

A MILLION YOUTH  
**neo**  
A MILLION OPPORTUNITIES



## 2018 Report on the NEO Initiative

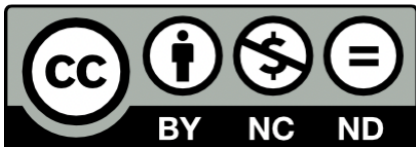


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## NEO turns a problem into an opportunity

**380,000.** That is the number of young people's lives transformed by opportunities afforded by the New Employment Opportunities (NEO) Initiative. In a region plagued by precarious rates of youth unemployment, NEO has succeeded in closing the skills gap of vulnerable youth and the demand for qualified personnel by companies in Latin America and the Caribbean.

Led by the Inter-American Development Bank, through its Multilateral Investment Fund (MIF, now IDB Lab) and its Labor Markets Division (LMK), the International Youth Foundation (IYF) and partners: Arcos Dorados, Caterpillar Foundation, CEMEX, Fondation Forge, Microsoft, SESI, and Walmart, NEO is launched in 2012 as a pioneering initiative in Latin America and the Caribbean, in which regional actors partner to tackle the old problem of youth employability through an innovative equation of pooling resources, knowledge and skills in order to ensure youth self-fulfillment through dignified employment.

With the investment of over US\$137 million by NEO partners and the support of Australian Aid, Catholic Release Services, Pepsi Foundation and USAID, NEO has made great strides in closing the gap between youth skills and the needs of employers in the Latin America and Caribbean region over the past 6 years.

### Why focus on youth unemployment?

**40%** of the working age population in Latin America and the Caribbean is between 15 - 29 years old, approximately 163 million youth in total.

**66%** of the youth lives in poverty, often in precarious and vulnerable conditions.

**20%** of them do not work or study, and their unemployment rate could be 3 times as high as the rate for the adult population.

**50%** of the youth that does work, does so informally, as candidates do not have the required technical skills for the formal sector or lack life skills such as responsibility and teamwork.

**41%** of the companies in the region are struggling to find qualified workers, especially for technical and trade jobs.

NEO is born out of the need to forge a coordinated and thriving relationship between a multitude of stakeholders in the private, political, educational and civil society sectors in order to meet the unemployment challenges faced by the youth population in the region. The alliance model fostered by NEO is a rather novel concept, one in which collaboration is a means to solving social problems. NEO's vision of "A million youth, a million opportunities" addresses the issue of youth unemployment in the region by implementing an innovative formula at the global level. **Thanks to NEO alliances and associated projects:**



Over 4 of 10 NEO youth participating in skills training services continue their studies within 6 to 9 months after the initiative.



5 out of 10 youth equipped by the NEO Initiative for the world of work are women.



Over 6 out 10 participants are employed within 6 to 9 months after initiative.



7 out of 10 NEO youth report earning an income equal to or higher than the minimum wage.



5 out of 10 NEO youth reported being working in a formal job receiving social security, vacation and retirement benefits.

## *NEO is improving lives and generating transformational changes in young people*

NEO alliances are strengthened by the collective relationships of 140 partners in the public, private, and civil society sectors. Working in alliances streamlines processes, frees resources, generates innovation and improves the ability to respond to new challenges.

Thanks to the coordinated work of its members, NEO alliances test, document and systematize innovations, cultivating a culture of trust and commitment between the public and private sectors that have translated into sustainable solutions, not only influencing but likewise improving public policy locally and regionally.



In addition to international events, workshops, webinars, testimonial videos, blogs, articles, and social media, NEO has produced and disseminated lesson learned from its knowledge products compiled in:

- 7 methodological guides that serve as general knowledge of good practices on vocational guidance, labor intermediation, quality standards, life skills, labor market analysis, public-private alliance formation, among other topics.
- 6 thematic studies comparing experiences of 4-5 NEO countries and their solutions on issues such as labor intermediation.
- Impact evaluation of the Return on Investment (ROI) of companies in the training of NEO youth.
- Over 20 studies and guides developed by the various NEO alliances.
- 13 innovative solutions to attack the issue of youth employability.

Through its innovative and scalable approach, the NEO experience demonstrates its model is cost-effective for companies, investors, and governments alike, creating a sustainable pipeline of highly-trained talent in the region.

**For more information on the NEO Initiative, please visit our 2018 report: (available in English, Spanish and Portuguese).**

**<https://bidlab.org/sites/default/files/neo-report/>**



With the support of:



[www.jovenesNEO.org](http://www.jovenesNEO.org)