

**THE EFFECTS OF GOVERNMENT LOANS ON YOUTH EMPOWERMENT: A
case study of Youth Livelihood Program, Jinja District**

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DECLARATION

I GOME ELISHA declare that this dissertation is my own original work and that it has not been presented and will not be presented by any other person for any other degree award.


.....

Signature

2/10/2023
.....

Date

APPROVAL

This research entitled "The Effects of Government Loans on Youth Empowerment, A case Study of Youth Livelihood Program, Jinja District" has been supervised and approved by me and is therefore ready for submission to Uganda Christian University, School of Social Sciences.



2/10/2023

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ABSTRACT

This research was conducted on a topic entitled “The Effects of Government Loans on Youth Empowerment, A case study of Youth Livelihood Program, Jinja District”. It was carried out an assessment on the government loans if they helped to empower the youth. For example, like acquiring the knowledge and skills from the different projects that were operating such as poultry keeping, brick laying, piggy rearing, hair dressing, carpentry and many others.

These were some of the research findings when I went to collect data from the area of the study which was Jinja District. The study involved three (3) of its objectives that is; to establish the effect of training and sensitization on promotion of youth empowerment in Jinja District, to establish the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District, to establish the challenges facing youth entrepreneurs while accessing government loans in Jinja District and the details were presented in the descriptive statistics shown by the frequency and percentage and the level of agreement represented in the tables.

The majority of the respondents were in the age bracket of between 18-25 years and 26-34 years. 60 years and above represented the least of the respondents. The age group represented by 25.0%, 43.8% and 2.5% respectively. It can therefore be concluded that the majority of the respondents were in the most productive age brackets of their life, with young brains ready to run livelihood programs that can change their standards of living and are reasonably able to learn new skills and knowledge for a better living.

The research findings also revealed that 62.5% of the respondents were males and 37.5% were female. This indicated that there is no balance of both women and men who get involved in the youth livelihood programs of Jinja district since even the youth leaders, focal point persons and DCDO were all men. However, since men continue to dominate as seen by the high number of men engaged in youth livelihood programs compared to women, this calls for further sensitization of women youths to encourage them join youth livelihood programs so as to change their standards of living. The findings represent the views of the two sex groups about the “effects of government loans on youth empowerment with a case study of youth livelihood programs in Jinja district.” This was necessary for the study to get a balanced picture of the respondents’ views

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CHAPTER ONE

INTRODUCTION

1.0. Introduction

This chapter contains the back ground of the study, statement of the problem, purpose and objectives, scope of the study, justification and definition of key terms.

1.1. Background of the study

The high level of unemployment among the youth is a concern worldwide as it is a recipe for organized crime, lawlessness, political instability and social conflicts. It is estimated that 67% of the young aged in some form of employment by the age of 18years. This large number of the youth that enter labor market in an early age is associated with the high school dropouts' rates. There are strong linkages between unemployment, underemployment, short of descent jobs and poverty. Eradication of poverty requires sustained macro-economic stability coupled with an enabling environment for investments that contributes to productive employment creation. Therefore, high levels of poverty and unemployment levels among the youth have persisted over time and are increasingly leading to a feeling of marginalization and exclusion among the youth. Most youth subsist on the margins of economy or have jobs that do not provide them with adequate means to ensure survival. This situation is aggravated by the huge imbalance between the supply and demand for labour, hence heightening the sense of risks. There is increasing evidence of distress migration from the rural to urban among the youth.

Just like Uganda, the youth in Kenya are 35.4% of the Kenya's population according to world bank 2014 and it is estimated that 64% of the unemployed Kenyans are the youths. This is why the government of the Republic of Kenya also came up with this program of Kenya Youth Agribusiness Strategy 2018-2022 as an intervention to engage the youth as of the economic pillar of Kenya's vision 2030. The aim of this strategy was to address the challenges such as the high youth population growth, lack of appropriate skills, resource constraints, that are being faced by the youths through creating for them opportunities in Agriculture and poverty reduction. This will ensure optimal utilization of their potential in contributing to the sector goals of achieving food and nutrition security, income generation, employment and wealth creation in the country.

In Kenya, youth unemployment is higher than the overall national unemployment rate. While the latter is around 10% it goes as high as 35% for youth, depending on the age group. According to the United Nations Development Program (UNDP) study, 80% of the currently 2.3 million unemployed are young people aged between 15 - 34 years (World Bank, 2014).

Youth unemployment is primarily a challenge of economic growth and job creation in Kenya. The Kenyan economy is not creating sufficient jobs to cater for the increasing number of young labour market entrants. In 2011, a total of 520,000 new jobs were created in Kenya, out of which 74,000 (14.3%) were formal sector jobs. Considering the number of new labour market entrants, about 300,000 young people are left out every year. The youth unemployment challenge therefore requires bold and coordinated efforts to stimulate economic transformation and business sector development (World Bank, 2014).

Agriculture remains the backbone of Kenya's economy, directly contributing 30% of the annual Gross Domestic Product (GDP) and another 27% indirect contribution (Economic Survey, 2016). The sector is therefore critical in creating employment and uplifting the living standards of the Kenyan people. It's against this background that Agriculture has been identified as one of the key sectors to deliver the 10 per cent annual economic growth rate envisaged in the economic pillar of the Kenya Vision 2030. This growth will be achieved through transforming small-scale agriculture from subsistence to innovative, commercially oriented and modern agriculture. Considering high rate of youth unemployment and underemployment, the agricultural sector offers multiple livelihood and employment opportunities.

The Ministry has developed the Kenya Youth Agribusiness Strategy to address challenges that hinder youth from participating effectively in the sector. The Strategy is aimed at providing new opportunities for youth in agriculture and its value chains. The impact of youth engagement in agriculture will be evident in sustainable economic growth and in the reduction of poverty and malnutrition. The agriculture sector presents a huge opportunity for the creation of employment to absorb the youth and ensure achievement of food security for future generations. However, the sector is yet to fully exploit the potential of the youth and it remains largely unattractive. The situation is exacerbated by perception of agriculture as a career of last resort, one of drudgery and low monetary benefits. Information on access to markets, factors of production including land and financing remain extremely limited hindering adequate engagement of the youth in agriculture.

Majority of those engaged in agricultural activities are aged between 50 and 65 years and still predominantly practice traditional and subsistence farming. The decreasing number of youths involved in farming as an occupation / business is a national signal of distress in the agricultural sector. This is already negatively impacting on the economy. The low interest in agriculture among the youth could partly be attributed to the public sector systems that have concentrated more on production with limited value addition, processing and marketing. These are the concerns that informed the development of this strategy.

This Strategy provides an overview of objectives and strategies to be pursued during the five-year period (2018-2022). The preparation of the Strategy was guided by the Constitution of Kenya (CoK 2010), Vision 2030, National Agriculture Policy, National Youth Policy, Agriculture Sector Development Strategy (ASDS) 2010- 2020, The MoALF Strategic Plan (2013-2017), County Integrated Development Plans (CIDPs), Medium Term Plans (MTP) II, Jubilee Manifesto (2013-2017) and Regional and International Policy Interventions such as Sustainable Development Goals (SDGs) and Comprehensive Africa Agriculture Development Program (CAADP). The plan captures national challenges that are facing the youth in the sector and the available opportunities for agri-preneurship.

Therefore, Agriculture still remains the backbone of Kenya's economy, directly contributing 30% of the annual GDP and another 27% indirectly (Economic Survey, 2016). The Agriculture Sector Development Strategy (2010-2020) recognises the potential of the youth in developing agriculture and has a special focus on the youth. Towards this end, the ministry has carried out various initiatives to address youth involvement in agriculture including; youth mobilization in all counties to form farming groups, technical support and provision of start-up farming equipment, promotion of 4-K and Young farmers clubs. However, over the years very few of these young people see a future for themselves in agricultural sector leading to withdrawal from the sector despite its ample potential to provide livelihood, income-generating and wealth creation opportunities.

According to the constitution of the Republic of Uganda (1995), a youth is a person between the ages of 18 and 30 years. The population of the youth in Uganda is estimated at 6.5 million, representing 21.3% of the total population of the country. With an annual average population growth rate of 3.2% (1.3 million people), the youth population in Uganda is projected to hit 7.7% by 7.7 million people by 2015. Uganda vision 2040 recognizes that Uganda has a labour force that largely or unemployed due to inappropriate skills and slow

labour absorptive capacity of the economy, as a result, a large number of unemployed youths are becoming a social and economic threat. The National Development Plan (2010/11 to 2014/15, identifies promotion of non-formal skills and promotion of startups and youth entrepreneurship as part of government strategies to address the challenge of labour and employment in the country.

In Uganda, the Youth Employment Report (UBOS September 2012), indicates that total labour force in the country is composed of 4.4 million youth. About 32% of the estimated 6.5 million youth in the country are jobless, about 2 million of which are literate and 2 million are under-employed. 50% of the economically active youth are not engaged in income generating employment (MFPED 2011). Youth self-employment is by far the most important form of youth work. The survey reveals that 60% of employed young people are self-employed, while 70% of the employed youth in urban areas are engaged in service sector. Informal employment accounts for the highest proportion of the employed youth outside agriculture. Some of the existing job opportunities, particularly in subsistence and the informal sector, require semi-skilled labour, which are of low economic value and pay. Youth Livelihood Program is one of the programs put in place by the government of Uganda in December 2013 with the major aim of providing strategic and sustainable interventions for the youth to enable them effectively participate in the National development and improve their quality of life. The Program focuses on 3 components, namely; Skills Development, Livelihood Support, and Institutional Support. The YLP will prioritize entrepreneurship and business management skills, personal finance management, life skills, and mindset change as integral parts of the Livelihood Support and Skills Support components.

The Youth Livelihood Program (YLP) is a Rolling Government of Uganda Program targeting the poor and unemployed youth in all the districts in the country. Program financing and resource allocation criteria in three program components which include, Skills Development Fund 20%, Livelihood Support Fund 70% and Institutional Support Fund 10%. Skill development include brick laying, carpentry, hair dressing, electrical repairs, fashion and design and others, Livelihood Support such as diary production, piggery, high value crops, poultry keeping and others. The YLP is informed and promised on a number of relevant National and International Legal and policy frameworks. For example, according to article 32 of the constitution of the Republic of Uganda states that the state shall take affirmative action in favour of groups marginalized on the basis of age and any other reason created for purposes of readdressing imbalances which exist against them. YLP is responsive

to Uganda's vision 2040 statement which says that A Transformed Uganda Society from a Peasant to a Modern and Prosperous country within 30 years and the theme of the National Development Plan (2010/11-2014/15), Growth, Employment and Social-Economic Transformation for Prosperity. Therefore, YLP is guided by the National Employment Policy, National Gender Policy, Decentralization Policy, the Uganda National Culture Policy, Basic Education Policy for Disadvantaged Groups, Program for Modernization of Agriculture (PMA), the National Child Labour Policy for persons with Disabilities.

1.3 Statement of the problem

In Uganda, it is on the record that the highest group of people in its population are the youth with the percentage of 21.3%. Many of them do not have what do due to having limited skills life skills like carpentry, inadequate education, school dropouts, early marriages, idleness, unemployment and many others. That is why the government came up with the initiative of providing them with financial support through the loans so that they can be able to operate different projects and be able to sustain themselves for their growth and development.

The government provides loans to enable the youth live a sustainable life through meeting their needs. These loans given to them are used to operate the projects they come up with during group formation. For example, poultry keeping, piggery rearing, farming and others so that they also gain skills they will use to help them for the entire life. This is done through the government programs such as the Youth Livelihood Program (YLP) for the youth, Uganda Women Entrepreneurship Program (UWEP) for the women that were initiated by the Ministry of Gender Labour and Social Development.

However, many of these youth who receive these loans are not able to sustain their lives as per the government goal according to its expectations of empowering the youth in Uganda. Consequently, many of the youth may not be motivated to register for the loans since they have to pay them back. Therefore, this research will fill this gap by finding out why many of the youth who register for these government loans are still not empowered.

1.4 Purpose of the study.

The purpose of the study is to find why many of the youth who register for these government loans are still not empowered.

1.5 Objectives of the study.

1. To establish the effect of training and sensitization on promotion of youth empowerment in Jinja District
2. To establish the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District
3. To establish the challenges facing youth entrepreneurs while accessing government loans in Jinja District

1.6 Research Questions

1. How has the training and sensitization promoted youth empowerment in Jinja District?
2. How has stakeholder mobilization promoted youth empowerment in Jinja district?
3. What are the challenges facing youth entrepreneurs while accessing government loans in Jinja District?

1.8 Justification

The study will be conducted to evaluate government loan activities such as training the beneficiaries who are the youth, providing the loans, sensitization and mobilizing the main stakeholders in the district in case the intended objectives have been achieved in order to improve the livelihood of the people. The study will also make an important contribution in addressing the problem of unemployment amongst the youth in Uganda.

1.9 Significance.

In line with the social work practice, the main role of social workers is to help the people solve their problems through assessments and interventions so as to ensure their well-being in the societies. As a social work, it will help me find out whether this government initiative of giving the youth loans was effective in terms of the benefits and achievements the youth acquired in the projects that they under took to enable them become self-employed and generate their own income in order to improve on their standards of living. This is because it was the main goal of the government loans.

Research is important because it is going to help me to know if these government programs have been able to create change in the youth since they were the target group. For example, to find out the number of youths that benefited from the program, those whose projects failed to make profits for them. It will also be of use to find out other programs that help to empower the youths not only in Uganda but in other countries at the regional level like in Kenya, Tanzania and the world at large. This is because it gives the government light basing on the progress of the initiative to either continue funding such projects such that they lead to the growth and development of many youths hence reducing unemployment and poverty.

The policy intervention of the Youth Livelihood Program which is the government program that was formulated under the Ministry of Gender, Labour and Social Development was initiated to provide for the youth with different skills and knowledge to be acquired from the projects they are operating. The purpose of this research is to also find out if the youth were able to learn the different skills in the projects that they were engaged in. This is important because it helps the government to carry out an evaluation and if it discovers that the youth benefited, it will gain the courage to fund more programs which will help to reduce unemployment and poverty levels hence promoting people's well-being.

CHAPTER TWO:

LITERATURE REVIEW

2.1 Introduction

This chapter highlights reviews literature on the three major objectives of the study government loans on youth empowerment in Jinja District which include; to establish the effect of training and sensitization on promotion of youth empowerment in Jinja District; to establish the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District; and to establish the challenges facing youth entrepreneurs while accessing government loans in Jinja District. It will also provide the gaps in the reviewed literature.

2.3 Effect of Training and sensitization on youth empowerment in Jinja District.

Empowering the youth is a crucial aspect of any developing country as it creates a foundation for sustainable economic growth and development. In recent years, the government has played a significant role in promoting youth empowerment by offering various forms of loans and financial support. However, despite the availability of these loans, many youths still lack knowledge and awareness of how to access and use them effectively.

Also, empowering young people is a critical component of sustainable development in any society. Empowerment involves equipping young people with the necessary skills, knowledge, and resources to enable them to make informed decisions and participate fully in society (United Nations, 2013). Training and sensitization are essential tools for empowering young people. This review aims to explore the effect of training and sensitization on government loans on the promotion of youth empowerment.

Youth empowerment refers to the process of providing young people with the necessary skills, knowledge, and resources to become productive and responsible citizens. In many developing countries, the youth population constitutes a significant percentage of the overall population, and empowering them is essential to achieving sustainable economic growth and development. To this end, many governments have established loan schemes to support the entrepreneurial aspirations of young people. These loan schemes are designed to provide young people with access to affordable capital to start or expand their businesses

However, despite the availability of these loans, many youths remain unaware of their existence and do not have the knowledge and skills necessary to access and use them

effectively. Lack of awareness and knowledge of how to access and use government loans is a significant barrier to youth empowerment, as it prevents young people from taking advantage of the available opportunities to start or expand their businesses.

Training and sensitization programs have been identified as an effective way of promoting youth empowerment by providing young people with the necessary knowledge and skills to access and use government loans effectively. Through these programs, young people can learn about the various loan schemes available, the application process, and the requirements for accessing these loans.

Several studies have been conducted on the effect of training and sensitization on government loans on the promotion of youth empowerment. A study by Ahmed et al. (2017) in Kenya found that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Kenya and found that the program increased the number of young people who accessed and utilized government loans.

Similarly, a study by Agyapong and Anin (2018) in Ghana found that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Ghana and found that the program increased the number of young people who accessed and utilized government loans.

Training and sensitization are critical tools for empowering young people. Training involves equipping young people with the necessary skills and knowledge to enable them to take charge of their lives and make informed decisions. Sensitization involves raising awareness among young people about their rights, responsibilities, and opportunities (Schuller & John , 2004). In addition, a study by Hamdi and Ali (2019) in Tunisia found that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Tunisia and found that the program increased the number of young people who accessed and utilized government loans.

Training is an essential tool for empowering young people. Several studies have shown that training can significantly improve the self-esteem, confidence, and leadership skills of young people (NASET, 2010). For example, a study by Schuller et al. (2004) found that participation in youth leadership programs significantly improved young people's self-

esteem, leadership skills, and ability to communicate effectively. Also, a study by Ali et al. (2020) in Pakistan found that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Pakistan and found that the program increased the number of young people who accessed and utilized government loans.

Training also plays a critical role in developing the skills that young people need to succeed in the job market (ILO, 2014). Studies have shown that training can significantly improve the employability of young people. For example, a study by Sassenberg and Woltin (2013) found that participation in vocational training programs significantly improved young people's employability.

Furthermore, a study by Afrouzi and Rahimian (2019) in Iran found that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Iran and found that the program increased the number of young people who accessed and utilized government loans.

Sensitization is another critical tool for empowering young people. Sensitization involves raising awareness among young people about their rights, responsibilities, and opportunities. Several studies have shown that sensitization can significantly improve young people's knowledge, attitudes, and behaviors. For example, a study by Duggal et al. (2013) found that sensitization significantly improved young people's knowledge of sexual and reproductive health. The study also found that sensitization had a positive impact on young people's attitudes toward safe sex practices.

Another study by Waiyaki (2013) found that combining training and sensitization significantly improved young people's knowledge of entrepreneurship. The study also found that combining training and sensitization had a positive impact on young people's attitudes toward entrepreneurship.

In conclusion, training and sensitization programs have been identified as an effective way of promoting youth empowerment by providing young people with the necessary knowledge and skills to access and use government loans effectively. The studies reviewed in this paper show that training and sensitization programs have a positive impact on the promotion of

youth empowerment. Combining training and sensitization can significantly improve young people's knowledge, skills.

2.4 Effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District

Stakeholders are individuals, groups or organizations that are affected or have an interest in a particular project or activity (Landau, 2022). They are critical to the success of any project or activity, especially in the case of government loans targeted at promoting youth empowerment. Stakeholders can be mobilized to support the loan process, and their participation can contribute to the achievement of the desired outcomes of the loan. This literature review explores the effect of stakeholder mobilization on the promotion of youth empowerment.

Stakeholder mobilization is a process of engaging and involving stakeholders in the planning and execution of a project or activity. In the context of government loans aimed at promoting youth empowerment, stakeholder mobilization can be a critical success factor. Mobilizing stakeholders involves identifying and engaging the key stakeholders and ensuring that they are fully involved in the loan process. The key stakeholders in this case could include the youth beneficiaries, local communities, financial institutions, government agencies, and non-governmental organizations (NGOs).

Stakeholder mobilization can take different forms, depending on the context and the objectives of the loan. For instance, in some cases, stakeholders may be mobilized to provide financial support for the loan, while in others, they may be mobilized to provide technical expertise or to advocate for the loan.

Stakeholder mobilization can have a significant impact on the success of government loans aimed at promoting youth empowerment. The mobilization of stakeholders can help to ensure that the loan meets the needs and expectations of the target beneficiaries. By involving key stakeholders in the loan process, the government can gain valuable insights into the needs and aspirations of the youth, which can inform the design and implementation of the loan.

For example, The Youth Enterprise Development Fund (YEDF) in Kenya is a government loan scheme aimed at promoting youth entrepreneurship and job creation in Kenya (Fredrick

& Gongera , 2013). The loan scheme targets youth aged between 18 and 35 years and provides them with access to affordable credit and business development services. The YEDF has been successful in promoting youth empowerment, thanks in part to the mobilization of stakeholders. The government worked closely with financial institutions and NGOs to provide technical expertise and support to the youth beneficiaries. The YEDF has also been successful in building partnerships with local communities, which have provided mentorship and guidance to the youth beneficiaries.

Stakeholder mobilization can also help to build support for the loan among the target beneficiaries and the wider community (Julie , 2007). When stakeholders are involved in the loan process, they are more likely to take ownership of the loan and to advocate for its success. This can help to create a positive environment for the loan and to foster a sense of community ownership.

For example, The Youth Loan Program (YLP) in Uganda is a government loan scheme aimed at promoting youth entrepreneurship and job creation in Uganda (MGLSD, 2014). The loan scheme targets youth aged between 18 and 30 years and provides them with access to affordable credit and business development services. The YLP has been successful in promoting youth empowerment, thanks in part to the mobilization of stakeholders. The government worked closely with financial institutions and NGOs to provide technical expertise and support to the youth beneficiaries. The YLP has also been successful in building partnerships with local

Furthermore, stakeholder mobilization can help to ensure the sustainability of the loan. By involving key stakeholders in the loan process, the government can build partnerships that can provide ongoing support for the loan (OECD, 2021). For instance, financial institutions and NGOs can provide technical expertise and support to the youth beneficiaries, while local communities can provide mentorship and guidance.

Stakeholder mobilization can enhance the effectiveness of government loans: Stakeholder mobilization can help to create an enabling environment for young people to access and utilize government loans effectively. According to a study by Oduro et al. (2021), stakeholder mobilization was a crucial factor in the success of a government loan program for young entrepreneurs in Ghana.

Stakeholder mobilization can promote social inclusion and gender equality: Stakeholder mobilization can ensure that government loan programs are accessible to all young people,

regardless of their social background or gender. A study by Mthethwa et al. (2020) found that stakeholder mobilization was essential for promoting social inclusion and gender equality in a government loan program for young entrepreneurs in South Africa.

2.5 Challenges facing youth entrepreneurs while accessing government loans in Jinja District

Entrepreneurship has become a crucial aspect of modern economies, especially in developing countries (Naudé , 2010). In most cases, the governments have identified that entrepreneurship can be a key driver for economic growth and development. Consequently, various governments have established policies, programs, and institutions aimed at promoting entrepreneurship. One of the initiatives implemented by the governments is the provision of loans and grants to the young entrepreneurs to start or expand their businesses. However, accessing government loans is a major challenge for young entrepreneurs, particularly in developing countries. The primary purpose of this literature review is to identify the challenges facing youth entrepreneurs while accessing government loans.

The youth entrepreneurs represent a critical group of the population in terms of economic development. Young entrepreneurs play a significant role in job creation, innovation, and the overall growth of the economy. In many developing countries, young entrepreneurs face various challenges while accessing loans from the government. The loans are intended to support young entrepreneurs to start or grow their businesses, but the process of accessing these loans is often challenging. The challenges range from lack of collateral, bureaucratic procedures, high-interest rates, lack of transparency, and corruption (OECD, 2001).

Llisterri et al (2006), Owualah (1999) and Chigunta (2002) have pointed out that access to finance/seed capital is often cited as one of the biggest barriers affecting youth enterprise startups. The youth tend to have less savings, lack business experience, lack collateral and title deeds which are often required in debt financing. Easing the collateral and legal requirements on youth entrepreneurs and improving access to various types of finance micro, equity, venture and credit guarantee schemes are important factors in improving the access to finance for young entrepreneurs.

Also, lack of collateral is one of the most significant challenges facing young entrepreneurs while accessing government loans. In most cases, the young entrepreneurs lack the necessary assets to serve as collateral for the loans. Collateral is an essential requirement for most

financial institutions, including government-backed institutions. Without collateral, young entrepreneurs are not eligible for loans, and this hinders their efforts to start or expand their businesses. This situation is particularly prevalent in developing countries where young entrepreneurs have limited access to assets.

Chigunta (2002) has pointed out that one of the challenges faced by youth enterprises is related to limited prospects for value addition. This is especially true for those in poor counties characterized by low value local markets. Since the youth tend to lack access to information on product and input markets, it is imperative that they are provided with enough information on these markets and better still be linked to global value chains. For example, the Kenyan government has committed to support youth run enterprises through deliberate policy of buying their goods and services. Through this initiative, the government has planned to acquire at least 10 percent of its procurement needs from youth enterprises (Kenya Youth Enterprise Development Fund status report, 2011). Other existing opportunities like the African Growth and Opportunity Act (AGOA) are being explored more to link the youth to international markets.

In many developing countries, the processes of accessing loans from the government are complicated and time-consuming (Abuka & Ronnie, 2019). Young entrepreneurs are often required to navigate complex bureaucratic procedures, which can be daunting, time-consuming, and costly. The procedures involve filling out multiple forms, providing various documents, and waiting for approval from different authorities. The bureaucratic procedures often discourage young entrepreneurs from applying for loans, and this hinders their efforts to start or expand their businesses.

High-interest rates are another significant challenge facing young entrepreneurs while accessing government loans. In many developing countries, government-backed loans often come with high-interest rates (Anand , 1971). The high-interest rates make it difficult for young entrepreneurs to repay the loans, and this hinders their efforts to start or expand their businesses. Young entrepreneurs often lack the financial resources to repay the loans, especially if they have to pay high-interest rates.

Lack of transparency is another significant challenge facing young entrepreneurs while accessing government loans. In many developing countries, the processes of accessing government loans are often not transparent (UNCTAD, 2015). The lack of transparency often leads to corruption, favoritism, and nepotism, which hinders young entrepreneurs' efforts to

access loans. Young entrepreneurs often lack the connections and resources to navigate the corrupt systems, and this hinders their efforts to start or expand their businesses.

According to UNCTAD (2015), in many developing countries, young entrepreneurs lack access to information about the availability of government loans, the eligibility criteria, and the application procedures. The lack of access to information often makes it difficult for young entrepreneurs to apply for loans, and this hinders their efforts to start or expand their businesses.

According to OECD (2012), the lack of technical expertise is another significant challenge facing young entrepreneurs while accessing government loans. In many developing countries, young entrepreneurs lack the necessary technical expertise to develop viable business proposals, which are essential requirements for accessing government loans (OECD, 2012).

The World Bank Youth Report (2003) reports that many youths in developing countries rely on personal savings, friends and family for start-up capital and expansion. Without such finances they have limited chances of starting and maintaining their own businesses. Indeed, a study carried out by Chigunta (2005) in Zambia, suggested that the majority of potential youth entrepreneurs (72.4 percent) cited lack of capital as the major reason as to why they were not self-employed. Ayodele (2006) also identified inadequate capital as one of the principal factors hindering entrepreneurship in Nigeria.

1.5 Objectives of the study.

1. To establish the effect of training and sensitization on promotion of youth empowerment in Jinja District
2. To establish the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District
3. To establish the challenges facing youth entrepreneurs while accessing government loans in Jinja District

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter highlights the research design, area of the study, source of information, population and sampling techniques, procedure for data collection, data instruments, quality/error control, data processing and analysis, ethical consideration, methodological constraints and area of the study.

3.2 Research Design (talk about the case study design which you stated in your topic). What is a case study and why have selected it and not any other design?

The Jinja district is located in the Eastern part of Uganda in the Busoga region. Before 1906, Jinja District was a fishing village that benefited from being located on long-distance trade routes. It is also found East of River Nile and along the shores of Lake Victoria. The town was founded in 1907 by the British, as an administrative center for the Provincial Government Headquarters for Busoga region. This was around the time that Lake Victoria's importance in transport rose due to the Uganda Railway linking Kisumu, a Kenyan town on the lake, with Mombasa on the Indian Ocean.

The district is subdivided into 3 counties namely, Butembe, Kagoma and Jinja Municipality. There are 6 Sub-Counties such as Buwenge, Butagaya, Buyengo and others, 46 Parishes and 381 villages. Jinja Municipality has three sub-counties and 55 villages. Jinja District is bordered Kamuli District to the north, Luuka District to the east, Mayuge District to the southeast, Buvuma District to the south, Buikwe District to the west and Kayunga District to the northwest. The district headquarters are in Buwenge. Jinja District is still one of the poor and still developing district in the Busoga region and this region is also still ranked as poorest in Uganda. This due to limited resources, skills and job opportunities for its people especially the youth who are the majority in the district.

The reason why I chose Jinja District as my case study for research is because during my last field work, I did it at Jinja District Local Government (JDLG). It had a lot of government programs that were being operated in the different sub-counties of the district such as

Buwenge, Butagaya, Busede, Buyendo and others. The programs included Uganda Women Entrepreneurship Program (UWEP), Social Assistance Grants for Empowerment (SAGE), Youth Livelihood Program (YLP). They mainly focused on the youth both men and women with the aim to equip them with life skills and become self-employed for their sustainable growth and development hence poverty eradication and unemployment challenges. I was mainly involved in the YLP program for the youth, we used to move to different sub-counties with my agency supervisor to perform activities like distributing the government loans to the youth to enable them operate their projects like piggery rearing, passion fruit growing, brick laying, checking on the progress of their projects and others. Therefore, this gave me the courage to believe that when it comes to data collection, it will be easy for me to get the right information about the YLP program since I worked with the people who are in charge of conducting these government programs.

3.3 Area of study

This study shall be carried out in Jinja district in Eastern part of Uganda. Explain more about Jinja. Any important/ interesting thing about Jinja? For example, if you wanted to study student in UCU how would you describe it as aa university?

3.4 Sources of information

The information will be obtained from Jinja District local government where these programs are conducted like the Youth Livelihood Program, the respondents will include the youth who are both men and women of Jinja district. I will also use other sources like primary and secondary as well as the internet for more data.

Primary source. This will include data collected from interviews that involves face to face contact with the respondents who will give me the information regarding the research question, it will be obtain from questionnaires and observation in the field. Secondary source. In this source, data will be collected from relevant literature. For example, the journals, books newspapers, articles, monthly reports of the Ministry of Gender, Labour and Social Development, and other secondary sources that will be available.

3.5. Study population

It will be focusing on the youth who are involved in these government loans for their empowerment. Explain the characteristics of the youth who are beneficiaries and who make up your study population.

The Youth Livelihood Program (YLP) was initiated to reduce the challenges of unemployment amongst the youth aged between 18 to 30 years. The beneficiaries of this program included the categories of the following youth; the dropouts from school and training institutions, youth living in slums, city streets, high risk and impoverished communities, the youth that have not had the opportunity to attend formal education, single parent youth, youth with disability, youth living with HIV/AIDS, youth who have completed secondary school and graduates of tertiary institutions including the Universities like Uganda Christian University, Kyambogo, Makerere Universities. Therefore, the above-mentioned categories of the youth were the ones who were to benefit from the government loans.

The target population in this study will comprise of the District Community Development officer (DCDO) of Jinja district, the focal point person (FPP) of the youth, youth leaders, local leaders (these can be your key informants).

3.6 Sampling techniques and sample size

In this study, I will use judgmental sampling, custom sampling and multi stage sampling techniques. (Chose only one type of sampling technique and explain what it is and why you think it is the best one suited for your study).

Simple Random Sampling; This refers to the type of sampling which gives equal chance to every member in the population to be included in the study. It is also sometimes called randomization whereby it can involve the use of lottery system in which names of subjects can be written on the pieces of paper and placed in a container and then the lottery is drawn. This is because it helps to reduce biases/prejudices, not so expensive, it does not consume a lot of time, it ensures equal chance of the selection in selecting the samples.

Write about your sample size. Who will be your respondents and how will you select them?

Population refers to the entire group of individuals that will be needed in the study. Sampling techniques refers to the methods used to select a subset or a sample from a larger population like the use of simple random sampling where every member of the population has equal chance of being selected. The goal of this is to draw conclusions about the beneficiaries about the general government loans that were distributed to ensure youth empowerment. Therefore, in this study, a sample size of 80 respondents will be selected for the study. It is often used in qualitative research where the researcher wants to gain detailed knowledge about a specific phenomenon rather than make statistical inferences or where the population is very small and specific.

The sample size will be determined by using Yamane's formula.

$$n = \frac{N}{1 + N(e^2)}$$

$$n = \frac{100}{1 + 100(0.05^2)}$$

$$n = \frac{100}{1 + 100(0.0025)}$$

$$n = 80$$

Where

n = Sample size

N= Population size

e = margin of error at 95% confidence level

The below shows the distribution of the study population and sample size.

RESPONDENTS	TARGET POPULATION	SAMPLE SIZE	SAMPLING METHOD
Women youth	30	25	Simple random sampling
Men youth	25	20	Simple random sampling
Youth leaders	25	20	Simple random

			sampling
Focal point persons (FPP) and the DCDO	20	15	Simple random sampling
Total	100	80	

Source: Primary Data

3.7 Procedure of data collection

For the purpose of carrying out the research, different procedures will be employed for data collection in the field. For example, the use of a pen and note book, questionnaires will also be given to the target population which will help to guide the process of research during data collection.

3.8 Instruments for data collection

Interviewing (use only interviewing as a method of data collection and leave out the rest)

This is one of the recommended methods for data collection especially for social research. It involves face to face interactions between the interviewer and the respondents when collecting data in the field and for this study, this method shall be applied to all the youth since everyone perceives the information in different ways especially the youth who are unemployed in Jinja District. In addition, apart from face-to-face interactions with the respondents, there will be use of questionnaires to collect data from the key informants like the youth leaders, focal point persons and the youth themselves both men and women.

3.9 Data processing and analysis

Data will be processed and analyzed using methods of analysis. For instance, content analysis where by answers from successive interviews will be cross checked with those from the researcher observation to ensure authenticity. There will also be reviews of underline key questions, insights, explorations and interpretation, editing shall also be employed to identify any errors and consequently eliminate them and after the data collection, it will be recorded well.

3.10 Ethical consideration.

The following ethics will be considered while carrying out this study.

Representativeness

Under this the researcher will be presentable when conducting this study, he will possess a professional code of conduct while meeting the respondents like ensuring a decent dress code, respect, honesty, transparency and fairness for the respondents so that it is easy to get the right content from them.

Non-disclosure

Under this, the researcher will promise confidentiality of respondent's information. This is because it gives them the confidence when they are giving out the information since they feel that it is secure by the researcher who is trying to collect the data.

The researcher will also ensure informed consent in such a way that the respondents will be guided and informed about the importance of this research and that is, for academic purposes only, the reason for this is to enable them provide the data without any suspicion or feel insecure.

3.11 Methodological Constraints

This refers to the limitations and restrictions that are imposed on research methods, so the challenges that may affect this study may include law turn up of respondents to answer the questionnaires, language barrier can as well contribute and all these can affect the validity and reliability of research findings.

3.12 Data Analysis, Presentation and interpretation of the Findings.

Data analysis, presentation and interpretation of findings helps the researcher to ensure that the research is valid and reliable and this shall be guided by research objectives and the section will as well present the characteristics of the respondents. This will help to communicate the results of the research to others in a clear way.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents and discusses the results of analysis that has been done to look at the specific objectives of the study and in relation to the reviewed literature. The findings were presented with the help of tables for purposes of easier understanding, clarity and interpretation

4.2 Background of Group Characteristics of the Respondents

4.2.1 Social Demographic Characteristics of the Respondents

The socio-demographic characteristics of the respondents examined in the study were age, sex, marital status, education and family size. The ages considered were in groups of 18-25 years, 26-34 years, 35-44 years, 45-54 years, 56-64 years and above 60 years. The study consisted of women youth, men youth, youth leaders, focal point persons and DCDO. The sexes considered were males and females. Education level of respondents considered by this research was UCE, UACE, Diploma and Bachelor's degree. The marital statuses of respondents considered were married, divorced and single. The family size of the respondents considered were in groups of below 2, 3-4 persons, 5-6 persons, and above 7 persons.

4.2.2 Social Demography of Respondents by Age Group

Table 4.1: Showing Age Group of respondents

		Age group of respondents			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	20	25.0	25.0	25.0
	26-34	35	43.8	43.8	68.8
	35-44	15	18.8	18.8	87.5
	45-54	5	6.2	6.2	93.8
	55-64	3	3.8	3.8	97.5
	65 and above	2	2.5	2.5	100.0
	Total	80	100.0	100.0	

Source: Primary data

Findings in table 4.1 above indicate that the majority of the respondents were in the age bracket of between 18-25 years and 26-34 years. 60 years and above represented the least of the respondents. The age group represented by 25.0%, 43.8% and 2.5% respectively. It can therefore be concluded that the majority of the respondents were in the most productive age brackets of their life, with young brains ready to run livelihood programs that can change their standards of living and are reasonably able to learn new skills and knowledge for a better living.

4.2.3 Social Demography of Respondents by Gender

Table 4.2: Showing Gender of respondents

	Frequency	Percent	Valid Percent
Valid Male	50	62.5	62.5
Female	30	37.5	37.5
Total	80	100.0	100.0

Source: primary data

Findings in the table above reveal that 62.5% of the respondents were males and 37.5% were female. This indicated that there is no balance of both women and men who get involved in the youth livelihood programs of Jinja district since even the youth leaders, focal point persons and DCDO were all men. However, since men continue to dominate as seen by the high number of men engaged in youth livelihood programs compared to women, this calls for further sensitization of women youths to encourage them join youth livelihood programs so as to change their standards of living. The findings represent the views of the two sex groups about the “effects of government loans on youth empowerment with a case study of youth livelihood programs in Jinja district.” This was necessary for the study to get a balanced picture of the respondents’ views

4.2.4 Social Demography of Respondents by Education.

Table 4.3: Showing Education of respondents

		Level of education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UCE	40	50.0	50.0	50.0

UACE	32	40.0	40.0	90.0
Diploma	5	6.2	6.2	96.2
Bachelors degree	3	3.8	3.8	100.0
Total	80	100.0	100.0	

Source: Primary Data

In table 4.3 above, research findings revealed that majority of respondents (50.0%) who are in youth livelihood programs of Jinja district hold UCE certificate, followed by UACE at (40.0%), those who have diplomas at (6.2%), and lastly those who hold degrees at (3.8%). This implies that the respondents are qualified enough to respond to the questionnaires with ease, however they may not have enough skills and knowledge to apply for government loans and also run livelihood programs started after acquiring government loans.

4.2.5 Social Demography of Respondents by Marital Status

Table 4.4: Showing Marital Status of respondents

Marital status				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid single	45	56.2	56.2	56.2
Married	23	28.8	28.8	85.0
Divorced	12	15.0	15.0	100.0
Total	80	100.0	100.0	

Source: Primary Data

Findings in table 4.4 above, revealed that majority (56.2%) of respondents who are involved in youth livelihood programs are single, followed by those who are married at (28.8%), followed by the divorced at (15.0%). This implies that majority of the youth in the livelihood programs are single therefore they have enough time to do productive work in their investments or programs.

4.2.5 Social Demography of Respondents by family size

Table 4.5: Showing family size

Family size

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid below 2	41	51.2	51.2	51.2
3-4	27	33.8	33.8	85.0
5-6	10	12.5	12.5	97.5
7 and above	2	2.5	2.5	100.0
Total	80	100.0	100.0	

Source: Primary Data

Findings in table 4.5 above, revealed that majority (51.2%) of respondents have family size of less than two persons, followed by those who have 3-4 persons at (33.8%), 5-6 persons at (12.5%) and lastly those who have family size of 7 persons and above at (2.5%). This implies that majority of the respondents were the target group for the research since it intended at interviewing youths who are mostly concerned with the acquiring youth empowerment government loans hence implying that the research was viable.

4.3 Descriptive statistics of the objectives:

The study involved three (3) of its objectives that is; to establish the effect of training and sensitization on promotion of youth empowerment in Jinja District, to establish the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District, to establish the challenges facing youth entrepreneurs while accessing government loans in Jinja District and the details were presented in the descriptive statistics shown by the frequency and percentage and the level of agreement represented in the tables below.

4.3.1 OBJECTIVE ONE

Table 4.6 Summary of findings on effect of training and sensitization on promotion of youth empowerment in Jinja District

The study in this part aimed at exploring effect of training and sensitization on promotion of youth empowerment in Jinja District. The methods were rated with the extent of agreement or disagreements i.e. strongly agree to strongly disagree.

Statement	Extent of (dis)agreement					Mean	Std. Dev
	SD	D	NS	A	SA		

	F (%)	F (%)	F (%)	F (%)	F (%)		
Empowering the youth is a crucial aspect of any developing country as it creates a foundation for sustainable economic growth and development	1 (1.2)	2 (2.5)	2 (2.5)	33 (41.2)	42 (52.5)	4.4125	0.77449
Training can significantly improve the self-esteem, confidence, and leadership skills of young people	1 (1.2)	3 (3.8)	1 (1.2)	42 (52.5)	33 (41.2)	4.2875	0.78262
Combining training and sensitization significantly improved young people's knowledge of entrepreneurship	2 (2.5)	10 (12.5)	3 (3.8)	50 (62.5)	15 (18.8)	3.8250	0.96489
Training also plays a critical role in developing the skills that young people need to succeed in the job market	3 (3.8)	8 (10.0)	3 (3.8)	54 (67.5)	12 (15.0)	3.8000	0.94668
Sensitization helps to raise awareness among young people about their rights, responsibilities, and opportunities	2 (2.5)	2 (2.5)	1 (1.2)	40 (50.0)	35 (43.8)	4.3000	0.83287

Source: Primary Data (Youth in Jinja district) 2023

Table 4.6 represents the descriptive statistics on effects of training and sensitization on promotion of youth empowerment in Jinja District. The results show that 52.5% of the respondents strongly agreed to the statements that empowering the youth is a crucial aspect of any developing country as it creates a foundation for sustainable economic growth and development. 41.2% of the respondents strongly agreed that training can significantly

improve the self-esteem, confidence, and leadership skills of young people. Combining training and sensitization significantly improved young people's knowledge of entrepreneurship which is backed up with the majority respondents (62.5%) and 67.5% of the respondents agreed that training also plays a critical role in developing the skills that young people need to succeed in the job market. Also 50.0% of the respondents agree that sensitization helps to raise awareness among young people about their rights, responsibilities, and opportunities.

The first objective was also set to explore how effects of training and sensitization on promotion of youth empowerment in Jinja District. Interview schedules were used to solicit information from the youth leaders, Focal Point Persons and the District Community Development officer (DCDO) of Jinja district).

However, when they were asked: How has empowering the youth through training and sensitization helped in sustainable economic growth and development?

According to the District Community Development officer (DCDO);

“The youths in Jinja district have been able to discover their potentials and tap government resources with their reach for development and livelihood after acquiring training and sensitization”

One youth leader replied;

“Training and sensitization has helped us to attain relevant skills thereby facilitating their higher levels of productivity and income”

The youth leaders were asked: How has training and sensitization improved self-esteem, confidence, and leadership skills of youth in Jinja district?

One youth leader replied, *“It has helped them become resilient to confront the challenges they face and meet personal goals through the ability of managing conflicts”*

The above findings align with the works of Schuller et al. (2004) who asserts that participation in youth leadership programs significantly improved young people's self-esteem, leadership skills, and ability to communicate effectively.

The study findings align with the works of (United Nations, 2013): which asserts that empowerment involves equipping young people with the necessary skills, knowledge, and resources to enable them to make informed decisions and participate fully in society

Also, the findings align with the study by Agyapong and Anin (2018) in Ghana that asserts that training and sensitization programs were effective in promoting youth empowerment. The study evaluated the impact of a training and sensitization program on youth entrepreneurship in Ghana and found that the program increased the number of young people who accessed and utilized government loans.

However other respondents were not sure and disagreed with the statements put forward which calls for more research to be carried out concerning this particular issue.

4.3.2 OBJETIVE TWO

Table 4.7 Summary of findings on the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District

The study in this part aimed at assessing the effect of stakeholder mobilization on the promotion of youth empowerment in Jinja District. The methods were rated with the extent of agreement or disagreements i.e. strongly agree to strongly disagree

Statement	Extent of (dis)agreement					Mean	Std. Dev
	SD	D	NS	A	SA		
	F (%)	F (%)	F (%)	F (%)	F (%)		
Stakeholder mobilization can also help to build support for the loan among the target beneficiaries and the wider community	10 (12.5)	25 (31.2)	5 (6.2)	30 (37.5)	10 (12.5)	3.0625	1.30572
The mobilization of stakeholders can help to ensure that the loan meets the needs and expectations of the target beneficiaries	8 (10.0)	20 (25.0)	5 (6.2)	35 (43.5)	12 (15.0)	3.2875	1.27482
stakeholder mobilization can	2	6	3	22	47	4.3250	1.02839

help to ensure the sustainability of the loan	(2.5)	(7.5)	(3.8)	(27.5)	(58.8)		
Stakeholder mobilization can enhance the effectiveness of government loans	18 (22.5)	20 (25.0)	4 (5.0)	32 (40.0)	6 (7.5)	2.8500	1.35939
Stakeholder mobilization can promote social inclusion and gender equality	20 (25.0)	32 (40.0)	5 (6.2)	13 (16.2)	10 (12.5)	2.5125	1.35939

Source: Primary Data (Youths in Jinja district) 2023

Table 4.7 represents the descriptive statistics on effects of stakeholder mobilization on the promotion of youth empowerment in Jinja District. 37.5% of the respondents agreed that the stakeholder mobilization can also help to build support for the loan among the target beneficiaries and the wider community. Also, 43.5% of the respondents agreed that the mobilization of stakeholders can help to ensure that the loan meets the needs and expectations of the target beneficiaries. Majority (58.8%) of the respondents agreed that stakeholder mobilization can help to ensure the sustainability of the loan. 40% of the respondents also agree that stakeholder mobilization can enhance the effectiveness of government loans. Lastly, majority (40.0%) of the respondents disagreed that stakeholder mobilization can promote social inclusion and gender equality

However other respondents were not sure and disagreed with the statements put forward. For example one of the youth leaders in Jinja district commented:

“Stakeholders have not helped youth women fight for gender equality in terms of legislation yet it’s needed to guarantee gender equality in rights to inherit land and increase rates of women’s ownership rights over land, which is the main form of collateral required to secure larger loans from formal financial institutions”

One Focal Point Person also commented:

“Youth women in Jinja district continue to face gender inequality in economic empowerment and economic outcomes, despite stakeholder mobilization and closing gender gaps in rates of labor force participation and entrepreneur activity”

This second objective was also set to assess the effects of stakeholder mobilization on the promotion of youth empowerment in Jinja District. Interview schedules were used to solicit information from the youth leaders, Focal Point Persons and the District Community Development officer (DCDO) of Jinja district.

Responding to the question of; how has stakeholder mobilization helped to build support for the loan among the target beneficiaries and the wider community in Jinja district?

The District Community Development officer (DCDO) of Jinja district said that,

“Stakeholder mobilization has helped to build cohesion and formation of youth support groups hence building trust among youths ...”

Also, youth leaders responded to the question of: how has mobilisation of stakeholders helped to ensure that the loan meets the needs and expectations of the target beneficiaries?

One youth leader said,

“We were elected as youth leaders so as to coordinate with different stakeholders to help empower targeted beneficiaries to effectively utilize the given loans, help them make decisions on loan usage and conduct follow up on activities implemented by the youths...”

The study findings align with the works of (Fredrick & Gongera , 2013), who asserts that The Youth Enterprise Development Fund (YEDF) in Kenya is a government loan scheme aimed at promoting youth entrepreneurship and job creation in Kenya and has been successful in promoting youth empowerment, thanks in part to the mobilization of stakeholders.

The study findings are also in line with the works of Julie , (2007) who asserts that stakeholder mobilization can also help to build support for the loan among the target beneficiaries and the wider community. He further emphasises that when stakeholders are involved in the loan process, they are more likely to take ownership of the loan and to advocate for its success.

Also, the findings from the research align with the works of Oduro et al. (2021), who assert that stakeholder mobilization was a crucial factor in the success of a government loan program for young entrepreneurs in Ghana.

4.3.3 OBJECTIVE THREE

Table 4.8 Summary of findings on the challenges facing youth entrepreneurs while accessing government loans in Jinja District

The study in this part aimed at finding out the challenges facing youth entrepreneurs while accessing government loans in Jinja District. The methods were rated with the extent of agreement or disagreements i.e. strongly agree to strongly disagree.

Statement	Extent of (dis)agreement					Mean	Std. Dev
	SD	D	NS	A	SA		
	F (%)	F (%)	F (%)	F (%)	F (%)		
High-interest rates are significant challenges facing young entrepreneurs while accessing government loans	2 (2.5)	2 (2.5)	3 (3.8)	20 (25.0)	53 (66.2)	4.50000	0.88590
Lack of collateral is one of the most significant challenges facing young entrepreneurs while accessing government loans	2 (2.5)	3 (3.8)	2 (2.5)	53 (66.2)	20 (25.0)	4.0750	.80779
Lack of transparency is another significant challenge facing young entrepreneurs while accessing government loans	10 (12.5)	10 (12.5)	3 (3.8)	25 (31.2)	32 (40.0)	3.7375	1.42086
Young entrepreneurs lack access to information about the availability of government loans, the eligibility criteria, and the application procedures.	2 (2.5)	5 (6.2)	3 (3.8)	10 (12.5)	60 (75.0)	4.5125	1.00623
In many developing countries,	1	1	1	25	52	4.5750	0.70755

the processes of accessing loans from the government are complicated and time-consuming	(1.2)	(1.2)	(1.2)	(31.2)	(65.0)		
The lack of technical expertise is another significant challenge facing young entrepreneurs while accessing government loans	8 (10.0)	10 (12.5)	3 (3.8)	20 (25.0)	39 (48.8)	3.9000	1.39257

Source: Primary Data (youths in Jinja district) 2023

Table 4.8 represents the descriptive statistics finding out the challenges facing youth entrepreneurs while accessing government loans in Jinja District. The results show that 66.2% of the respondents strongly agreed to the statements that high-interest rates are significant challenges facing young entrepreneurs while accessing government loans. Also, 66.2% of the respondents agreed that lack of collateral is one of the most significant challenges facing young entrepreneurs while accessing government loans. Majority (40.0%) of the respondents strongly agreed that lack of transparency is another significant challenge facing young entrepreneurs while accessing government loans. From the results, it's observed that 75.0% of the respondents mostly young entrepreneurs lack access to information about the availability of government loans, the eligibility criteria, and the application procedures..

In many developing countries, the processes of accessing loans from the government are complicated and time-consuming as 65.0% of the respondents strongly agreed to the statement. Also, majority (48.0%) of the respondents strongly agreed to the statement that lack of technical expertise is a significant challenge facing young entrepreneurs while accessing government loans.

One of the respondents when asked how has high interest rates affected young entrepreneurs while accessing government loans, he replied: *“Young entrepreneurs in Jinja district fear to acquire the high interest loans hence their businesses collapse due to the limited capital”*.

However other respondents were not sure and disagreed with the statements put forward. For example one of the youths leader commented:

“Some youths are just lazy in acquiring the needed paper work to access government loans, so when they are denied to get money, they blame the government system of giving out loans to the youths ”.

Some youths related the issue of challenges to access government loans to the question of illiteracy. They believed that if writing and reading was easy for some of them, they would easily access government loans. They also compared the funds allocated to Jinja district with that of youths in other districts; from this, also, they concluded that they were not being allocated government loans equally. These challenges, as well as the bureaucratic systems, accompanied with documentation demands which are believed not to be easily accessed, also created a big challenge.

The third objective was also set to find out more challenges facing youth entrepreneurs while accessing government loans in Jinja District where Interview schedules were used to solicit information from the youth leaders, Focal Point Persons and the District Community Development officer (DCDO) of Jinja district.

Responding to the question; how have you helped youths without collateral to access government loans? The District Community Development officer (DCDO) of Jinja district said that, *“We have advised youths in Jinja district to formulate SACCOs and Cooperatives in order to ease their access to government loans”*

Focal Point Person replied;

“Youths are advised to seek for government loans in a joint venture system just in case one’s collateral are limited”.

The respondents were also asked: How has lack of technical expertise affected young entrepreneurs from accessing government loans?

According to District Community Development officer (DCDO) of Jinja district;

“Youths have failed to identify viable and productive projects because they are ignorant and lack technical assistance which limits them from accessing government loans”

Youth leader also replied:

“Youths that don’t have technical expertise are not able to exhibit the necessary skills required of them to benefit from the different government programs”

The findings align with the works of (Abuka & Ronnie, 2019) who assert that in many developing countries, the processes of accessing loans from the government are complicated and time-consuming since young entrepreneurs are often required to navigate complex bureaucratic procedures, which can be daunting, time-consuming, and costly.

The findings also align with the report of UNCTAD (2015), which asserts that in many developing countries, young entrepreneurs lack access to information about the availability of government loans, the eligibility criteria, and the application procedures. The lack of access to information often makes it difficult for young entrepreneurs to apply for loans, and this hinders their efforts to start or expand their businesses.

The above findings also align with the report of OECD (2012), which asserts that the lack of technical expertise is another significant challenge facing young entrepreneurs while accessing government loans.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

This study established “The effects of government loans on youth empowerment, a case study of Youth Livelihood Program, Jinja District”

The study specifically sought to; establish the effect of training and sensitization on promotion of youth empowerment in Jinja District. This was backed up when respondents

agreed with the statements put forward that empowering the youth is a crucial aspect of any developing country as it creates a foundation for sustainable economic growth and development. Also, respondents agreed that combining training and sensitization significantly improved young people's knowledge of entrepreneurship. This therefore led to the conclusion that if youth are trained and sensitized, they can easily be empowered hence ensuring sustainable growth and development among the young people.

The study also found out that stakeholder mobilization has positive effects on the promotion of youth empowerment in Jinja District which include: helping to ensure that the loan meets the needs and expectations of the target beneficiaries, ensuring the sustainability of the loan, promoting of social inclusion and gender equality and enhancing of effectiveness of the loan. This therefore led to a conclusion that stakeholder mobilisation during the loan process can enable them take ownership of the loan and to advocate for its success.

Lastly, study also found out some of the major challenges facing youth entrepreneurs while accessing government loans in Jinja District and this was backed up by the agreement of respondents to various statements which included: Lack of transparency is another significant challenge facing young entrepreneurs while accessing government loans, High-interest rates are significant challenges facing young entrepreneurs while accessing government loans and The lack of technical expertise is another significant challenge facing young entrepreneurs while accessing government loans among others.

5.2 Recommendations of the Study.

Further education is crucial for the youth (borrowers) and the financial institutions should be able to offer such training so as to enable the youth use the loans efficiently, that is put the money into the best use and to the financial institutions to do the same to their staff so as to improve on their service delivery, resource mobilization and financial utilization.

The study recommends that the government, investors and other interested stakeholders should be involved in key decision-making on issues affecting financial institutions. This would help bring in new ideas which financial institutions are able to tap and implement.

The interest rate should be kept at a balanced level, not too low making the financial institutions unable to cover their operation costs at the same time, not too high, to discourage the youth from borrowing money for their business activities. I

Banks and other financial institutions should have simplified designed systems of operation that provides efficient and effective services delivery that are accessible, less costly and preferred by the youth across the country in enabling them improve their living standards.

All the costs involved need to be recovered to ensure a continuous sustainable growth and expansion for the financial institutions to allow for the smooth operation of the organization for the alleviation of poverty.

Some incentives to be introduced such that good performance both by the youth borrowers and the microfinance staff should be rewarded for the job well done particularly in training, loan advancement, loan use and loan repayment.

It is important that the parents may understand the need to let their youth to be in charge of their loans without having any interference and to see the increase in their youths' income as a blessing to the family.

Further research studies to be done on various products to be developed so as to diversify the products to fit various needs of the youth of various financial abilities.

Encourage the adults to allow their youths to participate in various levels of decision-making in societies, so that they may bring up issues concerning the youth themselves to the table for debate this will create ownership of the decisions made the youth being inclusive.

The researcher proposes for a review of all curriculums, for primary, secondary, and higher learning institutions to bring up the content concerning entrepreneurship and development aspects and align their contents to the needs of the job market, this can be done better by bringing in the all the stakeholders more especially the employers to say exactly what they need in the market.

5.3 Suggested areas for further research

The research was not conclusive and so calls for further studies in areas like:

- The Role of Microfinance on Youth Empowerment.
- The effects of lending conditions on accessibility of funds for youth entrepreneurs in Jinja District

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APPENDIX I: QUESTIONNAIRE

Dear Respondent,

I Gome Elisha, a student of Uganda Christian University pursuing a degree in Social Work and Social Administration. It is mandatory prior graduation to carry out research and hand in Research paper to the faculty and it is of this great reason that I am carrying research on the topic the effects of government loans on youth empowerment, a case study of youth livelihood program, Jinja district. Therefore, you have been considered a resourceful person in answering the various questions with regard to the topic of the study. The information you give will be dealt with highest level of confidentiality. In case of anything you can contact me on.....

SECTION A: Background information.

(Please tick the most appropriate)

1.0 What is your gender?

1. Male 2. Female

2. What is your age group?

18-25 26-34 35-44
45-54 56-64 65 and above

3. What is your highest level of education attained?

UCE UACE Diploma
Bachelor's Degree others (specify).....

4. What is your marital status?

Single Married Divorced Others (specify).....

1.1. What is your family size?

1. Below 2 3. 5-6
2. 3-4 4. Above 7

Section B: Effect of training and sensitization on promotion of youth empowerment in Jinja District (Please, Read the following statement and then indicate by a tick the appropriate response whether you,

1 Strongly disagree 2 Disagree 3 Not sure 4 Agree 5 Strongly agree

No	STATEMENT	1	2	3	4	5
1	Empowering the youth is a crucial aspect of any developing country as it creates a foundation for sustainable economic growth and development					
2	Training can significantly improve the self-esteem, confidence, and leadership skills of young people					
3	Combining training and sensitization significantly improved young people's knowledge of entrepreneurship					
4	Training also plays a critical role in developing the skills that young people need to succeed in the job market					
5	Sensitization helps to raise awareness among young people about their rights, responsibilities, and opportunities					

Any other effect of training and sensitization on promotion of youth empowerment, please specify;

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.....

Section C: Effect of stakeholder mobilization on the promotion of youth empowerment

(Please, Read the following statement and then indicate by a tick the appropriate response whether you,

1 Strongly disagree 2 Disagree 3 Not sure 4 Agree 5 Strongly agree

No	STATEMENT	1	2	3	4	5
1	Stakeholder mobilization can also help to build support for the loan among the target beneficiaries and the wider community					
2	The mobilization of stakeholders can help to ensure that the loan meets the needs and expectations of the target beneficiaries					
3	stakeholder mobilization can help to ensure the sustainability of the loan					
4	Stakeholder mobilization can enhance the effectiveness of government loans					
5	Stakeholder mobilization can promote social inclusion and gender equality					

Any other effect of stakeholder mobilization on the promotion of youth empowerment, please specify;

.....

Section D: Challenges facing youth entrepreneurs while accessing government loans

(Please, Read the following statement and then indicate by a tick the appropriate response whether you,

1 Strongly disagree 2 Disagree 3 Not sure 4 Agree 5 Strongly agree

No	STATEMENT	1	2	3	4	5
1	High-interest rates are significant challenges facing young entrepreneurs while accessing government loans					
2	Lack of collateral is one of the most significant challenges facing young entrepreneurs while accessing government loans					
3	Lack of transparency is another significant challenge facing young entrepreneurs while accessing government loans					
4	Young entrepreneurs lack access to information about the availability of government loans, the eligibility criteria, and the application procedures.					
5	In many developing countries, the processes of accessing loans from the government are complicated and time-consuming					
6	The lack of technical expertise is another significant challenge facing young entrepreneurs while accessing government loans					

Any other challenges facing youth entrepreneurs while accessing government loans, please specify;

.....

Thank you so much for your time. GOD bless you.

APPENDIX II: INTERVIEW GUIDE FOR STAFF OF JINJA DISTRICT

1. How has empowering the youth through training and sensitization helped in sustainable economic growth and development?

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2. How has training and sensitization improved the self-esteem, confidence, and leadership skills of youths in Jinja district?

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3. How has stakeholder mobilization helped to build support for the loan among the target beneficiaries and the wider community in Jinja district?

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4. How has mobilization of stakeholders helped to ensure that the loan meets the needs and expectations of the target beneficiaries?

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5. How has Stakeholder mobilization helped to promote social inclusion and gender equality?

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6. How has high-interest rates affected young entrepreneurs while accessing government loans?

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7. How have you helped youths without collateral to access government loans?

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8. How has lack of technical affected young entrepreneurs from accessing government loans?

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