

What is the Youth Development Fund?

It is a revolving micro loan facility which was established in 2006 by the government of Zimbabwe with the aim of supporting youth entrepreneur development. The YDF was fused with the Employment Creation Fund (ECF) that was established in the late 90s. The YDF provides loans at a concessionary rate of 10% per annum for tenure of up to 36 months depending on the nature of the project applied for.

Who can benefit from Youth Development Fund?

Youths who are defined as persons between 18 and 35 years of age, (National Youth Policy, 2012; 11) are eligible to apply for the funds. This is in line with the age of legal majority act enshrined in the Zimbabwean constitution.

Who administers the YDF?

The facility is co-administered by the Ministry and financial institutions such as CBZ, CABS, IDBZ and STANBIC bank.

CBZ Bank Limited Youth Empowerment Facility (CYEF)

The CYEF is a facility setup in partnership with the CBZ on the principle of Public Private Partnership. Government, through the Youth Development Fund has made a loan Guarantee Investment with the bank and the bank in turn mobilizes resources for security –free on –lending to the youth but guaranteed by the investment.

CABS Facility

The facility is administered by the trust comprising of the Old Mutual Zimbabwe Limited, CABS, Ministry of Youth, Indigenisation and Empowerment and Zimbabwe Youth Council (ZYC).

Infrastructural Development Bank of Zimbabwe (IDBZ)

The bank disburses funds from Treasury to the Youth hence its growth is dependent on the size and level of resource received from Treasury.

Stanbic Wealth Creation Fund

This facility loan sizes ranges from USD 1000 to a maximum of USD5000.

What are the challenges in implementing Youth Development Fund?

- Shortage of training for youths in business management; the few courses offered have limited outreach.
- Fund beneficiaries lack the management skills necessary to run successful business projects.
- There is no clear monitoring and evaluation mechanism in place.
- Youths in remote areas have not been able to access the YDF as compared to youth in urban areas.

How sustainable is Youth Development Fund in improving the livelihoods of youth in Zimbabwe?

Youth Development Fund is not sustainable in its current status .It scores lowly on its revolving capacity due to high default rates.

Are there adequate policy and legislative frameworks guiding the Youth Development Fund?

There are adequate policies and laws in Zimbabwe supporting youth livelihoods diversity. However, there are serious implementations deficiencies such as the alarming high rate of information deficiency among the youth on policy and legislative instruments meant for their empowerment.

TIZ is a research based organisation, its broad mandate is to fight corruption and related vices through networks of integrity in line with the Global Strategy. TIZ believes corruption can only be sufficiently tackled by all citizens including people at grass root level. TIZ does this through lobbying for anti-corruption policies and legislation, providing free legal aid services to victims and witnesses of corruption-related cases and advocacy.

For more information and Legal Advice



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