

FACT SHEET

What is NEO?

NEO (New Employment Opportunities) is a pioneering initiative in which businesses, governments, and civil society in Latin America and the Caribbean have joined forces with a US\$137 million investment in 12 countries to improve the employment opportunities for 500,000 youth, half of them women. This pioneering alliance pools resources, knowledge, and skills to drive effective and sustainable solutions to the problems of youth unemployment and skills gaps. NEO is led by the Inter-American Development Bank, through its Multilateral Investment Fund (MIF) and its Labor Markets Division (LMK), the International Youth Foundation (IYF) and partners: Arcos Dorados, Caterpillar Foundation, CEMEX, Forge Foundation, Microsoft, SESI, and Walmart.

As of the end of 2016, US\$137 million was approved for NEO projects: US\$112.4 million from partners along with support from Australian Aid and the U.S. Agency for International Development (USAID) and US\$24.8 million from the MIF.

Why NEO?

YOUTH UNEMPLOYMENT: In Latin America and the Caribbean, 148 million youth ages 15 to 29 make up 40 percent of the working age population. However, 1 in 5 young people does not study or work and the youth unemployment rate is as much as 3 times higher than it is for adults. Among youth who work, 6 of 10 are doing so informally.

UNMET LABOR DEMAND: At the same time, half the companies in the region are struggling to find qualified workers, especially for technical and trade jobs. Candidates do not have the required technical skills or lack life skills such as responsibility and teamwork.

Objectives for 2012-2017:

- Promote system-level changes aimed at improving youth employment outcomes.
- 500,000 youth ages 16 to 29, half of whom are women, are employment-ready.
- 1,000 companies offer youth internships and formal jobs.
- 200 institutions improve the quality of the employment and training services they provide to vulnerable youth.
- 50 percent of youth who complete training secure a formal job, and another 20 percent enroll in further education or training.

Results to date:

- NEO operates in **12 countries**.
- More than **150,000 youth**, half of whom are women.
- **10 partnerships** among business, government and civil society are collaboratively implementing youth employment projects.
- **More than 1,500 businesses** offer more internships and jobs for youth.
- **126 training and employment institutions** are improving their services, and
- **816 trainers** of youth are learning how to engage students more effectively.
- **61% job placement** rate for participants.

Know two NEO projects:

Alliance NEO Dominican Republic

The NEO Dominican Republic alliance has promoted the creation of 23 Job Placement and Internship Offices (OILPs) in polytechnic high schools throughout 14 provinces to provide students better access to services that facilitate their transition from the classroom to employment, higher education, or both. Each OILP has access to a job portal (<http://www.oilp.com.do>) exclusively designed for youth polytechnic graduates to help with the placement of students in internships and formal employment. Because of the NEO alliance's efforts, these offices also have a Roles and Procedures Manual in accordance with the Ministry of Education's new curriculum. NEO-led workshops have trained office staff on how to provide career guidance, job placement, and life skills training services. Thanks to the polytechnics' efforts, including the OILPs, NEO Dominican Republic has served nearly 26,000 young people since the start of its operations in 2014. This alliance is composed of leaders from the Ministries of Labor and Education, and NGOs such as Fundación Sur Futuro and the Business Initiative for Technical Education (IEET). EDUCA coordinates the alliance, which has received financial support from the MIF, Fundación Popular, and Fundación Grupo Puntacana.

Alliance NEO Mexico

Founded in 2012, the NEO alliance based in Nuevo Leon, Mexico, comprises leaders from companies such as CEMEX, the state government, and local NGOs. As of February 2017, the alliance had benefited 37,349 youth, 117 percent of its overall target. Most youth served by this alliance are enrolled in technical high schools that have increased the type and quality of offerings through their involvement with NEO. The creation of five courses aligned to the needs of leading sectors such as automotive, energy, and IT has enhanced the high school curriculum. An estimated 70 teachers have been trained to deliver these new courses effectively, and an additional 80 teachers learned how to deliver career guidance classes. The NEO Mexico alliance also is working to test strategies to help youth who are disengaged or in precarious jobs to acquire new vocational skills that will make them better qualified for formal employment with prospects for advancement. To date, nearly 4,500 out-of-school youth have received training in life skills and in areas such as office management, commercial driving, and welding. CEMEX, Microsoft, Caterpillar Foundation, FEMSA, the MIF, and others have invested in the important work promoted by this alliance.

For more information about NEO projects and the list of more than 100 institutions and partners supporting NEO, please visit <http://www.youthneo.org>.