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Strategies for strengthening SMEs in Nigeria through financing mechanisms for youth skills development

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Abstract: Youth skills development has been argued to correlate with increasing economic activities through the contribution of the youth towards innovative startups, creative enterprises and productive employment. It is pivotal for a nation to have intentional plans for its youths and the development of their skills. This study explored financing mechanisms for youth skills development that can strengthen SMEs impact in Nigeria. The study was theoretical and conceptual based on qualitative research using case study analysis of selected countries and their financing mechanism. A purposive sampling approach was used to select Malaysia, South Africa, India and European Union as case study nations that have executed effective and diverse financing instruments for youth development. It was found that public-private partnership initiatives are essential in funding youth skills development programmes, also the use of institutional sponsorships and community development funds as well as donations from international organisation can serve Nigeria well in financing youth skills development. These financing schemes are targeted at developing enterprise ability and employability skills in the youth. The study recommended that there should be financing initiatives that target developing youths in the area of innovation, industry and infrastructure to facilitate developing SMEs and set a pathway to addressing sustainable development goal 9 in Nigeria.

Keywords: **Entrepreneurship, Finance, Government, Youth Skills, SMEs**

Introduction

Nigeria has a dynamic, growing youth demography that amounts to over 70% of the total 220 million population, according to the World Bank 2023 data. This shows significant potential of the young people in the nation to contribute to economic activities and development. In recent times, small and medium enterprises (SMEs) have seen growing prevalence of young people starting businesses and thriving as entrepreneurs, though there are observable challenges with financing being most substantial (Okolo-obasi & Uduji, 2023; Abreu et al., 2025). The public and private sector in Nigeria have been making effort to invest in youth skills development as a panacea to issues of unemployment, poverty, crime and solving social decadence. As seen in other developed and developing nations, there is need for effective strategies to enhance SMEs operations and development especially in the area of financing (Goodfellow, 2020; Rao et al., 2023).

This study focuses on case analysis of Malaysia, India and South Africa as well as the European Union, to examine the financial initiatives used for youth skills development that can promote SMEs impact. Karuri-Sebina (2020) opined that youth skills development is one of the potential factors that contribute to shaping the sustainable future for Africa. The relevance for youth skills development to an economy cannot be overemphasized, it is crucial in ensuring job creation, innovation and productivity. According to UNESCO (2025) over 450 million young individuals lack suitable skills essential for employment and enterprise as well as the fact that one in five aged 15–34 disengaged from formal learning. Despite growing investments, youth skills initiatives are often observed to be remain isolated or duplicated, leaving critical gaps unaddressed. Furthermore, African countries such as Nigeria, Kenya and South-Africa have been reorientating financial flows to address ‘infrastructure gap’. Hence there has been arguments for creating youth skills development opportunities through urban and rural capital accumulation (Goodfellow, 2020).

In essence, it is important therefore, to focus on empowering young people for future-proofing business enterprises and society in turbulent times. This means that equipping the youth with relevant and significant skills and capabilities is essential for facilitating their employability, promoting entrepreneurship, and addressing the growing demand for a skilled workforce across industries (World Economic Forum, 2025).

Finance mechanisms are techniques, processes, systems and tools, used in the mobilization, deployment, management, allocation, and monitoring of financial resources. Anthanasius-Fomum and Opperman (2023) stated that financial mechanisms are necessary for significant financial inclusion and performance of SMEs, thus they play crucial role in supporting economic activities, development projects, and policy implementation across diverse sectors such as government, business, and international development. By strengthening financial mechanisms through public-private partnerships, encouraging entrepreneurship education, and facilitating internships and apprenticeships, African countries can bridge the gap in youth skills, empower youth in creating enterprises, securing employment, and catalysing economic growth. This study would evaluate financial mechanisms for youth skills development programme for Nigeria, based on gathering insights from selected countries for areas of improvement that can be used to strengthen SMEs in Nigeria.

Statement of the Problem

SMEs are observed as drivers and backbone of any economy, the involvement youth has expanded their impact all around the world. In Nigeria, over 90% of business enterprises are SMEs, contributing up to 50% of jobs, notably, youth own about 67% of these enterprises (Umar, Alasan & Mohammed, 2020; PWC, 2020). The main challenges in financial mechanisms for youth in SMEs are high interest rates, collateral constraints, and limited access to suitable credit. Irrespective Nigeria has over the years employed varieties of financing mechanisms to boost youth skills development programmes, based on a combination of public, private, domestic and international donor-driven initiatives (Nungse & Sagbara, 2024). Some recent and notable finance mechanisms in Nigeria include (1) Nigerian Youth Employment through Skills Acquisition Fund (NYESAF) – IDEAS Project by the World Bank. (2) Nigeria Youth Futures Fund (NYFF) by the MacArthur Foundation, Ford Foundation, and Luminate Group. (3) Federal Government N120 Billion Youth Skills Acquisition Programme 2025. These are among the many initiatives embarked upon in the past decades since independence but there has been yet full maximisation and impact because of internal and external challenges that have constrained their efficacy. Therefore, the problem in this study is to investigate which financial mechanisms can enhance youth skills development and facilitate SMEs activities and performance in Nigeria. The aim of this study is to present a structured approach in financial mechanisms for youth skills development by integrating key government programs, financing innovations, and strategic enablers that can enhance SMEs in Nigeria.

Literature Review

Conceptual Review

Finance Mechanisms

A financial mechanism represents the methods and approaches a business or organization employs to acquire financial resources that are essential for its operations. It can be in the form of diverse sources, such as personal savings, equity contributions, debts, loans, public funds, or voluntary contributions (Gospodarchuk & Zeleneva, 2023). Financial mechanisms can be described as instruments and channels used to make funding available for specific activities and programmes. Nungse and Sagbara (2024) posited that there are nuanced categorizations of financial mechanisms; (1) public finance mechanisms that are used by governments to raise and allocate funds such as grants and subsidies to particular sectors, taxes, government bonds and debt instruments. (2) Private finance mechanisms that are used by individuals and businesses such as equity financing, venture capital, loans and credit, leasing and factoring. (3) International finance mechanisms that are used in global context and cooperation such as foreign aid, multilateral funding from global institutions like the World Bank or IMF. (4) Technology innovative finance mechanisms such as digital finance, crowdfunding and social impact bonds.

Financial mechanisms provide avenues for financial inclusion that contribute to economic development of a nation. However, some scholars have argued that financial mechanisms are hindered by issues such as lack of financial depth, financial inaccessibility and inefficiency (Ofosu-Mensah et al., 2023; Atta & Ibrahim, 2024). This means that some financial mechanisms are either too cumbersome for the targeted stakeholders or are restrictive in their application to the relevant programme. Yu, Li and Dai (2023) expressed that in recent times digital finance has broadened the capabilities of financial mechanisms in supporting individuals and society to attain economic resilience. Thus, it has become common place to have entrepreneurs turn to cryptocurrency, blockchain financing, crowdfunding and NFTs as means of financing enterprises.

In the context of Nigeria, financial instruments that are available to enhance SMEs include government credit support and subsidies, microfinance and banking institutions (Ofoama, Akomolehin & Bali, 2025). It was argued that financial mechanisms can only thrive through targeted financial policies by the Central Bank of Nigeria that extend accessibility of loans and credit facilities without complex collateral requirements. Similarly, Onyele, Ikwuagwu and Umezurike (2025) that financial mechanisms through formal systems are having negative association with SMEs performance because of elements such as unstable interest rates and fluctuations in money supply and demand. The authors argued that the need for flexible and informal financial mechanisms that are tailored to the unique attributes of SMEs, which can include crowdfunding, peer-to-peer credit, community development financial institutions (CDFIs) sponsored by the government that offer loans based on character and cash flow rather than credit scores and collateral. In essence, financial mechanisms in Nigeria are well established in their historical development but need to evolve and adapt with the changing times for them to be relevant to contribute to youth skills development for SMEs impact in economic activities.

Youth Skills Development

Youth skills development can be expressed as the process and practice of preparing, equipping and training young individuals with the necessary knowledge, abilities, and competencies that are needed to succeed in life, work, and society (Telukdarie et al., 2022). It entails a broad spectrum of elements used in inculcating the youth with technical, vocational and soft skills that can contribute to their personal and professional development (Marques et al., 2025). Several governments around the world have prioritised youth skills development programmes as a means of making their young population contribute to economic activities and growth. The concept of youth skills development is focused on providing skills and experience to unemployed individuals to enhance their chances of getting a job or starting a business permanent employment. In Nigeria, a significant youth skills development programme was the YouWin initiative of 2011 by President Goodluck Johnathan, which provided funding for young people with creative and innovative enterprises. Three years after the YouWin initiative, 91% of new businesses were founded, creating an average of 5.2% more jobs, while existing businesses that were funded by YouWin added 4.4% more employees, making a total of 3,900 enterprises supported by the program (Odiji, Nwoke, & Adeseke, 2016; Goodfellow, 2020). Also, in South-Africa, there was the National Skills fund of 2015 that focused on financial support for technical enterprises run by young entrepreneurs, resulting in over 42,000 youths receiving internship placement, 61, 000 bursaries distributed nationwide, averaging a total of about R3.2 billion invested in 1.4 million beneficiaries, 70% of these were youths (Telukdarie et al., 2022). In addition, European regions had the European Agricultural Fund for Rural Development that provided funding for young people to access developing skills to drive agricultural business (Prina & Zisimos, 2021). Comparatively, in Beijing city of China, there is the newly introduced Youth Green Skills Development and Entrepreneurship project that is targeted at training and empowering young people across China in entrepreneurship and social responsibility, in order to enhance youth employability, link young people to work opportunities, and facilitate the transition to a greener economy (Chen, Wang, & Zheng, 2024). All these are some examples of youth skills development programmes that have had some benefits such as increased job creation, innovations and economic impact, as well as shortcomings in terms of lack of transparency, misappropriation of resources and issues of bureaucracy in execution.

In Nigeria, the Igbo Apprenticeship represents an informal youth skills development set up based on the relationship between a younger person and an older person who has an experience in trade or commerce, to undergo a training for certain period of time, after which the younger person will gain the necessary experience, competency and trustworthiness to run his own business successfully (Nnonyelu et al., 2023). The Igbo apprenticeship model is a good youth skill development model that has been tested and trusted over the years by the Igbo tribe in Nigeria. The Igbo apprenticeship model will also be a useful tool for youth skill development in Nigeria and across African if there are appropriate financing mechanisms that can harness its potential. In essence, with the growing prevalence of youth development and the rising consciousness to make young people equipped for a sustainable future. The concept of youth skills development requires evolving nuanced approaches that can ensure that young individuals are position and harnessed for full potential and reduce their involvement crimes, corruptions and social evils. Nigeria can benefit significantly by seeking means to increase youth skills development as these programs can collectively contribute to empowering youth and improving their employability and enterprise ability.

Overview of SMEs

Umar et al (2020) defined SMEs as business organisations with 100 to 300 employees and capital base of over N100 million, with operations and activities that significantly contribute to gross domestic products (GDP). Thus, SMEs account for the highest number of businesses worldwide and are essential contributors to job creation, employment generation and global economic development. Most leading economies around to world are powered by their evolving SMEs sectors, these include Malaysia, China, India, Hong Kong, Bangladesh and Singapore and have similarity to Nigeria in terms rising population, advanced unemployment rate, intensified financial resource challenges and the absence of infrastructure in some cases (Umar et al., 2020).

SMEs are increasing in their operations and performance because of advancement in technological innovation, growing youth population and globalisation. SMEs are driving job creation, innovation, and entrepreneurship, economic diversification and resilience as well as developments (Rojas-Lema et al., 2021). In Nigeria, SMEs span across key sectors such as manufacturing, agriculture and diverse services. Most are faced with issues of access to suitable finance, multiple taxes, poor infrastructure, and bureaucratic limitations and inadequate innovation capacity (Onyele, Ikwuagwu & Umezurike, 2025).

From the perspective of Okolo-obasi and Uduji (2023) young people are actively being involved in SME development in Nigeria, as many seek entrepreneurship as an avenue of employment and financial independence. The determinants of contemporary SME operations and performance included digital transformation, financial inclusion, and policy coherence. In essence, SMEs are vital receipts of youth skills development because of the fact that when young entrepreneurs are equipped with the right skills there can be effective implementation in the area of enterprise development. SMEs operate and perform better when there is human capital development that is expressed through innovative thinking, technical skills and adaptability. However, a misalignment between the youth skills youth and those SMEs require can hinder both youth employment and SME productivity (Ataei, Karimi, Ghadermarzi & Norouzi, 2020; Adeosun & Shittu, 2021).

Theoretical Review

Human Capital (HC) Theory

Youth skills development as a concept can be underpinned by the human capital theory that was developed by Schultz (1961) based on the assertion for highlighting the importance of investing in people as human capital. The human capital theory was expounded by Becker (1964) positing that investment in education, learning, training, enlightenment and health enhances the output from individuals in terms of productivity and efficiency. HC theory focuses on individuals based on their knowledge, ability and skills as economic assets that can yield returns over time.

In relation to this study, the concept of youth skills development can be seen as investment in human capital, thus by equipping young people with relevant technical, vocational, and entrepreneurial skills, there can be evident increase in creativity, innovation, productivity, enterprise ability and employability. Human capital theory opines that investments in young people can enhances their potential to either create or support SMEs leading to broader economic development. In essence, financing youth skills development directly contributes to into strengthening SME performance (Okolo-Obasi et al., 2021).

Methodology

This study was carried out using qualitative research that follows case analysis to explore financing mechanism for youth skills development in Nigeria and the impact on SMEs. Creswell and Creswell (2018) argued that case analysis can be suitable in investigating an exploratory phenomenon that requires in-depth in interpretation. Case study analysis entails the use of thorough examination of relevant subject matter relating to a research topic, process, or phenomenon. For this study, case study of selected nations in which financial mechanisms for youth skills development have been implemented successfully. The study used secondary data collated from empirical reviews and reports about countries such as Malysia, India, South-Africa and the European Union. These nations were sampled using purposive sampling technique in terms of their similarity and familiarity to the Nigerian context. The benefit of using the above methodology include providing rich, contextual, and in-depth insights as well as enabling exploration of real-life complexities. The case analysis permits for flexibility in terms of data sources and evaluation procedures (Saunders et al., 2019) However, the case analysis is limited in the areas of generalizability due to small sample sizes, risk of researcher bias in explanations and interpretation as well as difficulty in replicating research outcomes

Overall, this methodology was found suitable for this study based on its context and application to understand the complex issue or phenomenon of investigating strategies for strengthening SMEs in Nigeria through financing mechanisms for youth skills development.

Data Analysis

The section contains content and thematic insights from selected countries and how they have leveraged financial mechanisms to enhance youth skills development for SMEs.

Case of Malaysia

The financial mechanisms used in Malaysia are numerous and strategic, because of the emerging nature of the economy and the potential for growth. World Bank group has for a decade and a half, provided financing for Malaysia's development strategy to achieve growth through strengthening its labor force, striking a balance in the distribution of corporate wealth and employment; and eliminating the scourge of rural poverty both for reasons of social welfare and political stability. Some effective finance schemes in Malaysia are government youth grants, social finance and MSMEs Financing Initiative (Laila et al., 2025).

In addition, skills training and vocational education (TVET), Tunas Usahawan Belia Bumiputera (TUBE) programme has supported over 7,000 youth entrepreneurs, creating nearly 14,000 jobs through entrepreneurial skills development such as e-hailing, taxi, bus, and B2 motorcycle driving (Ministry of Finance Malaysia). Malaysian government recently introduced financial mechanisms under the 13th Malaysia Plan, additional initiatives to provide financial support to students covering tuition and living expenses for underserved groups, also strengthening training institutions via centralized funding, governance, innovation and infrastructure upgrade (Sabri et al., 2023). The financing schemes adopted in Malaysia were tailored to train and develop young people in the areas of agriculture, manufacturing and industrialization. Shaari, Rahim and Noor (2020) pointed out that Malaysia has a solid youth entrepreneurship support system that assisted in making the youths to become self-employed. From the period of 2010 to 2019, the youth entrepreneurship support system (Financial Assistance) was a major determinant of economic growth in Malaysia.

From the perspective of Salim, Kassim and Thaker (2020), a survey by Khazanah Research Institute highlighted that only 6% of youth entrepreneurs in Malaysia are getting financing from financial institutions even though financial institutions are considered as predominant source of funds to SMEs. This has led to increase public and private sector collaboration on financing enterprises of young people to solve SMEs financing issues in Malaysia. Salim, Kassim and Thaker (2020) used insights from 260 young entrepreneurs in Malaysia and found that seed capital, funding incentives and government support have assisted in promoting entrepreneurial skills of creating innovative enterprises that are capable of reducing unemployment rate as well as stimulate economic growth.

Case of South Africa

As far back as 2009, South African government has implemented financing and infrastructure for learnerships and skills development with priority for the young unemployed. In practice, the learnership system is increasingly prioritising employability skills among youth by providing funding, focus of programmes, workplace placements or support offered (Visser & Kruss, 2009). According to World Bank (2024) South Africa offers a considerable range of skills development options targeting higher education and tertiary institutions, young labour market entrants, workers and unemployed individuals. This funding is pioneered by the partnership with the government since the South African Skills Development Act 97 of 1998 (SDA). The creation of the National Skills Authority and collaboration with educational institutions provide diverse opportunities for youth learnerships and skills. The national student financial aid scheme (NSFAS) in South Africa was a major instrument for skills development (Mokgotho, Njoko & Burman, 2023). The beneficiaries of the NSFAS funding have testified to the development of soft skills such as financial security, spending prioritisation, collaborative budgeting, time-management skills, and entrepreneurial development opportunities.

The South-African government has the National Youth Development Agency (NYDA) that offers enterprise grants, mentorship, skills training, internships, and job placements for youth aged 14–35. Also, South Africa is known to maximise financial mechanisms such as private and international organisation partnerships (Google, Harambee, and Microsoft) to bridge creative and digital capability gaps as well as delivering scalable training. Zibengwa and Tanga (2023) argued that strengthening programmes for youth development in South Africa have been done through government and non-governmental organisations. It was established that challenges such as lack of access to start-up finance, poor links to strategic partnerships and mentorship platforms were constraining factors for youth development of successful entrepreneurial capabilities and results. The authors stated that financial mechanisms through social investments from government and NGOs can continue to pave the way for effective youth empowerment and development. These can be in form of school funded projects, community development funding and financing of marginalised communities.

Case of India

India being one of the countries with the largest population has been known to actively promote youth skills development with notable initiatives by government, businesses and individuals such as National Skill Development Council, Sector Skill Councils, Ministry of Skill, Development and Entrepreneurship as well as National Council on Vocational Training (NCVT). There have been government policies and private sector interventions in India to promote courses across a range of industries and increase employability through a variety of short-, long-, and vocational courses (Narad & Shridhar, 2023). In the context of India, there have been significant government budget allocations through the ministry of skill development and entrepreneurship (MSDE) that facilitates youth programmes and schemes are funded through Union and State budgets. For instance, (1) Pradhan Mantri Kaushal Vikas Yojana (PMKVY) government funded providing free short-term training. (2) National Apprenticeship Promotion Scheme (NAPS) where government shares the cost of stipend and training with employers. (3) Public-Private Partnerships (PPP) that provides loans, equity, and grants for training young people for future skills in enterprise and employability. (4) Corporate Social Responsibility (CSR) Funding that emphasizes that large companies are required to invest 2% of profits on education and skill development as stated under the Companies Act, 2013 (Manorama 2025).

India has robust financing mechanisms for youth empowerments through investing in higher education, skills, and technology (Yadav, 2025). In essence, centres for youth development were established in various districts in India to promote classes on confidence, determination, problem solving and resolution. Yadav (2025) stated that Indian government enshrined the importance of investing in education, skills, and technology to empower the youth to achieve success in society and the economy. There have been significant funding for institutions in India by the government and international organisations for effective and inclusive education, training, and lifelong learning for young people. The financing mechanisms are used to ramp up youth skills development through technical education and training, broadband connectivity, and digital skills (Yadav, Singh & Singh, 2018; Yadav, 2025)

Case of European Union

The countries in the European Union are characterised with substantial development indicators and have been known to thrive on maximising youth potentials in driving social and economic activities (Caroleo & Pastore, 2007; Tosun, Treib & De-Francesco, 2019). The European Youth Guarantee fund is targeted at facilitating youth skills financing in countries such as Germany, France as well as some key Eastern European countries. The fund highlights initiatives that that assist young people in attaining digital skills, green economy skills, vocational training and entrepreneurship. More so, it is common place to find European government institutions partner with educational institutions to drive research skills among youths such that there can be execution of innovative research. In countries such as Spain, Italy, France and Finland, there are educational scholarship programmes that serve as drivers for research skills, problem solving skills and industrialization skills, Hence, the EU has used national welfare systems as buffers for its states in hard times by focusing on capacity-building of young people to make them enterprising and productive (Miró, Kyriazi, Natili & Ronchi, 2024).

In the Visegrád Four (V4) set of European countries in Central Europe made up of Czech Republic, Poland, Hungary and Slovakia, funding mechanisms such as public-private partnerships, structural funds, employer-funded training schemes and donations from international organisations were used to advance vocational education and training. For instance €10 million annually has been received as donations from international organisations to supports education, culture, and mobility via grants and fellowship (Prina & Zisimos, 2021; Klassen, 2025). European countries boast of some effective financing mechanisms for enterprises such as targeted grants, tax incentives or diverse levy payments that are made available to formal sector enterprises to encourage them to train their more deprived workers. The financing mechanisms in European Union are based on coordinated actions between private and public stakeholders. Common elements are skills development, co-financing and the engagement of private or economic cooperators in the various stages of enterprise activities. According to the European Commission (2025) policy document for finance for youth, there are various mechanism that are used to finance youth skills development programmes that are ranging from national coordinated policy to regional and local level. This ensures that there is grassroots and community impact of funding activities for youth development. In addition, these are augmented with services that provide individualised career guidance, workshops, and meetings with employers and professionals in diverse sectors careers as well as work-based learning programmes and internships.

Discussions and Conclusions

The case study analysis of the effective mechanisms of financing youth development programmes in selected nations has provided a nuanced insights for Nigeria to consider in the pursuit of youth development and SME impact. Through appropriate and tailore made mechanisms the Nigerian government can be able to ensure that investments in youth skills can deliver desirable results of job creation, employment, creative and innovative enterprises. In light of the of the above insights from Malaysia, India, South Africa and Europe, it can be inferred that the following themes are central as financing mechanisms for youth skills development; (1) active government investments through specialised educational funds for institutions. (2) public-private partnerships that cut across various industries and sectors that ensure sponsoring of vocational training at national, state and local government levels. (3) International organisations grants and donations that can spur youth development such as scholarships, research grants and innovation incentives.

Though, Nigeria can be said to have some of similar attributes in financing mechanisms, for instance the Nigerian student loan programme by President Bola Ahmed Tinubu of 2024 based on the 2024 Education Loan Act. Its effectiveness and application need to be more streamlined, data driven and transparent. Thus, the use of more innovative ways of funding youth skills programme needs to be considered as observed in the selected countries in this study.

In conclusion, financing mechanisms for youth skills programme have to be robust, adaptive, nationalised and localised to community levels. The funding of formal and informal education has to be championed by government and private sector as a means to drive young people to gain enterprise ability and employability skills. Hence, the effectiveness in financing initiatives for youth skills, by government, private stakeholders and international partnerships can facilitate youth's access to credit and assist them develop diverse skills that contribute to making them enterprising and employable. This study highlights the pertinent role that financing mechanisms play in enhancing youth skills and capabilities that strengthen SMEs in Nigeria.

By positioning suitable financial instruments in the reach of young people, Nigeria can unlock the enormous skills of its youth population to drive innovation, creativity, productivity, and economic activities through enterprise as well as economic growth. The outcomes from this study show that tailored financing channels for skills development can include scholarships at institutional level, society and community development funding, private venture capital, industry sponsored initiatives, government-backed grants and international organisation donations. Moreover, the integration of public-private partnerships, digital financial platforms, and global-exchange financing models provide a tenable pathway to contribute to youth skills development that strengthen SMEs impact in Nigeria.

Recommendations

Firstly, there is need for a coordinated approach involving government, financial institutions, developmental partners, and the private sector collaborators to drive the realization of effective financing mechanisms for the full potential of Nigeria's youth and SME ecosystem.

In addition, to ensure long-term impact of the financial mechanisms, it is essential to foster an enabling policy environment, advance financial literacy and inclusion, and fortify institutional frameworks that support youth skills development.

Furthermore, it is recommended that financing mechanisms should be strategically linked to industry, innovation and infrastructure factors as stated in Sustainable Development Goal 9, this can attract more international organisations to provide funding in developing economies such as Nigeria. Hence, as done in the European Union, where there are targeted scholarships, grants, and incentives for Science, Technology, Engineering, and Mathematics (STEM), the Nigerian government and private sector can have financing schemes that encourage young people to develop skills in agriculture, manufacturing, and production (Okolo-obasi & Uduji, 2023). Ofoama, Akomolehin & Bali, 2025).

Finally, in light of the study of Adeosun and Shittu (2021) it is recommended that integration of elements such as accountability, transparency, integrity, and responsibility be interwoven with the financial mechanisms to deter issues of corruption and misappropriation of funds. There has to be a combination of internal and external control to ensure effective auditing of the financial mechanisms to ensure that they are being used for what they were slated for in terms of youth skills development.

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