

3.5 The Intervention Logic

In order to enhance opportunities for Mozambican youth, particularly for women, to obtain decent employment, the Action will work both on the **demand side** of the labour market and the **supply side** of TVET and employment institutions. It will do so by increasing the competitiveness of Start-Ups, entrepreneurs and MSMEs, supporting the green transformation and raising quality standards (through training and advisory services, quality certification), and, on the other hand, promoting the necessary support to the **supply side** by developing qualification measures in cooperation with the Private Sector, building capacities of TVET staff and implementing these qualifications to the benefit of the target group (training programmes, non-formal, opportunity-driven short courses and formal short courses and upskilling). To guarantee that women and marginalized youth will benefit from the program, the action will include training and apprenticeship opportunities for this target group with alternative financing. The action will furthermore support the **matching** of the better skilled youth with increasing labour demand and enhance **framework conditions** on the labour market through improved employment policy.

For that, the Action will work to ensure that all the stakeholders stay engaged and committed and that Government takes ownership of the initiative and will work simultaneously on the enabling environment for skills development and employment, and on the preparation of youth to increase their opportunities for decent employment, entrepreneurship and become drivers of innovation.

The **underlying theory of change for this Action** is that:

If the political and economic environment is conducive to inclusive economic growth; **If** training and employment policy measures are reinforced and gender-sensitive; **If** new and existing active labour market instruments are developed and implemented; **If** public-private dialogue and coordination mechanisms are promoted; **If** an inclusive entrepreneurship ecosystem is available; **If** demand-orientation of TVET and employment system are enhanced; **If** training institutions and employment-support services are capacitated; **If** skills of young people are improved (equally for female, male and marginalized groups); **If** alternative financing for training and apprenticeship opportunities for marginalized youth is available; **If** entrepreneurs are willing and able to invest in the expansion of the business; **If** there is general labour demand from private sector and willingness to employ skilled youth (female, male and marginalized youth), **then**, the employment opportunities for Mozambican youth, particularly for female and marginalized youth, will be enhanced in specific economic sectors, with a focus on green, blue and digital transition.

The Action will not only target quantitative employment effects at the outcome level, but also qualitative objectives: young women will be particularly targeted by implementing all activities in a gender-sensitive and, in some cases, gender-transformative way, to contribute to the economic empowerment of women; and young people with disabilities will be also particularly targeted as the Action will include specific support to the this target-group, including adaptation of TVET facilities, specific training equipment and resources, training of trainers and specific measures to improve their employability.

Structural measures, such as the anchoring of successfully piloted qualification measures in the TVET system, are included to guarantee that effects will not be limited to the direct beneficiaries of the action, but that changes will persist in the long run and will be brought to scale. This way, improved employment opportunities for the Mozambican youth in selected economic sectors, as targeted in this action, will contribute to the Mozambican youth being able to reach their full potential to lead the socio-economic transformation of the country.