NYDA Brief on the P20 Youth Parliament Recommendations

Portfolio Committee on Employment and Labour

12 August 2026

nyda

NATIONAL YOUTH DEVELOPMENT AGENCY

OUR YOUTH. OUR FUTURE.

Presentation Outline

1. The Agency's assessment of the recommendations
2. Existing youth employment and entrepreneurship interventions
3. Progress and challenges in implementing youth development programmes
4. Opportunities for collaboration across government and social partners
5. Recommendations to accelerate youth economic participation

nyda

NATIONAL YOUTH DEVELOPMENT AGENCY

OUR YOUTH. OUR FUTURE.

NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

NYDA Assessment of the P20 Youth Parliament Recommendations

Inclusive Growth • Industrialisation • Employment • Meaningful Youth Engagement

Overall NYDA Assessment

1. Broadly supported

The recommendations correctly frame youth unemployment as a structural challenge linked to growth, concentration, skills, finance, spatial inequality and weak participation.

2. Shift to outcomes

Success should be measured by sustainable employment, viable enterprises, market access, productive assets and participation in growth sectors; not only numbers trained or supported.

3. Prioritise delivery

The recommendations should be translated into a funded, time-bound implementation programme with clear institutional responsibilities, indicators and Parliamentary oversight.

The value of the P20 process will ultimately be judged by whether it materially changes the economic prospects of young South Africans.

Inclusive growth: make youth outcomes visible in economic policy

Growth is not inclusive if young people remain excluded from productive economic activity.

- Support simpler business registration, regulatory compliance and access to economic transformation opportunities.
- Improve funding turnaround times and expand youth-oriented enterprise infrastructure in townships and rural areas.
- Track youth economic participation by age, geography and sector; not only aggregate programme outputs.
- Assess major economic policies and legislation for their likely impact on young people.

What should be measured?

Employment • enterprise survival and growth • procurement and market access • value-chain participation • asset and wealth creation

NYDA Proposal

Introduce Youth Impact Assessments and Youth Economic Advisory Panels for major economic reforms.

Key principle

Youth development must be embedded in mainstream economic policy, rather than treated as a stand-alone social programme.

Industrialisation: position youth as producers, workers and owners

Industrial policy must deliberately open productive sectors and value chains to young people.

Industrial pathways

Industrial zones and targeted incentives should absorb youth into skilled and semi-skilled work and enable youth-owned firms to enter supply chains.

Remove entry barriers

Reduce red tape, accelerate access to capital and strengthen technical and artisanal skills development.

Build future sectors

Prioritise manufacturing, agro-processing, green industries, digital and knowledge sectors, creative industries and infrastructure value chains.

NYDA recommends measurable youth targets for:

- Employment
- Procurement
- Supplier development
- Skills transfer
- Enterprise ownership
- Market access

Required strategic shift

Young people should participate in industrialisation as economic actors; not only as programme beneficiaries.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Employment: strengthen the school-to-work transition

Move from counting training outputs to measuring sustainable transitions into economic opportunity.

Education → **Skills** → **Work experience** → **Employment / Enterprise** → **Sustainable livelihoods**

- Strengthen SETA and TVET alignment with labour-market demand and workplace placement.
- Expand practical, workplace-based experience and entry-level pathways for young people.
- Differentiate temporary income support, work experience and sustainable employment in programme reporting.
- Improve coordination across education institutions, SETAs, employers, NYDA and employment programmes.

Core performance question

How many young people successfully transition into sustained work or viable enterprise after support?

P20 concern

Youth employment initiatives should not end in repeated short-term opportunities with no progression pathway.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Youth enterprise: integrate finance, support and market access

The challenge is not only programme availability but also fragmentation across the enterprise ecosystem.

Finance

Faster, transparent funding decisions and disbursements, especially for township and rural youth enterprises.

Business support

Simpler compliance, practical B-BBEE support, incubation, mentorship and technical assistance.

Markets

Procurement access, supplier development, value chain participation, and commercial market integration.

Proposed integrated youth enterprise pipeline

Ideation → Business development → Funding → Incubation → Market access → Scale

NYDA position: create a seamless journey across institutions, with shared outcome indicators and clear referral pathways.

Meaningful youth engagement: from consultation to co-governance

Young people should participate throughout the policy cycle, with visible feedback and accountability.

Institutional representation

Formal youth advisory structures and representation in relevant decision-making and oversight processes.

Inclusive participation

Ensure rural, low-income, disabled and marginalised young people can participate meaningfully.

Feedback & accountability

Show how youth input changed decisions; report back transparently and adequately resource participation.

Design → **Implementation** → **Monitoring** → **Evaluation**

Participation should be continuous; not confined to once-off youth events or consultation after decisions have effectively been made.

Implementation and accountability: the critical next step

Parliament can turn the P20 recommendations into a measurable national youth development agenda.

National results framework

Common indicators aligned across youth policy instruments, departments and implementing agencies.

Public dashboard

Track employment, enterprise support, sector participation and other youth outcomes using disaggregated data.

Annual impact reporting

Table an annual youth development impact report in Parliament and require corrective action where outcomes lag.

- Assign clear institutional responsibility for each priority recommendation.
- Link implementation commitments to budgets and medium-term plans.
- Strengthen interdepartmental coordination and Parliamentary oversight.
- Create mechanisms for youth-led monitoring and public feedback.

Implementation test

- **Who is responsible?**
- **By when?**
- **With what budget?**
- **Measured by which youth outcome?**

Five priorities for taking the P20 recommendations forward

01 **Embed youth outcomes**
in economic and industrial policy

02 **Strengthen transitions**
from education and skills into work

03 **Open productive sectors**
value chains, procurement and markets to youth

04 **Institutionalise youth voice**
in design, implementation and oversight

05 **Measure what changes**
through a national results and accountability framework

NYDA stands ready to support Parliament in translating the recommendations into measurable

Existing youth employment and entrepreneurship interventions

Key NYDA programmes contributing to youth development

1

Entrepreneurship Development

Grants + Business Development Support

National Youth Fund (catalytic instrument to crowd in public and private investment)

Market linkages (procurement + offtake agreements)

Mentorship

Sector-specific incubation

2

Work Experience & Placement

Internship and placement pipelines

Private sector partnerships

Public employment linkages

National Youth Service (NYS)

Community-based employment

Skills + income + work exposure

Link NYS to infrastructure and service delivery

3

Skills Development and Training

BMT

Life skills

Jobs programme,

Scholarships

Skills for Economic Demand

Align training with sector demand

Focus on:

Artisans, digital skills

green jobs

Youth Employment Strategic Investment Framework

Structured around four investment mobilisation channels

Public Sector Co-Investment

Government partnerships remain critical for scaling youth programmes.

Opportunities include:

- Co-funding National Youth Service programmes
- Infrastructure employment programmes
- Provincial youth economic development initiatives

Private Sector Investment

Private sector investment will be mobilised through:

- Corporate social investment programmes
- Enterprise supplier development initiatives
- Sector-based skills partnerships
- Youth entrepreneurship support programmes.

International Development Partnerships

Global development institutions provide important financing opportunities.

- African Development Bank
- European Union
- UNDP
- International Labour Organisation
- World Bank

Innovative Financing Mechanisms

To ensure long-term sustainability, the NYDA will explore:

- Blended finance models
- Social impact bonds (outcome-based financing)
- Youth enterprise investment funds
- Development Impact Partnerships

nyda

NATIONAL YOUTH DEVELOPMENT AGENCY

OUR YOUTH. OUR FUTURE.

Progress and challenges in implementing youth development programmes

Progress in implementing youth development programmes

South Africa has expanded the scale and range of interventions aimed at improving youth economic participation.

Expanded programme reach

Employment, skills, enterprise and service programmes now reach young people through multiple public and private delivery channels.

Broader development focus

Greater attention is being placed on entrepreneurship, workplace experience, digital skills and pathways into economic participation.

Stronger partnerships

Government, the private sector and civi society increasingly collaborate on youth employment, skills and enterpris support.

Examples of the youth development ecosystem

- NYDA programmes
- Presidential Youth Employment Intervention
- YES
- SETAs & TVET support
- EPWP / public employment
- National Youth Service

Progress is evident in programme reach and policy attention; the next test is whether these interventions translate into sustained economic outcomes.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Impact | Inception To Date(2021-2026)

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Impact of the NYDA Grant Programme: 2025/26

Businesses stable or growing

68.8%

Meaning: Most enterprises show early stability within 12 months post-grant.

Revenue increased

83.3%

Meaning: The majority report higher turnover (slightly or a lot).

Struggling or closed

31.4%

Meaning: A sizeable minority remain vulnerable to shocks.

Mean monthly revenue uplift

R7,987.55

Based on midpoint bands (n=241).

Mean monthly profit uplift

R4,676.89

Additional net profit (midpoint; n=212).

Jobs due to grant (mean)

2.3 jobs

Midpoint mean (n=273); 4.4% reported zero jobs.

Potential tax revenue

R0.034–R0.067 Per R1

The indicative total annual tax yield represented by the analysed sample would be approximately **R356,940.16 to R713,880.32** in year one. (n=212)

Stability and uplift are strong early signals, but conversion to durable growth and jobs is constrained by working capital, market access and uneven aftercare intensity.

Persistent implementation challenges

Despite significant interventions, young people continue to face structural and delivery barriers.

High youth unemployment

The scale of unemployment continues to exceed the number of opportunities generated through existing interventions.

Fragmented delivery

Multiple programmes operate across institutions, but coordination, referrals, information sharing and accountability

Short-term opportunities

Some interventions provide temporary income or experience without a clear pathway into sustained employment or enterprise.

Access barriers

Rural youth, youth with disabilities and young people in underserved communities continue to face unequal access to opportunities.

Skills mismatch

Training is not always sufficiently connected to employer demand, growth sectors or practical workplace experience.

Administrative constraints

Funding delays, red tape and weak communication can reduce the effectiveness of entrepreneurship and development support.

Core challenge: South Africa has a wide range of youth programmes, but the system does not yet consistently convert support into sustainable livelihoods at the required scale.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

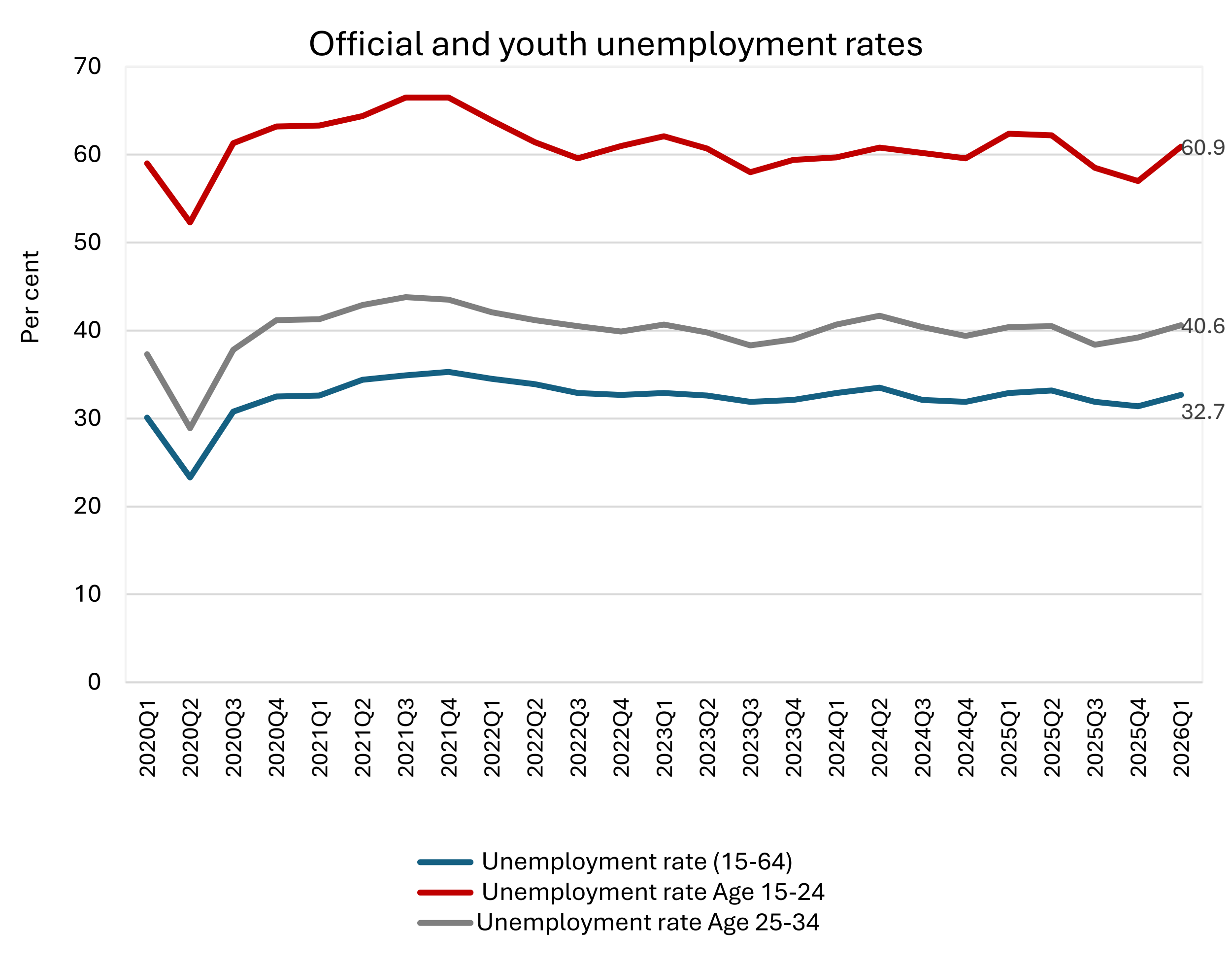
Youth Labour Market Conditions

4.7M

Young People Out of Work

Key Statistics:

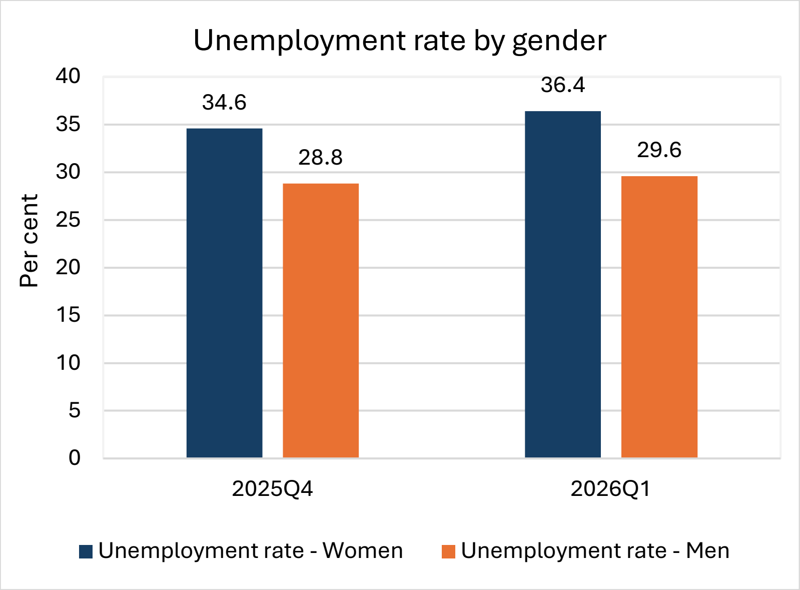
- Official unemployment rate: 32.7%
- 60.9% of youth aged 15-24 are unemployed.
- 45.8% of youth aged 15-34 are unemployed.
- 37.6% of youth aged 15-24 are not in employment, education or training (NEET)
- Discouraged work-seekers increased by 178 000 to 3.9 million, indicating sustained labour market fragility.

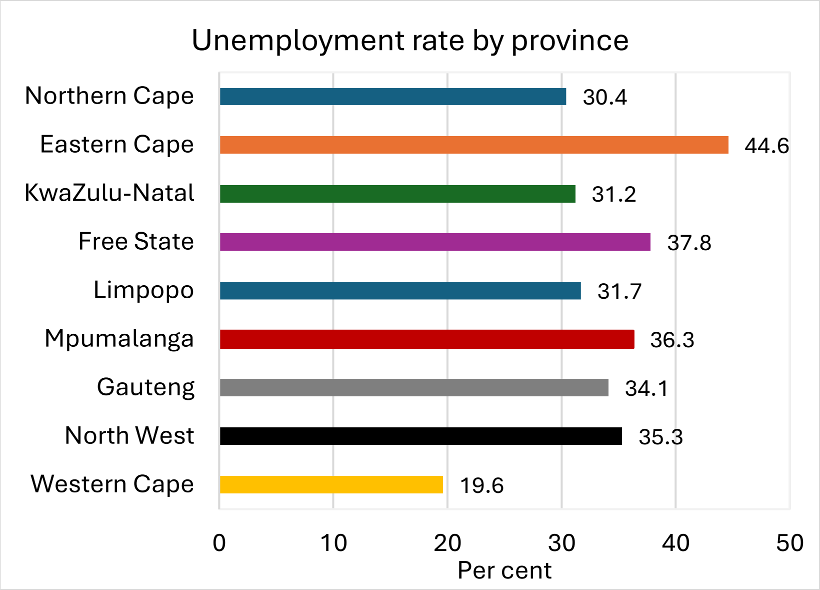


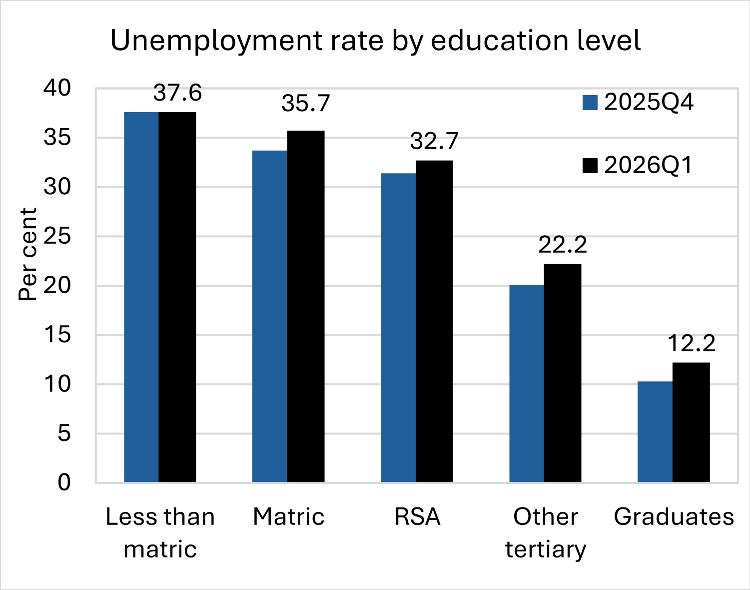
Data Source: Stats SA

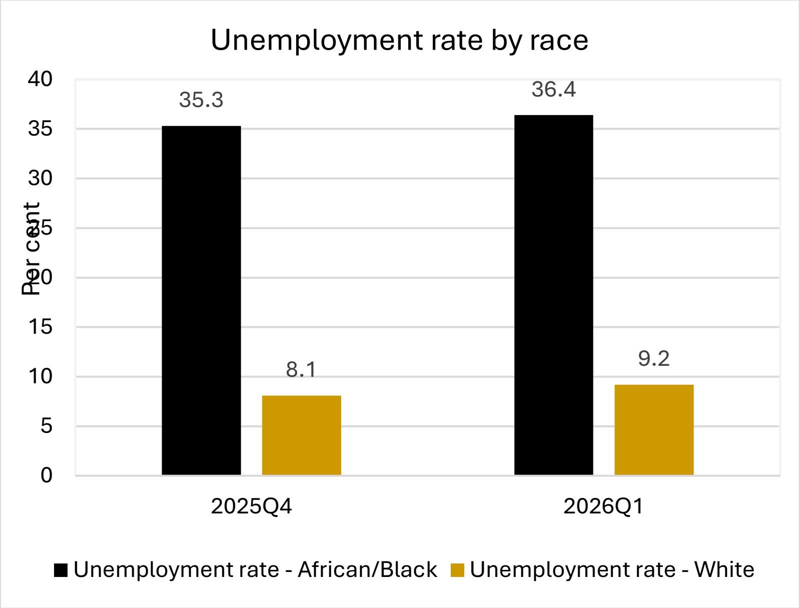
nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Inequality persist in the Labour Market









Gender Disparities

- Women's unemployment rate: **36.4%**
- Men's unemployment rate: **29.6%**

Racial Disparities

- Black unemployment rate: **36.4%**
- White unemployment rate: **9.2%**

Educational Disparities

- Individuals without a matric qualification recorded significantly higher unemployment rates
- Graduates experienced substantially lower levels of unemployment

Provincial Pressures

Highest unemployment:

- Eastern Cape
- Free State
- Mpumalanga

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Data Source: Stats SA

Demand for NYDA services continues to significantly exceed the resources available to the Agency

Table 1: NYDA interest across all products and services

Financial Year	Total Client Interactions	Grant Interest	Training Interest	Job Opportunities	PYEI (NYS)*	Other Services
2023/24	167 104	19 365	59 829	56 324		20 877
2024/25	139 246	18 192	46 145	50 290		13 533
2025/26	173 000	32 126	42 093	63 852		19 844
2026/27	38 981	8 544	10 035	13 275		3 625
Grand Total	518 331	78 227	158 102	183 741	1 715 708	57 879

*Across Phases I to IV, the PYEI has received 1 715 708 applications, demonstrating the substantial demand for employment and skills development

Table 2: NYDA Grant Programme Conversion Rates and Gaps

Financial Year	Grant Interest	Successfully Disbursed	Unmet Demand	Conversion Rate	Gap %
2023/24	19 365	2 369	16 996	12.2%	87.8%
2024/25	18 192	2 067	16 125	11.4%	88.6%
2025/26	32 126	3 093	29 033	9.6%	90.4%
2026/27	8 544	1 934	6 610	22.6%	77.4%
Grand Total	78 227	9 463	68 764	12.1%	87.9%

Table 3: NYDA Jobs Programme Conversion Rates and Gaps

Financial Year	Jobs Interest	Successfully Placed	Unmet Demand	Conversion Rate	Gap %
2023/24	56 324	24 307	32 017	43.2%	56.8%
2024/25	50 290	26 583	23 707	52.9%	47.1%
2025/26	63 852	25 500	38 352	39.9%	60.1%
2026/27	13 275	26 000	-12 725	195.9%	-95.9%
Grand Total	183 741	102 390	81 351	55.7%	44.3%

Table 4: NYDA Training Programme Conversion Rates and Gaps

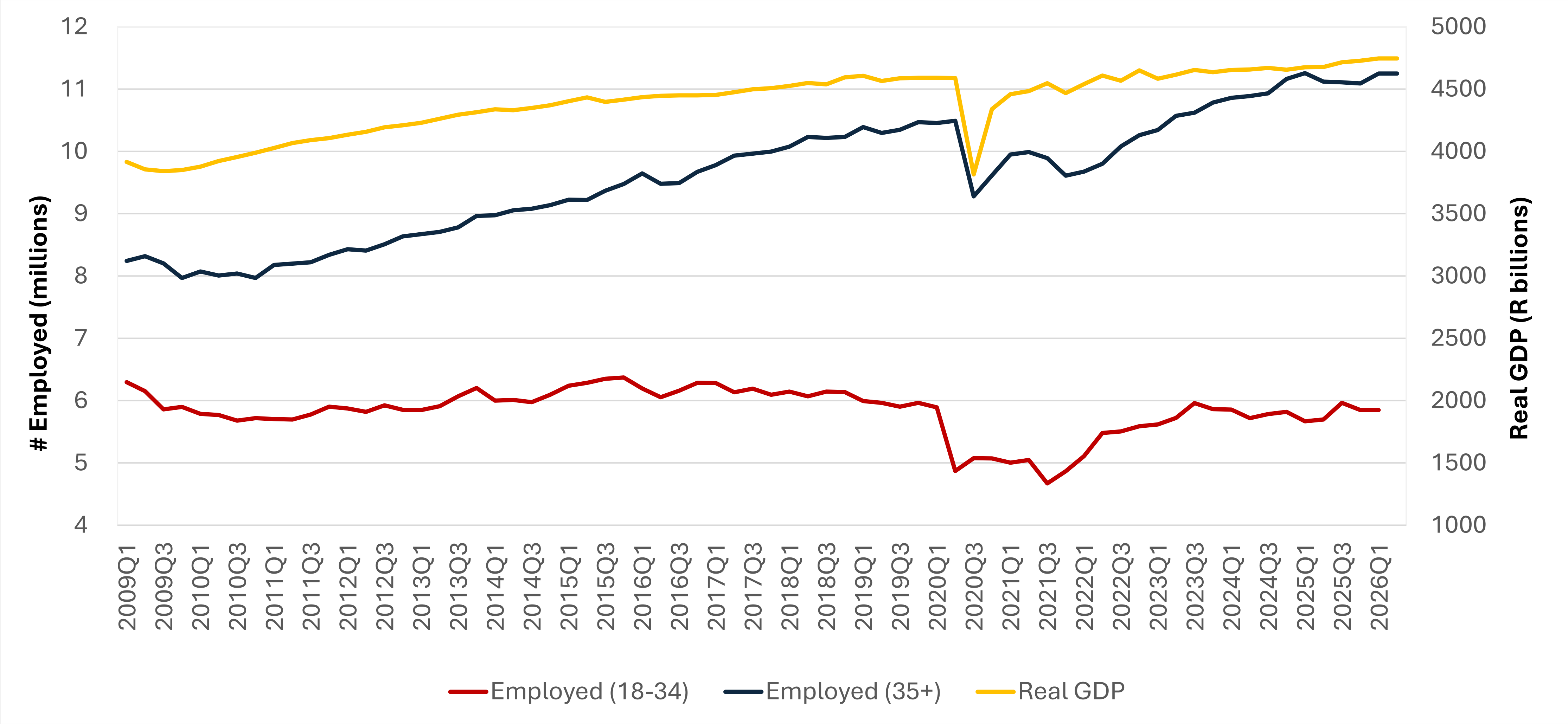
Financial Year	Training Interest	Successfully Placed	Unmet Demand	Conversion Rate	Gap %
2023/24	56 324	55 549	775	98.6%	1.4%
2024/25	50 290	48 230	2 060	95.9%	4.1%
2025/26	63 852	45 200	18 652	70.8%	29.2%
2026/27	13 275	46 300	-33 025	348.8%	- 248.8%
Grand Total	183 741	195 279	-11 538	106.3%	-6.3%

Table 5: NYDA Other Services Conversion Rates and Gaps

Financial Year	Other Services Interest	Successfully Disbursed	Unmet Demand	Conversion Rate	Gap %
2023/24	20 877	44 366	- 23 489	212.5%	- 112.5%
2024/25	13 533	59 010	- 45 477	436.1%	- 336.1%
2025/26	19 844	25 650	- 5 806	129.3%	- 29.3%
2026/27	3 625	25 200	- 21 575	695.2%	- 595.2%
Grand Total	57 879	154 226	- 96 347	266.5%	- 166.5%

T AGENCY
ITURE.

The Decoupling of Economic Growth and Youth Employment



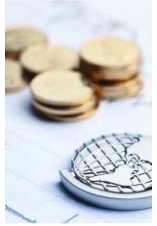
Data: Stats SA

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Market Concentration and MSME Participation in South Africa

The Competition Commission's 2026 Concentration Tracker Report shows that South Africa's economy remains **highly concentrated** despite modest improvements between 2017 and 2021.

The report finds that a relatively small number of firms continue to dominate key sectors of the economy, particularly mining, manufacturing, electricity, transport and ICT.



In nearly half of all sub-sectors, the top three firms account for more than **40% of market turnover**.

Large firms accounted for approximately **78% of total market turnover** in 2021.

MSMEs contributed only **22% of turnover**, despite representing approximately **97% of firms** in the economy.

MSMEs accounted for approximately **44% of employment** among tax-paying firms, highlighting their importance for job creation.

High market concentration continues to undermine inclusive growth, transformation and youth employment.

MSMEs continue to face barriers, including limited market access, low survival rates, and difficulty scaling up to larger firms.

The report calls for stronger industrial policy, procurement reform and targeted support for MSMEs and challenger firms.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

NYDA's Response to this Socio-Economic Context

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

The NYDA's response to this context

- The NYDA's strategic response to this context is an integrated programme delivery model that is grounded in evidence-based economic research and strategic investment partnerships.

Our theory of change

Strategy → Research → Investment Partnerships → Programmes → Outcomes/Impact

- Identify constraints and opportunities using economic research
- Mobilise funding through partnerships
- Implement targeted programmes
- Measure real economic outcomes

Economic Research-Led Approach (Informs us where and how opportunities can be created)

Five Core Pillars:

- Youth labour markets and structural transformation
- Youth enterprise and finance
- Cost of living and inequality
- Public finance and youth budgeting
- Digital economy and future of work

Investment Partnerships Model (Unlocks capital for youth development)

Strategic objectives:

1. Mobilise partnerships to expand youth employment opportunities
2. Expand public service-based employment pathways
3. Mobilise capital for youth enterprises
4. Support enterprise incubation and business development
5. Expand sector-based skills training
6. Strengthen international youth development cooperation

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Opportunities for collaboration across government and social partners

Opportunities for collaboration across government and social partners

Youth development is a shared responsibility requiring coordinated action across the state, private sector and society.

Government

Align national, provincial and local programmes; improve referrals, coordination and accountability.

Private sector

Expand workplace experience, apprenticeships, employment and youth participation in supply chains.

Education & training

Align universities, TVET colleges and SETAs more closely with employer demand and growth sectors.

Development finance

Improve access to appropriate finance and strengthen post-funding support for youth enterprises.

Civil society & youth

Strengthen outreach, co-design, implementation and accountability using young people's lived experience.

Research & data

Develop shared evidence, reduce duplication and measure longer-term youth development outcomes.

Collaboration opportunity: align resources, programmes and accountability around a common set of youth development outcomes.

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

The IYDS as a framework for coordinated youth development

The Integrated Youth Development Strategy can help move South Africa from fragmented interventions to a whole-of-society youth development agenda.

Economic Transformation
Employment • enterprise • procurement • economic participation

Education & Skills
Skills • workplace experience • school-to-work transitions

Health & Wellbeing
Healthy, resilient and productive young people

Social Cohesion
Participation • inclusion • active citizenship

Youth Machinery
Coordination • institutions • monitoring • accountability

Opportunity for the next IYDS

- Agree common national youth development outcomes.
- Clarify roles and responsibilities across institutions.
- Align programmes, partnerships and resources.
- Set measurable targets and shared indicators.
- Embed meaningful youth participation in implementation.
- Report collectively on progress and impact.

Parliamentary opportunity: oversee youth development across government against shared IYDS outcomes, not only institution by institution.

Build a youth economic participation system

Coordinate delivery through the IYDS and hold the system accountable for outcomes.

IYDS AS THE COORDINATING FRAMEWORK

SHARED OUTCOMES

Align institutions • resources • programmes • targets • social partners

SHIFT WHAT GOVERNMENT MEASURES

Young people trained →	**Young people employed**
Businesses funded →	**Sustainable businesses**
Opportunities created →	**Sustainable livelihoods**
Money spent →	**Measurable economic impact**

Accountability: national results framework • disaggregated indicators • annual Youth Development Impact Report • Parliamentary oversight

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

Recommendations to accelerate youth economic participation

Recommendations

1. **Macro and structural economic reforms: Fix the youth jobless growth problem**

- The government should adopt a Youth-Embedded Economic Growth Strategy, which:
- Prioritises labour-absorbing sectors (i.e. construction, agriculture, manufacturing, tourism, digital economy) in industrial policy
- Introduces youth employment conditionalities in infrastructure projects, industrial incentives, SEZs and localisation programmes
- Links the proposed R1 trillion public investments over the MTEF directly to youth job creation targets
- Includes the NYDA in macroeconomic and industrial policy formulation discussions

2. **Labour market reform: Remove structural barriers to entry**

- Government should legislate the removal of experience requirements for entry-level public sector jobs.
- Introduce a National First Job Guarantee Framework, which is a coordinated policy where the government ensures that every young person seeking work is offered a first employment opportunity through a combination of public programmes and incentivised private sector placements.
- Government should undertake a comprehensive review of the current **Employment Tax Incentive (ETI)** to replace it with a targeted wage subsidy focused specifically on first-time job seekers.

3. **Introduce Youth-Responsive Budgeting across government to fix fragmentation and underfunding**

Government should:

- Mandate Youth-Responsive Budget Statements in all departments
- Require all departments to track and report youth expenditure
- Introduce minimum youth allocation thresholds
- Ensure that departments and entities align budgets to measurable youth outcomes and not just outputs (e.g. jobs, income, enterprise survival, etc.)
- Align with Parliament oversight processes

Recommendations (Cont.)

4. Establish a National Youth Enterprise Financing Architecture to improve access to finance, markets and assets

Government should:

- Capitalise and institutionalise the National Youth Fund at scale
- **Mandate Development Finance Institutions (DFIs) to:**
  - Ringfence funding for youth enterprises
  - Adopt alternative blended finance models to reduce collateral constraints (e.g. revenue-based financing)
  - Fund pipeline development via NYDA (pre-investment support)
- **Enforce 30 per cent public procurement for youth-owned businesses**
  - Publish quarterly departmental performance reports
  - Introduce penalties for non-compliance
- Introduce a Youth Supplier Development Framework across SOEs and departments
- **Removing barriers that make it difficult for young people to do business with the State**
  - Reduce compliance burdens for early-stage enterprises
  - Enforce a 30-day payment rule for youth suppliers
- Create a pre-approved centralised youth supplier database linked to procurement systems
- Introduce guaranteed market access programmes (i.e. offtake agreements)
- Introduce a state-backed youth credit guarantee scheme to help young people overcome the collateral barrier and unlock access to finance at scale

Recommendations (Cont.)

5. Scale public employment programmes to build state capacity

- Public employment programmes, particularly the National Youth Service (NYS), should be expanded and institutionalised as:
  - A pathway into the labour market
  - Pipeline for public sector employment
  - A mechanism to build skills and work experience
  - A stabiliser during economic downturns
- Institutionalise NYS within municipalities, schools, health systems and the broader care economy
- Multi-year MTEF allocation for the NYS to ensure certainty and improve planning and coordination

6. Aligning skills development with economic demand to fix the mismatch between education and jobs

- Align SETAs, TVET colleges, and universities with sector demand
- Introduce mandatory work-integrated learning (WIL) across programmes
- Expand learnerships and apprenticeship pathways
- Introduce a sector-based skills compacts (industry + government + NYDA)

7. Reduce the cost of economic participation for young people

- Introduce transport subsidies for job-seeking youth
- Accelerate rollout of free public Wi-Fi in underserved areas
- Reform the SRD grant into pathway-linked income support (education, job search, entrepreneurship)
- Use the NYDA Youth Cost of Living Index or minimum wages to guide stipends and benchmark programme impact. This is to ensure that programmes and interventions materially or economically change the lives of young people

Thank You

nyda

NATIONAL YOUTH DEVELOPMENT AGENCY

OUR YOUTH. OUR FUTURE.

Recommendations (Cont.)

8. Digital economy and future of work

- Working with the Department of Communications and Digital Technologies, the NYDA should develop a Youth Digital Economy Strategy
- Government should invest in digital skills development at scale (AI, coding, platforms)
- Reform regulation to support digital workers and creators
- Expand funding for creative industries and platform-based income

9. Institutional coordination and governance: Fix fragmentation across government

- Formally mandate NYDA to coordinate youth economic policy across departments
- Establish an Inter-Ministerial Youth Economic Council
- With assistance from the DPME, strengthen the NYDA mandate to track youth outcomes across departments
- Strengthen NYDA's funding and research mandate
- Enhance partnerships with the private sector and international institutions

10. Financial implications of the recommendations

- Research and impact assessments of various NYDA programmes indicate that investment in youth enterprises and employment programmes yields positive economic returns, including increased tax revenue and reduced dependency.
- The proposed recommendations will require:
  - Reprioritisation within existing budgets
  - Increased allocation to youth development programmes
  - Leveraging of blended finance and private sector partnerships

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.