

Preface

In 1992, Commonwealth Youth Ministers asked the CYP to assist national efforts to tackle the problem of youth unemployment. The CYP had already assisted member governments in the promotion of micro-enterprise development through entrepreneurial training programmes, and began to explore ways of empowering young people through the provision of low-cost credit to micro-enterprises.

In 1994, the CYP held a meeting in Malta with an advisory group of experts in the field of small business and micro-credit. The purpose of the meeting was to design a suitable model for a micro-credit and saving scheme under the auspices of the CYP. The outcome of this was that, in 1995, at their meeting in Port of Spain, Trinidad and Tobago, Commonwealth Youth Ministers launched the Commonwealth Youth Credit Initiative (CYCI).

The CYCI was originally conceived as having four phases: (1) Background Planning and Preparation; (2) Development of CYCI Methodology; (3) Pilot-testing the scheme; and (4) Long-term expansion. Phases 1 and 2 were initiated by the CYP, through the Gender and Youth Affairs Division (GYAD) of the Commonwealth Secretariat. The model was developed through extensive consultations with

Commonwealth member governments, non-governmental organisations (NGOs), other agencies, donors and experts in the field of micro-credit and micro-enterprise development.

In Phase 3, 1996–1999, the CYCI was pilot-tested in Guyana, India, Solomon Islands and Zambia (the host countries of the CYP's Regional Centres in each of the four main regions of the Commonwealth), in collaboration with NGO partners in each country. The pilot tests demonstrated that the CYCI model is workable, and provided valuable lessons that can be applied in the replication of the model in other countries.

Phase 4, expansion of the CYCI, is where this toolkit comes in. CYP is disseminating the toolkit in order to assist Commonwealth governments and other stakeholders wishing to implement a micro-credit scheme based on the CYCI model. It is essentially a synthesis of current good practices and lessons learned from the pilot schemes. The most important of these was that young people are 'bankable'. The toolkit does not give CYP any role in micro-credit delivery; the intention is to set out a scheme that can be used by *any* competent agency in an appropriate enabling environment.