepreneurs with online and in person training to equip them with the requisite skills to run their businesses.

Under the District Entrepreneurship Programme, YouStart will leverage the existing training centres of GEA and NEIP across the country to train young entrepreneurs and youth-led businesses on the rudiments of entrepreneurship, business management and administration among others. Ghana TVET Service will support with technical training.

Under the commercial programme, the training will be carried out by National Banking College (NBC) and Chartered Institute of Bankers (CIB).

Under the YouStart Grace Programme, the trainings will be spearheaded by seasoned facilitators within/recruited by the Faith based organisations.

The YouStart training programme is designed to equip beneficiaries with the requisite skills to ensure the efficient utilisation of the funds given them and to expose them to new ideas and ways to make their businesses successful. Only beneficiaries who undergo training will be considered for funding.

### *ii. Access to Market, Technology and Procurement Opportunities*

The access to market component shall include organising periodic trade fairs and networking programmes with the support of programme partners and other stakeholders. It is expected that the training centres will not only serve as training grounds but also an avenue for young entrepreneurs to network and build strategic partnerships that will ensure the success of their businesses.

A technology platform that connects entrepreneurs to potential buyers and suppliers will also be made available to the young entrepreneurs. In addition, YouStart shall use government

buying power to support beneficiaries through the provision of national, regional and district level procurement opportunities.

YouStart will also leverage industry giants, seasoned business leaders and business advisory experts to provide mentorship and coaching to the beneficiaries. Through this arrangement, incubator programmes may be organised to facilitate digital-linkages between youth-led businesses and other multinational businesses and relevant government agencies.

*iii. Business Development Support Services*

YouStart will provide the entrepreneurs with the following business development support services on a need basis i.e., bookkeeping and reporting, proposal preparation, cashflow management, financial statement reporting, digitisation, access to finance and markets and work improvement strategies. Business Advisory Support desks will also be established at the offices of the implementing agencies and made available to all entrepreneurs who express need for these services.

*iv. Compliance and Quality Assurance Support Services*

YouStart will assist entrepreneurs to obtain product certification and quality assurance for their products. This component involves assisting entrepreneurs conform to standards, regulations, and the laws of the various industries they operate in. Services to be provided include business registration support services, licensing and certification from the Food and Drugs Authority (FDA), Ghana Standards Authority (GSA) and other regulatory bodies.

The Compliance component also includes assisting entrepreneurs with the following: TIN registration, Personal tax returns, VAT returns, WHT returns and SSNIT/pension compliance. The necessary arrangements will be made by the Implementing Agencies and Participating Financial Institutions (PFIs) to ensure that entrepreneurs obtain these compliance and quality assurance support services.

*v. Access to finance:*

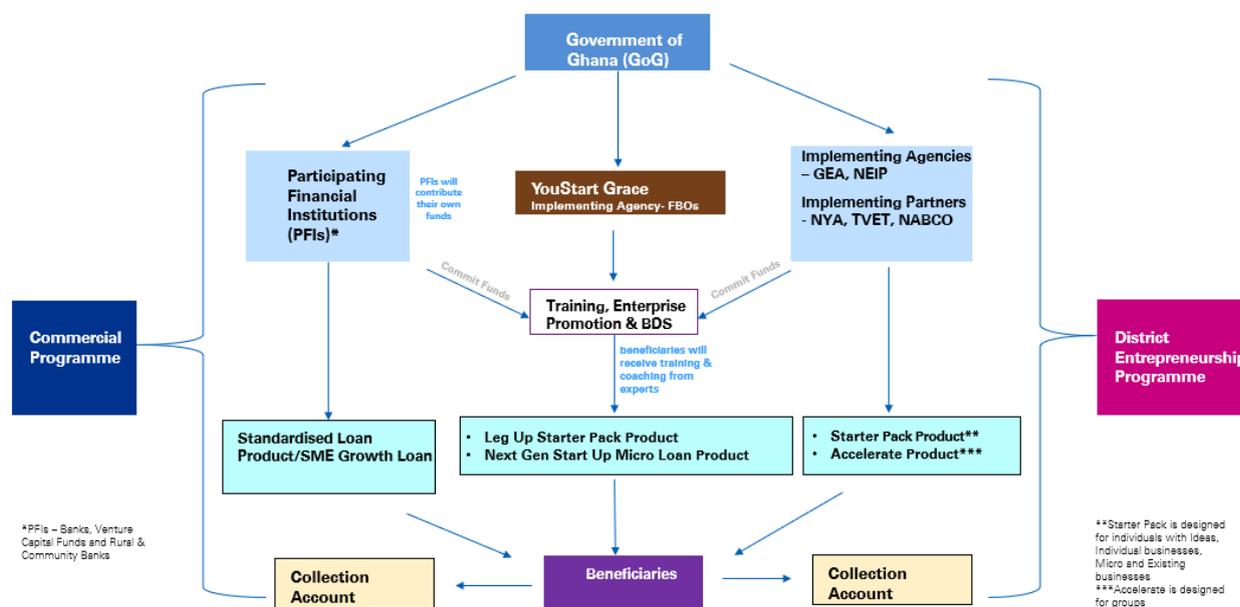
One of the key barriers to entrepreneurship is access to capital. In most cases, banks refuse to lend to young entrepreneurs because they do not have:

- collateral to secure the loan facility;
- the capability to properly transmit their ideas into concrete documents (development of business plans, financial proposals, and other strategic documents);
- in-depth knowledge of the sector they wish to venture into; and
- the kind of partnership that will engender trust in their business.

To mitigate this, Government intends to partner with some financial institutions (banks) and development/donor partners to provide start-up capital for the youth through the YouStart programme. The funds will be structured into concessionary/soft loans (which

will not require a collateral) to help start-ups and small businesses expand. YouStart will offer the youth and youth-led businesses (including groups) up to GH¢500,000 at concessional rates.

### THE FINANCING FRAMEWORK



As shown in the figure above, YouStart implementation and funding will be anchored on three key programmes that is District Entrepreneurship, Commercial and Grace.

#### a. District Entrepreneurship Programme

Government intends to support micro businesses, self-employed persons, rural enterprises and entrepreneurs through government agencies (NEIP and GEA). Other implementing partners i.e., Ghana TVET Service, National Youth Authority as well as NABCO Secretariat will support with technical and vocational training and sensitisation activities. The funds for this programme will be 100% GoG and will target entrepreneurs and businesses that may be operating across the country including hard to reach areas of the country and may also be operating in areas that do not have the presence of a commercial bank. As such, rural banks will be used to access beneficiaries in such areas. This programme will be based on geographical spread across the Metropolitans, Municipals and District Assemblies (MMDAs). To achieve an inclusive economic growth target of the Government, YouStart will leverage the existing structures of the GEA and NEIP to reach these groups and provide them with the support required to nurture and scale-up their businesses. NABCO Secretariat will support the NABCO trainees who desire to be entrepreneurs and grow/scale-up their businesses.

##### i. Financial products under the District Entrepreneurship Programme

This programme will administer the micro loans and the starter pack products. GEA and NEIP will be responsible for managing the starter pack of up to GHS50,000 for the micro-loans and up to GHS100,000.00 for the accelerate loans for group businesses respectively.

Only beneficiaries who undergo training will be considered for funding if they meet the selection defined for the programme. The training component of the programme is critical as it seeks to educate the beneficiaries to understand their responsibilities under the programme, build their capacities to run profitable businesses and to increase their abilities to repay the loans to ensure the sustainability of the programme.

After disbursement of funds to beneficiary entrepreneurs, GEA and NEIP will maintain a working relationship with the beneficiaries and provide them with continuous business development support services.

**ii. *Repayment of loans under the District Entrepreneurship Programme***

The sustainability or otherwise of this programme depends on the beneficiaries' ability to repay the loans within the period given. The loans have a moratorium period of between 6 -12 months and the beneficiaries are expected to repay the loans monthly.

**b. *The Commercial Programme***

Under the commercial programme, programme funds will be disbursed to beneficiaries via financial institutions. Government will partner some selected banks to develop standardised loan products (white label products) for entrepreneurs and youth-led businesses across the country. These products will be sold by each of the Participating Financial Institutions (PFIs) using their own internal sales mechanisms. Government will further partner the Ghana Association of Banks (GAB) to standardise the loan products, the loan application process and requirements for all the PFIs.

Additionally, the PFIs will be required to match Government funds and ensure timely disbursement of the allocated funds to the intended beneficiaries.

**i. *Commercial Programme Products***

The commercial programme will offer standardised loan products between GHS100,000 and GHS500,000. The banks will also build the capacity of the beneficiaries on efficient utilisation of funds, good business management practice as well as incorporate good corporate governance to enable them to repay the loans on time.

The selected PFIs will create a dedicated YouStart Project Team within the bank for effective implementation of the programme.

**ii. *Commitment by the Participating Financial Institutions***

The Ghana Association of Banks (GAB) have committed to supporting the YouStart initiative by increasing their SME loan portfolio. Banks are therefore expected to commit about GHS5 billion to the programme over the next 3 years.

It is expected that, the commitment from the banks will increase the banks overall SME loan portfolio from about GHS7.4 billion to about GHS12.3 billion over the next 3 years. The banks will also provide training for prospective loan applicants (graduates and youth entrepreneurs) under the programme by engaging in activities that will

- a. Identify skill gaps in young graduates and entrepreneurs
- b. Develop training programmes/modules to bridge the gaps identified
- c. Expose the youth to entrepreneurship opportunities by matching them to SME customers for the furtherance of their abilities to create and sustain jobs in Ghana.

**iii. *Repayment of loans under the Commercial Programme***

The sustainability or otherwise of this programme depends on the beneficiaries' ability to repay the loans within the period given. The loans have a moratorium period of between 6 -12 months and the beneficiaries are expected to repay the loans monthly

**c. *YouStart Grace programme***

The YouStart Grace programme will be spearheaded by the Faith Based Organizations (FBOs) across the country. This programme focuses on providing technical skills training and business development support to individuals and businesses to enable them to become employable and to scale-up their businesses respectively.

The programme targets unemployed youth especially graduates (i.e., SHS and University graduates), vulnerable and needy persons, rural settlers and micro businesses, especially women owned businesses. It is expected that, at least 40% and 30% of YouStart Grace beneficiaries should be females and rural settlers respectively.

The main objective of the YouStart Grace programme is to create about 100,000 to 200,000 jobs within the economy over the next three years. This will be achieved by

- providing professional vocational and technical skills training to equip young people with employable skills;
- providing career guidance and business development support to young people and micro businesses to assist them choose a career pathway and to scale-up their businesses respectively;
- providing capital (micro loans & Starter packs) to the trained artisans and businesses to enable them start and scale-up their businesses respectively; and by
- ensuring broad coverage of the YouStart programme across the branch network of the FBOs

*i. Financial Products under YouStart Grace Programme*

Upon completion of the training modules, beneficiaries will be eligible for financial support either to start or to scale-up their business. The funding under this programme will include the provision of starter packs for beginners and micro-loans for existing businesses.

*a. Starter Pack Product – YouStart Leg UP Starter Pack*

The YouStart Leg Up starter pack is a loan facility that will be used for the acquisition of tools and assets required by the beneficiaries to kick-start their enterprises. In addition, beneficiaries of the starter pack facility will receive assistance to register their business with the District Assembly and the Registrar General's Department as applicable. The amount to be given to beneficiaries is between GHS 2,000 to GHS 10,000.

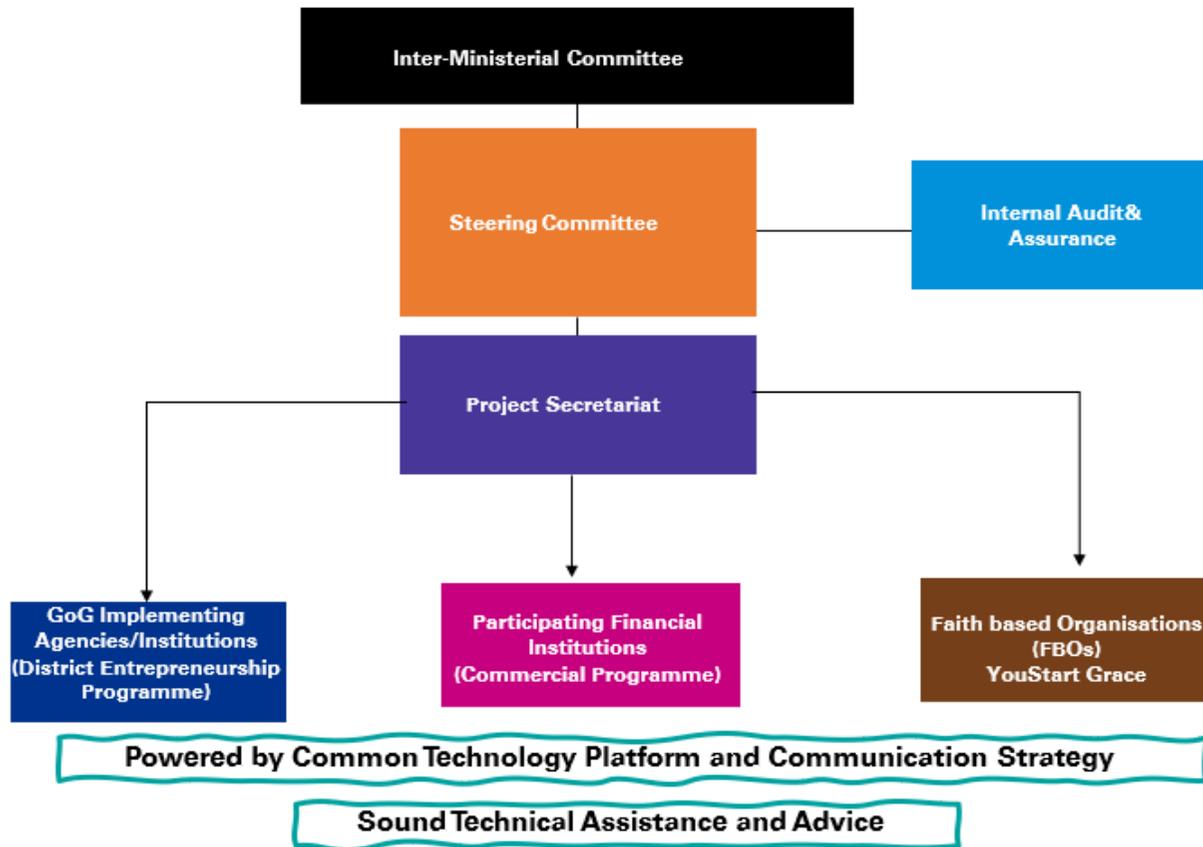
*b. Micro Loans – Next Gen Start up Micro-Loan*

This facility targets existing small business with the aim of supporting them grow and expand. Eligible businesses are those that have been in operations for at least 6 months. The amount to be given to beneficiaries is between GHS 2,000 to GHS 25,000.

*i. Repayment of loans under the YouStart Grace Programme*

The sustainability or otherwise of this programme depends on the beneficiaries' ability to repay the loans within the period given. The loans have a moratorium period of between 6 -12 months and the beneficiaries are expected to repay the loans monthly.

PROGRAMME GOVERNANCE STRUCTURE



Team Composition

- 10-Member Inter Ministerial Committee**
  - Chairman/Convener - Minister for Finance
  - Member - Minister for Trade and Industry
  - Member - Minister for Youth and Sports
  - Member - Minister for Employment and Labour Relations
  - Member – Minister for Information
  - Member – Minister for Food and Agriculture
  - Member – Minister for Tourism, Culture & Creative Arts
  - Member - Minister for Communication and Digitalisation
  - Member – Minister for Local Government, Decentralisation and Rural Development
  - Member – Director-General of the National Development Planning Commission
- 13 Steering Committee Members**
  - Chairman – Deputy Minister for Finance (WC)
  - Vice Chair - Coordinating Director, Technical, Ministry for Finance
  - Member – Senior Policy Adviser
  - Member - Director Financial Sector Division (FSD), Ministry for Finance
  - Member – Director, Resource Mobilisation and Economic Relations Division (RMERD)
  - Member – CEO, Ghana Enterprises Agency (GEA)
  - Member - CEO, National Entrepreneurship Innovation Programme (NEIP)
  - Member – CEO, Ghana Association of Banks (GAB)
  - Member – CEO, National Youth Authority (NYA)
  - Member – Director General, Ghana TVET Services
  - Member – Representative of the Faith Based Organisations (FBOs)
  - Member – Representative of Civil Society Organisations (CSOs)
  - Member – Representative of NABCO
- District Entrepreneurship Programme**
  - GEA- Implementing Agency
  - NEIP – Implementing Agency
  - TVET- Implementing Partner
  - NYA – Implementing Partner
  - NABCO – Implementing Partner
- YouStart Grace**
  - FBOs – Implementing Agency
- Commercial Programme**
  - GAB – Coordinator
  - GCB, CBG, Access Bank
  - Others

## **ROLES AND RESPONSIBILITIES**

### **Role of Inter-ministerial Committee**

The Inter-ministerial Committee shall bear the following principal responsibilities:

- i. Provide overall policy direction and guidance on the design and implementation of the YouStart programme
- ii. Review the YouStart programme annually
- iii. Ensure the availability of the resources required to implement the programme
- iv. Approve the priority sectors for the programme and supervise the Steering Committee
- v. Ensure a national coverage of the Programme during implementation
- vi. Perform other functions necessary for the successful implementation of the programme

### **Role of the Steering Committee**

The Steering Committee shall assume the ensuing roles and responsibilities:

- i. Lead the roll-out of a continuous stakeholder engagement plan during the implementation of the programme
- ii. Ensure that the implementing agencies and PFIs are executing the programme in line with their agreements/MOUs
- iii. Supervise the design and implementation of a risk management framework and a sound system of internal control by the YouStart Secretariat
- iv. Provide periodic updates on implementation progress to the Inter-Ministerial Committee
- v. Ensure that the programme is implemented across the districts in the country

### **Role of Participating Financial Institutions (PFIs)**

The PFIs shall perform the ensuing functions:

- i. Receive applications from applicants via the YouStart online loan management portal
- ii. Conduct independent due diligence and credit assessment of programme applicants based on a harmonised credit scoring system
- iii. Submit the list of qualified applicants to the YouStart Secretariat for training
- iv. Disburse the programme funds to programme beneficiaries who have gone through the required training
- v. Set up a dedicated YouStart Programme team to handle all YouStart related matters
- vi. Institute a robust risk management mechanism for the recovery of programme funds disbursed to programme beneficiaries
- vii. Monitor and report to the Ministry via the YouStart Secretariat on programme funds disbursed to or recovered from programme beneficiaries under the programme
- viii. Provide advisory support and technical assistance to programme beneficiaries after the disbursement of programme funds at the PFI's own cost
- ix. Design and implement a comprehensive strategy to scale up lending to SMEs over the next 3 years under the YouStart Programme
- x. Collaborate with the Ministry and the Ghana Association of Banks to develop a YouStart Training Programme Manual for the training of Programme Applicants
- xi. Report to the Ministry in such manner and at such times as necessary, in addition to, and without prejudice to its other reporting obligations under this Agreement

- xiii. Act reasonably at all times and in good faith having due regard for the best interests of the Ministry and the overall objective of the YouStart Programme

## **Role of Implementing Agencies**

### **1. Ghana Enterprises Agency (GEA)**

The GEA will be responsible for selecting and screening existing youth-led MSMEs into the programme and will provide the training and coaching required for the beneficiary businesses to expand their operations and to become more competitive. GEA will also ensure funds disbursed to beneficiaries are used for its intended purpose and are repaid within the loan term.

Specifically, the GEA will undertake the following roles:

- i. Clearly define selection criteria for MSMEs under the programme
- ii. Screen and select beneficiaries for the programme
- iii. Organise training programmes for beneficiaries to equip them with the requisite knowledge in business management and administration
- iv. Offer business advisory support services for beneficiaries
- v. Disburse funds to the selected and trained beneficiaries
- vi. Ensure the collection of the disbursed funds within the loan term
- vii. Liaise with the MoF-FSD to ensure the release of funds to the selected beneficiaries
- viii. Undertake monitoring exercises to ensure the efficient utilization of the disbursed funds
- ix. Prepare monthly reports to the MoF, FSD on the implementation of the programme

### **2. National Entrepreneurship and Innovation Programme (NEIP)**

NEIP will be responsible for screening and selecting beneficiaries for the soft loans and the starter pack products. This package targets new start-ups, (young graduates, school leavers and students). NEIP will also provide training for beneficiaries to equip them with the requisite skills and knowledge in order to kick-start their businesses

Specifically, NEIP will undertake the following roles:

- i. Clearly define the selection criteria for new start-ups under the programme
- ii. Screen and select beneficiaries for the programme
- iii. Organise training programmes for beneficiaries to equip them with the requisite knowledge in business management and administration
- iv. Offer business advisory support services for beneficiaries
- v. Disburse fund to the selected and trained beneficiaries
- vi. Ensure the collection of the disbursed funds within the loan term
- vii. Liaise with the MoF-FSD to ensure the release of funds to the selected beneficiaries
- viii. Undertake monitoring exercises to ensure the efficient utilization of the disbursed funds
- ix. Prepare monthly reports to the MoF-FSD on the implementation of the programme

## **Role of Faith-Based Organisations**

The FBOs will implement the YouStart Grace programme. They will however collaborate with the NEIP, GEA and Ghana TVET Service to deliver the proposed training modules to the

beneficiaries. The work of the FBOs will be supported by the Project Management Office with the Ghana Cares Secretariat.

Specifically, the FBOs will be responsible for:

- i. Onboarding applicants onto the YouStart Grace programme by:
  - o Providing volunteers at their premises to assist applicants apply online using their unique serial numbers
- ii. Conducting Due Diligence assessment on prospective applicants
- iii. Submitting the Due Diligence report to the YouStart Grace Project Management Office
- iv. Coordinating and facilitating the training of applicants in collaboration with the NEIP, GEA and Ghana TVET Service. The FBOs will also:
  - o Supply professionals for the training of the applicants (where applicable) and for supervising the training sessions
  - o Provide Training centres for the training of the applicants
- v. Assist the YouStart Secretariat in undertaking M&E exercise during the implementation of the programme
- vi. Educate prospective applicants and the youth on the YouStart Grace programme.
- vii. Support with the loan recovery process.

### **Role of Ministry of Finance**

The YouStart programme will be hosted by the Ministry of Finance, Financial Sector Division (MoF-FSD). The Financial Sector Division will serve as both the Secretariat for the programme and the main agency responsible for brokering engagement with the participating financial institutions.

The Secretariat shall report on the implementation of the programme to the Hon. Minister of Finance through the Coordinating Director – Technical, the Chief Director and the Hon. Deputy Minister of Finance responsible for Wealth Creation.

As part of its roles, the Secretariat shall be specifically responsible for the following:

- i. Coordinating key stakeholders including the Implementing Agencies (IAs), Steering Committee and the Inter-Ministerial Committee
- ii. Developing and implementing a monitoring and evaluation framework
- iii. Providing Secretariat services to the Steering Committee and the Inter-Ministerial Committee
- iv. Enforcing the agreement between GoG and the implementing partners
- v. Consolidating the annual workplan and budget and facilitate the release of funds for the programme
- vi. Producing and publishing monthly and quarterly progress reports
- vii. Strengthening the ecosystem for the YouStart by engaging Development Finance Institutions, Venture Capital and angel funds, innovation hubs among others during the implementation of the programme
- viii. Performing other functions necessary for the successful implementation of the programme

**Composition of the Project Secretariat**

The YouStart Secretariat will be hosted at the Ministry of Finance, Financial Sector Division and headed by the Director, FSD. The staff of the secretariat shall comprise officers from the Ministry of Finance and will consist of the following key personnel:

- An Independent Head
- Chief Economics Officer or Analogous Grade – Head of Coordination
- Principal Economics Officer or Analogous Grade – Head of Technical Support Service
- Technical Officers, Advisors and Consultants as needed

YouStart, being part of the broader Ghana Cares ObaatanPa programme, will have its Secretariat working closely with the GhanaCares Secretariat.

The Internal Audit function of the Ministry for Finance will perform audit and assurance roles for the programme.

**POLICY PAPER ON THE YOUSTART PROGRAMME**  
**MARKETING AND COMMUNICATION**

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For the YouStart programme to be successful, there is the need to deploy a marketing and communication strategy. Since this programme is a government initiative, the ministry will collaborate with other Government ministries, agencies and PFIs to provide, manage and maintain the media presence required to get the needed attention in the social space.

## CONCLUSION

The COVID-19 pandemic has had a toll on many companies in the economy. The onslaught of the pandemic compelled many businesses to lay-off most of its workers and to cut down on production due to the unavailability of funds and access to market. Many of these companies remain shut while others continue to operate below their productive levels.

Therefore, the introduction of YouStart will serve as a strong pillar in Government's COVID-19 revitalisation strategy. As part of this strategy, YouStart will leverage on Ghana Cares 'Obaatan Pa' programme and invest resources in the private sector.

YouStart is expected to boost the private sector, create more jobs for the youth and transform businesses in the economy. It is estimated that, YouStart will create at least 1 million jobs over the three years.

Lastly, the commencement of the AfCFTA provides Ghanaian business the opportunity to expand their businesses to other African markets and also opens them up to competition with regional industry giants. It is therefore important that precise and deliberate actions are taken by government to position Ghanaian companies to be viable and competitive in the AfCFTA.

The YouStart programme will provide Ghanaian businesses with the right mix of capital and technical expertise to support the operations of Ghanaian companies for expansion and participation in other African markets.

## APPENDIX

### *BENCHMARKED PROGRAMMES - SMALL BUSINESS ADMINISTRATION, USA*

The YouStart programme is benchmarked against similar successful programmes such as the Small Business Administration in the USA.

The Small Business Administration (SBA) is an autonomous USA government agency established in 1953 to bolster the US economy and to create jobs by providing assistance to entrepreneurs and small businesses in the US. One of the functions of the SBA is the provision of capital and counselling to aid individuals trying to start and grow their businesses.

The Small Business Administration offers substantial educational information with specific focus on assisting small business start-up and grow. The SBA has a comprehensive online portal that contains information and educational toolkits including a business planner and training programmes to assist individuals and small businesses. In addition to online portal, local SBA offices provide more personalised special events for small business owners.

The following are the key services the SBA provides to small businesses in the USA:

- i. **Access to capital:** The agency offers a variety of financial resources for small businesses including microlending, or small loans that are issued to those who otherwise wouldn't qualify for financing from a commercial bank. It also guarantees loans to small businesses.
- ii. **Entrepreneurial development:** This is driven by counselling services and low-cost training provided by the SBA. This service is available to both new and existing business owners in the US.
- iii. **Contracting:** The SBA reserves 23% of government contracts for small businesses with the help of other federal departments and agencies.
- iv. **Advocacy:** The agency also acts as an advocate by reviewing legislation and protecting the interests of small business owners across the USA.

It is important to note that, more than half of Americans either own or work for a small business, and small businesses create about two-thirds of new jobs in the USA each year, making the SBA one of the most important state agencies in the US.

