

WEDNESDAY, 20 SEPTEMBER, 2017

MINISTERIAL STATEMENT

BY THE HON. MINISTER OF YOUTH, SPORT AND CHILD DEVELOPMENT, MR

MAWERE,

ON YOUTH STREET VENDORS EMPOWERMENT SCHEME

Mr Speaker, I thank you for granting me this opportunity to give a ministerial statement, and through you, Sir, to inform the public on one of the youth empowerment programmes that my ministry is implementing. This programme is the Youth Street Vendors Empowerment Scheme.

Sir, you will recall that on 12th August, 2015, His Excellency Mr Edgar Chagwa, President of the Republic of Zambia launched the first ever action plan for youth empowerment. The action plan is anchored on addressing youth unemployment and under-employment in the short, medium and long term using a multi-sectoral approach.

This is also in line with our Vision 2030 and our Seventh National Development Plan which advocates for accelerated development without leaving anyone behind. This scheme in particular, responds to three pillars of the Seventh National Development Plan which are namely:

Pillar 1 – Economic Diversification and Job Creation;

Pillar 2 – Poverty and Vulnerability Reduction; and

Pillar 3 – Reducing Developmental Inequalities.

Mr Speaker, following the launch of the action plan for youth empowerment and under-employment, my ministry in consultation with the stakeholders, identified ‘quick-win’ projects with high impact of creating employment for the youth. Among the ‘quick-win’ projects identified was the Youth Street Vendors Empowerment Scheme. This empowerment scheme was officially launched in June 2016, by Her Honour Mrs Inonge Mutukwa Wina, Vice-President of the Republic of Zambia.

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Sir, the Youth Street Vendors Empowerment Scheme is aimed at increasing access to affordable finance to youth street vendors in order to make their businesses sustainable and profitable for their improved livelihoods. This is to empower and enable the youths to grow their businesses to higher levels that will make them leave the streets to trade in more organised models of trading such as transacting in shops. The principle, therefore, is that once a youth gets a loan, liquidates it, that youth is eligible to get the same or a higher amount.

Mr Speaker, the implementation of the Youth Street Vendors Empowerment Scheme is guided by a Memorandum of Understanding (MOU) signed among three stakeholders namely; the Ministry of Youth, Sport and Child Development; Zambia Postal Services Corporation and the United Street Vendors Foundation Cooperative Society Limited. Under the MOU, Sir, my ministry is responsible for resource mobilisation and overall coordination of the scheme while Zampost is responsible for loan management. The United Street Vendors Foundation Cooperative is responsible for mobilisation of the street vendors who are the beneficiaries, monitoring and ensuring that the loans are paid back.

Mr Speaker, for one to qualify to access the Youth Street Vendors Empowerment Scheme, they must meet the following criteria:

- (a) they must be a youth aged between 18 and 35 years;
- (b) they must be engaged in an operational business;
- (c) they must be a member of the United Street Vendors Foundation Cooperative;
- (d) the application must be supported with a recommendation from a person with good standing in society such as civic leaders, religious leaders and traditional leaders. This also includes District Commissioners, Council Chairpersons, Town Clerks or Mayors;

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- (e) the youth should undergo orientation in basic entrepreneurship, financial literacy, marketing and customer service conducted by Future Search and Zampost.

Sir, the scheme was piloted in 2016 in Lusaka, Central and Copperbelt Provinces. K5 million was disbursed to 2,225 youth. The pilot has been progressing well with positive loan recoveries recorded so far.

Mr Speaker, given the positive feedback we are receiving, the ministry has mobilised an additional K4 million to introduce the empowerment scheme to other provinces. For the Copperbelt Province, we shall also reach out to the youth street vendors in Chingola and Chililabombwe Districts. These are two districts with relatively high numbers of youth engaged in street vending that were not touched in the previous disbursement.

Sir, we are using population distribution as a determining variable in distributing the K4 million to the other provinces. Therefore, provinces with higher population figures will get higher amounts. The maximum loan amount will be K1,500. Therefore, we expect the K4 million available to empower 2,667 youth street vendors.

Mr Speaker, the distribution of the K4 million by province is as follows:

<i>Province</i>	<i>Youth Population</i>	<i>Amount</i>	<i>Estimated No. of Beneficiaries</i>
Copperbelt (Chingola and Chililabombwe)	75,000	115,000	77
Eastern	527,579	805,000	537
Luapula	320,149	490,000	327

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Muchinga	231,448	350,000	233
Northern	355,868	540,000	360
North-Western	262,107	400,000	267
Southern	556,276	850,000	566
Western	297,401	450,000	300
<i>Total</i>	2,625,828	4,000,000	2,667

Mr Speaker, the loan is expected to be paid back in four months with an interest rate of 14 per cent per annum, which translates into payment of K1,544. The beneficiaries will be expected to pay monthly deposits of K386 per month. At the end of the loan period they would have paid K1,500 plus K44 as interest.

Sir, I will soon be launching the rollout of the Youth Street Vendors Empowerment Scheme to all provinces in an event that will take place in Ndola. At this event, we shall also advance more money to the youth that have fully liquidated the loans from the pilot phase. I make an earnest appeal to hon. Members of Parliament to encourage the youth who have benefitted from the empowerment schemes to pay back the loans because it is upon the repayment of loans that they can get more money to grow their businesses and also provide an opportunity for other young people to access the funds.

Mr Speaker, I reiterate my appeal to hon. Members of this august House to take a keen interest in the empowerment scheme. It is unfortunate that some youth were at times misinformed that they should not pay back the empowerment scheme loans because it was from the Government. This is a very good programme which should not be hindered by youth not paying back these loans because this will enable the youth to grow economically and contribute towards the development of this great nation.

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I thank you, Sir.