



MINISTRY OF
YOUTH DEVELOPMENT

TE MANATŪ WHAKAHIATO TAIOHI

Administered by the Ministry of Social Development

Funding Guide

Youth Enterprise and Entrepreneurship:

Opportunity for Young People Funding Stream

2019/2020

Background

The Ministry of Youth Development (MYD) – Te Manatū Whakahiato Taiohi – is administering two contestable funding streams for funding for the 2019/2020 financial year; a Youth Development funding stream, and a Youth Enterprise and Entrepreneurship funding stream.

The Youth Enterprise and Entrepreneurship funding stream supports young people (12 to 24 years) to be better prepared for the future work environment through funding strengths-based enterprise education and skills development opportunities and investing in young people with business potential. These opportunities and investments will positively engage rangatahi in building skills and knowledge for life and learning, equip them to make successful transitions, and have meaningful options for making a living.

The funding will be distributed through two sub-streams, a '**Programmes and Services**' stream and an '**Opportunity for Young People**' stream.

- The **Programmes and Services** funding stream is focussed on providing contributory funding to organisations to deliver enterprise activities to young people.
- The **Opportunity for Young People** funding stream is specifically aimed at young people who have a new and/or innovative business or enterprise idea/project, to invest in them to help them progress on their enterprise journey.

This guide is for young people considering applying for funding from the Youth Enterprise and Entrepreneurship: Opportunity for Young People funding stream. Separate guides are available for the Youth Enterprise: Programmes and Services funding stream and the Youth Development funding stream. Please see the MYD website for these.

Applications open (for both sub-streams): **Midday, 11 March 2019**

Applications close (for both sub-streams): **Midday, 05 April 2019**

There is approximately \$600,000 available across these two sub-streams in 2019/2020.

Applicants will know the outcome of the process by the beginning of June 2019, for contracts starting 01 July 2019.

Opportunity for Young People Funding

The Ministry of Youth Development (MYD) Youth Enterprise and Entrepreneurship: Opportunity for Young People Fund is open for young people, aged 12 to 24 years, who need a financial boost to support a new business or enterprise idea or project OR to continue with their current enterprise journey.

This fund does not support applications for the establishment and/or delivery of social programmes which do not have a means of income generation. More information on what type of business you are/will be can be found below.

What's in it for me? What are the benefits?

In an evolving world, research has shown that young people who can demonstrate creativity, problem solving abilities, leadership skills, communication skills, and have the resilience to deal with setbacks and bounce back, will be better prepared to contribute to and achieve positive lifelong outcomes for themselves and their whānau.

MYD has started this fund to support young people to build and improve on these skills through enterprise/business related experiences and to open more career opportunities in the future.

Applicants will need to show how this fund will help develop your skills and knowledge. Here are some ideas to help you with your application:

- Demonstrate how you will learn, grow and gain new skills by starting or developing and exploring an enterprise idea.
- Demonstrate that resilience will be built to face challenges and failures and to learn from these to be able to create solutions and overcome issues.
- Demonstrate that you will be able to meet new people and make connections with people that can help you with your business or enterprise idea. This will include the mentor we will put you in contact with, giving further work opportunities in the future.
- Explain what new knowledge and skills you will have gained at the end of this process.

All successful applicants will be allocated a mentor to support them and connect them to their networks and contacts as necessary.

What is MYD looking for?

Your application form will be looked at by a panel of four people, and they will be marking it on:

- New or innovative: has not been done before or this is a new or improved way of doing something.
- Can the business or idea work: can you show that the business/idea can work and that you can achieve the things you say you can? For example, demonstrating that people will buy what you are selling.
- Will the business or idea make money: are you selling a service (e.g. creating websites, builder, etc.) or a product (cakes, electric bikes) for money? Will this

money be put back into the business to make sure it can keep going without getting more grants?

- The types of new knowledge and skills you will have gained through this process
- Budget: a detailed and clear breakdown of what the funds will be used for and if these costs seems reasonable and relate to your business.

What funding is available?

- There is about \$600,000 to be spent across two funds.
- Last year, most applications were awarded about \$8,000.
- Most the applications that are awarded funding will be under \$15,000.
- MYD will look at each application individually and the budget provided to decide the amount of funding to offer.
- MYD might only award you some of the money you have asked for to fund a certain part of the business/project or idea.

Apply now

All applications need to be submitted through our online funding portal SmartyGrants before midday, 5 April 2019. Applications will not be accepted via email or hard copy. You can find the application [here¹](#) (from midday, 11 March). We suggest you have a look at the questions before you submit it. Only applications made through SmartyGrants will be accepted. One application per person (or group of young people) only.

All applicants must be a New Zealand resident and aged between 12 and 24 years old.

What will MYD provide funding for?

This is just to provide **an idea** of the types of items MYD will fund. The panel will assess all items in the budget provided against reasonable costs and how these items will further support you in your business idea/journey.

- Start-up material
- Marketing material
- Short incubator or business accelerator course fees
- Website set up
- Accounting software

The panel can decide to award you only part of the funding towards certain items or requests.

MYD will not provide funding for:

- attendance to pay tertiary or college fees to attend courses
- the purchase of land or property or major capital items.
- international travel
- a social programme (see appendix)

¹ <https://myd.smartygrants.com.au/>

- anything that will bring MYD into disrepute.

Key dates

Applications will open at **midday, 11 March 2019** and will close at **midday, 5 April 2019**.

MYD will fund your business for one financial year (01 July 2019 to 30 June 2020).

What happens next if I am successful?

Applicants should know the result of their application by the beginning of June 2019.

Each successful application will have a mentor allocated to them. You will be expected to check in with them once a month to look at how you are doing and set goals that you can work towards.

A report at the end of the financial year (30 June 2020) will also need to be submitted to MYD, outlining what you have learnt and achieved over the past 12 months.

How will the money be paid to me?

MYD is looking at how it can support all young people no matter where they are on their enterprise journey. MYD will work with you to decide the best way to get the funds to you. This could be:

- directly to you, and/or;
- via a legally recognised New Zealand-based organisation (which could be a third party organisation of our choosing or the applicants own registered business entity), and/or;
- directly to a supplier organisation (for example, if the applicant is successful in applying for funding to attend an enterprise-related programme).

Applicants must have a personal New Zealand bank account for MYD to pay funds into.

Appendix: What kind of business are you?

Commercial business

Is your main goal to sell items or a service and make money from this that you will keep? This is a commercial business.

Business with a social conscience

You are business with a social conscience if you create a product or service that has a positive effect on the environment or society, or you donate some of the money you make or some of your time to a charitable cause.

Social Enterprise

Is your main goal to provide goods, services or products while working to improve social wellbeing, the environment and/or your community? Social enterprises offer a unique combination of delivering social good, while being able to continue operating using money made from sales.

Are the following four statements true about your organisation/business? If yes, then it is a social enterprise.

- *Purpose:* A social enterprise can clearly say how it works to improve society, the environment, the economy and/or culture. This should be at the heart of the organisation and what drives it.
- *Trade:* A social enterprise earns most of its money from sales of goods/products and/or services.
- *Profit:* A social enterprise makes money and then puts most of it back into the organisation to ensure it can continue to run.
- *Impact:* A social enterprise can see the difference it is making

Social Programme

If your programme doesn't charge for its service or products, and will need to have funding or grants awarded to you to keep your business going, you are a social programme.

MYD does not support social programmes through this fund.