



NATIONAL YOUTH DEVELOPMENT AGENCY  
OUR YOUTH. OUR FUTURE.

**National Youth Development Agency (NYDA)**  
**Rapid Assessment Report**  
**FINAL REPORT – December 2022**

*Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme*

Report prepared by Funanani Investments & Projects



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## **Abbreviations:**

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AFS – Annual Financial Statements  
BCR – Benefit to Cost Ratio  
BEE – Black Economic Empowerment  
CC – Closed Corporation  
DTi – Department of Trade and Industry  
EDD - Department of Economic Development  
EDP – Entrepreneur Development Programme  
GEM – Global Entrepreneurship Monitor  
GEP – Gauteng Enterprise Propeller  
GoSA – Government of South Africa  
ICT – Information and Communication Technologies  
IDC – The Industrial Development Corporation  
ILO – International Labour Organisation  
IRC – Imperial Research & Consultancy  
IYDS – Integrated Youth Development Strategy  
JASA – Junior Achievement South Africa  
NDP – National Development Plan  
NPV – Net Present Value  
NQF – National Qualifications Framework  
NYDA – National Youth Development Agency  
NYEESIF - National Youth Economic Empowerment Strategy and Implementation Framework  
NYP – National Youth Policy  
PESTLE – Political, Economical, Social, Technological, Legal, Environmental factors  
PTY – Private Company  
SAB – South Africa Breweries  
SBDI – Small Business Development Institute  
SDP – Supplier Development Program  
SEDA – Small Enterprise Development Agency  
SEFA – Small Enterprise Finance Agency 7  
SMME – Small, Medium and Micro Enterprise  
TEA - Total early-stage Entrepreneurial Activity  
ToR – Terms of Reference  
UNDP – United Nations Development Programme  
UYF – Umsobomvu Youth Fund  
YEDS – Youth Enterprise Development Strategy  
NYDA – National Youth Development Agency  
DSBD - Department of Small Business Department

## **EXECUTIVE SUMMARY**

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Funanani Investments & Projects are appointed by the NYDA for the “Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme”:

- to assess and evaluate the impact of the grant programme on the 2021/2022 Financial Year recipients and
- to establish the successes and challenges experienced by the recipients for the period under review.

This report presents the findings, challenges, and recommendations as per the outcome of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme.

The **study objectives** include:

- Impact evaluation on Grants issued in the 2021/2022 financial year
- Identify how the Programme can be scaled up or improved
- Determine how the Programme helped young people during lockdown
- Determine the challenges experienced by beneficiaries during lockdown
- Determine the economic sectors that the Grant beneficiaries belong to
- Determine success and failure rate based on gender & Age and reasons
- Determine relevance / adequacy of financial support that is being provided

A **seven (7) phased research approach** was followed for the assessment, that:

- Commenced with the receipt of the NYDA excel beneficiary database
- Followed by the consolidates of the excel list to form the base of the assessment as the entire beneficiary population for the 2021/2022 financial year and serve as the input for the sample of the study for the research,
- A minimum of 30% of the beneficiary population was required to be included for the research. To reach the 30% survey, the factoring includes the consideration of the gender, age, and location of the beneficiaries. The consolidated database of 1 963 beneficiaries was analysed and sampled for

the research phase, to determine the benchmark for the required % beneficiary profile categories as a valid representation of the total beneficiary population, including the required % responses per Gender, Age Category and Province

- During the 4th phase, the research questionnaire was designed and digitalized prior to sharing with the beneficiary population. The survey questionnaire is designed and developed utilizing Google Forms. SMS's were sent to each and every beneficiary with a cell phone number, requesting him / her to cooperate by providing feedback on their experience and challenges with regards to the grant(s) received. All completed questionnaire responses were populated for further analysis
- All completed questionnaire responses were subject to quality assurance activities to ensure accurate and complete data for the research analysis.
- The final research database was filtered, analysed and responses were categorized prior to the reporting phase. GAPS and challenges are identified for recommendation to improve.
- The outcome and reporting of the research are tabled in his report.

The findings indicates that:

- 94.3% of the beneficiaries / recipients are satisfied with the grants, services and support provided by NYDA and expressed gratitude towards NYDA as to how the grant assisted them to achieve their goas and dreams and / or keep their businesses sustainable
- Compared to 5.7% or the beneficiaries / recipients who are dissatisfied with the NYDA and / or indicated that improvement is needed to better the services of the NYDA.

The outcome of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme can be summarised as follows:



## **A. ENTIRE GRANT BENEFICIARY POPULATION**

1. The beneficiary lists consist of a total population of 1 963 beneficiaries and / or recipients, comprising of 337 Individuals, 1 610 Enterprises and 16 Cooperatives.
2. The population of beneficiaries / recipients are across all 9 Provinces, with most beneficiaries being located in the province of KwaZulu Natal (423), vs the least number of grant beneficiaries being located in the province of Nort West (61).
3. The beneficiary population represents an average of 58% male beneficiary's vs 42% female beneficiaries.
4. The age analysis indicates that 11.31% of the beneficiaries are between 18 and 23 years old, 49.98% of the beneficiaries are between 24 and 30 years old and 38.72% of the beneficiaries are between 31 and 35 years old.
5. NYDA offers grants to beneficiaries across the economic sectors.
6. The NYDA grants for the population of 2021/2022 beneficiaries / recipients cover more than 34 main Business sectors as an indication that the agency have managed to impact youth business for a wide range of business sectors.
7. The top 5 business sectors reached, in terms of the most beneficiaries / recipients out of the total beneficiary population, make-up 77.18% of the beneficiaries and include the Service-, Agriculture-, Retail-, Manufacturing- and Maintenance Sector.
8. The NYDA grant programme delivered grants to 1 963 beneficiaries to the value of 78 million rand.

## B. RESEARCH DATA COLLECTION

A total of 613 beneficiary survey responses are obtained and analysed for the findings and report of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme.

1. Business sectors included as part of the assessment survey questionnaires and reviews include Agriculture, Automotive, Construction, Consultancy, Education, Health and Fitness, Hospitality, ICT, Industry, Maintenance, Manufacturing, Media, Entertainment, Petroleum, Property, Renewable Energy/Manufacturing, Retail, Catering, Fast Food, Restaurant, Services and Tourism.
2. NYDA contributed positively to assisting business with business start-up capital. The 613 respondents opened-up and explained in detail where they sourced their business start-up capital from, which in various cases are from multiple sources:
  - a. 31.81% indicated that the NYDA grants contributed to start-up capital.
  - b. 52.85% indicated that own capital / savings contributed to start-up capital.
  - c. 8.32% indicated that family, friends, and acquaintances assisted.
  - d. 1.31% indicated that they utilized UIF pay-outs, retrenchments packages and provident fund pay-outs to contributed toward their start-up capital.
  - e. 3.43% indicated that they made a personal loan for start-up capital.
  - f. 2.28% indicated that they made use of other Government grants to contributed toward their start-up capital, including SASSA grants, Bursary Fees, NSFAS and Social Development
  - g. 4.08% indicated that they had various other sources that was utilized to contributed toward their start-up capital, including Fund raisings, donations, directors' contributions, investors and inheritance
3. 88.91% indicated that the unemployment challenges in South-Africa contributed to their decision to start their own business.
4. Respondents indicated that their business provided 1 951 employment opportunities of which at least 1 707 (87%) is youth employees

5. 65.91% indicated that the NYDA grants assisted them to create new job opportunities. (Both permanent and temporary job opportunities)
6. Beneficiaries / recipients indicated that they became aware of the NYDA grant opportunity via various sources including,
  - a. 36% via the internet (e.g, the NYDA website) and Social-Media (e.g. NYDA Facebook page).
  - b. 34.26% via their Family members, friends, neighbours and via word of mouth.
  - c. 5.06% by Seminar / Expo / Indaba / Event / Roadshow / Exhibit / Outreach.
7. 79.45% of respondents (487 out of 613) indicated that their businesses were negatively impacted by Covid
8. The NYDA grant had a positive impact on these businesses.
9. The Profitability of the business:
  - a. 68.5% indicated that the business presented a profit for the 2021/2022 financial year
  - b. 31.5% indicated that business did not present a profit, or did not have the financial figures available to respond
10. Overall business growth (additional employees): 65.91% of participants indicated that new jobs were created since the receipt of the grant, as an indication of positive growth
11. The duration that the business is in operation:
  - a. 43.39% of business are in operation for less than 2 years
  - b. 45.84% of business are in operation for between 2 and 5 years
  - c. 10.77% of business are in operation for more than 5 years

12. 86.13% of respondents indicated that the grant contributed to additional equipment, tools, stock and / or material. This is evident that the NYDA grant program had a positive impact for the youth businesses
13. No excessive exception % is identified with regards to the success and failure tendency for the comparison of male and female respondents
- a. Based on the respondents input and feedback, the male beneficiaries had a greater success rate in terms of presenting a profit for the business at 70.25% compared to female beneficiaries at 66.15%
14. The assessment findings indicates that the NYDA grant programme delivered grants to the 1 963 Individuals, Enterprises and Cooperatives for the 2021/2022 Financial Year recipients for the combined total rand value of R78 130 467 ranging between R1 000 and R242 559.
15. The cost benefit analysis indicates that 90.32% of the grants accounted for grants between R10 001 and R50 000.
- a. 0 to R10k (R 3 633 703) - 4.65%
  - b. R10k to R50k (R 70 570 546) - 90.32%
  - c. R50k to R100k (R3 683 659) - 4.71%
  - d. > R100k (R 242 559) - 0.31%

## C. GAPS, CHALLENGES & RECOMMENDATIONS

The Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme highlights the following GAPS, Challenges & Recommendations:

| GAP/CHALLENGES  | RECOMMENDATION  |
|---|---|
| 1. Continues pursuit of youngster in need of capital to kick start their business initiatives.  | Continue training, awareness campaigns, workshops, and expos to create awareness amongst youngsters on options and alternatives to consider when sourcing start-up capital to kickstart business initiatives. |
| 2. Several respondents indicated that it is difficult to source qualified and experienced candidates that they can afford.                                    | Access to in-job training to employees can assist the beneficiaries to improve service delivery and sustain their businesses. A study is recommended to determine the job-skills required.                    |
| 3. Only 31 of the respondents (5.06%) indicated that awareness of the NYDA grants was due to Seminar / Expo / Indaba / Event / Roadshow / Exhibit / Outreach. | There is an opportunity to explore the opportunity to enhance awareness campaigns, especially in Gauteng where the quantity is very low.<br>Prioritize awareness campaigns                                    |
| 4. The aftermath of the Covid19 pandemic still poses threats to the economic sectors of South Africa  | Consider to provide a helpline / web-portal where beneficiaries can log their concerns and challenges.<br>This will allow an opportunity to provide support needed  |
| 5. Profitability of the businesses are assumed based on the information disclosed by participants, e.g., annual revenue, annual expenses and                  | The NYDA grant programme is for sure assisting young entrepreneurs to start, sustain and expand their businesses.<br>Continues grants is vital to provide opportunities to more youth.                        |

|  |   |
|--|---|
| <p>profit. Not all participants had these figures readily available to disclose and no AFS were analysed for the calculations</p>  |   |
| <p>6. 26.92% of participants indicated that one of the biggest challenges faced is marketing related, including gaining access to the market, marketing and advertising their services and products to reach clients and creating brand awareness</p>  | <p>A training course and / or seminar could be of great value to the youth entrepreneurs as marketing skills are valuable to sustain and expand the business.<br/>Also refer to recommendation tabled under the second challenge below</p>  |
| <p>7. 24.14% of participants indicated that one of the biggest challenges faced is regarding funding, including cash flow shortages, requiring additional and sufficient funds, concerns regarding the high costs and price increases. Some participants highlighted that it is challenging to obtain e.g., high value contracts and tenders to sustain the business</p> | <p>Apart from creating awareness on other additional grant opportunities that can be explored, an investment into a web-based youth portal can be considered where youth business owners can advertise their businesses and gain access to other youth business owners where they can obtain their tools, material, stationary, etc.<br/>The portal can also table the current tenders as listed on the e-tenders portal to ensure that each owner has access to available tenders.<br/>If such a web-based portal could have a social media interface and encourage chatting functionality and several business forums, it will create an environment where youth business owners can form communities that can grow overtime.</p> |

|  |  |
|--|--|
| <p>8. 6.69% of participants indicated that one of the biggest challenges faced are the negative impact that load shedding has on their day-to-day business operations.</p>   | <p>Load Shedding is expected to be a challenge in South Africa for at least another 5 years. Projects could be launched to create opportunities for youth business owners to receive or acquire alternative electricity sources, e.g., generators</p>  |
| <p>9. 8.16% of participants indicated that one of the biggest challenges faced are relating to transport, including the need for the business to acquire vehicles, delivery products to clients and high transport costs</p> | <p>As NYDA shall not provide grant funding for vehicles, these challenges cannot be addressed withing the framework of the NYDA grants</p>   |
| <p>10. 2.12% of participants indicated that one of the biggest challenges faced are relating to required training and / or skills development, including</p>   | <p>As and when training opportunities and / or seminars become available in their respective provinces, all beneficiaries should be made aware and invited to attend.<br/>Especially a short course on Business, Financial and Basic Book-keeping will be of value to the beneficiaries.</p> |

# 1. INTRODUCTION

---

The National Youth Development Agency (NYDA) offers grants to entrepreneurs who are at the early stages of their business and can be generally described as survivalist businesses.

- **Individual grant funding:** This targets youth owned enterprises and groups applying for a grant between R 1 000.00 and R100 000.00
- **Co-operatives grant funding:** Registered cooperatives are provided with both financial and non-financial support, grant, and extended to cooperatives

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- to assess and evaluate the impact of the grant programme on the 2021/2022 Financial Year recipients and
- to establish the successes and challenges experienced by the recipients for the period under review.

This report presents the findings, challenges, and recommendations as per the outcome of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme.

The Grant Programme is designed to provide young entrepreneurs an opportunity to access both the financial and non-financial business development support to establish their survivalist businesses. The programme focuses on youth entrepreneurs who are at intentional, nascent and new stages of enterprise development. The NYDA Grant Programme model is constructed on a firm business development support ethos. Business Development support is the catalyst to young people attaining knowledge and growing their survivalist business to well acclaimed enterprises.



The funding is advance as a Grant. “Grant” is a term used to define financial support advances to grantee. To make the grant programme operational; policies, guidelines and processes were developed to guide the effective administration of the programme. Business Development applications of Grantees are subject to the requirements of the applicable NYDA product.

## **2. THE NYDA GRANT PROGRAMME OVERVIEW**

The NYDA Grant Programme is designed to provide young entrepreneurs with an opportunity to access both financial and non-financial business development support in order to enable them to establish or grow their businesses.

The programme focuses on youth entrepreneurs who are at intentional, promising, and new stages of enterprise development. Young people whose business ideas qualify for the Grant Programme, depending on their individual needs, undergo some of the NYDA’s non- financial support services, including:

|  |
|--|
| • Mentorship   |
| • Business Consultancy Services  |
| • Market Linkages  |
| • Business Management Training Programme   |
| • Youth Co-operative Development Programme   |
| • Individuals or Enterprises which require funding less than R1000 or more than R200 000 (agriculture & technology related projects maximum R250,000)      |
| • Partial funding, co-funding or funding towards a deposit for lending   |
| • Where an application is made by current NYDA staff members, Board Committee Members or Member of the Accounting Authority                                |
| • Pyramid Sales Schemes  |
| • Fall within gambling, gaming with a chance at making money, pyramid sales scheme, loan shark or sex industries (prostitution), and/or illegal activities |
| • Businesses or shareholders that are still owing the NYDA through loan funding  |
| • Businesses or shareholders that received NYDA SME loan funding   |
| • Businesses or shareholders that had their loans written off by NYDA  |
| • Businesses that have an annual turnover exceeding R750,000.00 except for cooperatives whose annual turnover must not exceed R1000,000.00                 |

|   |
|---|
| <ul style="list-style-type: none"> <li>• Second hand equipment, except for industrial equipment with a minimum balance lifespan of five years</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Tobacco as a primary income generator</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Alcohol as a primary income generator</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Are investment trusts or venture capital / private equity funds</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Require finance to substitute an existing financier</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Individual or business shall not receive a cumulative grant amount &gt; R200 000 from NYDA during their lifetime except for cooperatives (for agriculture and technology related projects the maximum cumulative value is R250,000.00)</li> </ul>  |
| <ul style="list-style-type: none"> <li>• A member of a business or cooperative enterprise who resigns from business or cooperative can only apply for grant funding after two years from date of resignation from the funded business by NYDA in past from grant programme</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Require funding for prototyping except for cell phone application development</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Require seed capital for research and development</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Require funding for patent registration</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Require funding to purchase exclusive business/distribution rights</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Shareholders/members are natural persons who lack contractual capacity by virtue of: <ul style="list-style-type: none"> <li>○ being of unsound mind;</li> <li>○ A record of fraud and/or corruption except for youth in conflict with the law who have been rehabilitated;</li> <li>○ Owner/applicant is an un-rehabilitated insolvent;</li> <li>○ Owner/applicant is attending high school other than tertiary institutions;</li> </ul> </li> </ul> |
| <ul style="list-style-type: none"> <li>• NYDA shall not provide grant funding for vehicles</li> </ul>   |
| <ul style="list-style-type: none"> <li>• The grant recipient shall not use NYDA funds to do the following: <ul style="list-style-type: none"> <li>○ To pay a bribe;</li> <li>○ Re-finance any existing loans</li> </ul> </li> </ul>   |

|   |
|---|
| <ul style="list-style-type: none"> <li>○ Any material purpose not contained in the application for grant or defined during due diligence stage and detailed in the approved Terms &amp; Conditions, unless where written approval has been granted by NYDA;</li> <li>○ To settle overdue or outstanding South African Revenue Service liabilities, whether current on non-current.</li> </ul> |
| <ul style="list-style-type: none"> <li>• NYDA will not provide grant funding to a client that has benefited from another Development Finance Institution to an amount above R500,000.00</li> </ul>  |
| <ul style="list-style-type: none"> <li>• NYDA will not provide a grant to an applicant who has been convicted of fraud</li> </ul>   |
| <ul style="list-style-type: none"> <li>• <b>Utilisation of the Grant Funding</b> <ul style="list-style-type: none"> <li>○ To purchase movable and immovable assets.</li> <li>○ Bridging finance.</li> <li>○ Shop renovations.</li> <li>○ Working capital paid directly to the grantee.</li> <li>○ Co-funding with legal entities only.</li> </ul> </li> </ul>                                 |
| <ul style="list-style-type: none"> <li>• <b>Grant types</b> <ul style="list-style-type: none"> <li>○ Individuals</li> <li>○ Co-operatives</li> <li>○ Community Development Facilitation Projects</li> </ul> </li> </ul>   |
| <ul style="list-style-type: none"> <li>• <b>Service Delivery Standards</b> <ul style="list-style-type: none"> <li>○ The grant applications will be processed at a branch within 30 working days</li> <li>○ Disbursement for approved will be processed at Head Office within 30 working days</li> </ul> </li> </ul>   |
| <ul style="list-style-type: none"> <li>• <b>Credit Checks</b> <ul style="list-style-type: none"> <li>○ The NYDA shall conduct credit checks for all grant applications for funding.</li> <li>○ A grant applicant who is under debt administration shall not be considered for funding.</li> </ul> </li> </ul>   |
| <ul style="list-style-type: none"> <li>• <b>Branch Grant Approval and Review Committee (BGARC) Decision</b> <ul style="list-style-type: none"> <li>○ The decision of BGARC are final and binding on the applicant</li> <li>○ The applicant cannot appeal the decision of the BGARC, however they can re-apply for grant funding</li> </ul> </li> </ul>  |

### **3. 2021/2022 GRANT RECIPIENTS OVERVIEW**

The National Youth Development Agency (NYDA) shared the 2021/2022 financial year beneficiary lists for analysis.

#### **3.1.1 BENEFICIARY / RECIPIENT DATABASE**

The beneficiary / recipient lists are Excel (.xlsx) tables with the following field headings:

| <b>FIELD NAME</b>             | <b>DESCRIPTION</b>              |
|-------------------------------|---------------------------------|
| • <b>NAME OF ENTERPRISES</b>  | The name of the Enterprise      |
| • <b>SURNAME</b>              | Surname of the beneficiary      |
| • <b>NAME</b>                 | Name of the beneficiary         |
| • <b>SECTOR</b>               | Enterprise Sector               |
| • <b>AMOUNT</b>               | Grant Amount approved           |
| • <b>DATE OF DISBURSEMENT</b> | Date of Grant disbursement      |
| • <b>GENDER</b>               | Gender of the beneficiary       |
| • <b>RACE</b>                 | Race of the beneficiary         |
| • <b>AGE</b>                  | Age of the beneficiary          |
| • <b>ID NUMBER</b>            | Id Number of the beneficiary    |
| • <b>URBAN / RURAL</b>        | Entity Location (Rural / Urban) |
| • <b>PROVINCE</b>             | Entity Location (Province)      |
| • <b>CONTACT NUMBER</b>       | Beneficiary Contact Number      |

Table 1: Beneficiary Excel Fields

The Excel beneficiary / recipient lists are consolidated and form the base of the assessment as the entire beneficiary population for the 2021/2022 financial year and serve as the input for the sample of the study for the research.

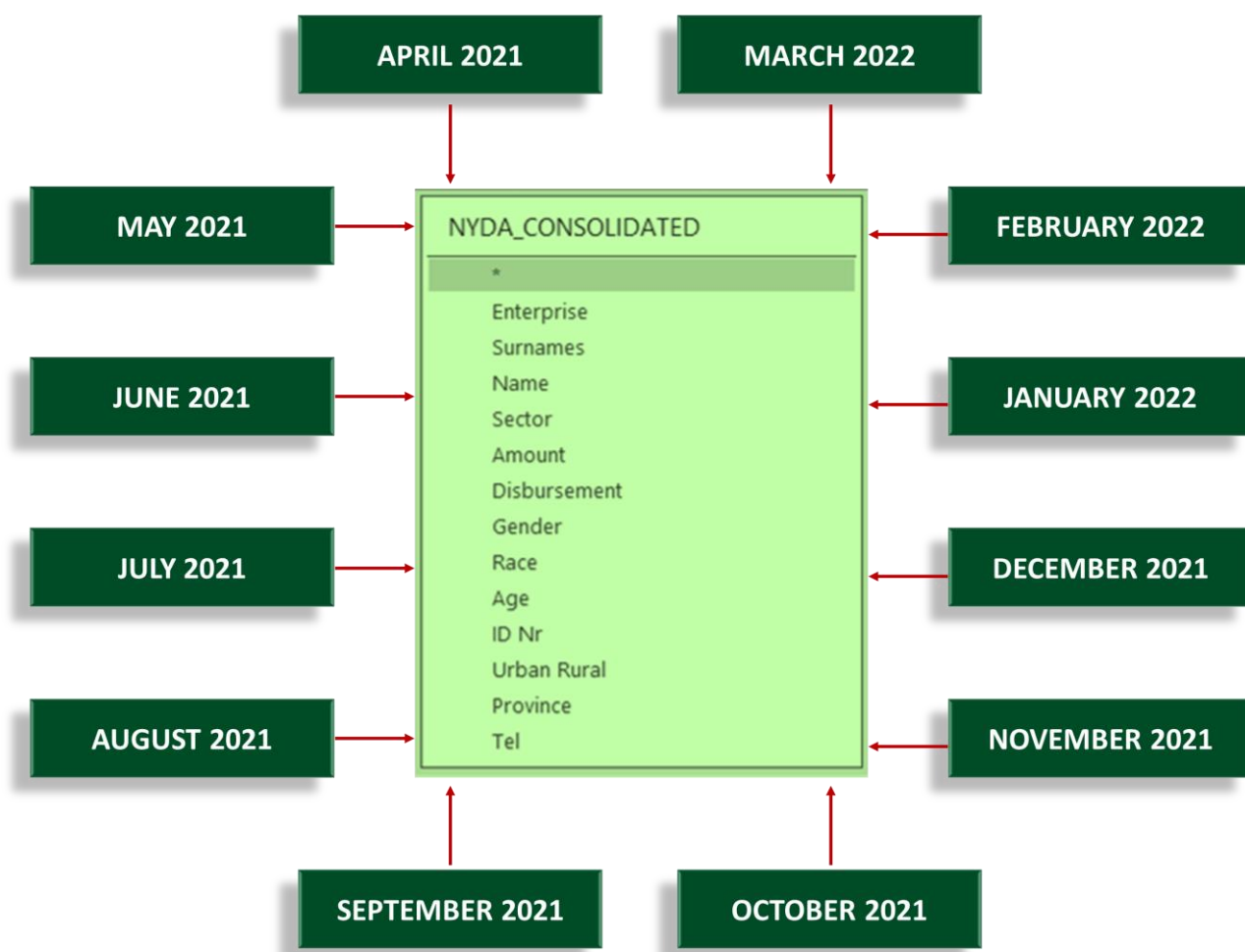


Figure 1: Recipients Database Consolidation

Each beneficiary has a unique reference number in the consolidated beneficiary database to ease further analysis and reporting.

## 3.2 BENEFICIARY / RECIPIENT OVERVIEW

As per the below table, the beneficiary lists consist of a total population of 1 963 beneficiaries and / or recipients, comprising of:

- 337 Individuals,
- 1 610 Enterprises and
- 16 Cooperatives as

| Month        | Individuals | Enterprise   | Cooperatives | TOTAL        |
|--------------|-------------|--------------|--------------|--------------|
| Apr-21       | 2           | 28           | 1            | 31           |
| May-21       | 1           | 29           |              | 30           |
| Jun-21       | 20          | 132          |              | 152          |
| Jul-21       | 15          | 93           | 4            | 112          |
| Aug-21       | 21          | 165          | 3            | 189          |
| Sep-21       | 11          | 78           | 1            | 90           |
| Oct-21       | 10          | 98           |              | 108          |
| Nov-21       | 17          | 153          | 3            | 173          |
| Dec-21       | 19          | 285          |              | 304          |
| Jan-22       | 5           | 42           |              | 47           |
| Feb-22       | 17          | 198          | 1            | 216          |
| Mar-22       | 199         | 309          | 3            | 511          |
| <b>TOTAL</b> | <b>337</b>  | <b>1 610</b> | <b>16</b>    | <b>1 963</b> |

Table 2: 2021/2022 Grant Recipients

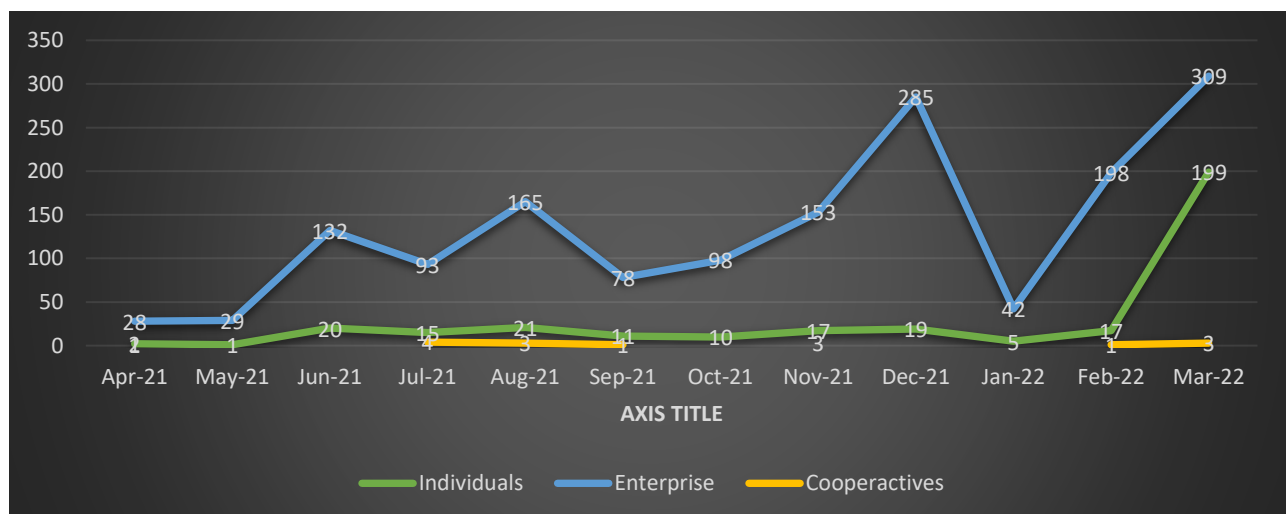


Figure 2: 2021/2022 Grant Recipients

### 3.3 BENEFICIARY / RECIPIENT LOCATIONS

The population of beneficiaries / recipients are across all 9 Provinces, with the majority of the beneficiaries being located in the province of KwaZulu Natal (423), vs the least number of grant beneficiaries being located in the province of Nort West (61), as per the below:

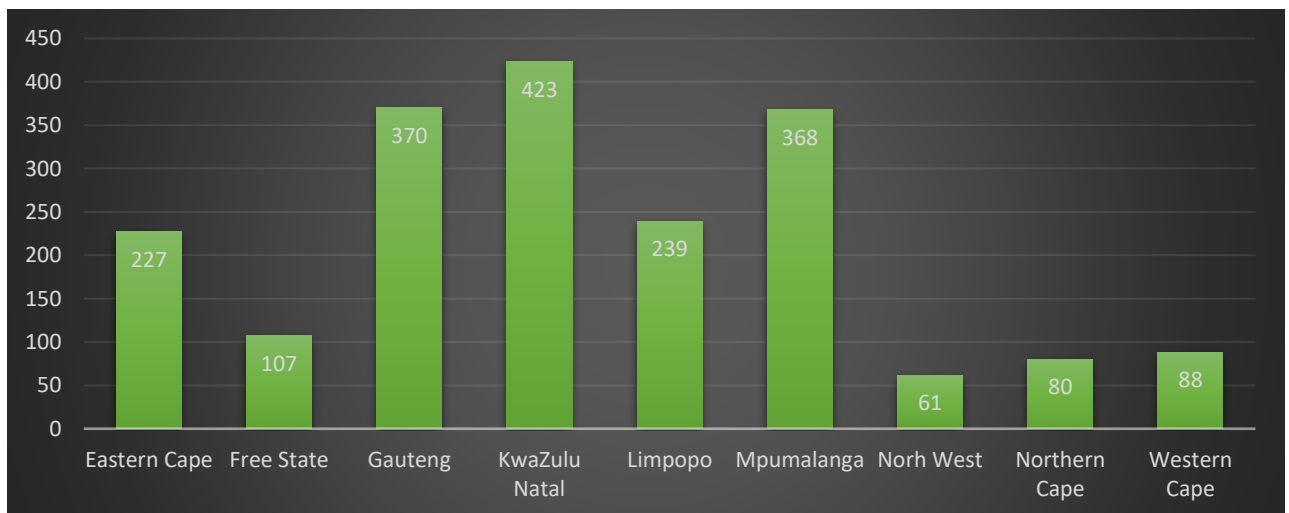
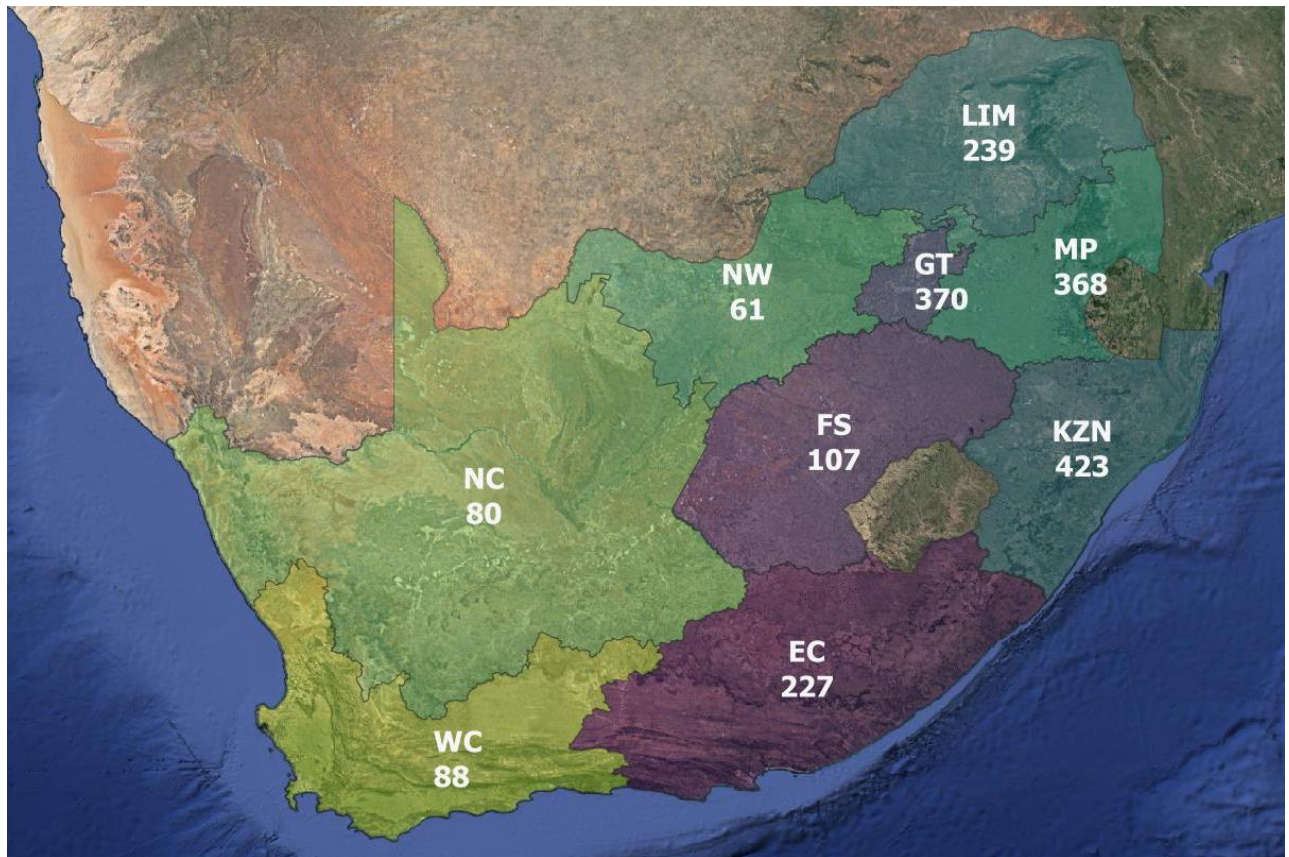


Figure 3: Beneficiaries per Province



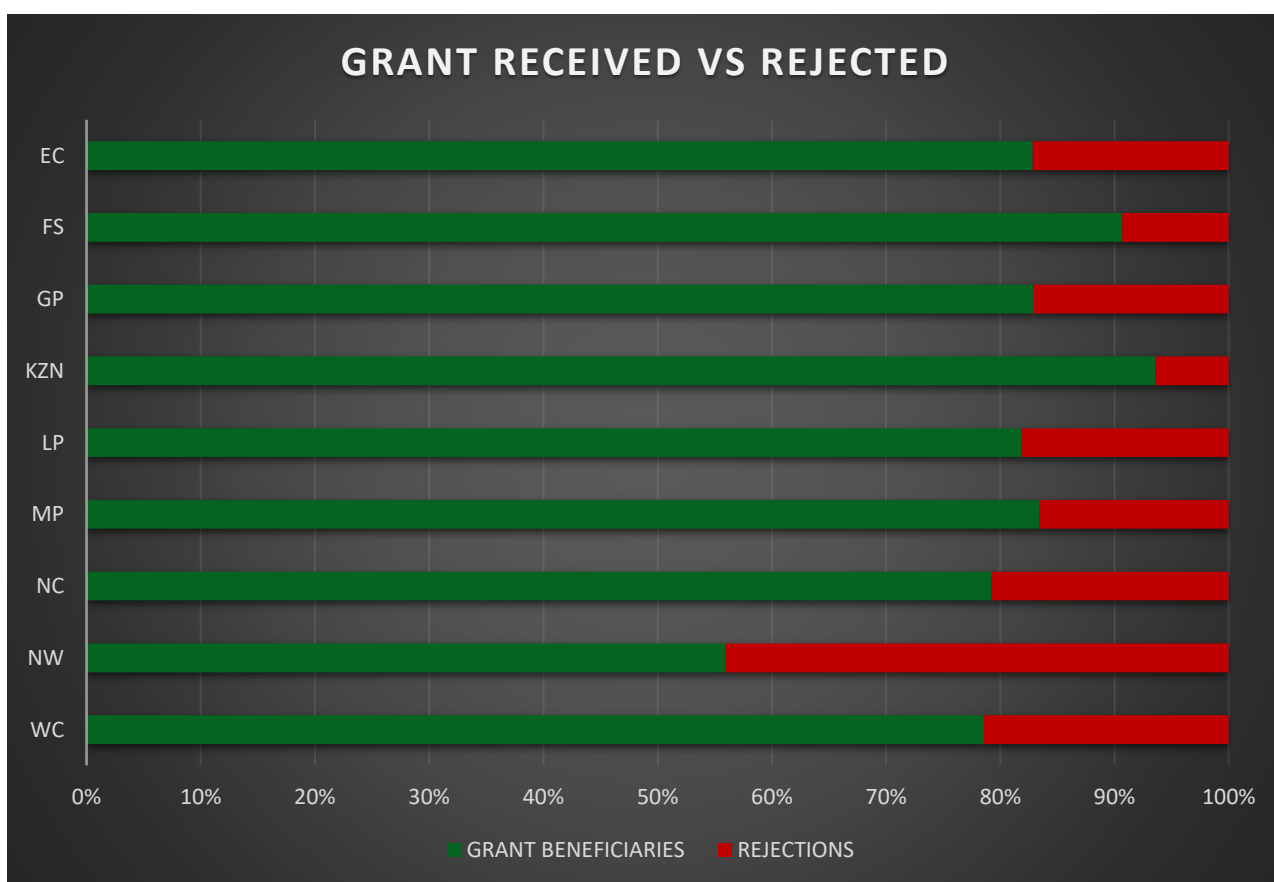
- The “Individual” grant beneficiaries total 337 with:
  - The majority in KwaZulu Natal with 107 beneficiaries (31.75% of all Individual grants for the period) and
  - The minority in North-West with 3 beneficiaries
  
- The “Entity” grant beneficiaries total 1 610 with:
  - The majority in Gauteng with 323 beneficiaries (20.06% of all Entity grants for the period) and
  - The minority in North-West with 58 beneficiaries
  
- The “Cooperatives” grant beneficiaries total 16 with:
  - The majority in Limpopo with 5 beneficiaries (31.25% of all Cooperatives grants for the period) and
  - The minority in Northern Cape with 1 beneficiary
  - There are no Cooperatives beneficiaries for Free State, North-West and Western Cape for the period

| PROVINCE     | INDIVIDUALS |        | ENTITIES     |        | COOPERATIVES |        | TOTAL        |
|--------------|-------------|--------|--------------|--------|--------------|--------|--------------|
| EC           | 12          | 3.56%  | 213          | 13.23% | 2            | 12.50% | <b>227</b>   |
| FS           | 13          | 3.86%  | 94           | 5.84%  |              | 0.00%  | <b>107</b>   |
| GP           | 45          | 13.35% | 323          | 20.06% | 2            | 12.50% | <b>370</b>   |
| KZN          | 107         | 31.75% | 312          | 19.38% | 4            | 25.00% | <b>423</b>   |
| LP           | 65          | 19.29% | 169          | 10.50% | 5            | 31.25% | <b>239</b>   |
| MP           | 82          | 24.33% | 284          | 17.64% | 2            | 12.50% | <b>368</b>   |
| NW           | 3           | 0.89%  | 58           | 3.60%  |              | 0.00%  | <b>61</b>    |
| NC           | 4           | 1.19%  | 75           | 4.66%  | 1            | 6.25%  | <b>80</b>    |
| WC           | 6           | 1.78%  | 82           | 5.09%  |              | 0.00%  | <b>88</b>    |
| <b>TOTAL</b> | <b>337</b>  |        | <b>1 610</b> |        | <b>16</b>    |        | <b>1 963</b> |

Table 3: Beneficiaries per Province

The analysis further entailed reviewing the number of grants recipients per Province compared to the number of rejected applications:

| PROVINCE     | GRANT BENEFICIARIES | REJECTIONS | % of applications Rejected |
|--------------|---------------------|------------|----------------------------|
| EC           | 227                 | 47         | 17.15%                     |
| FS           | 107                 | 11         | 9.32%                      |
| GP           | 370                 | 76         | 17.04%                     |
| KZN          | 423                 | 29         | 6.42%                      |
| LP           | 239                 | 53         | 18.15%                     |
| MP           | 368                 | 73         | 16.55%                     |
| NW           | 61                  | 48         | 44.04%                     |
| NC           | 80                  | 21         | 20.79%                     |
| WC           | 88                  | 24         | 21.43%                     |
| <b>TOTAL</b> | <b>1 963</b>        | <b>382</b> | <b>16.29%</b>              |



Northwest Province has the highest % rejections with Kwa Zulu Natal that has the lowest % rejected applications.

### 3.4 BENEFICIARY AGE & GENDER PROFILING

The ID Number, age and gender of the beneficiaries are analysed to determine the age and gender profiling of the beneficiaries.

The beneficiary population represents an average of 58% male beneficiary’s vs 42% female beneficiaries, across the total beneficiary population:

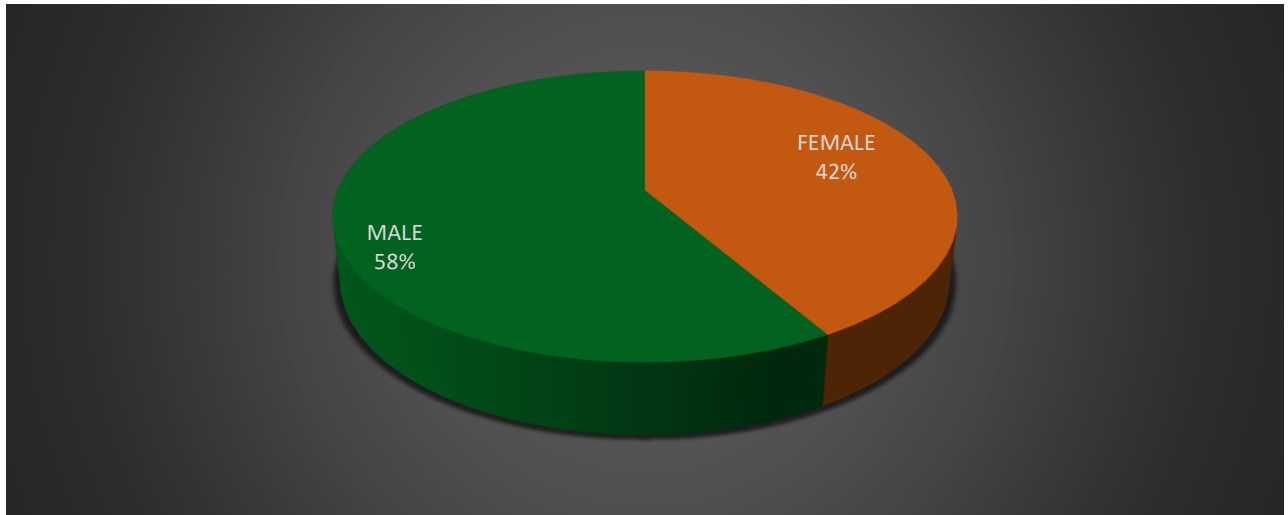


Figure 4: Beneficiary Gender Profiling

- 11.31% of the beneficiaries are between 18 and 23 years old
- 49.98% of the beneficiaries are between 24 and 30 years old and
- 38.72% of the beneficiaries are between 31 and 35 years old

| AGE CATEGORY | FEMALE | MALE   | TOTAL | AGE %  |
|--------------|--------|--------|-------|--------|
| 18-20        | 19     | 20     | 39    | 1.99%  |
| 21-23        | 84     | 99     | 183   | 9.32%  |
| 24-27        | 177    | 310    | 487   | 24.81% |
| 28-30        | 214    | 280    | 494   | 25.17% |
| 31-32        | 159    | 203    | 362   | 18.44% |
| 33-35        | 164    | 234    | 398   | 20.28% |
| TOTAL        | 817    | 1146   | 1963  |        |
| Gender %     | 41.62% | 58.38% |       |        |

Table 4: Beneficiary Age & Gender Profiling

The gender profiling for all 9 Provinces, averages:

- Male beneficiaries between 50.82% and 65.14% and
- Female beneficiaries between 34.86% and 49.18%

as per the below table and chart:

|        | EC     | FS     | GP     | KZN    | LP     | MP     | NW     | NC     | WC     |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| MALE   | 62.11% | 63.55% | 65.14% | 58.87% | 52.72% | 50.82% | 60.66% | 57.50% | 57.95% |
| FEMALE | 37.89% | 36.45% | 34.86% | 41.13% | 47.28% | 49.18% | 39.34% | 42.50% | 42.05% |

Table 5: Beneficiary Gender Profiling per Province

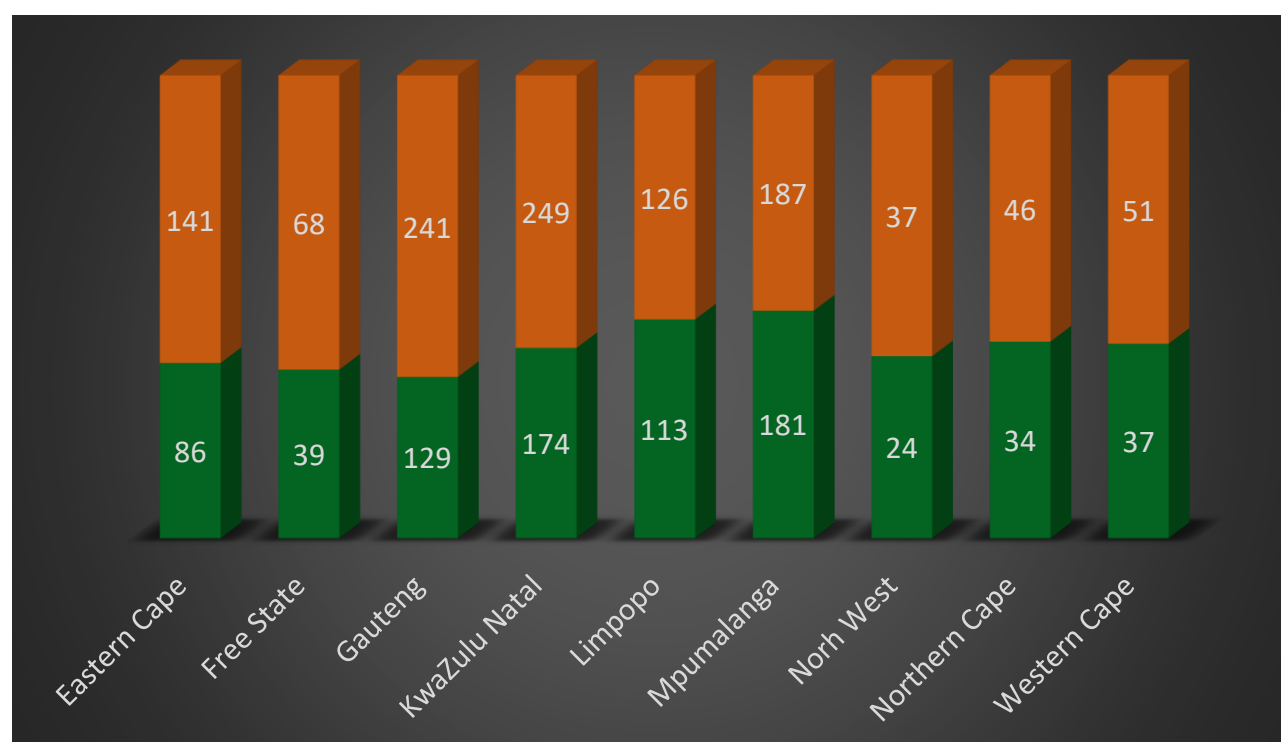


Figure 5: Beneficiary Gender Profiling per Province

## 4. RESEARCH METHODOLOGY

A seven (7) phased research approach was followed for the assessment.

The phased approach:

- commenced with the receipt of the NYDA excel beneficiary database,
- followed by the consolidation and analysis of the database to determine the sample and
- the research data collection.

All collected data entries were subject to quality assurance prior to the final analysis and reporting.

### 4.1 RESEARCH PROCESS FLOW

We followed the seven (7) phase research methodology for the study:

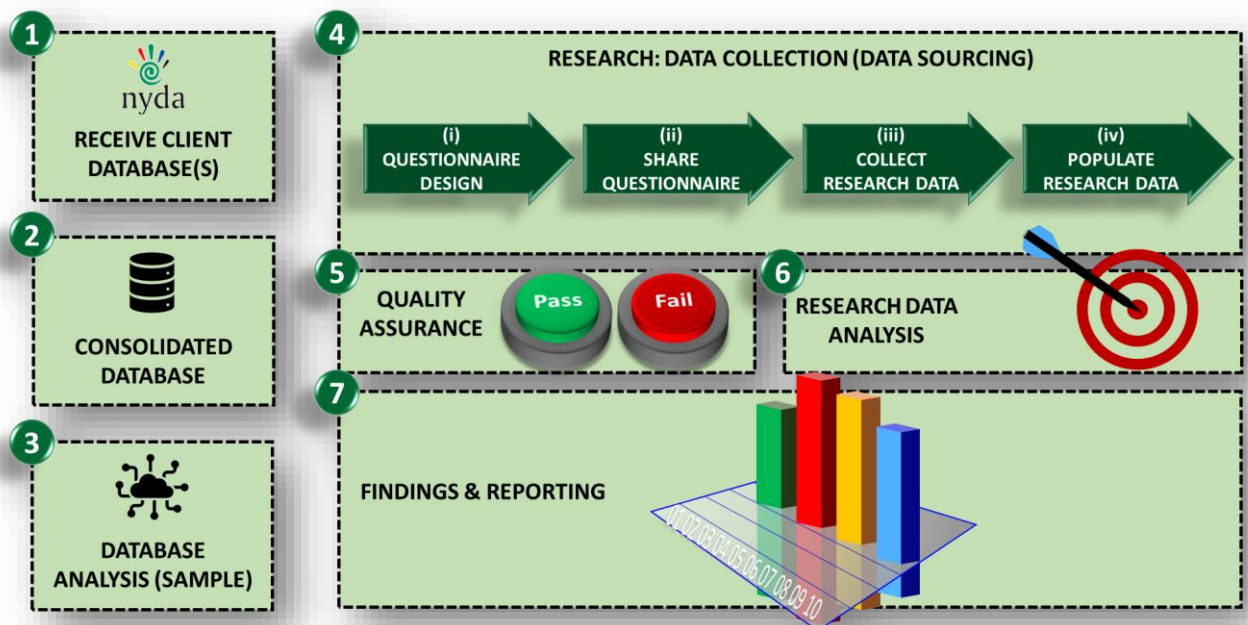


Figure 6: Research Process Flow

Refer to the below brief description provided per research phase:

## **PHASE ①**

We received the monthly beneficiary lists from NYDA in Excel format for the period April 2021 until March 2022, consisting of individuals, entities and cooperatives.

## **PHASE ②**

The monthly Excel lists were consolidated to a total database consisting of a population of 1 963 beneficiaries / recipients across the nine (9) Provinces

## **PHASE ③**

The consolidated database of 1 963 beneficiaries was analysed and sampled for the research phase, to determine the benchmark for the required % beneficiary profile categories as a valid representation of the total beneficiary population, including the required % responses per Gender, Age Category and Province

## **PHASE ④**

During the 4<sup>th</sup> phase, the research questionnaire was designed and digitalized prior to sharing with the beneficiary population. An SMS was sent to each beneficiary requesting cooperation to complete the questionnaire and provide feedback on their experience and challenges with regards to the grant(s) received. All completed questionnaire responses were populated for further analysis.

**PHASE ⑤**

All completed questionnaire responses were subject to quality assurance activities to ensure accurate and complete data for the research analysis.

**PHASE ⑥**

The final research database was filtered, analysed and responses were categorized prior to the reporting phase. GAPS and challenges are identified for recommendation to improve.

**PHASE ⑦**

The outcome and reporting of the research are tabled in his report.

Table 6: Research Phased Approach

## 1 RECEIVE CLIENT DATABASE(S)

The NYDA databases were received on 18 October 2022 consisting of the beneficiaries for the 2021/2022 financial year.

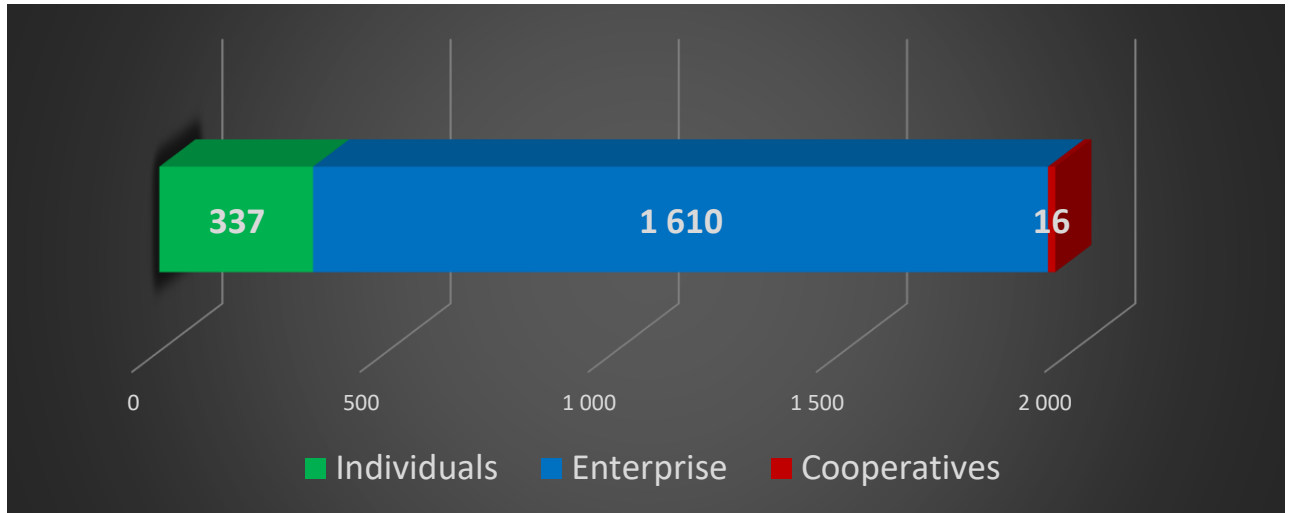


Figure 7: Client Database Received

## 2 CONSOLIDATED DATABASE

The Excel beneficiary / recipient lists are consolidated and form the base of the assessment and serve as the input for the sample of the study for the research.



Table 7: Consolidated Database



### ③ DATA SAMPLING

A minimum of 30% of the beneficiary population was required to be included for the research.

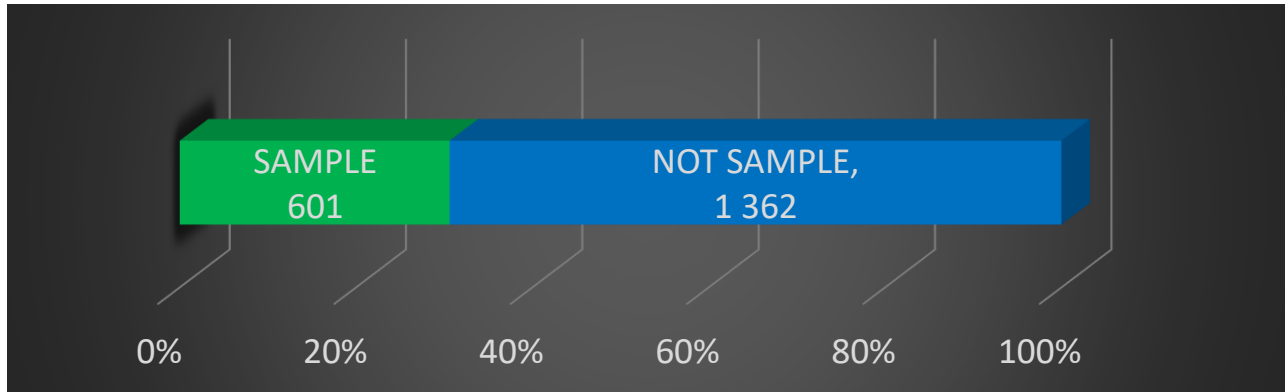


Figure 8: Sample Size

To reach the 30% survey, the factoring includes the consideration of the gender, age and location of the beneficiaries.

The overall beneficiary profiling of 1 963 was factored to aim for a sample of at least 601 beneficiary responses with the following characteristics:

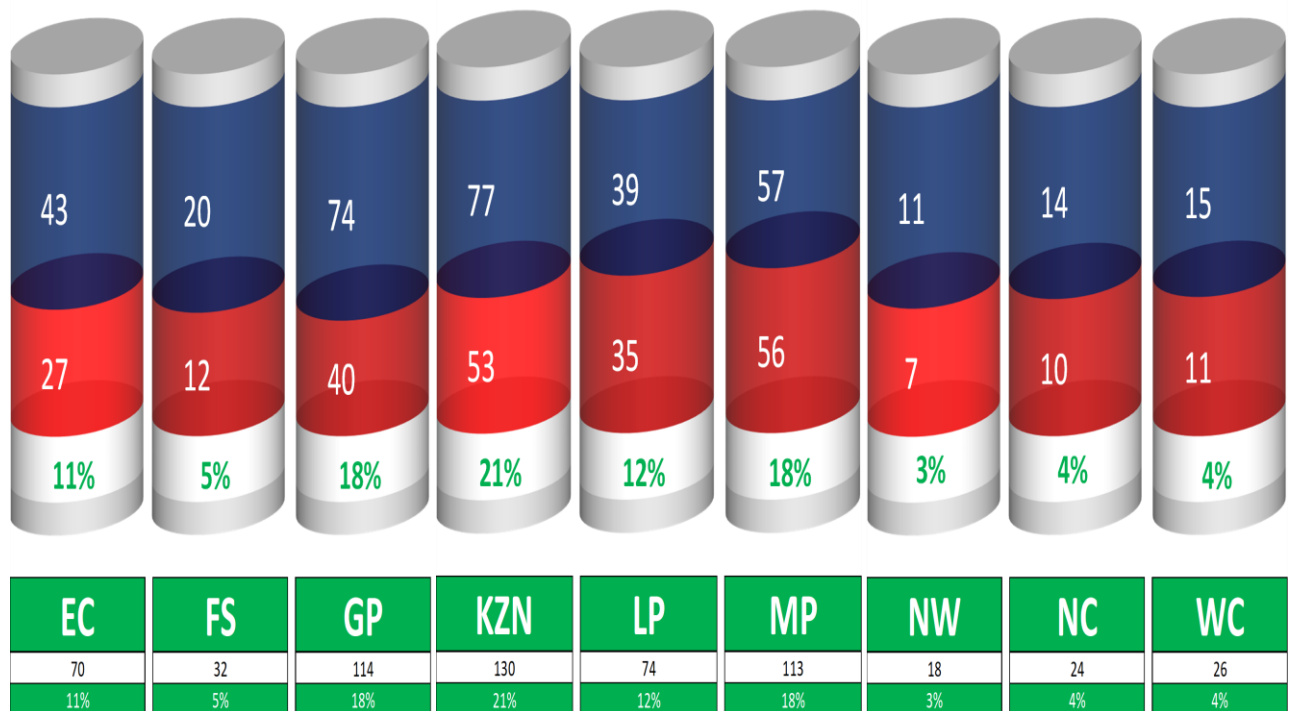


Figure 9: Data Sampling

|                         | EC  | FS  | GP  | KZN | LP  | MP  | NW | NC | WC | TOTAL |
|-------------------------|-----|-----|-----|-----|-----|-----|----|----|----|-------|
| <b>TOTAL POPULATION</b> | 227 | 107 | 370 | 423 | 239 | 368 | 61 | 80 | 88 | 1963  |
| <b>REMAINDER</b>        | 157 | 75  | 256 | 293 | 165 | 255 | 43 | 56 | 62 | 1362  |
| <b>TARGET SAMPLE</b>    | 70  | 32  | 114 | 130 | 74  | 113 | 18 | 24 | 26 | 601   |
| <b>MALE</b>             | 43  | 20  | 74  | 77  | 39  | 57  | 11 | 14 | 15 | 350   |
| <b>FEMALE</b>           | 27  | 12  | 40  | 53  | 35  | 56  | 7  | 10 | 11 | 251   |

Table 8: Data Sampling

The research is aimed at an age profile of:

- 18 to 23 years (11.31%: 68 surveys),
- 24 to 30 years (49.97%: 300 survey) and
- 31 to 35 years (38.72%: 233 surveys).

The sample sizes are vital to ensure that the report findings are a true reflection of the overall beneficiary population across the provinces.

## 4 DATA COLLECTION

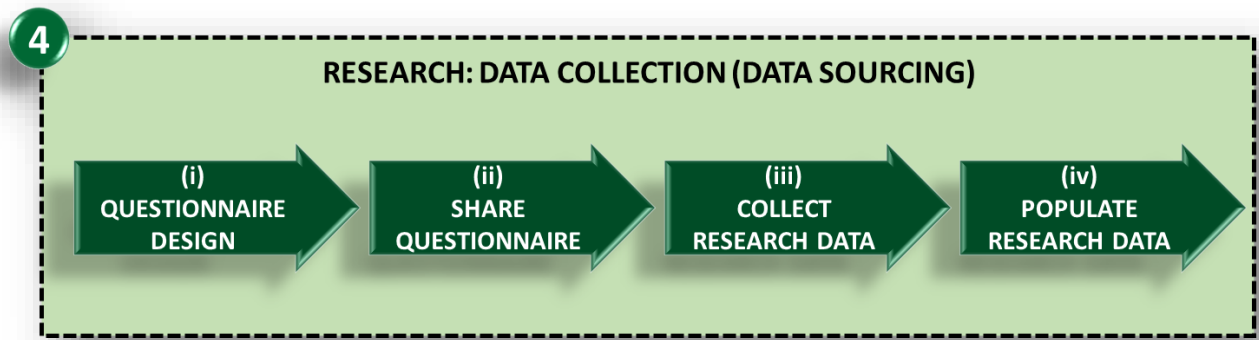


Figure 10: Research Methodology - Phase 4

The study objective was studied to drive the design and creation of the digitalized Google Forms Survey Questionnaire:

### **OBJECTIVE:**

1. Impact evaluation on Grants issued in the 2021/2022 financial year
2. Identify how the Programme can be scaled up or improved
3. Determine how the Programme helped young people during lockdown
4. Determine the challenges experienced by beneficiaries during lockdown
5. Determine the economic sectors that the Grant beneficiaries belong to
6. Determine if Grants recipients understand business environment / regulations
7. Determine success and failure rate based on gender & Age and reasons
8. Determine relevance / adequacy of financial support that is being provided to the entrepreneurs and establish if it is assisting grant recipients' businesses to be successful
9. Determine how follow ups from the NYDA are assisting grant recipients

Table 9: Study Objectives

The survey questionnaire is designed and developed utilizing Google Forms. SMS's were sent to each and every beneficiary with a cell phone number, requesting him / her to cooperate by providing feedback as per the survey questionnaire.

## 5 QUALITY ASSURANCE

All completed questionnaire responses were subject to quality assurance activities to ensure accurate and complete data for the research analysis.

The final research database was filtered, analysed and responses were categorized prior to the reporting phase.

GAPS and challenges are identified for recommendation to improve.

|           |             |                   |            |                   |        |    |             |               |              |              |              |            |             |
|-----------|-------------|-------------------|------------|-------------------|--------|----|-------------|---------------|--------------|--------------|--------------|------------|-------------|
| 2022/11/0 | CONCEPT     | 1 125 398 089     | THABANG    | 765 606 287       | Male   | 22 | African     | 40000         | 20000        | Nyda         | Lack of ca   | Yes        | Twitter     |
| 2022/11/0 | NKDMMZ      | 9 507 235 387 086 | Sandile Ng | 787 904 299       | Male   | 27 | Black       | R300 000      | R450 000     | NYDA         | High Shop    | No         | Newspape    |
| 2022/11/0 | G KHULA T   | 9 265 490 087     | Cebolenko  | 627 811 301       | Male   | 22 | Black       | R323 221      | R421 800     | Personal S   | Market Ac    | Yes        | At the You  |
| 2022/11/0 | Sdwaba A    | 111 181 065 082   | Ayanda     | 630 454 999       | Female | 21 | Black       | R50 000       | R50 000      | At NYDA      | Money        | Yes        | From Jabu   |
| 2022/11/0 | BreezyWo    | 106 055 177 088   | Tshepo Ma  | 723 571 812       | Male   | 21 | African     | 35000         | 45000        | Savings an   | Finding a v  | No         | Internet    |
| 2022/11/0 | Mathibane   | 8 612 015 349 081 | Hlumelo G  | 796 023 590       | Male   | 36 | African     | R50K          | R100k        | NYDA.pers    | Exposure t   | Yes        | Word of m   |
| 2022/11/0 | Masiko Int  | 8 702 281 009 087 | Pretty Nol | 712 839 154       | Female | 35 | Black       | 14400         | 24600        | From the t   | Marketing    | No!        | From A Fri  |
| 2022/11/0 | Reikemise   | 8 609 135 970 085 | Daniel Ree | 835 616 335       | Male   | 36 | African     | R90 000       | 1014         | My person    | Manufactu    | No         | Their offic |
| 2022/11/0 | AR Busines  | 8 707 285 929 081 | Hlayiseka  | 640 020 504       | Male   | 35 | Black       | 100000        | 350000       | My self      | Obtaining    | Yes it can | I went fro  |
| 2022/11/0 | Ndlulwane   | 8 711 205 650 082 | Nkosinath  | 729 561 031       | Male   | 34 | African     | 30000         | 45000        | I funded th  | I need a su  | Yes        | Social med  |
| 2022/11/0 | Team Escd   | 8 707 215 288 087 | Thapelo Ti | 719 636 551       | Male   | 35 | Black       | 20 000        | 10 000       | In Vereeni   | Marketing    | Yes        | On the bra  |
| 2022/11/0 | Salis Creat | 8 701 030 213 081 | Mpho Ma    | 682 042 702       | Female | 35 | Black       | R60 000       | Below R500 c | My savings   | It's needin  | At the mor | From my c   |
| 2022/11/0 | Black Aqua  | 8 801 250 725 085 | Kgopotso   | 678 329 586       | Female | 34 | Black       | R90 000.00    | R120 000.00  | From my p    | Operating    | No         | Business sk |
| 2022/11/0 | SKOTCH IN   | 8 706 295 543 080 | Jacob      | 670 698 149       | Male   | 35 | Black Afric | 18000         | 140 000      | Family       | Marketing    | Yes        | LinkedIn sc |
| 2022/11/0 | Matafeni    | 8 706 210 352 088 | Ntombekh   | 736 089 497       | Female | 35 | Black       | R150 000.00   | R95 000.00   | With my b    | Market       | No         | Facebook    |
| 2022/11/0 | Macezu Pr   | 8 805 076 164 080 | Mandlenk   | 632 194 916       | Male   | 34 | Black       | Paper R90 Ink | R300         | Nyda         | Some othe    | Yes it can | From NYD    |
| 2022/11/0 | GM Colom    | 8 804 121 099 086 | Ayanda Ali | 076 747 0411/ 073 | Female | 34 | African     | R6 500        | R11 100      | My aunt g    | Market       | Yes if can | From the s  |
| 2022/11/0 | Stephanie   | 8 702 140 120 083 | Stephanie  | 837 121 684       | Female | 35 | Coloured    | R15 000       | 50000        | Personal s   | Tax submit   | No         | From a cli  |
| 2022/11/0 | Monique C   | 8 812 120 221 080 | Monique C  | 747 094 235       | Female | 33 | Coloured    | 700000        | 800000       | Self         | Payment f    | Yes        | Colleague   |
| 2022/11/0 | Cebolotha   | 8 810 270 607 082 | Noluthand  | 810 509 413       | Female | 34 | African     | 90000         | R150 000     | Saving mo    | Shortage c   | No         | Office      |
| 2022/11/0 | Eagles Nes  | 8 703 236 127 081 | Kemese M   | 836 921 632       | Male   | 35 | Black       | R120 000      | 120 000      | I was sellir | Fees, Med    | Yes        | Social med  |
| 2022/11/0 | African ho  | 8 812 086 267 085 | Xolani Ma  | 788 722 903       | Male   | 34 | Black       | 2000          | 2000         | Savings      | Financial is | Yes        | Online      |

Table 10: Survey Responses

## 5. FINDINGS & REPORTING

A total of 613 beneficiary survey responses are obtained and analysed for the findings and report of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme.

### 5.1 SURVEY RESPONSE TENDENCY

SMS requests to send to beneficiaries, were prepared for all 1 963 beneficiaries as part of the population of the recipient database. The survey response tendency is tabled and described below:

| RESPONSE TENDENCY                        | QT          | %             |
|--|-------------|---------------|
| Responded                                | 613         | 31.2%         |
| Responded (Late)                         | 45          | 2.3%          |
| SMS Delivered (No Response)              | 903         | 46.0%         |
| Message Failed (Not Delivered to Number) | 157         | 8.0%          |
| SMS Sent - Not Delivered                 | 142         | 7.2%          |
| Not Sent - N/Invalid Number on Database  | 103         | 5.2%          |
| <b>TOTAL</b>                             | <b>1963</b> | <b>100.0%</b> |

Table 11: Response Tendency

20.5% of the beneficiaries could not be reached due to various reasons:

- 5.2% of the contact details are either invalid or not on completed on the database
- 8.0% of the messages were sent, but failed as undelivered after three attempts
- 7.2% of the messages were sent successfully but with no delivery report as confirmation the beneficiary received the SMS request to participate in the survey

33.5% of the beneficiaries responded and participated in the survey (45 of these surveys were received after the cut-off period and were excluded from this report findings)

46% of the beneficiaries' SMS's delivered successfully, but no response were received

## 5.2 SAMPLE TARGET VS SURVEY RESPONSES

All sample targets are achieved above 95%:

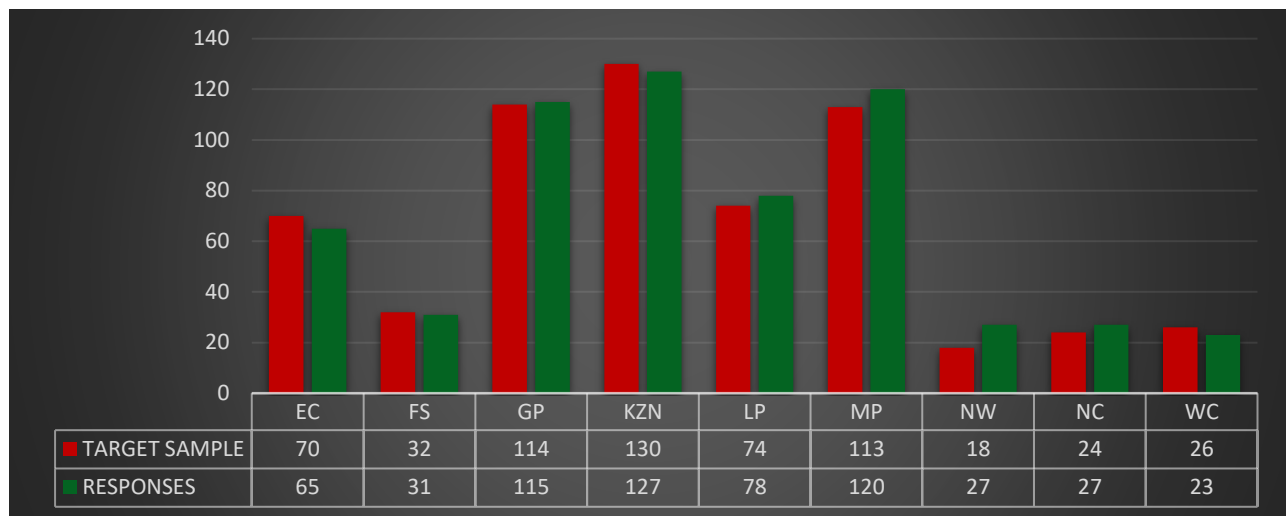


Figure 11: Sample Target vs Surveys Achieved (Province)

The sample target in terms of gender profiling is successfully achieved:

|                             | FEMALE     | MALE       | TOTAL          |
|-----------------------------|------------|------------|----------------|
| <b>GENDER TARGET %</b>      | 41.62%     | 58.38%     | <b>100.00%</b> |
| <b>GENDER SURVEYS %</b>     | 42.41%     | 57.59%     | <b>100.00%</b> |
| <b>GENDER SURVEYS COUNT</b> | <b>260</b> | <b>353</b> | <b>613</b>     |

Table 12: Sample Target vs Surveys Achieved (Gender)

The sample target in terms of age profiling is successfully achieved:

|                       | AGE TARGET | AGE TARGET     | AGE ACHIEVED |                |
|-----------------------|------------|----------------|--------------|----------------|
| <b>18 TO 23 YEARS</b> | 68         | 11.31%         | 65           | 10.60%         |
| <b>24 TO 30 YEARS</b> | 300        | 49.92%         | 314          | 51.22%         |
| <b>31 TO 35 YEARS</b> | 233        | 38.77%         | 234          | 38.17%         |
| <b>TOTAL</b>          | <b>601</b> | <b>100.00%</b> | <b>613</b>   | <b>100.00%</b> |

Table 13: Sample Target vs Surveys Achieved (Age)

## 5.3 ECONOMIC SECTOR ANALYSIS

|                        |  |
|------------------------|--|
| <b>Objective</b>       | Determine the economic sectors that the Grant beneficiaries belong to  |
| <b>Findings</b>        | <p>NYDA offers grants to beneficiaries across the economic sectors</p> <p>The NYDA grants for the population of 2021/2022 beneficiaries / recipients cover more than 34 main Business sectors as an indication that the agency have managed to impact youth business for a wide range of business sectors.</p> |
| <b>Challenges</b>      | N/A  |
| <b>Recommendations</b> | The NYDA should continue to prioritize beneficiaries across all business sectors   |

The top 5 business sectors reached, in terms of the most beneficiaries / recipients out of the total beneficiary population, make-up 77.18% of the beneficiaries and include the Service-, Agriculture-, Retail-, Manufacturing- and Maintenance Sector.

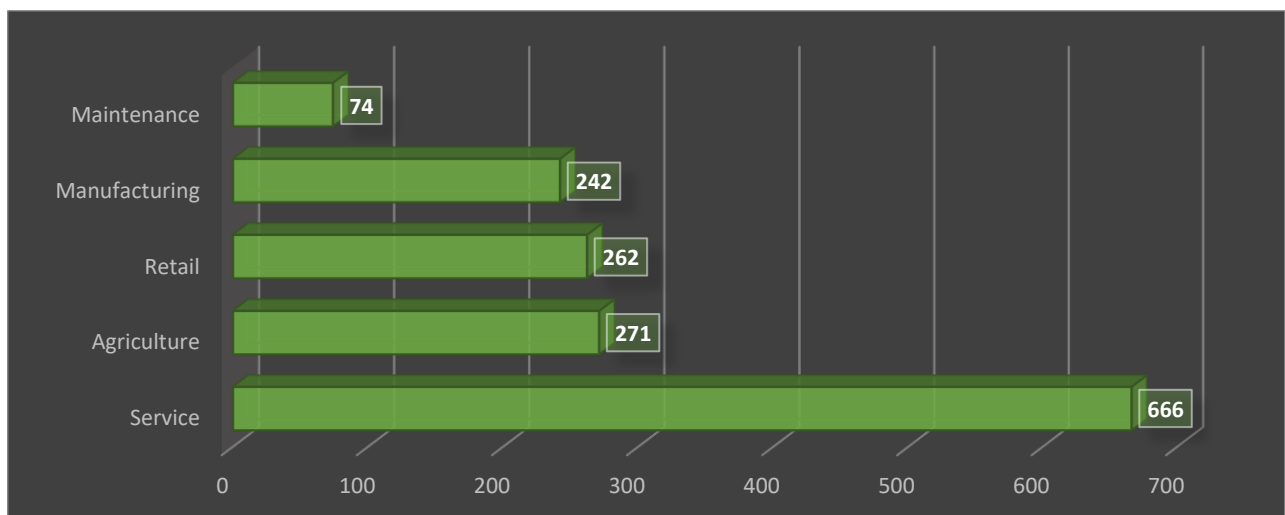


Figure 12: Economic Sectors: Top 5

The total economic sectors reached in terms of the total beneficiaries / recipients grant population includes the following sectors: Agriculture-, Art & Culture-, Bakery-, Branding-, Construction-, Consultancy-, Education-, Electrical Engineering-, Engineering-, Event Management-, Finance-, Fitness-, Graphic

Design-, Health-, Hospitality-, ICT-, Industry-, Landscaping-, Mechanical Engineering-, Maintenance-, Manufacturing-, Marketing-, Mechanical Engineering-, Media-, Not specified-, Plumbing-, Property-, Recycling-, Retail-, Service-, Tourism-, Transportation-, Water Purification-, and Welding sector:

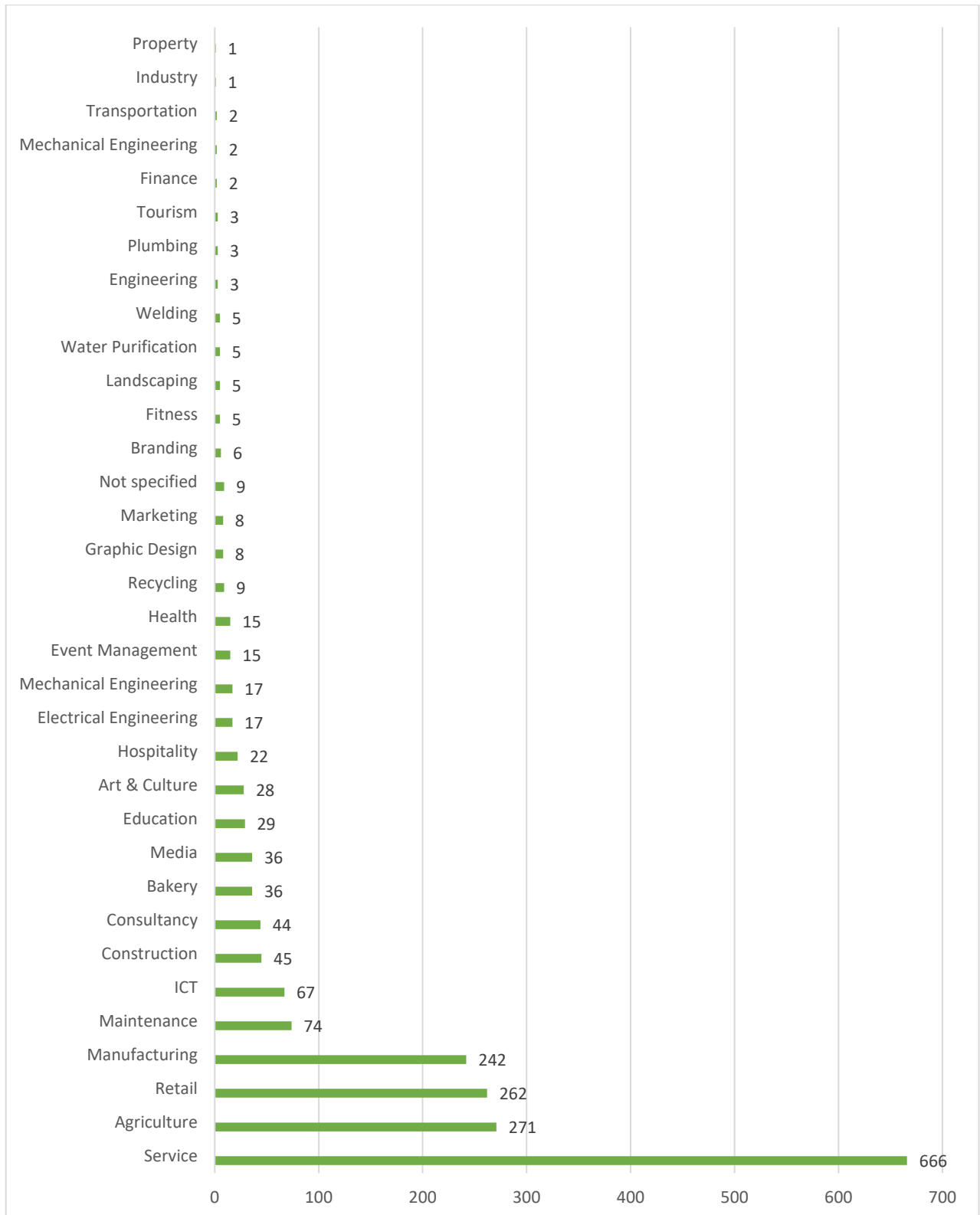


Figure 13: Business Sectors



We herewith provide a breakdown of the business sectors included as part of the assessment survey questionnaires and reviews:

| <b>BUSINESS SECTOR</b> | <b>COUNT</b> | <b>DESCRIPTION</b>  |
|------------------------|--------------|---|
| Agriculture            | 102          | Including Bee keeping, Crop, Fruits & Nuts, Goat, Livestock (sheep and cattle), Poultry, Pig, Vegetable and other   |
| Automotive             | 7            | Including Auto Clinic, Motor Mechanic, Transportation & Towing and Tyres  |
| Construction           | 23           | Including Architecture, Bricks, Civil & Electrical, Roofing and Welding   |
| Consultancy            | 23           | Including Accounting, Debt Management Services, Law Firm, Professional services and Tax advisers  |
| Education              | 11           | Including After care, Child Care, Creche and Training   |
| Health / Fitness       | 4            | Including Healthcare and Gym  |
| Hospitality            | 1            | Including a Lodge   |
| ICT                    | 27           | Including Additive Manufacturing, Digital Agency, Internet Café, Internet Service Provider, IT & Electronics, IT Support, Technology and Website Development  |
| Industry               | 1            | Including Medical   |
| Maintenance            | 7            | Including Electrical and maintenance, Building maintenance, Electrical Engineering And Phone Repair   |
| Manufacturing          | 66           | Including Beds, Beverages, Bricks, Building, Carpentry, Colognes, Detergent, Fashion / Clothing, Furniture, Jewellery / Beauty Accessories, Kitchen, Pool tables, Sewing, Sports, Textile, Welding, Window & Doors and Woodwork |

| <b>BUSINESS SECTOR</b>          | <b>COUNT</b> | <b>DESCRIPTION</b>   |
|---------------------------------|--------------|--|
| Media / Entertainment           | 72           | Including Arts, Audio Visual, Branding, Digital Marketing, DJ, Entertainment, Events Management, Events Rental, Film production, Gaming, Graphic, Local newspaper, Marketing, Media Marketing, Media Production, Multi-media, Music Production, Music School, Photography, Printing / Branding / Signage, Record Production, Sound / Event and Web   |
| Petroleum                       | 1            | Including a Fuel distribution  |
| Property                        | 1            | Including Student Accommodation  |
| Renewable Energy/Manufacturing  | 1            | Including Biodiesel Production   |
| Retail                          | 73           | Including Art & craft, Automotive parts, Batteries, Butchery, Cleaning Material, Cooking / Baking, Diamond cutting and polishing, E-commerce, Electronics, Fashion / Clothing, Fresh Produce, Ice, Meat, Mining Supplies, Online Sales, Other Retail, Salon / Beauty, Salon / Beauty Products, Spaza and Water Purification  |
| Retail / Catering               | 24           | Including Catering, Cooking / Baking, and Fast Food  |
| Retail / Fast Food / Restaurant | 46           | Including Coffee Shop, Cooking / Baking, Fast Food, Fish & Chips, Ice Cream and Tuckshop   |
| Services                        | 117          | Including Art and culture production, Car Wash, Cleaning / Gardening, Consulting, Décor, Delivery, Dentistry, Electrical services, Electricity / Gas, Energy / Electricity, Hiring Freezers, Laundry, Mechanical services, Mobile Toilet Hire, Plumbing, Printing / Branding / Signage, Professional services, Salon / Beauty, Security, Skills Development, Transportation, Travel Agency, Upholstery, Virtual Art, Waste management and Windscreen Fitting |
| Tourism                         | 1            | Including a Tour Operator  |

Table 14: Business Sector: Assessments

## 5.4 START-UP CAPITAL ANALYSIS

|                        |   |
|------------------------|---|
| <b>Objective</b>       | Determine the impact of NYDA to assist youth with business start-up capital   |
| <b>Findings</b>        | Beneficiaries were requested to respond on where they obtained their start-up capital.<br>31.81% of the 613 respondents indicated that the NYDA grants contributed to their business start-up capital.<br>NYDA contributed positively to assisting the business with business start-up capital. |
| <b>Challenges</b>      | Continues pursuit of youngster in need of capital to kick start their business initiatives.   |
| <b>Recommendations</b> | Continue training, awareness campaigns, workshops and expos to create awareness amongst youngsters on options and alternatives to consider when sourcing start-up capital to kickstart business initiatives.  |

The 613 respondents opened-up and explained in detail where they sourced their business start-up capital. In various cases the start-up capital derived from multiple sources and not necessary from a single. A summary of the survey findings is tabled below to provide an insight into the options that the beneficiaries had to sources their start-up capital:

| START-UP CAPITAL                   | %      | DESCRIPTION  |
|------------------------------------|--------|--|
| NYDA Grant                         | 31.81% | 195 of the 613 respondents indicated that the NYDA grant contributed toward their start-up capital   |
| Self-Funded / Own Capital & Savins | 52.85% | 324 of the 613 respondents indicated that they contributed their own capital and savings toward their start-up capital. Savings came from various source including piece jobs, teaching job abroad (China), etc. |
| Family, Friends & acquaintances    | 8.32%  | 51 of the 613 respondents indicated that they received assistance from their family, friends, and  |

| <b>START-UP CAPITAL</b>                    | <b>%</b> | <b>DESCRIPTION</b>   |
|--|----------|--|
|  |          | other acquaintances (e.g., church member) to contributed toward their start-up capital.  |
| UIF, Retrenchment packages, Provident Fund | 1.31%    | 8 of the 613 respondents indicated that they utilized UIF pay-outs, retrenchments packages and provident fund pay-outs to contributed toward their start-up capital.   |
| Personal Loans                             | 3.43%    | 21 of the 613 respondents indicated that they made a personal loan to contributed toward their start-up capital.   |
| Other Government grants                    | 2.28%    | 14 of the 613 respondents indicated that they made use of other Government grants to contributed toward their start-up capital, including SASSA grants, Bursary Fees, NSFAS and Social Development   |
| Various other sources                      | 4.08%    | 25 of the 613 respondents indicated that they had various other sources that was utilized to contributed toward their start-up capital, including Selling of Tupperware, Fund raisings, donations, directors' contributions, investors and inheritance |

Table 15: Start-up Capital: Assessments

## 5.5 STUDY THE NYDA IMPACT ON UNEMPLOYMENT

|                        |   |
|------------------------|---|
| <b>Objective</b>       | Determine the impact of NYDA to address unemployment among the youth  |
| <b>Findings</b>        | 88.91% (545 of the 613) of the respondents indicated that the unemployment challenges in South-Africa contributed to their decision to start their own business. Based on the survey responses, the entities of these 613 respondents provide 1 951 employment opportunities of which at least 1 707 (87%) is youth employees aged between 18 and 35 years. |
| <b>Challenges</b>      | <ol style="list-style-type: none"> <li>1. Several respondents indicated that it is difficult to source qualified and experienced candidates that they can afford.</li> <li>2. Unemployment amongst youth in South-Africa is growing daily.</li> </ol>   |
| <b>Recommendations</b> | <ol style="list-style-type: none"> <li>1. Access to in-job training to employees can assist the beneficiaries to improve service delivery and sustain their businesses.</li> </ol> <p>A study is recommended to determine the job-skills required.</p>  |

- 65.91% of respondents indicated that the NYDA grants assisted them to create new job opportunities. (404 out of the 613 respondents). These job opportunities includes both permanent and temporary job opportunities.
- 88.91% (545 of the 613) of the respondents indicated that the unemployment challenges in South-Africa contributed to their decision to start their own business.
- Based on the survey responses, the entities of these 613 respondents provide 1 951 employment opportunities of which at least 1 707 (87%) is youth employees aged between 18 and 35 years.

| Province      | Beneficiaries | Number of Employees | Number of Youth Employees |
|---------------|---------------|---------------------|---------------------------|
| Eastern Cape  | 65            | 210                 | 185                       |
| Free State    | 36            | 131                 | 116                       |
| Gauteng       | 115           | 401                 | 336                       |
| KwaZulu Natal | 127           | 410                 | 359                       |
| Limpopo       | 78            | 229                 | 199                       |
| Mpumalanga    | 120           | 350                 | 312                       |
| North-West    | 25            | 60                  | 58                        |
| Northern Cape | 24            | 77                  | 71                        |
| Western Cape  | 23            | 83                  | 71                        |
| <b>TOTAL</b>  | <b>613</b>    | <b>1951</b>         | <b>1707</b>               |

Table 16: Assessments: Employees

- KwaZulu Natal (359 youth employees out of a total of 410) makes up the majority of the job-opportunities that derived from these 613 entities,
- followed by Gauteng (336 youth employees out of a total of 401) and
- Mpumalanga (312 youth employees out of a total of 350)
- The least number of job opportunities is for the North-West Province

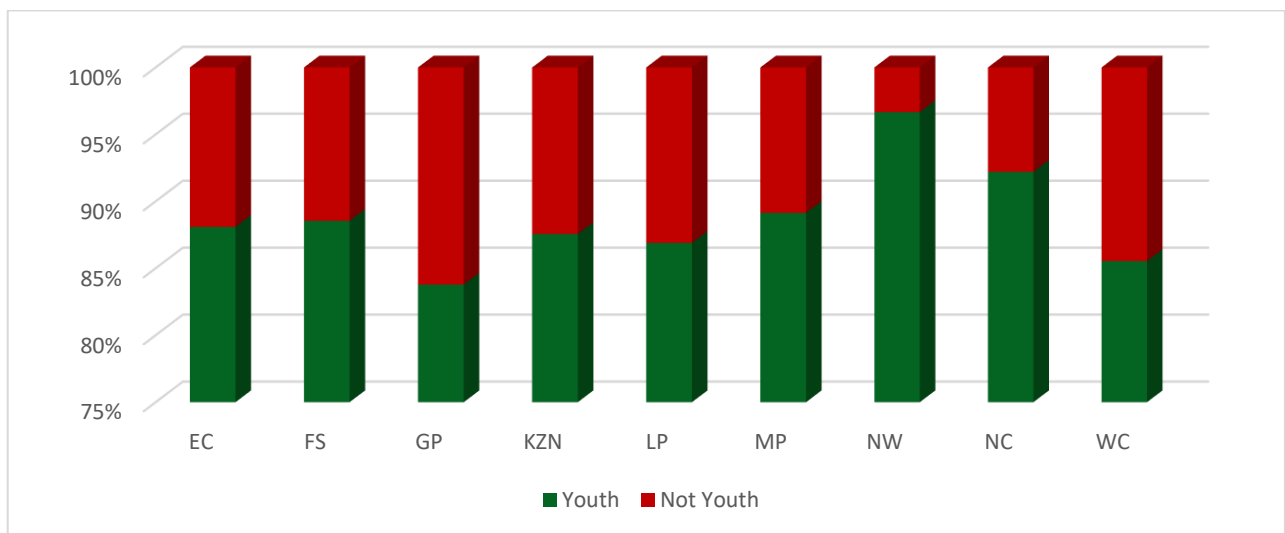


Figure 14: Employees: Youth vs Not Youth

## 5.6 NYDA GRANT AWARENESS

|                        |   |
|------------------------|---|
| <b>Objective</b>       | Determine the awareness of NYDA grants and how beneficiaries came to know about these grant opportunities   |
| <b>Findings</b>        | 36% of respondents indicates that they became aware of the NYDA grant via the internet (e.g, the NYDA website) and Social-Media (e.g. the NYDA Facebook page)   |
| <b>Challenges</b>      | Only 31 of the respondents (5.06%) indicated that awareness of the NYDA grants was due to Seminar / Expo / Indaba / Event / Roadshow / Exhibit / Outreach.<br>There is an opportunity to explore the opportunity to enhance awareness campaigns, especially in Gauteng where the quantity is very low |
| <b>Recommendations</b> | Prioritize awareness campaigns  |

The responses from the beneficiaries that participated in the survey indicates how they came to know about the grant as per the below graph:



Figure 15: NYDA Grant awareness

| AWARENESS  | EC        | FS        | GP         | KZ         | LP        | MP         | NW        | NC        | WC        | TOTAL      | %              |
|--|-----------|-----------|------------|------------|-----------|------------|-----------|-----------|-----------|------------|----------------|
| Internet / NYDA Website  | 5         | 5         | 41         | 11         | 10        | 13         | 6         | 3         | 2         | 96         | 15.66%         |
| Social Media   | 13        | 10        | 28         | 26         | 13        | 24         | 5         | 4         | 3         | 126        | 20.55%         |
| Other Media: Radio / TV / Newspaper / Billboard                    | 2         | 4         | 1          | 11         | 8         | 11         | 2         | 2         | 0         | 41         | 6.69%          |
| Seminar / Expo / Indaba / Event / Roadshow / Exhibit / Outreach    | 5         | 1         | 8          | 4          | 6         | 5          | 0         | 1         | 1         | 31         | 5.06%          |
| NYDA Office / Workshop   | 3         | 3         | 8          | 10         | 9         | 5          | 4         | 5         | 3         | 50         | 8.16%          |
| Family / Friend / Neighbour  | 20        | 7         | 14         | 29         | 16        | 24         | 4         | 5         | 7         | 126        | 20.55%         |
| Other: College/ CWP / Municipality / Youth Academy / Centre / SEDA | 1         | 2         | 2          | 18         | 3         | 18         | 1         | 0         | 5         | 50         | 8.16%          |
| Word of Mouth  | 16        | 4         | 12         | 13         | 12        | 18         | 3         | 4         | 2         | 84         | 13.70%         |
| Other / Unspecified  | 0         | 0         | 1          | 5          | 1         | 2          | 0         | 0         | 0         | 9          | 1.47%          |
| <b>TOTAL</b>   | <b>65</b> | <b>36</b> | <b>115</b> | <b>127</b> | <b>78</b> | <b>120</b> | <b>25</b> | <b>24</b> | <b>23</b> | <b>613</b> | <b>100.00%</b> |

Table 17: NYDA AWARENESS ASSESSMENT

- 36% of respondents indicates that they became aware of the NYDA grant via the internet (e.g, the NYDA website) and Social-Media (e.g. the NYDA Facebook page)
- 34.26% of the respondents indicates that they became aware of the NYDA grant via their Family members, friends, neighbours and via word of mouth.
- Only 31 of the respondents (5.06%) indicated that awareness of the NYDA grants was due to Seminar / Expo / Indaba / Event / Roadshow / Exhibit / Outreach.

There is an opportunity to explore the opportunity to enhance awareness campaigns, especially in Gauteng where the quantity is very low



## 5.7 THE IMPACT OF COVID

|                        |  |
|------------------------|--|
| <b>Objective</b>       | <ol style="list-style-type: none"> <li>1. Determine the challenges experienced by beneficiaries during lockdown and</li> <li>2. Determine how the Programme helped young people during lockdown</li> </ol> |
| <b>Findings</b>        | 79.45% of respondents (487 out of 613) indicated that their businesses were negatively impacted by Covid   |
| <b>Challenges</b>      | The aftermath of the Covid19 pandemic still poses threats to the economic sectors of South Africa  |
| <b>Recommendations</b> | <p>Consider to provide a helpline / web-portal where beneficiaries can log their concerns and challenges.</p> <p>This will allow an opportunity to provide support needed</p>                              |

487 beneficiaries (79.45% of the participants) indicated that the Covid-19 pandemic negatively impacted their business.

Some of the comments include:

- James Toto from JT Thomo Attorneys commented: “Very negative impact, because people have problems, but they lost their jobs and cannot afford our services sometimes. Most of the time we find ourselves charging lower fees, sometimes working on a pro bono basically”
- Cebolenkosi from G Khula Trading (Pty) Ltd commented: “We stopped operating during covid.”
- Fumani from Fummani(PTY)LTD commented: “Yes, profit went down.”
- Ntombentle from 2 Beautiful Girls (Pty) Ltd commented: “Yes the demand for cakes became low since no events were allowed”
- Lehlohonolo from Pro Active Combatives and Mixed Marital Arts commented: “Yes it was bad very bad I almost went out of business”

It is evident that Covid-19 negatively impacted the economy and businesses.

| Province      | Impacted   | Not Impacted | TOTAL      |
|---------------|------------|--------------|------------|
| Eastern Cape  | 47         | 18           | 65         |
| Free State    | 30         | 6            | 36         |
| Gauteng       | 100        | 15           | 115        |
| KwaZulu Natal | 103        | 24           | 127        |
| Limpopo       | 62         | 16           | 78         |
| Mpumalanga    | 87         | 33           | 120        |
| North-West    | 18         | 7            | 25         |
| Northern Cape | 19         | 5            | 24         |
| Western Cape  | 21         | 2            | 23         |
| <b>TOTAL</b>  | <b>487</b> | <b>126</b>   | <b>613</b> |

Table 18: Assessment: The Impact of Covid-19

Beneficiaries across all provinces indicated that the COVID-19 pandemic negatively impacted their businesses.

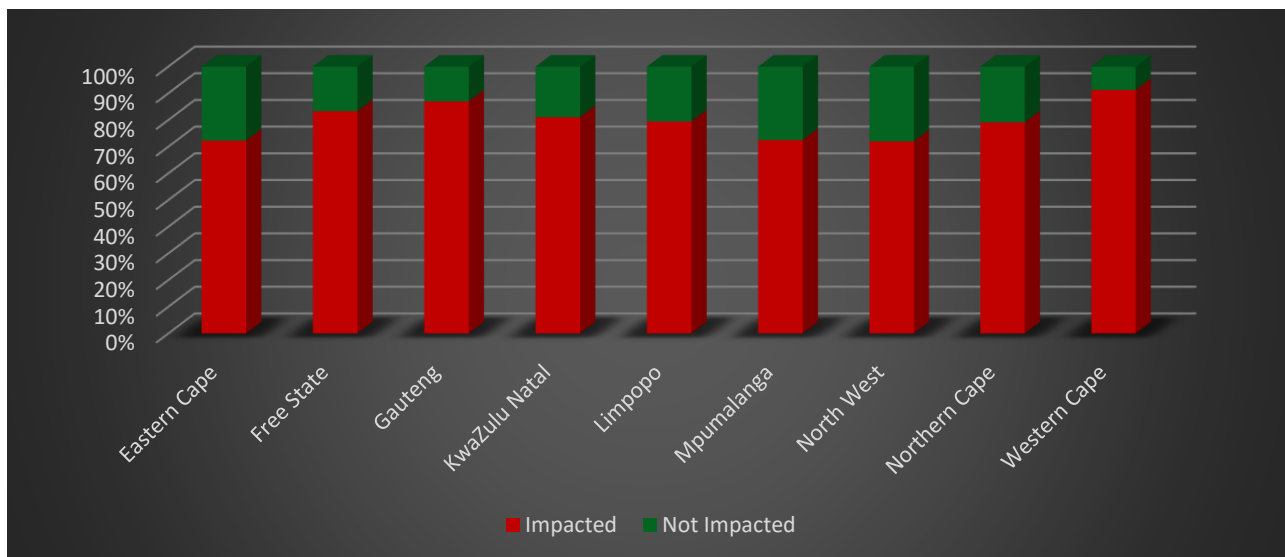


Figure 16: Assessment: The Impact of Covid-19

## 5.8 IMPACT EVALUATION

|                        |  |
|------------------------|--|
| <b>Objective</b>       | <ul style="list-style-type: none"> <li>• Impact evaluation on grants issued in the 2021/2022 financial year</li> <li>• Determine relevance / adequacy of financial support that is being provided to the entrepreneurs and establish if it is assisting grant recipients' businesses to be successful</li> </ul> |
| <b>Findings</b>        | <p>The NYDA grant programme delivered grants to 1 963 beneficiaries to the value of 78 million rand.</p> <p>The NYDA grant had a positive impact on these businesses</p>   |
| <b>Challenges</b>      | <p>Profitability of the businesses are assumed based on the information disclosed by participants, e.g., annual revenue, annual expenses and profit. Not all participants had these figures readily available to disclose and no AFS were analysed for the calculations</p>                                      |
| <b>Recommendations</b> | <p>The NYDA grant programme is for sure assisting young entrepreneurs to start, sustain and expand their businesses. Continues grants is vital to provide opportunities to more youth.</p>   |

The assessment findings indicates that the NYDA grant programme delivered grants to the 1 963 Individuals, Enterprises and Cooperatives for the 2021/2022 Financial Year recipients for the combined total rand value of R78 130 467 ranging between R1 000 and R242 559.

The NYDA grant programme delivered 57.7% (R45 071 806) of the total grant's values to three (3) provinces namely:

- Gauteng (19.6%) – R 15 291 719,
- KwaZulu Natal (19.7%) – R 15 354 490 and
- Mpumalanga (18.5%) – R 14 425 598

| PROVINCE     | SURVEY PARTICIPANTS |               | REMAINDER OF BENEFICIARIES |               | BENEFICIARY POPULATION |               |
|--------------|---------------------|---------------|----------------------------|---------------|------------------------|---------------|
|              | '000                |               | '000                       |               | '000                   |               |
| EC           | R3.089              | 12.5%         | R7.242                     | 13.5%         | R10.331                | 13.2%         |
| FS           | R1.507              | 6.1%          | R2.934                     | 5.5%          | R4.441                 | 5.7%          |
| GP           | R4.471              | 18.2%         | R10.821                    | 20.2%         | R15.292                | 19.6%         |
| KZN          | R4.595              | 18.7%         | R10.759                    | 20.1%         | R15.354                | 19.7%         |
| LP           | R3.075              | 12.5%         | R5.486                     | 10.3%         | R8.561                 | 11.0%         |
| MP           | R4.766              | 19.4%         | R9.660                     | 18.1%         | R14.426                | 18.5%         |
| NW           | R1.129              | 4.6%          | R1.726                     | 3.2%          | R2.855                 | 3.7%          |
| NC           | R1.138              | 4.6%          | R2.413                     | 4.5%          | R3.551                 | 4.5%          |
| WC           | R0.858              | 3.5%          | R2.463                     | 4.6%          | R3.321                 | 4.3%          |
| <b>TOTAL</b> | <b>R24.628</b>      | <b>100.0%</b> | <b>R53.503</b>             | <b>100.0%</b> | <b>R78.130</b>         | <b>100.0%</b> |

Table 19: Grant Values

The grant values were further analysed and compared with the number of beneficiaries per province to determine the benchmarking of impact.

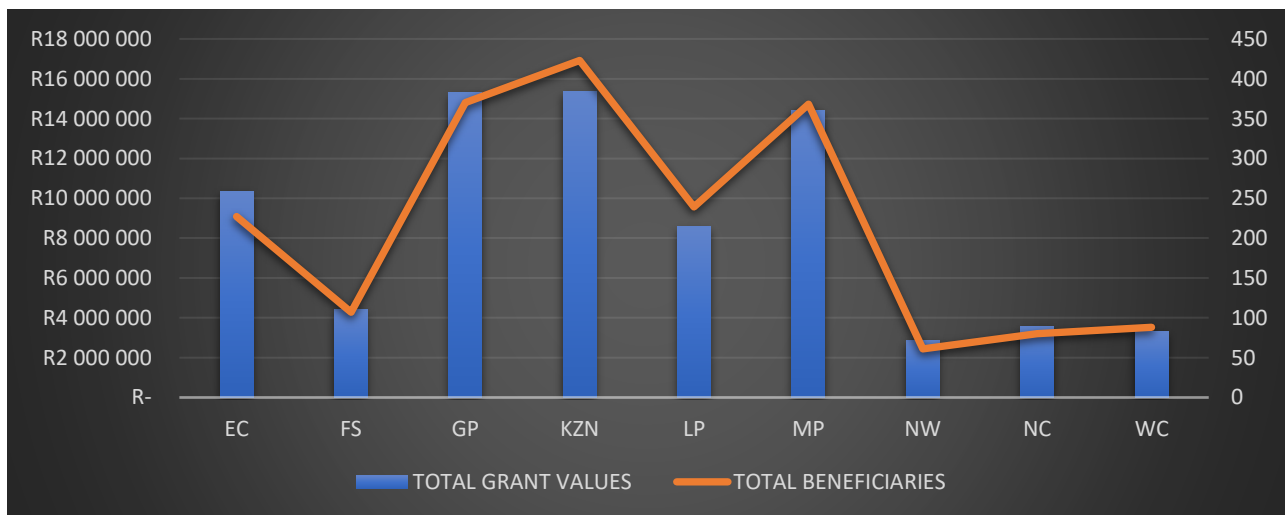
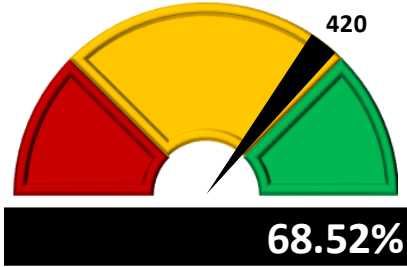


Figure 17: Grant vs Qt Beneficiaries Comparison

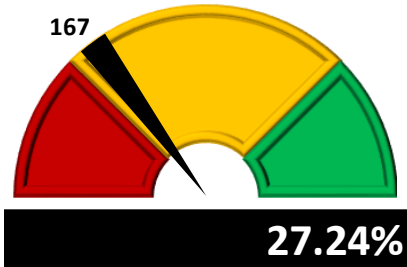
**1. SUCCESS**



participants indicated that the business presented a profit for the 2021/2022 financial year

| OPERATION   | QT  |
|-------------|-----|
| > 5 years   | 52  |
| 0 - 2 years | 160 |
| 2 - 5 years | 208 |

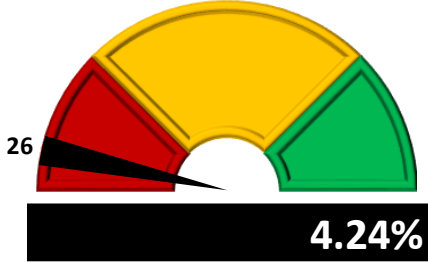
**2. FAILURE**



participants indicated that the business presented a loss for the 2021/2022 financial year

| OPERATION   | QT |
|-------------|----|
| > 5 years   | 14 |
| 0 - 2 years | 87 |
| 2 - 5 years | 66 |

**3. NOT AVAILABLE**



participants did not disclose a profit or loss for the 2021/2022 financial year

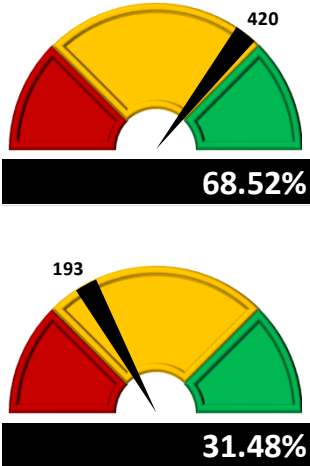
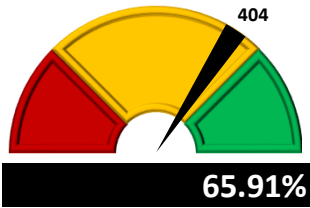
| OPERATION   | QT |
|-------------|----|
| > 5 years   | 0  |
| 0 - 2 years | 19 |
| 2 - 5 years | 7  |

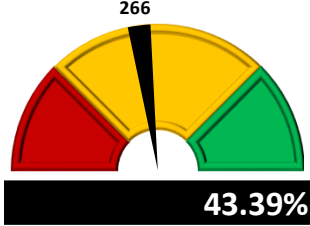
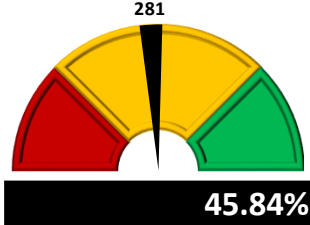
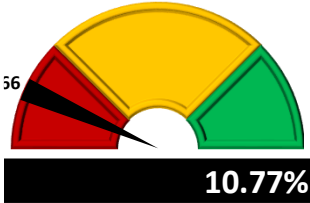
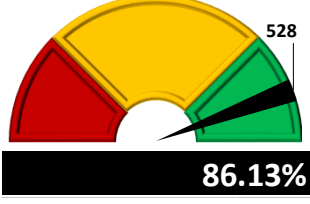
The average grant issued per beneficiary is R39 802. The average varies for provinces between R35 820 and R46 800

| PROVINCE     | TOTAL GRANT VALUES  | TOTAL BENEFICIARIES | AVERAGE GRANT ** |
|--------------|---------------------|---------------------|------------------|
| EC           | R 10 331 066        | <b>227</b>          | R 45 511         |
| FS           | R 4 440 523         | <b>107</b>          | R 41 500         |
| GP           | R 15 291 719        | <b>370</b>          | R 41 329         |
| KZN          | R 15 354 490        | <b>423</b>          | R 36 299         |
| LP           | R 8 560 949         | <b>239</b>          | R 35 820         |
| MP           | R 14 425 598        | <b>368</b>          | R 39 200         |
| NW           | R 2 854 830         | <b>61</b>           | R 46 800         |
| NC           | R 3 550 545         | <b>80</b>           | R 44 382         |
| WC           | R 3 320 748         | <b>88</b>           | R 37 736         |
| <b>TOTAL</b> | <b>R 78 130 467</b> | <b>1 963</b>        | <b>R 39 802</b>  |

Table 20: Average Grant per Province

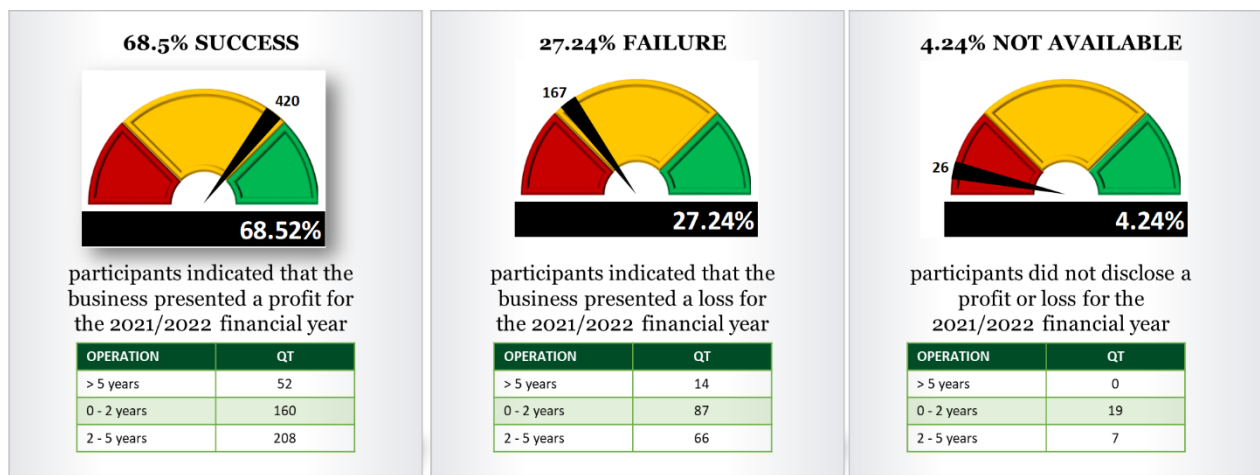
To evaluate and determine the impact that the NYDA grant programme has on youth businesses, the following can be taken into account:

|  |   |
|--|---|
| <p>1. The Profitability of the business</p>                  |  <p>68.5% of participants indicated that the business presented a profit for the 2021/2022 financial year</p> <p>31.5% of participants indicated that business did not present a profit, or did not have the financial figures available to respond</p> <p>The majority of business presented a profit as per their responses, indicate a success rate of 68.52%</p> |
| <p>2. Overall business growth e.g., additional employees</p> |  <p>65.91% of participants indicated that new jobs were created since the receipt of the grant, as an indication of positive growth</p>  |

|  |  |
|--|--|
| <p>3. The duration that the business is in operation</p> | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="margin-bottom: 20px;">  <p>266<br/>43.39%</p> </div> <div style="margin-bottom: 20px;">  <p>281<br/>45.84%</p> </div> <div>  <p>56<br/>10.77%</p> </div> </div> <p>As per the responses 43.39% of business are in operation for less than 2 years</p> <p>As per the responses 45.84% of business are in operation for between 2 and 5 years</p> <p>As per the responses 10.77% of business are in operation for more than 5 years</p> |
| <p>4. What the grant was use for / applied to</p>        | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="margin-bottom: 20px;">  <p>528<br/>86.13%</p> </div> <p>86.13% of respondents indicated that the grant contributed to additional equipment, tools, stock and / or material.</p> <p>This is evident that the NYDA grant program had a positive impact for the youth businesses</p> </div>  |

## 5.9 SUCCESS & FAILURE RATES

|                        |   |
|------------------------|---|
| <b>Objective</b>       | Determine success and failure rate based on gender & Age and reasons  |
| <b>Findings</b>        | No excessive exception % is identified with regards to the success and failure tendency for the comparison of male and female respondents |
| <b>Challenges</b>      | None identified   |
| <b>Recommendations</b> | No interventions required   |



The impact evaluation is further analysed to determine the success and failure rate based on age and gender.

Based on the respondents input and feedback, the male beneficiaries had a greater success rate in terms of presenting a profit for the business at 70.25% compared to female beneficiaries at 66.15%

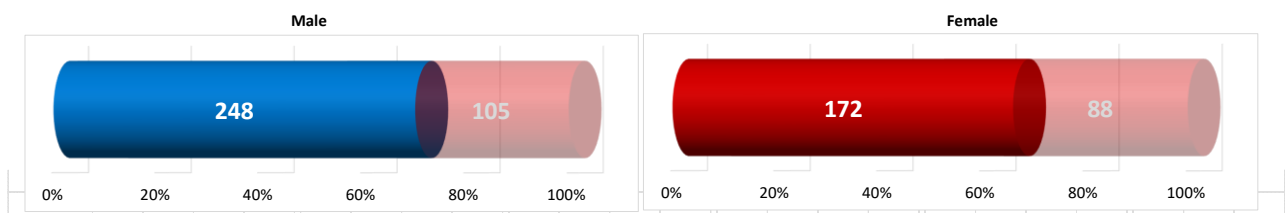


Figure 18: Gender Profit/Success Evaluations (613 Respondents)



This average is more or less maintained across the nice (9) provinces:

- Female respondents indicated a profitability for their business averaging 66.15% across the provinces, with the lowest % for Gauteng at 56.45% and the highest % for Western Cape at 87.50% and North-West at 100.00%
- Male respondents indicated a profitability for their business averaging 70.25% across the provinces, with the lowest % for North-West at 50.00% and the highest % for Northern Cape at 80.00%

No excessive exception % is identified with regards to the success and failure tendency for the comparison of male and female respondents as the performance % are within equal ranges for both genders across the provinces.

The breakdown per province is tabled below:

Eastern Cape 67.44% of males indicated a profit compared to 77.27% for females:

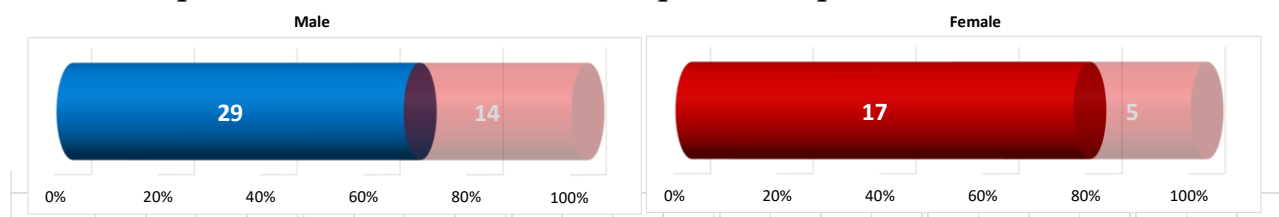


Figure 19: Gender Profit/Success Evaluations (EC)

Free State 70.83% of males indicated a profit compared to 66.67% for females:

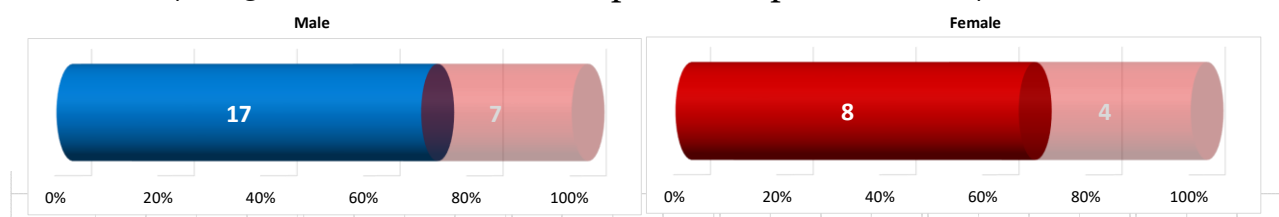


Figure 20: Gender Profit/Success Evaluations (FS)

Gauteng 74.29% of males indicated a profit compared to 66.67% for females:

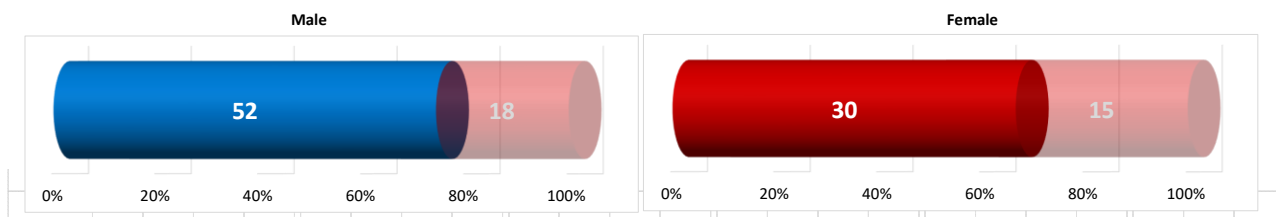


Figure 21: Gender Profit/Success Evaluations (GP)

KwaZulu Natal 75.38% of males indicated a profit compared to 56.45% for females:

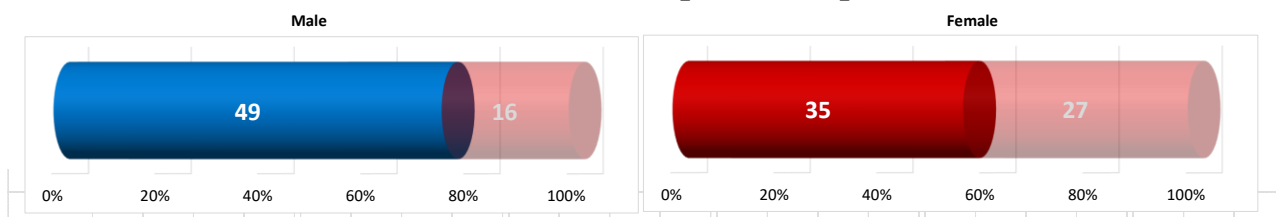


Figure 22: Gender Profit/Success Evaluations (KZN)

Limpopo 65.96% of males indicated a profit compared to 61.29% for females:

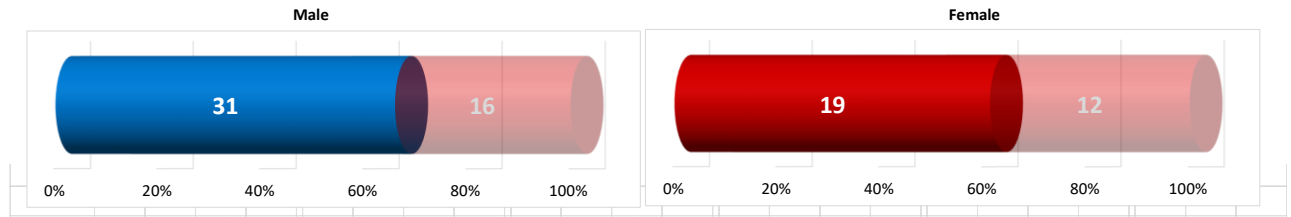


Figure 23: Gender Profit/Success Evaluations (LP)

Mpumalanga 67.24% of males indicated a profit compared to 66.13% for females:

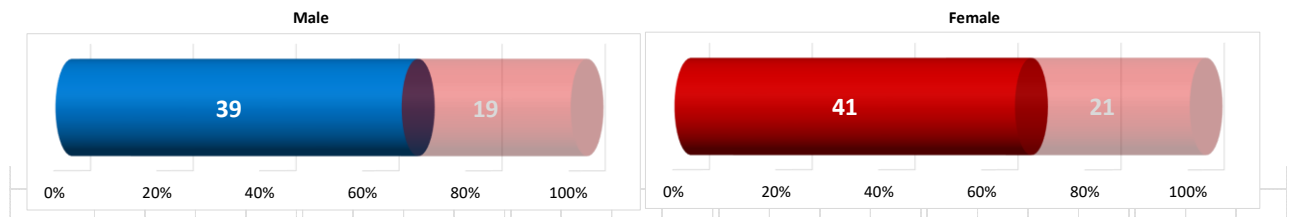


Figure 24: Gender Profit/Success Evaluations (MP)

North-West 50.00% of males indicated a profit compared to 100.00% for females:

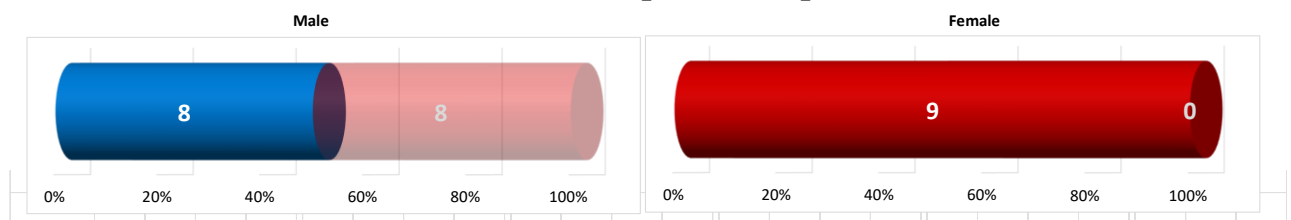


Figure 25: Gender Profit/Success Evaluations (NW)

Northern Cape 80.00% of males indicated a profit compared to 66.67% females:

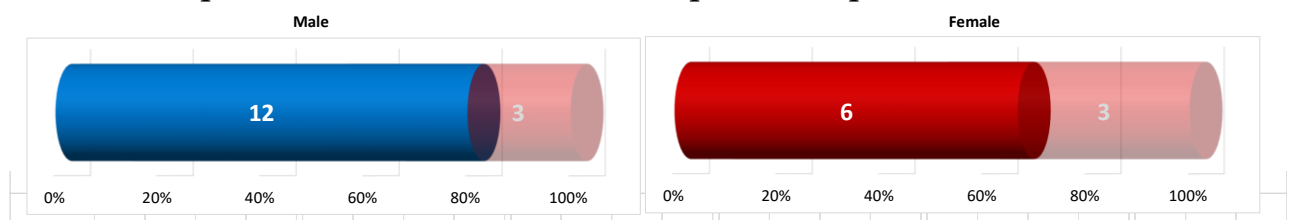


Figure 26: Gender Profit/Success Evaluations (NC)

Western Cape 73.33% of males indicated a profit compared to 87.50% for females:

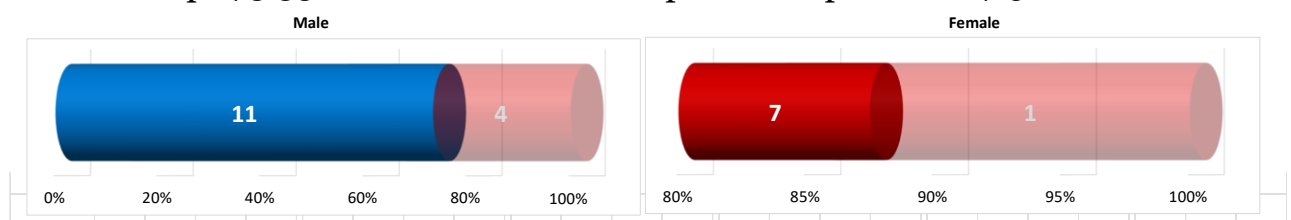


Figure 27: Gender Profit/Success Evaluations (NC)

## 5.10 POTENTIAL IMPROVEMENTS

|                        |   |
|------------------------|---|
| <b>Objective</b>       | <ol style="list-style-type: none"> <li>1. Identify how the Programme can be scaled up or improved</li> <li>2. Determine how follow ups from the NYDA are assisting grant recipients</li> </ol>                                    |
| <b>Findings</b>        | The findings indicated that 98% of the beneficiaries / recipients are satisfied with the grants, services and support provided by NYDA  |
| <b>Recommendations</b> | <p>Various concerns are raised by the participants and GAPS &amp; Obstacles are identified.</p> <p>These GAPS and obstacles need to be attended to, in order to create business environments that promotes growth and success</p> |

The findings indicated that:

- 94.3% of the beneficiaries / recipients are satisfied with the grants, services and support provided by NYDA and expressed gratitude towards NYDA as to how the grant assisted them to achieve their goals and dreams and / or keep their businesses sustainable
- Compared to 5.6% of the beneficiaries / recipients who are dissatisfied with the NYDA and / or indicated that improvement is needed to better the services of the NYDA.

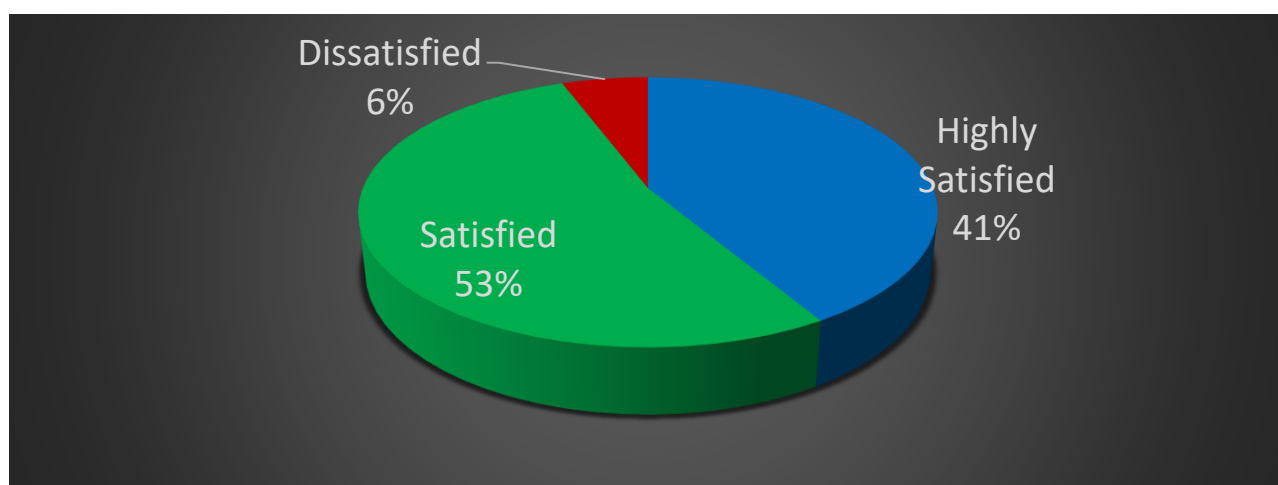


Figure 28: Beneficiary Satisfaction

| HIGHLY SATISFIED  | SATISFIED  | DISSATISFIED   |
|---|--|--|
| <p>254<br/>41.44%</p>   | <p>324<br/>52.85%</p>  | <p>35<br/>5.71%</p>  |
| <p>41.44% expressed their appreciation and gratitude towards NYDA and indicated a high satisfaction</p> | <p>52.85% expressed average satisfactions towards the NYDA</p> | <p>5.71% expressed opinions of dissatisfaction with NYDA and / or indicated that improvement is needed to better NYDA services</p> |

The reasons rendered for dissatisfaction are tabled below:

### Challenge 1 – Require Follow Ups

|   |   |
|---|---|
| <p>3<br/>0.49%</p>  | <p>3 respondents highlighted that NYDA need to improve follow-ups after issuing grants e.g.:</p> <ul style="list-style-type: none"> <li>• Desmond Mavhunga “I will love it if you do follow up on my business, so you see how I'm doing”</li> <li>• Kyle Andrea Adam “NYDA should follow up more regularly with grantees.”</li> <li>• Neliswa Princess Sidubulekana: “I'll like to thank NYDA and also wish that they can help more arising businessman and also follow up to those that they have funded”</li> </ul> |
| <p><b>RECOMMENDATION:</b></p> <p>Prioritize follow-ups with beneficiaries</p> |   |

## Challenge 2 – Poor Turnaround Time / Responding / Feedback



6 respondents highlighted that NYDA could improve on turnaround time or complaint that no response or feedback was received:

- Lesego Zacharia Sibanda: “Since i applied for ERP voucher programs no respond till today. More than 3 to 4 months back i got a call for delivery of a sign board till today nothing.”
- Joseph Kgositsile Makhetha: “Fast tracking of funding from the NYDA would mean a lot from you”
- Lehlohonolo Mkhize: “I wish the process to get funding was easier because it took me two years to get”
- Palesa Vironica Maketsi: “The grant took more than 6 months to be paid up from the date of it being granted to the business. That had a negative impact on our expenditure as most quotations were outdated and suppliers were more expensive. That caused the business to cover the diff”
- Lehlohonolo Peter Senokoane: “Approval process take years; I applied early in 2019 and my application got approved October in 2021”
- Lubabalo Terrence Fumba: “Please improve the speed in which funds are release”
- Asiphe Gobo: “The business is slow and theres no benefit at all lately, I have tried changing my menu but still no changes. I am now thinking of moving to another sector to continue with the business operations.”

### RECOMMENDATION:

NYDA to consider improvement by implementing system that host all incidents, application, queries, complaints and enquiries with a date and time stamp and estimated turn-around times. A trigger email can go to senior officials for instances where timelines exceed the allowable time frames, this can include queries etc lodged on the web

### Challenge 3 – Complaints / Grants not Received



5 respondents complained about that products are not received:

- Melvin Adam Lang: “NYDA never provided me with marketing voucher as promised”
- Pienaar Boy Mashinini: “Thank you for the grant NYDA, but I did not receive all my benefit.”
- Lufuno Phathela: “1. We were offered a branding opportunity of which we had optioned for a signage for our business Lufuno Sound and Entertainment Pty (Ltd), which was done and delivered to us with the wrong spelling of our business email.”
- Bongekile Mchunu: “Since I applied for NYDA I have not received any grant”
- Thapelo Titus Mofokeng:” I have applied for the grant since from 2020 and I didn't receive it till now”

#### **RECOMMENDATION:**

NYDA to investigate and feedback on the above 5 incidents

## Challenge 4 – Lack of Support / Mentorship



7 respondents indicated that the grant programme lacks support and / or mentorship:

- NTSAKO NGOBENI: “There is a need to advise grant receivers thoroughly and ensure to conduct feasible financial projections on granting business because poor feasibility studies by NYDA officials affect the opportunities. Businesses should be given a proper chance and grant sufficiently to succeed within their dynamics.”
- Sephaphi Edwin Mello: “I would like to be mentor by people who know how to run business”
- Coretta Megan Williams: “The mentorship training is just as important as the funding, I haven't received any training. The NYDA should ensure all businesses sponsored should have direct access to the government CSD”
- Immanuel Njabulo Nzima: “I would like to get mentorship from NYDA and to contact with other clients who are in the same industry. That way we can form a cluster group to supply the high national and international markets”
- Magdeline Matshidiso Thipe: “I still need help please and guidance”
- Puleng Mokoena: “Mentoring would be a great idea for all beneficiary.”
- THEOPHILUS GLADMAN DYANI: “Please add the Business Management course on your website and make it available to everyone registered on your website and make it eligible for them to receive both physical and digital certificates, please.”

### RECOMMENDATION:

NYDA to investigate and feedback on the above 7 incidents and improve the support offered to the beneficiaries. Encourage all beneficiaries to submit electronic complaints



## Challenge 5 - Marketing



26.92% of participants indicated that one of the biggest challenges faced is marketing related, including gaining access to the market, marketing and advertising their services and products to reach clients and creating brand awareness

### **RECOMMENDATION:**

A training course and / or seminar could be of great value to the youth entrepreneurs as marketing skills are valuable to sustain and expand the business.

Also refer to recommendation tabled under the second challenge below

## Challenge 6 - Funding



24.14% of participants indicated that one of the biggest challenges faced is regarding funding, including cash flow shortages, requiring additional and sufficient funds, concerns regarding the high costs and price increases.

Some participants highlighted that it is challenging to obtain e.g., high value contracts and tenders to sustain the business

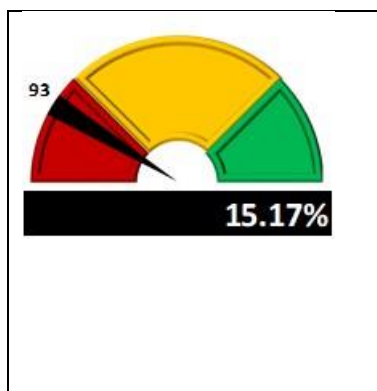
### **RECOMMENDATION:**

Apart from creating awareness on other additional grant opportunities that can be explored, an investment into a web-based youth portal can be considered where youth business owners can advertise their businesses and gain access to other youth business owners where they can obtain their tools, material, stationary, etc.

The portal can also table the current tenders as listed on the e-tenders portal to ensure that each owner has access to available tenders.

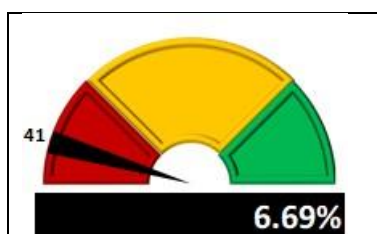
If such a web-based portal could have a social media interface and encourage chatting functionality and several business forums, it will create an environment where youth business owners can form communities that can grow overtime.

## Challenge 7 - Equipment



15.17% of participants indicated that one of the biggest challenges faced are regarding funding, including the requirement of additional or improved equipment, computers and laptops, fridges, furniture, machinery, printers, poultry houses, tools, tractors and maintenance and repairs of equipment.

## Challenge 8 – Load Shedding

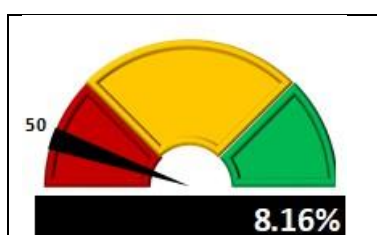


6.69% of participants indicated that one of the biggest challenges faced are the negative impact that load shedding has on their day-to-day business operations.

### RECOMMENDATION:

Load Shedding is expected to be a challenge in South Africa for at least another 5 years. Projects could be launched to create opportunities for youth business owners to receive or acquire alternative electricity sources, e.g., generators

## Challenge 9 – Transport



8.16% of participants indicated that one of the biggest challenges faced are relating to transport, including the need for the business to acquire vehicles, delivery products to clients and high transport costs

### RECOMMENDATION:

As NYDA shall not provide grant funding for vehicles, these challenges cannot be addressed withing the framework of the NYDA grants

## Challenge 10 – Training



2.12% of participants indicated that one of the biggest challenges faced are relating to required training and / or skills development, including:

- Training & Accreditation
- Training & Support
- Skills
- Shortages of Qualified Candidates
- Obtaining Proper Certification
- Requiring a Plumbing License
- Lack of knowledge and wanting to improve skills
- Obtaining SABS approval and
- Business skills
- Training on Business Management
- Training on Financial Management
- Training on Bookkeeping

### **RECOMMENDATION:**

As and when training opportunities and / or seminars become available in their respective provinces, all beneficiaries should be made aware and invited to attend.

Especially a short course on Business, Financial and Basic Book-keeping will be of value to the beneficiaries.

## Challenge 11 – Other Challenges

Other challenges reported by respondents are:

1. Pitso Joseph Manaka from MNAXGROUP: “Accountant responsible for my voucher were not completely helpful.”
2. Welcome Samkelo Phoku from SIYATIKHANDLA TRADING ENTERPRISE: “Head office needs to monitor all their branch including the staff, because they take time to look our application after that can tell you that have so many applications, the normally start to look the applications of their close ones, we even force them to”
3. Ayanda Alicia Colombile from GM COLOMBILE: “I would appreciate if NYDA Mthatha branch would have more trainers so to have more youth who are on the waiting list for the training as I'm busy encouraging the youth to visit NYDA offices.”
4. Peter-John Goeieman from ETHEREAL GEMSTONES: “Greater interdepartmental coordination is needed. The NYDA needs to be guided by the State Diamond Trader as well as the Department of Mineral Resources. Other institutions that would be helpful partners are the "Tirisano Mmogo”
5. Nomsa Lihle Buthelezi from MABUTHELEZI ENTERPRISE: “I did receive the grant but because it fell into the supplier's hands it didn't work for me.... I wish business owners can receive their funding into their business account..”

**RECOMMENDATION:**

Prioritize follow-ups with beneficiaries

## Challenge 12 – Web Applications

The majority of applicants apply at the NYDA offices and do not use the Web Applications

**RECOMMENDATION:**

It is recommended that the NYDA consider implementing a “Zero-Fee” website as applicants do not necessarily have mobile data to access the web application

## 6. CASE STUDIES & SCENARIOS

|                  |  |
|------------------|--|
| <b>Objective</b> | To obtain an insight into the experiences and challenges of youth business owners across the various provinces and business sectors  |
| <b>Findings</b>  | 94.3% of the beneficiaries / recipients are satisfied with the grants, services and support provided by NYDA and expressed gratitude towards NYDA as to how the grant assisted them to achieve their goals and dreams and / or keep their businesses sustainable |

The **success stories** directly from these beneficiaries / recipients serve as evidence that the NYDA programmes contribute positively to the youth businesses:

| NR   | NAME                  | SURNAME                     |
|--|-----------------------|-----------------------------|
| 1  | NONKULULEKO JUDICIOUS | NKOSI                       |
|  | ZAMA CREAMY CREATIONS | IN BUSINESS Private Company |
| <i>I am highly grateful for the NYDA grant. It has really changed my business and my life in a positive way.</i> |                       |                             |

| NR  | NAME                       | SURNAME                     |
|---|----------------------------|-----------------------------|
| 2   | ZILINDILE PORTIA           | NGCOBO                      |
|   | ZILINDILE PRIVATE PRACTICE | IN BUSINESS Private Company |
| <i>I'm grateful and I'd love to apply for more funding to grow and create more jobs</i> |                            |                             |

| NR  | NAME                     | SURNAME                     |
|---|--------------------------|-----------------------------|
| 3   | PABALELO                 | MATJIE                      |
|   | PBL INNOVATIVE SOLUTIONS | IN BUSINESS Private Company |
| <i>I appreciate what NYDA did to my company</i> |                          |                             |

| NR                                | NAME                  | SURNAME                     |
|-----------------------------------|-----------------------|-----------------------------|
| 4                                 | THABISILE SWEETNESS   | MTOLO                       |
|                                   | THABSWET DRY CLEANERS | IN BUSINESS Private Company |
| <i>I would like to thank NYDA</i> |                       |                             |

| NR  | NAME       | SURNAME                     |
|---|------------|-----------------------------|
| 5   | NOLUTHANDO | ZUNGU                       |
| AMANDLENKOSI FARMS  |            | IN BUSINESS Private Company |
| <i>Thank you so much for your support. May God bless NYDA. May you help more entrepreneurs. Employ more people like Ms Pumla from NYDA Port Shepstone</i> |            |                             |

| NR  | NAME       | SURNAME                     |
|---|------------|-----------------------------|
| 6   | MVULANKULU | MFITHI                      |
| NYATI PT TRADING AND PROJECTS   |            | IN BUSINESS Private Company |
| <i>I would like to thank NYDA especially Mrs Mandisa Ngwenze for her courtesy treatment &amp; assisting fully with our applications to ensure that we receive funding</i> |            |                             |

| NR  | NAME            | SURNAME                     |
|---|-----------------|-----------------------------|
| 7   | MENELISI COLLEN | NGOZO                       |
| SUPREME BETA  |                 | IN BUSINESS Private Company |
| <i>Appreciation and gratitude to the NYDA for assisting Supreme Beta in realizing our dream</i> |                 |                             |

| NR  | NAME | SURNAME                     |
|---|------|-----------------------------|
| 8   | ONKE | JAKO                        |
| CONSISTENCY GROUP   |      | IN BUSINESS Private Company |
| <i>Thanks to NYDA, my business showed growth after the funding.</i> |      |                             |

| NR  | NAME         | SURNAME                     |
|---|--------------|-----------------------------|
| 9   | MUSA AURTHUR | NCONGWANE                   |
| GREY STALLION GROUP   |              | IN BUSINESS Private Company |
| <i>NYDA Is the best and helped a lot of youngsters like me to make our dreams come true by receiving help to start a business</i> |              |                             |

| NR                                | NAME               | SURNAME                                   |
|-----------------------------------|--------------------|---|
| 10                                | NHLAKANIPHO ANDILE | MBATHA                                    |
| MOORISH SERVICES                  |                    | AR Deregistration Process Private Company |
| <i>I would like to thank NYDA</i> |                    |   |



## 7. COST BENEFIT ANALYSIS

The assessment findings indicates that the NYDA grant programme delivered grants to the 1 963 Individuals, Enterprises and Cooperatives for the 2021/2022 Financial Year recipients for the combined total rand value of R78 130 467 ranging between R1 000 and R242 559. The cost benefit analysis indicates that 90.32% of the grants accounted for grants between R10 001 and R50 000.

|               |              |         |
|---------------|--------------|---------|
| 0 to R10k     | R 3 633 703  | 4.65%   |
| R10k to R50k  | R 70 570 546 | 90.32%  |
| R50k to R100k | R 3 683 659  | 4.71%   |
| > R100k       | R 242 559    | 0.31%   |
| TOTAL R       | R 78 130 467 | 100.00% |

Table 21: CBA - Cost Benefit Analysis

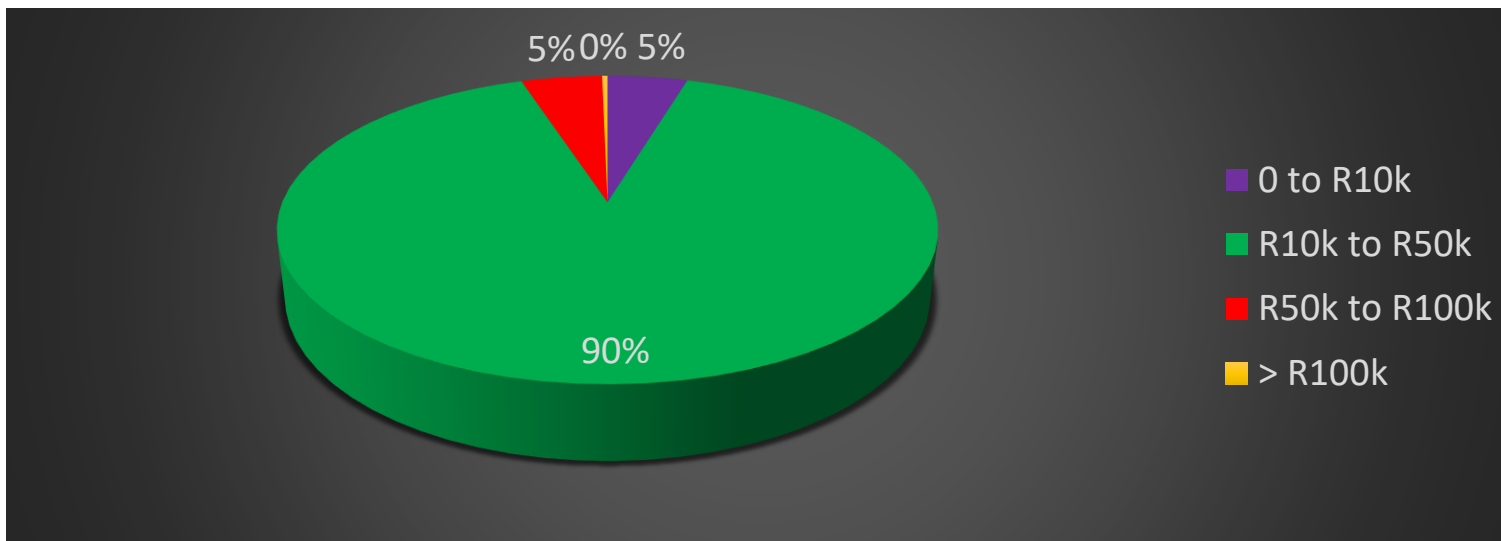


Figure 29: CBA - Cost Benefit Analysis

|             | EC           | FS          | GP           | KZN          | LP          | MP           | NW          | NC          | WC          | TOTAL        |
|-------------|--------------|-------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|--------------|
| 0 – 10k R   | R 143 922    | R 134 397   | R 681 617    | R 875 447    | R 753 881   | R 840 909    | R 29 558    | R 37 892    | R 136 079   | R 3 633 703  |
| 0 – 10k %   | 0.18%        | 0.17%       | 0.87%        | 1.12%        | 0.96%       | 1.08%        | 0.04%       | 0.05%       | 0.17%       | 4.65%        |
| FEMALE QT   | 5            | 4           | 23           | 52           | 42          | 65           | 0           | 0           | 7           | 198          |
| FEMALE %    | 0.25%        | 0.20%       | 1.17%        | 2.65%        | 2.14%       | 3.31%        | 0.00%       | 0.00%       | 0.36%       | 10.09%       |
| FEMALE R    | R 49 087     | R 37 910    | R 210 032    | R 355 035    | R 417 720   | R 624 674    | R -         | R -         | R 59 370    | R 1 753 828  |
| MALE QT     | 10           | 10          | 50           | 69           | 34          | 22           | 3           | 4           | 8           | 210          |
| MALE %      | 0.51%        | 0.51%       | 2.55%        | 3.52%        | 1.73%       | 1.12%        | 0.15%       | 0.20%       | 0.41%       | 0.106979114  |
| MALE R      | R 94 835     | R 96 487    | R 471 585    | R 520 413    | R 336 160   | R 216 235    | R 29 558    | R 37 892    | R 76 710    | R 1 879 875  |
| 10 – 50k R  | R 9 795 062  | R 4 119 835 | R 12 973 871 | R 13 880 469 | R 7 607 079 | R 12 857 591 | R 2 825 272 | R 3 512 653 | R 2 998 714 | R 70 570 546 |
| 10 – 50k %  | 12.54%       | 5.27%       | 16.61%       | 17.77%       | 9.74%       | 16.46%       | 3.62%       | 4.50%       | 3.84%       | 90.32%       |
| FEMALE QT   | 79           | 34          | 97           | 119          | 70          | 114          | 24          | 34          | 30          | 601          |
| FEMALE %    | 4.02%        | 1.73%       | 4.94%        | 6.06%        | 3.57%       | 5.81%        | 1.22%       | 1.73%       | 1.53%       | 30.62%       |
| FEMALE R    | R 3 800 362  | R 1 548 482 | R 4 465 000  | R 5 535 192  | R 3 378 528 | R 5 364 704  | R 1 169 036 | R 1 520 696 | R 1 290 362 | R 28 072 362 |
| MALE QT     | 128          | 57          | 183          | 178          | 91          | 159          | 34          | 42          | 41          | 913          |
| MALE %      | 6.52%        | 2.90%       | 9.32%        | 9.07%        | 4.64%       | 8.10%        | 1.73%       | 2.14%       | 2.09%       | 46.51%       |
| MALE R      | R 5 994 700  | R 2 571 353 | R 8 508 871  | R 8 345 276  | R 4 228 551 | R 7 492 887  | R 1 656 236 | R 1 991 957 | R 1 708 352 | R 42 498 184 |
| 50 – 100k R | R 392 082    | R 186 290   | R 1 636 231  | R 356 014    | R 199 990   | R 727 098    | R -         | R -         | R 185 955   | R 3 683 659  |
| 50 – 100k % | 0.50%        | 0.24%       | 2.09%        | 0.46%        | 0.26%       | 0.93%        | 0.00%       | 0.00%       | 0.24%       | 4.71%        |
| FEMALE QT   | 2            | 1           | 9            | 2            | 1           | 2            |             |             |             | 17           |
| FEMALE %    | 0.10%        | 0.05%       | 0.46%        | 0.10%        | 0.05%       | 0.10%        | 0.00%       | 0.00%       | 0.00%       | 0.87%        |
| FEMALE R    | R 145 131    | R 86 290    | R 861 807    | R 159 775    | R 100 000   | R 194 208    |             |             |             | R 1 547 210  |
| MALE QT     | 3            | 1           | 8            | 2            | 1           | 6            |             |             | 2           | 23           |
| MALE %      | 0.15%        | 0.05%       | 0.41%        | 0.10%        | 0.05%       | 0.31%        | 0.00%       | 0.00%       | 0.10%       | 1.17%        |
| MALE R      | R 246 951    | R 100 000   | R 774 424    | R 196 239    | R 99 990    | R 532 890    |             |             | R 185 955   | R 2 136 449  |
| >100k R     | R -          | R -         | R -          | R 242 559    | R -         | R -          | R -         | R -         | R -         | R 242 559    |
| >100k %     | 0.00%        | 0.00%       | 0.00%        | 0.31%        | 0.00%       | 0.00%        | 0.00%       | 0.00%       | 0.00%       | 0.31%        |
| FEMALE QT   |              |             |              | 1            |             |              |             |             |             | 1            |
| FEMALE %    | 0.00%        | 0.00%       | 0.00%        | 0.05%        | 0.00%       | 0.00%        | 0.00%       | 0.00%       | 0.00%       | 0.05%        |
| FEMALE R    |              |             |              | R 242 559    |             |              |             |             |             | R 242 559    |
| MALE QT     |              |             |              |              |             |              |             |             |             | 0            |
| MALE %      | 0.00%        | 0.00%       | 0.00%        | 0.00%        | 0.00%       | 0.00%        | 0.00%       | 0.00%       | 0.00%       | 0.00%        |
| MALE R      |              |             |              |              |             |              |             |             |             | R -          |
| TOTAL R     | R 10 331 066 | R 4 440 523 | R 15 291 719 | R 15 354 490 | R 8 560 949 | R 14 425 598 | R 2 854 830 | R 3 550 545 | R 3 320 748 | R 78 130 467 |
| TOTAL %     | 13.22%       | 5.68%       | 19.57%       | 19.65%       | 10.96%      | 18.46%       | 3.65%       | 4.54%       | 4.25%       | 100.00%      |
| FEMALE QT   | 86           | 39          | 129          | 174          | 113         | 181          | 24          | 34          | 37          | 817          |
| FEMALE %    | 0.043810494  | 0.01986755  | 0.065715741  | 0.088639837  | 0.057564952 | 0.092205807  | 0.012226184 | 0.017320428 | 0.018848701 | 0.416199694  |
| FEMALE R    | R 3 994 579  | R 1 672 682 | R 5 536 838  | R 6 292 562  | R 3 896 248 | R 6 183 586  | R 1 169 036 | R 1 520 696 | R 1 349 732 | R 31 615 959 |
| MALE QT     | 141          | 68          | 241          | 249          | 126         | 187          | 37          | 46          | 51          | 1146         |
| MALE %      | 0.071828833  | 0.034640856 | 0.122771268  | 0.126846663  | 0.064187468 | 0.095262354  | 0.018848701 | 0.02343352  | 0.025980642 | 0.583800306  |
| MALE R      | R 6 336 486  | R 2 767 840 | R 9 754 880  | R 9 061 928  | R 4 664 701 | R 8 242 012  | R 1 685 794 | R 2 029 849 | R 1 971 016 | R 46 514 508 |

## **8. CONCLUSION**

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The outcome of the Rapid Assessment of the National Youth Development Agency (NYDA) Grant Programme is clearly indicating that the NYDA grant programme is positively contributing to the youth business in South Africa across all provinces, business sectors, genders and youth age group.

The impact of the grant is greatly admitted, appreciated and commended by the great majority of the respondents.

It is evident that without the NYDA grants, many of these businesses would not be able to be in business.