



Unlocking Pathways To Opportunity For Young People









Message from the Deputy Minister in the Presidency

As we begin the 2025/26 financial year, the Presidential Youth Employment Intervention (PYEI) continues to expand opportunities for young people across the country, demonstrating the impact of a coordinated, demand-led approach to addressing youth unemployment. By the end of Q1, the National Pathway Management Network (NPMN) had registered over 5.64 million young people, with more than 1.91 million earning opportunities secured since inception. With this significant progress, the PYEI has now exceeded its target of reaching 5 million young people through the NPMN and providing 1.5 million earning opportunities.

In this quarter alone, over **234,000** opportunities were accessed by young people through the NPMN, reflecting the collective efforts of government, private sector, and civil society partners to link young people to meaningful pathways into the labour market. A major highlight of the quarter was the launch of Phase 4 of the Revitalised National Youth Service (NYS), which will provide 40,000 paid service opportunities to young people across the country. The NYS, implemented by the National Youth Development Agency (NYDA) under the Department of Women, Youth and Persons with Disabilities, promotes active citizenship by engaging young people in structured service opportunities that contribute to their communities while building their skills, work readiness, and sense of agency. Since its revitalisation, the NYS has placed more than **84,000** young people in paid service roles, contributing both to community development and individual growth.

The Jobs Boost Outcomes Fund, South Africa's largest formal sector employment outcomes fund, continues to show strong progress in its pilot phase. By the end of June 2025, over **8,100** young people had been enrolled and **5,436** placed into quality jobs, with more than R115 million disbursed to 12 implementation partners for verified outcomes. The programme is already exceeding expectations in job retention rates, with thousands of young people sustaining employment beyond three and six months. A notable milestone this quarter was Jobs Boost's selection as one of ten global recipients of the Outcomes Finance Alliance's Outcomes Accelerator.

Chosen from over 500 applications, this prestigious award recognises Jobs Boost as a pioneering example of outcomes-based financing, demonstrating how publicprivate collaboration can drive measurable impact in youth employment. The grant provides funding and technical support to scale the initiative beyond its pilot phase—enabling the programme to reach thousands more excluded young people and deepen its work in linking funding directly to quality, sustained jobs. As we scale Jobs Boost, this support will help us reach thousands more excluded young people with lifechanging employment opportunities. Looking ahead, the PYEI remains committed to unlocking opportunities in priority growth sectors, strengthening the systems that connect young people to work, and scaling innovative interventions that deliver measurable, lasting impact.

We will continue sharing our progress through these quarterly reports. As always, detailed data and insights are available on the PYEI dashboard at www.stateofthenation.gov.za/presidential-youthemployment-intervention/tracking-progressand-facilitate-learning.

With warm regards.

Ms Nonceba Mhlauli

Deputy Minister in the Presidency



The President launched the Presidential Youth Employment Intervention (PYEI) in 2020 as a comprehensive approach to address the country's youth unemployment challenge. The PYEI is a multi-stakeholder partnership that accelerates efforts to transition young people from learning to earning.



The Presidency's Project Management Office (PMO) coordinates and provides strategic direction while key national departments and entities lead the implementation together with a diverse set of partners.

In the PYEI, partners are working to achieve three core objectives:

- Drive systems change to address the barriers that young people face in establishing themselves in the labour market
- Aggregate existing opportunities and create new opportunities for young people
- Link young people to opportunities and available support in a single national network

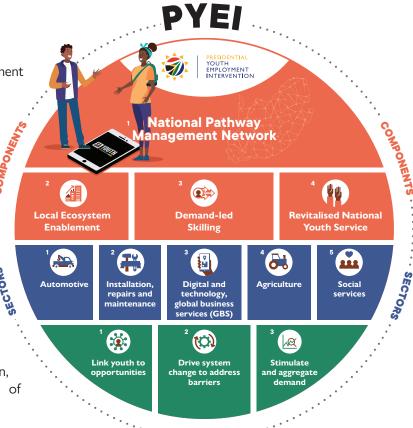
Central to the PYEI's efforts is the establishment of a National Pathway Management Network. The NPMN allows young people to find and seize opportunities that unlock earning pathways.

Other PYEI components include:

- Demand-led skills development
- Enabling local ecosystems to facilitate self-employment and enterprise opportunities
- The revitalisation of the National Youth Service (NYS)

The desired impact is to contribute to a South Africa where young people are actively participating in the economy with greater dignity and a sense of agency over their contribution to society.

The PYEI closely integrates with other interventions coordinated by the Presidency to drive structural reforms and enable job creation, such as Operation Vulindlela and the Presidential Employment Stimulus (PES). PES provides funding for several PYEI components and directly delivers public employment opportunities for youth. In turn, the PYEI's NPMN supports the implementation of PES programmes.



PURPOSE

What has been achieved since inception?

As we enter the first quarter of the 2025/2026 financial year, we celebrate the great strides made in unlocking earning opportunities for young people in South Africa.

The PYEI has three overarching targets that capture how the intervention seeks to support young people on their journey to sustainable earning. To date, the PYEI has exceeded two of its three overarching targets, with evaluations underway to assess progress made toward the third target.

TARGET (2020 – 2025)

At least 5 million young people are engaged in the National Pathway Management Network and access services to help them grow their employability and pursue opportunities.

Young people supported to access **1.5 million temporary earning opportunities** including work-based placements, work-integrated learning opportunities, and paid service opportunities.

500 000 young people engaged in sustainable earning opportunities through workforce development programmes.

ACTUAL (2020 – to date)

Over 5.64 million young people are registered and accessing opportunities in the National Pathway Management Network.



Young people have been supported to access over **1.91 million temporary earning** opportunities, including workbased placements, work-integrated learning opportunities, and paid-service opportunities.

Work-in-progress. Evaluations and tracing studies have commenced.







Achievements and highlights from Quarter 1

(APR - JUN 2025)

Young people secured 234 220 earning opportunities through the NPMN.

In the first quarter of the new financial year, **200 535 earning opportunities** were secured by young people through the SA Youth platform. A further **33 685 earning and learning opportunities** were secured on ESSA.



Expanding workplace experience opportunities for 8 405 young people.

In the first quarter of the financial year, the Youth Employment Service (YES), a private sector-led initiative, placed **4 762** young people in workplace experience opportunities in various sectors of the economy. In addition, the Department of Higher Education and Training placed **3 643** young TVET learners and graduates into workplace experience opportunities.







Launch of Phase 4 of the Revitalised National Youth Service.

To date, the Revitalised National Youth Service has placed **84 426** young people in paid service opportunities across all three phases. Q1 saw the launch of phase 4 of the Revitalised National Youth Service (NYS), which will provide a further 40 000 paid service opportunities to young people. Recruitment is currently underway and will conclude in Q2.



Supporting young people to build their enterprises.

In the first quarter of the financial year, young people continued to receive direct support for their enterprises. A total of **4 587** financial and non-financial enterprise opportunities were provided by the National Youth Development Agency in Q1.







SPOTLIGHT 1

Jobs Boost Outcomes Fund: Q2 2025 Results

The Jobs Boost Outcomes Fund is an exciting initiative aiming to deliver high-quality jobs for previously excluded youth, by incentivising skills providers to deliver appropriate skills development and support job readiness programmes and interventions.



The Jobs Boost Outcomes Fund is a **R300 million** innovative funding mechanism designed to tackle youth unemployment in South Africa. The fund uses a pay-for-performance model to partner with skills providers to equip previously excluded young people to access high-quality jobs. Traditional approaches to job creation tend to focus on inputs and activities, such as training, workshops, or events. This has resulted in large numbers of young people undergoing skills development, but not finding meaningful work, largely because the training is often misaligned with the needs of employers.

Through the pay-for-performance model of funding, Jobs Boost ensures funding for youth unemployment interventions shift from paying for activities and inputs to paying for pre-defined outcomes. The first quarter of 2025 has seen strong momentum from the Jobs Boost Outcomes Fund, which continues to pioneer this innovative, outcomes-based approach to tackling youth unemployment.

By the end of June 2025:

Over **8,100** young people had been enrolled, reaching 94% of the programme target

More than **5,400** young people had been placed into jobs

Over **R115 million** had been disbursed to implementation partners for verified outcomes

We are encouraged by the significant progress made by Jobs Boost. Having reached 94% of the targeted enrollments and 78% of the targeted job placements, the progress made to date indicates that the fund remains firmly on track to exceed the initial targets.

In recognition of the innovative nature of this ground-breaking initiative, Jobs Boost was recently selected as one of ten global recipients of the Outcomes Finance Alliance's Outcomes Accelerator grant. This recognition validates South Africa's pioneering role in outcomes-based financing and will support the scale-up of Jobs Boost beyond its pilot phase. The grant provides targeted funding and technical assistance to expand the programme's reach, strengthen delivery models, and deepen its impact.

As the pilot progresses, we will continue to share key lessons learned around data systems, risk management, and demand alignment.

Click <u>here</u> to read the full Q2 2025 Jobs Boost Outcomes Fund Report.















Phase 4 of the Revitalised National Youth Service (NYS) officially launched this quarter and will provide access to 40,000 paid service opportunities for young people across South Africa. Recruitment is currently underway and will conclude in Q2 of this financial year. As a core component of the PYEI, the NYS aims to promote active citizenship, providing structured service opportunities that contribute meaningfully to communities while supporting young people to build skills, work readiness, and a sense of agency. The NYS is implemented by the National Youth Development Agency (NYDA) under the Department of Women, Youth and Persons with Disabilities (DWYPD), working through a network of ten community-based non-governmental organisations (NGOs). These implementing partners provide diverse service opportunities aligned with the NYS's developmental objectives. To date, the NYS has placed over 84,000 young people in paid community service opportunities, with many transitioning into longer-term employment or enterprise opportunities.

Each implementing partner is contracted to deliver targeted community-based services while offering participants personal and professional development support, mentoring, and pathway planning. The current implementing partners and their focus areas are:

- Spotlite Education Foundation Community works, food security, learner support, social support
- Seriti Institute Early childhood development (ECD), food security, digital mapping & surveys
- Charisma Music Foundation Sports, arts & culture
- Youth Life Sports, arts & culture, ECD, social support, digital mapping & surveys
- **Kwetso Foundation** Learner support, community works
- Community Chest Western Cape Learner support, community works, social support, solidarity & care
- Cricket South Africa Sports & recreation, learner support
- **Sport for Social Change Network** ECD, learner support, community works, sports & recreation
- South African Association of Youth Clubs Food security, learner support, youth voter education
- Lulwazi Lethu Social support, solidarity & care, food security, community works

Together, these partners offer young people a wide range of structured opportunities that enable them to contribute to social development while building work readiness skills and self-efficacy. With the launch of phase 4, the NYS continues to be a powerful model of how service can be a springboard for opportunity, linking young people to sustainable pathways to earning while strengthening the social fabric of communities across South Africa.



