

## LEARNING BRIEF

### Delivering effective non-formal vocational skills development for vulnerable youth in Tanzania



#### INTRODUCTION

Non-formal vocational skills development (VSD) is a key pathway for improving employment and income opportunities for out-of-school youth with limited education in Tanzania. This learning brief draws on **two impact evaluations** of the Skills for Employment Tanzania (SET) project to highlight **what works and what does not**, and how training providers can improve outcomes.

#### KEY TAKEAWAY

Non-formal VSD is most effective when training focuses on **low start-up, market-relevant activities and includes multiple skills**, allowing youth to start small and diversify income sources. Strong results are achieved when training combines **quick-win products, access to finance, practical hands-on learning, and sustained business development support**, enabling youth to translate skills into real income.

#### CONTEXT:

Evaluated training participants completed SET training between 2022 and 2024 and were mainly:

- Aged 15 and 24 (86%), a few up to 34
- Out-of-school with low education levels (98%)
- Living from less than 2 USD per day (99%)
- Female youth (79%), a lot of them with at least one child (55%).

They joined 3 to 9 months long trainings in areas like:

- Agriculture and livestock production (horticulture, poultry, fish, maize, pig, goat, mushroom, agroforestry, beekeeping)
- Food processing (yogurt, baking, cooking, spice production, potato processing)
- Rural services (tailoring, saloon and beauty services, trip irrigation)

Training typically combined technical and life skills, including entrepreneurship and financial literacy, and entailed provision of start-up kits and business development support, like facilitation of saving groups, formalization of businesses and access to local market.

#### ABOUT SKILLS FOR EMPLOYMENT TANZANIA (SET) PHASE II, JUNE 2022 TO JULY 2026

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**Implementer:** Swisscontact

#### OVERALL GOAL

SET Phase II aimed to enable vulnerable youth aged 15-24, particularly young women and single mothers, to gain access to employment and higher income through a contribution to improved relevance, quality, and access of vocational skills development.

#### COUNTRY, REGIONS

Tanzania, Morogoro & Iringa regions

#### OVERALL IMPACT OF YOUTH TRAINING

- **10 915 youth attended training** (74% female, 38% young mothers) during SET Phase II (target: 10 000, 60% female, 10% young mothers).
- **81% completed training** (83% female, 85% young mothers) (target: 80%).
- **Unemployment dropped significantly** from 82% to 28% among participants in the 2022–2024 cohorts (target: 70%), while most graduates moved into self-employment (93%) as wage employment remains very limited.
- **Average monthly income increased** from TZS 12 600 to 84 600 among graduates in the 2022–2024 cohorts. Amongst those (self-)employed after the training average monthly income reached TZS 119 100, clearly lifting youth above the 2017/18 Tanzanian basic needs poverty line of TZS 50 000.
- **Perception on economic-related decision-making influence** improved for 73% of graduates.

## WHAT DRIVES BEST RESULTS?

Based on evidence from two SET impact evaluations, the following key lessons learnt for delivering non-formal vocational skills development programmes emerged:

### 1. Type of training matters.

Training in food processing, rural services, horticulture and agroforestry showed better employment outcomes. These trainings contained at least one of the following elements:

- **Low start-up and low input-cost** economic activities were more likely to generate income than capital-intensive activities.
- **Quick-return products** courses with short production cycles enabled youth to generate income quickly and reinvest profits into expanding their businesses.
- Courses that teach **multiple skill sets** in parallel perform better than single-trade courses as they increase resilience, diversify income opportunities, and balance short- and longer-term economic activities (e.g. combining soap making with horticulture production)

### 2. Access to finance is critical.

Youth participating in **saving groups** (e.g. Village Savings and Loan Association) are significantly more likely to start businesses. Training should:

- Integrate saving and lending mechanisms
- Link youth to government loans and financial services
- Provide timely and appropriate start-up input where needed

### 3. Practical, work-based training drives skill use.

- “Learning by doing” increases confidence and readiness to start a business.
- Hands-on training enables youth to apply skills immediately after training.
- In contrast: Lack of materials (e.g. sewing machines, inputs) limits practice and reduces training outcomes.

### 4. Complementing technical training with life skill is essential.

In addition to technical skills, the following competencies are essential for vocational skills programmes:

- Marketing, market research, product pricing
- Business planning and record keeping
- Customer care and negotiation skills
- Financial literacy (including budgeting and profit calculation)

- Confidence and self-awareness building (especially for women)

### 5. Business development support during and after training determines success.

Youth need to be prepared for self-employment from the beginning of the training by facilitating:

- Business formalization and compliance
- Linkages to customers, suppliers, local markets, and other existing structures
- Engagement with other entrepreneurs, peers, and public support services for technical backstopping and business mentoring
- Access to infrastructure, equipment, land, water, electricity, and technology

### 6. Training must link youth to functioning value chains.

Trainings must be informed by local market conditions as training outcomes depend on local market demand and supply, including:

- Availability and costs of inputs, stability of input prices
- Access to buyers and markets (e.g. risk of market saturation if many graduates join)

### 7. Group businesses require strong facilitation and governance.

Group-based business models showed mixed results.

- Benefits are shared investment and reduced risk, and joint production and marketing.
- Challenges are, among others, unequal participation and commitment of members, leadership conflicts, and unfair profit sharing.


When promoting group businesses, training should therefore include modules on teamwork, leadership skills, and conflict resolution and set clear group rules.

### 8. Ensure inclusion by addressing structural barriers to participation.

Structural and social constraints influence the ability of youth to participate and succeed in training.

- Family and care responsibilities: Provide childcare support and address family barriers.
- Distance and mobility: Ensure accessible and safe training locations and markets.
- Limited education: adapt course content to education level
- Climate change considerations: integrate climate change resilience into skills training

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Authored by

  
swisscontact