

What is NEO?

NEO is a pioneering initiative in which businesses, governments, and civil society in Latin America and the Caribbean have joined forces in 12 countries to improve the employment opportunities for 500,000 youth, half of them women. This 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, Fondation Forge, Microsoft, SESI, and Walmart.

As of May 2018, US\$137 million was invested in NEO projects: US\$112 million from 140 local and international public and private sector partners including Australian Aid, PepsiCo Foundation, and the U.S. Agency for International Development (USAID), and US\$25 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 is neither studying nor working, 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. Often, candidates do not have the required technical skills or lack life skills such as responsibility and teamwork.

Objectives for 2012-2018:

- 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, in accordance with the *NEO Quality Standards Guide*.
- 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 310,000 youth—half of whom are women—prepared for employment.
- 10 alliances among businesses, government and civil society institutions are collaboratively implementing youth employment projects.
- 4,000 businesses are offering more internships and jobs for youth.
- 239 training and employment institutions are improving the quality of their services and more than 1,000 trainers have learned to support youth more effectively.
- 61% of young graduates of NEO training courses are working and 38% are continuing their studies.

NEO is working on the following projects:

- **NEO MEXICO:** Under the leadership of CEMEX and FEMSA, Fundación para Unir y Dar A.C. - COMUNIDAR is coordinating a multi-stakeholder alliance to strengthen upper secondary technical education, offer job training, and create one-stop-shop job centers for vulnerable youth in Nuevo Leon. This project is associated with the RUTAS project, supported by USAID, and coordinated by IYF in Nuevo Leon and Chihuahua.
- **NEO DOMINICAN REPUBLIC:** EDUCA and the country alliance are overseeing a project to improve technical and basic skills training and establish job placement offices for polytechnic and out-of-school students.
- **NEO COLOMBIA:** Coordinated by the Caja de Compensación Familiar (COMFENALCO ANTIOQUIA), the alliance complements a billion-dollar government investment in Urabá, an area long afflicted by conflict and poverty. Youth from the Urabá subregion are being trained in the skills needed to help develop the region.
- **NEO PANAMA:** Coordinated by the Consejo del Sector Privado para la Asistencia Educativa (CoSPA), the alliance focuses on training curricula, career guidance, and information systems for youth entering growing sectors in the country.
- **NEO PARAGUAY:** Fundación Centro de Información y Recursos para el Desarrollo (CIRD) is coordinating the country alliance to update labor market needs, training curricula, and employability systems for high-growth sectors. The project also benefits youth with disabilities.
- **NEO EL SALVADOR:** Fundación para la Educación Integral Salvadoreña (FEDISAL) is coordinating a multi-stakeholder alliance to strengthen job training and job placement institutions to provide comprehensive services for vulnerable youth. In addition, this project will improve these institutions' knowledge of the labor market so they can make better-informed decisions about the relevance of their curricula.
- **NEO PERU:** Centro de Servicios de Capacitación y Desarrollo Laboral (CAPLAB) coordinates an alliance to understand current labor market needs, update training curricula, and adapt job placement and career guidance services for poor and vulnerable young people and youth at risk in Callao and Lima provinces.
- **NEO JAMAICA:** MultiCare Youth Foundation (formerly Youth Upliftment Through Employment) is coordinating a multi-stakeholder alliance to develop a national taskforce to better coordinate and strengthen job placement and training services for youth.
- **NEO CHILE:** Fundación Universidad de Playa Ancha (UPLA) has established a public-private partnership to integrate job performance standards, narrow educational gaps, and match relevant supply and demand in the Valparaiso region.
- **NEO BRAZIL:** Instituto Aliança is coordinating an alliance to strengthen career guidance services and training methodologies in educational institutions located in the state of Pernambuco to prepare poor and vulnerable youth for the reality of a digital and globalized world.

For more information about NEO, please visit www.youthneo.org.