

# Introduction

## What is the CYCI?

The Commonwealth Youth Credit Initiative (CYCI) is a micro-credit and enterprise development initiative designed to promote youth employment and alleviate poverty among the young people of the Commonwealth.

In this toolkit 'the CYCI' refers to the methodology of the scheme as practised in 1996–1999. Provision of an integrated package of credit and enterprise training, with the intention of:

- Building economic self-sufficiency
- Widening economic participation
- Contributing to national economic and development goals.

The CYCI was conceived, developed and implemented with a particular target group in mind, namely young people aged 15 to 29. However, it can be adapted for any social group or stratum that a lead agency may wish to assist. It is particularly suited to those entering into entrepreneurial activity for the first time.

The CYCI was developed by the Commonwealth Youth Programme (CYP), at the request of Commonwealth member governments. It is the product of 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.

The results of the pilot tests indicate that the

CYCI works best in an environment where there is already a well-established entrepreneurial culture. Where such conditions do not prevail, the CYCI attempts to instil an understanding of entrepreneurship and good business practices through the training and business counselling components of the package.

The pilot tests have shown that where local conditions are favourable, the CYCI is of proven effectiveness in alleviating poverty, stimulating economic activity and raising the standard of living of disadvantaged young people.

## Scope and Objectives of the Toolkit

The CYCI Toolkit is designed for governments, development agencies and NGOs planning to implement a micro-credit programme. It is structured to be sufficiently flexible to meet the differing needs of a range of users, presenting a menu of options that users can adapt to specific national and local circumstances.

The Toolkit is a hands-on, step-by-step guide to the implementation of a micro-credit programme. It can also be used as a training resource to help broaden the knowledge and build the capacities of implementing staff.

The Toolkit consists of four modules:

### **Module 1: Overview**

### **Module 2: Implementation Guidelines**

### **Module 3: Management, Monitoring and Evaluation**

### **Module 4: Training Resources**

## **Scope and Objectives of the Overview Module**

This module presents an introduction to the CYCI model and familiarises users with the major issues and practical steps involved in initiating a micro-credit programme. As well as

defining basic terms and concepts and providing background information about micro-credit, it gives an overview of the enabling environment which makes possible the implementation of such a programme, and defines the roles of the various stakeholders.