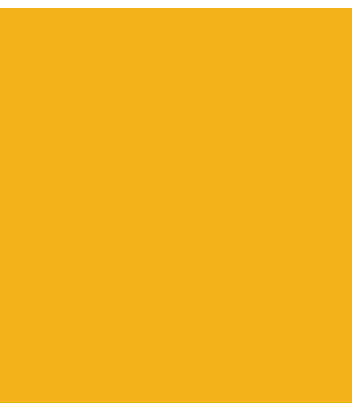
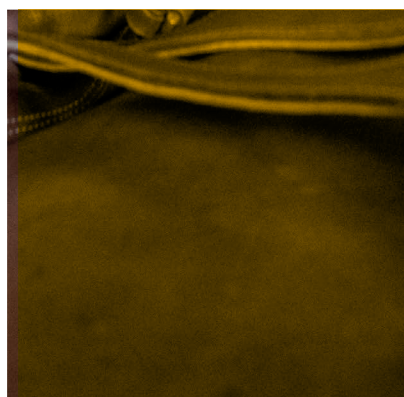




Promoting Youth
Entrepreneurship
in **Africa**



A Policy Brief - 2020





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Acronyms

AU	African Union
AUC	African Union Commission
AfDB	African Development Bank
AUDA-NEPAD	African Union Development Agency - New Partnership for Africa's Development
APAYE	African Plan of Action on Youth Empowerment
ACFTA	Africa Continental Free Trade Area
CAADP	Comprehensive Africa Agricultural Development Program
CESA	Continental Education Strategy for Africa
DREA	Department of Rural Economy and Agriculture
EPAG	Empowerment of Adolescent Girls and Young Women
HRST	Human Resources, Science & Technology
ILO	International Labour Organisation
OECD	Organisation for Economic Cooperation and Development
PAU	Pan African University
REC	Regional Economic Community
STISA	Science Technology and Innovation Strategy for Africa
UNCTAD	United Nations Conference on Trade and Development
YEP	Youth Empowerment Programme

Executive Summary

Youth unemployment is one of the major challenges faced by the African Union (AU) Member States. The problem is exacerbated by limited alternate opportunities to earn decent livelihoods. Since the youth form the backbone of the African population - over 60% - the continent's sustainable development hinges on harnessing the demographic dividend. That entails going beyond the limited formal employment opportunities for youth and creating and availing opportunities to make a decent living and contribute to the realisation of Agenda 2063. Acknowledging the importance of investing in and creating space and opportunities for young people for them to realise their full potential, the African Union has pioneered several initiatives geared towards youth empowerment. The AU Agenda 2063 recognises the need to do this as a prerequisite for achieving the socio-economic transformation of Africa.

Through its African Plan of Action for Youth Empowerment (APAYE), the AU places a premium on five key priority areas, among them youth employment and entrepreneurship. The African Union Commission (AUC) has rolled out an initiative "1 Million By 2021" which is aimed at reaching millions of youth from across the continent with opportunities and interventions in key areas of employment, entrepreneurship, education and engagement.

Youth entrepreneurship is projected to be increasingly relevant in the current contexts of rising unemployment and underemployment, as well as insecure, low-paying, hazardous employment that does not result in liveable wages. However, Covid-19 outbreak has shown that pandemics and disasters have the

potential to subject young entrepreneurs or businesses to a great deal of uncertainty and exposure to high risk of unproductivity.¹ Covid-19 has led to a global health emergency and economic slowdown with trade, investments and employment being seriously affected. This has left many vulnerable youth-led enterprises struggling to carry on business in the face of unexpected economic shockwaves.² Response to the Covid-19 crisis should entail cushioning young entrepreneurs against the shockwaves, assisting them to develop long-term growth plans, finding innovative ways to survive the economic slowdown and searching for novel market opportunities.

Several interventions are proposed by the AU and its Member States to promote youth entrepreneurship and consequently create more jobs and enhance livelihoods on the continent. These interventions should include ways to cushion youth entrepreneurship against economic shockwaves that may be caused by unexpected phenomenon such as pandemics and disasters. In enhancing the role of the

¹ African Leadership University, How to Remain Productive as a Small Business During COVID-19 <https://www.alueducation.com/how-to-remain-productive-as-a-small-business-during-covid-19/> accessed 28 January 2020.

² As above.

AU in promoting youth entrepreneurship in Africa, this policy brief identifies ways that can promote youth entrepreneurship on the continent. While this paper focuses specifically on youth entrepreneurship, it does not claim that entrepreneurship is a panacea for the challenges facing young people or that it is a solution to get millions out of poverty. Undoubtedly, it has proven to be a viable alternative to employment for many – which is why this policy brief seeks to further elaborate on this option.

The policy brief identifies legal, institutional and policy frameworks within the African Union and its Member States that should be exploited to enhance youth entrepreneurship. In order to promote youth entrepreneurship in Africa, the policy brief identifies six interventions:

1. Engaging youth directly in entrepreneurship-related policy-making;
2. Integrating relevant education with entrepreneurship to facilitate entrepreneurship skills development;
3. Supporting and enhancing an enabling entrepreneurial ecosystem;
4. Employing and supporting smart and effective financing for start-ups particularly for social enterprises addressing a specific gap, niche or problem;
5. Leveraging and strengthening partnerships and collaboration with the private sector and other stakeholders; and
6. Promoting gender-responsive programming.

Finally, the policy brief highlights some of the policy implications for the African Union, its Member States and Regional Economic Communities (RECs).

Preface

At the continental level, there are several legal, policy and regulatory frameworks that provide guidance to the AU, RECs and the Member States on promoting youth entrepreneurship in Africa. These include: the AU Constitutive Act; the African Youth Charter; the AU Agenda 2063; the African Plan of Action on Youth Empowerment, and the AUC Chairperson's 1 Million By 2021 Initiative.

Member States are obligated under the AU Youth Charter to create employment opportunities for young people. While implementing this obligation, Member States should take into consideration and enact policies that support youth entrepreneurs, employment and businesses in times of challenges posed by pandemics such as Covid-19. Moreover, the AUC Chairperson's 1 Million By 2021 Initiative aims to meaningfully reach at least one million young Africans by 2021 with opportunities in the areas of education, employment, entrepreneurship and engagement. The purpose of this policy brief is to provide comparable lessons and guidance to the AU, RECs and the Member States on the promotion of youth entrepreneurship in Africa.

This policy brief is a culmination of research conducted by the Human Resources, Science and Technology Department. It makes recommendations

on how to implement the current framework on youth entrepreneurship on the continent. The recommendations are geared towards the realisation of the objectives set out in the African Youth Charter, the African Plan of Action for Youth Empowerment, and the 1 million by 2021 initiative which are implemented in line with AU Agenda 2063 programmes.

I would like to acknowledge the immense contribution of the young people who enriched and nuanced the points put forth by this policy brief with their perspectives, expertise, experiences and lived realities, AU organs and institutions, AUC departments, my colleagues at the HRST for the insights and ideas that culminated in this policy brief. I also appreciate Endeva and Maendeleo Group who worked to put this policy brief and study together. I thank GIZ for the technical and financial support to the HRST and these processes.

Prof Sarah Mbi Enow Anyang

Commissioner, Human Resource Sciences and Technology

01 Context & Background

Africa has the youngest population in the world with 65 percent constituting people under the age of 35 years (Tracey & Kahuthia, 2017). This demography is projected to double by 2045 (International Labour Organisation (ILO), 2013). Africa youth have the potential to be Africa's biggest challenge or its biggest resource (Kingsley Ighobor, 2013). As a critical resource worth harnessing, the youth are key to the realisation of Africa's demographic dividend. Demographic dividend is the window of opportunity that opens when the working age population (between 15 and 64 years of age) of a country is larger than the dependant population (below 16 and above 64 years of age) (Jakkie Cilliers, 2018).

The challenge, however, is that the potential working population in Africa are youths who are more likely to be unemployed than adults (ILO, 2015). African youth account for 60 percent of all of Africa's unemployed population (African Union Commission (AUC), 2017). Of Africa's nearly 420 million youth, one-third are unemployed, another third are vulnerably employed, and only one-sixth are in wage employment (AUDA-NEPAD). Meanwhile, youth employment programs are not delivering the results needed. This is, in part, because the jobs young people are being trained for

do not exist (World Bank Group, 2017). Despite a current GDP growth rate of 3.7 percent on the continent, this economic growth has not been in areas that are labour intensive (AUC, 2017) (See figure 1 below on the general correlation between GDP and employment). As a result, most young people end up being self-employed in microenterprises where they earn just enough to survive, but not enough to create jobs and pursue additional opportunities to improve their lives (Fox & Kaul, 2017; Kluve et al, 2017).

For Africa to effectively harness its youth demographic dividend and for it to achieve the goals set out in instruments such as the African Union's Agenda 2063 and the AU Roadmap on Harnessing the Demographic Dividend through Investments in Youth, young Africans need to become job creators (AUC, 2017). Youth entrepreneurship is seen as a solution to the threat of unemployment mainly because young entrepreneurs: are more likely to hire other youth, are very responsive to new economic and technological opportunities and are active in high growth

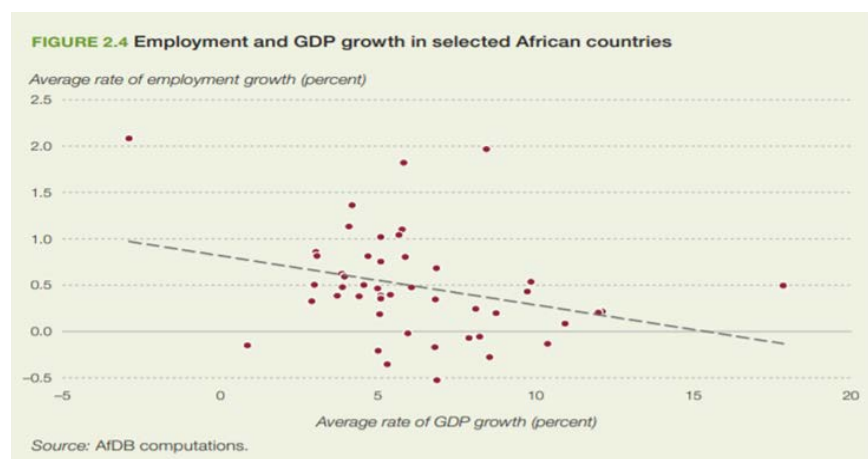


Figure 1: The correlation between GDP and employment (Source: AfDB)

sectors (Kew et al 2015; Agriculture for Impact, 2014). Therefore, more youth need to be supported to establish growth-oriented enterprises for the continent to thrive (Fox & Kaul, 2017; AfDB, 2015).

However, although governments, development partners and private sector stakeholders recognize the potential of a youth dividend and have adopted a plethora of initiatives to support youth entrepreneurship, the number of youth who are working poor remains high and is projected to continue rising. Young people entrepreneurs and businesses are also likely to be affected by pandemics like Covid-19 and disasters which would result in increased unemployment and poor working conditions. According to the ILO, Sub-Saharan Africa continues to report the highest rate of poor working youths globally. Since 1991, the number of poor working youth in Sub-Saharan Africa has increased by as much as 80 percent and in North Africa, one in four working youth is estimated to be living in extreme or moderate poverty representing a significant improvement since 1991 when almost half of all employed youth were living in extreme or moderate poverty. (ILO, 2016) (See Figure 2 below). This evidence is matched by findings at the country level that show slow progress in increasing entrepreneurship survival rates and job-creating rates.

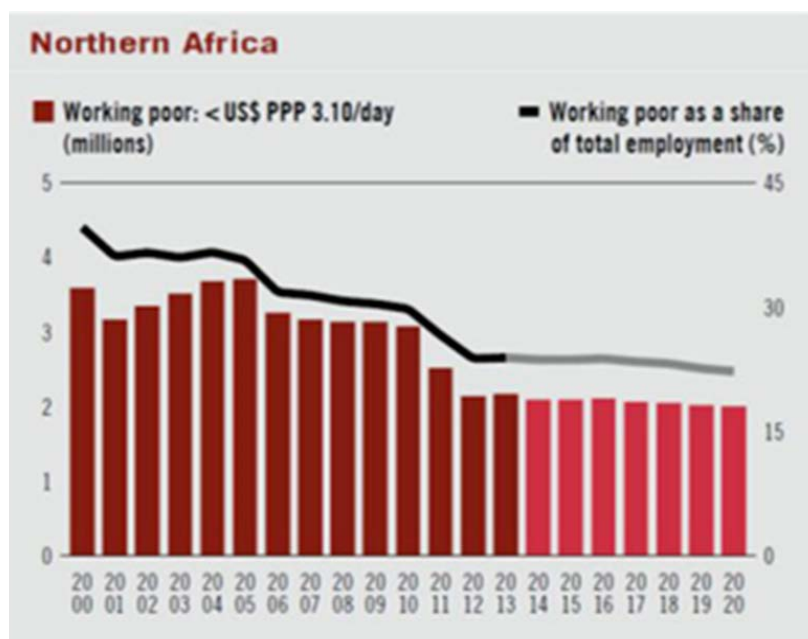


Figure 2: Working poverty and quality of employment (Source: ILO) 2016)

Furthermore, anecdotal evidence from young entrepreneurs highlights that despite significant investments, their businesses continue to flounder and fail once programs have reached an end (AU Study on YEP, 2019) (See figure 3 below). Economic shockwaves caused by Covid-19 and similar phenomena are likely to force many young entrepreneurs out of business. There is therefore an urgent need to explore more effective and impactful ways for youth entrepreneurship promotion and cushioning in Africa.

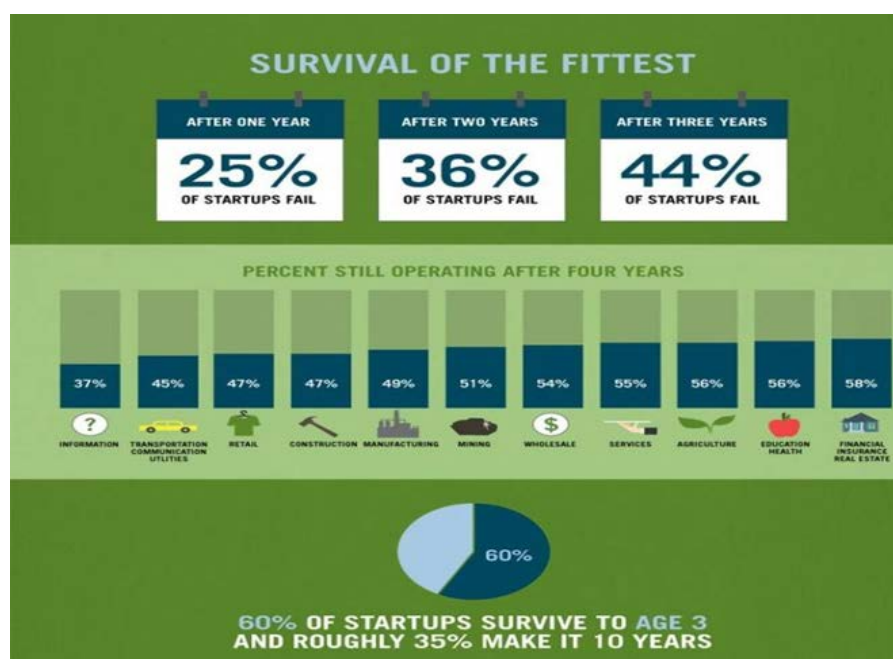


Figure 3: The general survival rate of start-ups (Source: bizepic.com)

1.1 Background to the Policy Brief

In 2017, the African Commission partnered with other relevant institutions to develop a roadmap dubbed the AU Roadmap on Harnessing the Demographic Dividend through Investment in Youth. The Road Map was informed by the urgent necessity to transform the potential of Africa's large youth population, often referred to as the youth bulge, into a demographic dividend.

The Road Map was based on among others the African Youth Charter which obligates the Member States to take all appropriate measures to promote youth entrepreneurship by including entrepreneurship training in the school curricula, providing access to credit, business development skills training, mentorship opportunities and better information on market opportunities. The AU, through its African Plan of Action for Youth Empowerment, focuses on accelerating the implementation of game-changing continental flagship programmes and initiatives in 5 key priority areas which include youth employment and entrepreneurship.

In 2017 over 400 participants from over 40 African and European countries met at the African Union Conference Centre in Addis Ababa Ethiopia under the banner "Africa Talks Jobs (ATJ) – Equipping the Youth with Adaptive Education and Skills for Employment and Entrepreneurship". The ATJ proposed among others issues that promotion of youth entrepreneurship was critical and called on the AU to identify policy recommendations on youth entrepreneurship for Member States consideration. This policy brief seeks to contribute to that need.

In April 2019, the African Union Commission rolled out an initiative "1 Million By 2021" aimed at reaching out to millions of youth from across the continent with opportunities and interventions in key areas of Employment, Entrepreneurship, Education and Engagement.

The initiative seeks to embolden the AU, RECs, Member States and strategic partners to consider new perspectives, test new ideas and scale up promising practices across the continent. This policy brief focuses on the role of the AU in promoting youth entrepreneurship by highlighting some of the comparable practices at Member States levels and initiatives that the AU and the Member States, should put in place or scale up to promote youth entrepreneurship in Africa.

1.2 Relevant AU Legal and Policy Frameworks

At the Continental level, several legal policy and regulatory frameworks provide guidance to the AU, RECs and the Member States on the promotion of youth entrepreneurship in Africa. These include: the AU Constitutive Act; the African Youth Charter; the AU Agenda 2063; the African Plan of Action on Youth Empowerment (APAYE); the AUC Chairperson's 1 Million By 2021 Initiative; the 2017 AU theme and Summit Resolution on Harnessing the Youth Demographic Dividend; the Continental Education Strategy for Africa (CESA 2016-2025); the Science Technology and Innovation Strategy for Africa (STISA 2024) as well as other sectoral policies on trade, industrialization, agriculture, democratic governance and peace and security. The Member States, under the AU Youth Charter (art 15) are, for instance, under an obligation to create employment opportunities for the youth. The AUC Chairperson's 1 Million By 2021 Initiative, on its part, aims to meaningfully reach at least one million African young people by the year 2021 with opportunities in the areas of Education, Employment, Entrepreneurship and Engagement (4Es) (See figure 3 below).

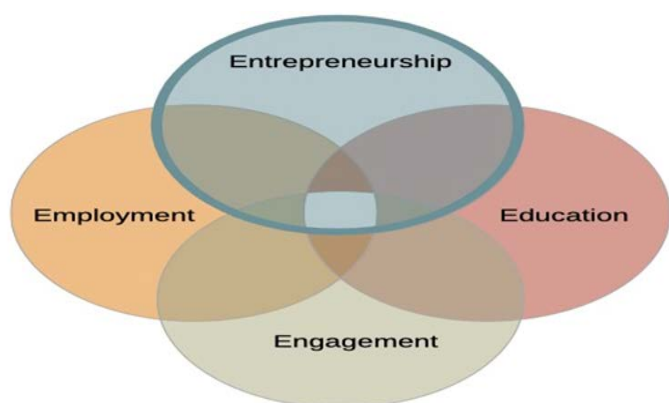


Figure 4: The cross-cutting role of the 4E's of the One Million by 2021 Initiative (Source: AU YEP Study, 2019)

Similarly, through the First Ten Year Plan of Agenda 2063, the AU aims to transform the continent, with a clear role for young entrepreneurs: "African Youth will be mobile and 15 percent of all new businesses will emanate from their ingenuity and talent and the proportion of unemployed youth will be reduced by at least a quarter" (AU Study on YEP, 2019). The attain-

ment of the objectives underlying these initiatives and frameworks, therefore, lies with the specific practical measures adopted towards harnessing the youth demographic dividend, the key of them being youth entrepreneurship promotion.

The African Union Commission, the African Union Development Agency New Partnership for Africa's Development (AUDA-NEPAD) and Business Africa convened a conference under the banner "Africa Talks Jobs – Equipping the Youth with Adaptive Education and Skills for Employment and Entrepreneurship" in November, 2017 where they made recommendations on youth entrepreneurship promotion in Africa.

It was recommended that AU Member States should commit support and incentivise the Business Community to mentor and incubate youth involved in value addition in agriculture and exploitation of natural resources. Member States were also called upon to commit to establish and strengthen the legal framework for availing start-up capital and business financing facilities for youth and develop ecosystems as well as special windows for support to marginalised groups.

However, the path towards meaningful entrepreneurship and job creation for growth-oriented youth in Africa has and continues to be riddled with: restrictive national policy environments; education systems that inadequately equip the youth with relevant entrepreneurship skills; limited and restricted access to markets and financing options; insufficient business development support services as well as other sector specific challenges (AU Study on YEP, 2019). Therefore, for youth to be catalysts for significant progress on the Continent and an engine for job creation, more and better entrepreneurship support is needed at the AU, RECs and Member States levels. This is the need that informs the purpose of this policy brief.

02 How to promote youth entrepreneurship in Africa

2.1 Engage youth directly in entrepreneurship-related policy making

Governments can catalyse youth entrepreneurship promotion by reducing barriers and creating a conducive entrepreneurial ecosystem. Such an entrepreneurial ecosystem may include — human capital, entrepreneurial culture and supportive networks that interact collaboratively. These elements foster the development and growth of innovative enterprises (Daniel Isenberg, 2010). Governments set the rules and regulations that determine the steps an entrepreneur must take to start, maintain and grow a business. These include taxation laws, registration requirements and procedures, and property rights. Governments can promote youth entrepreneurship at a strategic level by establishing legal frameworks, policies, regulations, institutions, national plans and agendas, including those that shape the context of entrepreneurship education and training within education systems (UNCTAD, 2015). For example, in Tunisia, in 2009, the Ministries of Education and Higher Education and of Vocational Training and Labour jointly signed an order to allow students to graduate by submitting their business plan instead of a traditional thesis (Premand, Brodman, Almeida, Grun, & Baroundi, 2012).

On their part, young African's have shown that they can be initiators and change-makers by setting up innovative businesses despite challenging business environments and establishing the strongest Africa wide networks of hubs and co-working spaces (See figures 4 & image 1 below). These pioneers understand the aspirations and needs of their peers and of the coming young generation like no other. Further, in times of crisis, like Covid-19 young people innovatively lead responses in their communities (Wickramanayake, 2020). This provides solid ground for govern-

ments to support youth-led initiatives. On the other hand, policy-makers are oftentimes not always in tune with this reality, in practice. Therefore, it makes practical sense to work with the youth to co-create laws and policies that will determine the future legal and regulatory frameworks of innovative start-ups.

Such policy actions could include formulating a national youth entrepreneurship strategy; facilitating technology exchange and innovation; attracting public and private partnerships; optimizing the regulatory environment by providing for, among other things, preferential (quota based) procurement for youth entrepreneurs, tax incentives as well as facilitating ease of doing business and access to markets for youth entrepreneurs and cushioning youth entrepreneurs against economic impacts caused pandemics like Covid-19. Engaging youth in any of these areas can add value and ensure that appropriate and impactful policies are being created.

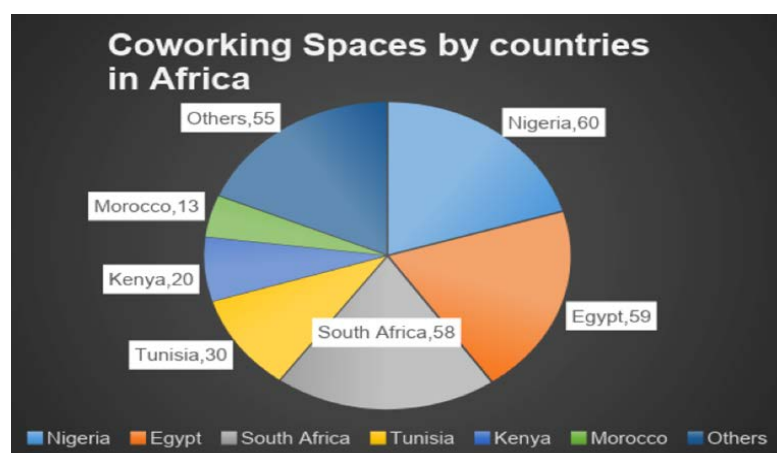


Figure 5: Entrepreneurship co-working spaces in Africa
(Source: andafrica.co.jp)



Image 1: iHub, an entrepreneurship incubation and co-working space in Nairobi, Kenya (Source: andafrica.co.jp)

Countries at the forefront of youth entrepreneurship ecosystem improvement are actively engaging the youth to find out what their specific needs are and to co-create solutions. Tunisia has, for instance, led the way in achieving this through the enactment of the Tunisia Start-Up Act, 2018. This is the first piece of legislation in Africa to explicitly facilitate the launch and development of technology and innovation-driven start-ups in all sectors and to make provision for a fund for start-ups and for innovation (AU Study on YEP, 2019). The Act was initiated by young entrepreneurs and relevant stakeholders and gained widespread support by engaging all relevant actors (AU Study on YEP, pg 35). The Act facilitates start-ups by, among other measures, exempting them from tax, giving them access to an international bank account and currency, copyright protection for intellectual property and customs duty waivers. This has therefore been key in improving competition by reducing barriers to entry of new firms in the market.

Additionally, governments can engage and collaborate with youth-focused groups such as the i4Policy group, consisting of African tech hub leaders, which support governments in developing appropriate rules, regulations and financial mechanisms to support youth-led tech start-ups (See image 2 below).



Image 2: Leaders of hubs and innovation communities from across 32 countries in Africa during the launch of "The Africa Innovation Policy Manifesto" in Kigali in 2018 (Source: Disrupt Africa)

With support from the AU and RECs, the AU Member States that do not have robust policies to support youth entrepreneurship may as well consider, replicating and adapting the above approaches to fit their respective entrepreneurship spaces and contexts. Importantly, such policies conducive to youth entrepreneurship should receive the backing and political will by the Member States further displayed by the ratification and implementation of relevant continental normative frameworks and commitments aimed at promoting youth entrepreneurship.

2.2 Integrate relevant education with entrepreneurship to facilitate entrepreneurship skills development

Most young Africans believe they have the capacity to start a business and that there are good business opportunities (Kew, et al., 2013; GEDI, 2018). Moreover, research has shown that young Africans who are confident that they possess the skills to start a business are four to six times more likely to be involved in entrepreneurial activity (Kew, et al., 2013). However, while confirming the high score on Opportunity Perception, the 2018 Global Entrepreneurship Index shows that the Continent's entrepreneurial ecosystems score to be lowest in the areas

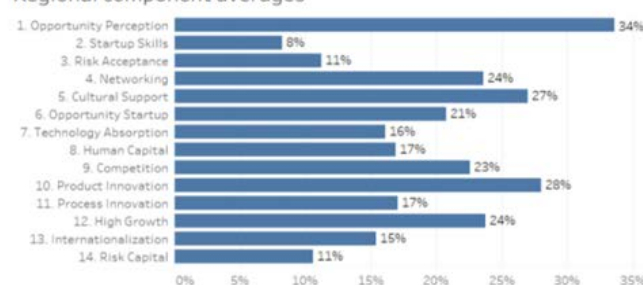
of start-up skills, risk acceptance and risk capital (GEDI, 2018) (See figure 5 below). According to the ILO (2015), the youth unemployment rate increases consistently with the level of education; youth who have completed tertiary education are two to three times more likely to be unemployed than youth with primary education or less (ILO, 2015) (See figure 6 below).

Regional results: Sub-Saharan Africa

GEI ranks within the Sub-Saharan Africa region



Regional component averages



Regional ranks and scores

	GEI
1 Botswana	35%
2 South Africa	33%
3 Namibia	31%
4 Gabon	25%
5 Swaziland	24%
6 Rwanda	21%
7 Ghana	21%
8 Nigeria	20%
9 Zambia	20%
10 Senegal	19%
11 Côte d'Ivoire	19%
12 Kenya	18%
13 Ethiopia	18%
14 Tanzania	16%
15 Gambia, The	16%
16 Mali	16%
17 Liberia	16%
18 Cameroon	15%
19 Angola	14%
20 Mozambique	14%
21 Madagascar	14%
22 Benin	13%
23 Burkina Faso	13%
24 Guinea	13%
25 Uganda	13%
26 Sierra Leone	12%
27 Malawi	12%
28 Burundi	12%
29 Mauritania	11%
30 Chad	9%



Figure 6: (Source: thegedi.org)

While this is partly due to the lack of formal employment opportunities in the labour market, it also suggests that Africa's education systems are not sufficiently preparing young people for the world of work. As acknowledged in the 2018 Africa Talks Jobs Forum, African governments have an important role to play here as the public education system remains the first and foremost avenue for reaching African youth (ATJ Conference Communique, 2017 pg 3). Education across all levels, therefore, needs to be more related to job market needs and be designed so as to better prepare youth to start and run their own enterprises (AU Study on YEP, 2019).

Figure 3.7 Youth unemployment rate (strict definition) by level of completed education, SWTS countries, by regional grouping, 2012/13

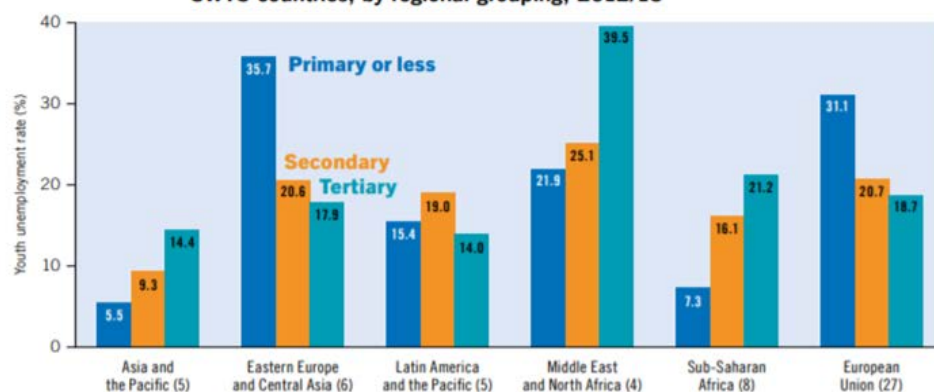


Figure 7: Increase in youth unemployment with increase in education in sub-Saharan Africa (Source: ilo.org)

Primary and secondary schools teach foundational skills such as math, reading and writing, but also influence the development of entrepreneurial mind-sets and skills within the population. Although, in past years, access to education has improved so that more young people are able to get a formal education, curricula and didactical methods are, however, often outdated and focus on knowledge retention instead of real-world competencies (Fox & Kaul, 2017). However, in recent developments a number of governments have adopted innovative and successful entrepreneurial skills development programs designed by NGOs into formal primary and secondary education systems (Kew, 2015). At the core of these programs are experiential and immersive teaching methods that have been proven to work well in transferring entrepreneurship-related soft skills (Lippmann, 2015).

Several comparable case studies from across the continent underscore the critical and highly impactful role that the education sector can play in significantly increasing the impact of youth entrepreneurship on a large scale particularly through strategic partnerships. For instance, Alfatoun, an international NGO with network partners implementing Alfatoun programs in 35 African countries,³ offers age-appropriate experiential learning courses that teach young children and teenagers valuable skills for starting a business including savings, financial planning and budgeting, self-confidence and social skills (Alfatoun International, 2017) (See image 3 below). Alfatoun has been able to scale the continent in part by working strategically with governments and across ministries to integrate their content into national education systems and curricula. This program has been rigorously evaluated and shown to be impactful in these areas.

³ Botswana, Malawi, Ethiopia, Mozambique, Nigeria, Gambia, Rwanda, Ghana, Sierra Leone, Kenya, South Africa, South Sudan, Lesotho, Eswatini, Tanzania, Democratic Republic of Congo, Uganda, Guinea-Bissau, Madagascar, Zimbabwe, Mali, Benin, Mauritius, Burkina Faso, Niger, Senegal, Cameroon, Togo, Cote d'Ivoire, Algeria, Egypt, Libya, Morocco, Somalia, Sudan & Tunisia



Image 3: Children from the Nubian Community in Uganda undertaking Alfatoun's social and financial training offered by Uganda's Private Education and Development Network (PEDN) (Source: PEDN @pednuganda)

Additionally, educational institutions can tap into the deep sector-specific knowledge of partners in the private sector by allowing them to teach entrepreneurship skills. The INJAZ Company Program, for instance, is a program for secondary students focusing on financial literacy, work readiness and entrepreneurship that is implemented in partnership with national education authorities, using private sector volunteers (Reimers, 2018; AU Study on YEP, 2019). It is executed in 14 countries across North Africa and the Middle East through various branches under the umbrella of Junior Achievement Worldwide (JA Worldwide) (See figure 7 below). The Program provides hands-on experience in setting up, running, and liquidating a business and has been shown to improve hard and soft skills related to entrepreneurship, build confidence and improve gender norms.



Figure 8: JA Worldwide in Africa (Source: jaworldwide.org)

In Morocco, the INJAZ Company Program is led by INJAZ Al-Maghrib. Different from most countries, the Moroccan Company Program is run with entire classes during normal school hours rather than as an extra-curricular activity that students can opt into. The program is run over a period of 6-8 months, during which participants develop a business plan, launch a business, market and sell their product and then liquidate the business, giving them first-hand experience in entrepreneurship. Volunteers from the private sector teach both the hard and soft skills that are important in their industries, drawing on their own experience. Moreover, @iLabAfrica, a Centre

of Excellence in ICT innovation and development at Strathmore University in Kenya has had success in developing industry-specific and relevant training through partnerships with companies such as Intel, Ericsson, Google, Safaricom, Oracle, Samsung, Deloitte and IBM. This has been critical in imparting entrepreneurship skills in the youth (AU Study on YEP, 2019).

Universities support young entrepreneurs through various pathways: they offer courses on entrepreneurship; initiate and host incubator and accelerator programs; run business plan and innovation competitions; and conduct research into entrepreneurship ecosystems and practices. The American University in Cairo, for instance, hosts the AUC Venture Lab. In Lesotho, university staff set up the National University of Lesotho Innovation Fund (NULIF) to help students go from lab research to marketable products while in South Africa the University of the Witwatersrand has set up the Gauteng Accelerator Programme (GAP) Innovation Funding Competition for the provision of seed funding to winning contestants (See a call for entries in image 4 below which highlights focus sectors and the prize). In Kenya, @iBizAfrica is Strathmore University's incubator. Through partnerships with companies like Deloitte and Microsoft @iBizAfrica has been able to nurture start-ups by providing them with mentoring, seed capital, legal advice, financial expertise, training, and physical resources. They have also provided a specific program to incubate young women-led start-ups in partnership with Barclays Bank.



Image 4: The Gauteng Accelerator Programme
(Source: Opportunities for Africans)

Most important, however, is for national education policies to require the intersection of education and entrepreneurship at all levels especially starting from early childhood education so as to effectively facilitate mindset shifts and early induction into entrepreneurship. Such training should, however, be focused on developing holistic youth beyond just capacitating them on technical entrepreneurship skills. Extensive research by Accenture to inform their “Skills to Succeed” program found that the earlier skills are learned, and the right habits and mindsets built, the greater the likelihood of success (Accenture, 2017).

This is also illustrated in the training approaches adopted by Alfatoun and the INJAZ Company Program. Starting to develop these skills, as part of early childhood education, is more effective than starting at a later age. Furthermore, even those youth who do not go on to start a business, benefit from these skills, as they are also skills that employers generally seek in employees. They are, moreover, skills that can benefit youth on a personal level.

The formal education system therefore has a pivotal role to play in providing skills and training critical to entrepreneurial success at scale as well as incubation, acceleration and financing for start-ups. Strategic partnerships with the private sector in this endeavour not only ensures success in improving the quality of education and an up to date curriculum but is also critical in providing direct entrepreneurship education and training.

As the AU's institution of higher learning, the Pan-African University is set to become a leading centre of excellence in research and higher education for the advancement of Africa. The university has a unique value to the continent which among others is to foster entrepreneurship and cross-continental business innovations for job creation in Africa. In its strategic plan 2020-2024, the university has also reiterated the need to ensure the curriculum, teaching and opportunities availed at the University are relevant for industry and the needs of AU Member States. These can be achieved by enhancing the employability of skills and entrepreneurship capacities and opportunities.

The Pan African University further calls upon the Council and all other relevant partners to provide technical, financial and mentorship support to its students and alumni to pursue entrepreneurship through among others, incubation hubs, as well as financial support including venture funds, and support for start-ups.

2.3 Employ and support smart and effective financing for start-ups

Young people need access to start-up capital and other types of finance to create and grow their businesses. However, access to formal financial institutions and financial services is particularly restricted for youth in Africa (AU Study on YEP, 2019, pg 75).

One of the reasons that banks struggle to provide credit to young people at a reasonable cost is that youth lack traditional collateral and are thus considered high risk. However, the AfDB states that developing entrepreneurial ecosystems that include an adequate supply of affordable credit, even to those lacking traditional collateral, could go a long way towards facilitating high growth entrepreneurship (AfDB, 2015).

Governments can provide timely tailored financing options by partnering with banks and engaging responsively with youth. An example of this is Senegal's La Délégation Générale à l'Entrepreneuriat Rapide (DER) Fund. The DER is a 50 million USD fund offering a mix of financing instruments to young entrepreneurs and women in Senegal (AU Study on YEP, 2019). Besides financial support, entrepreneurs receive training, coaching and mentoring and opportunities to participate in exchange trips and competitions.

The fund explicitly pushes financial inclusion through specific engagement with the banking sector. It offers four main types of entrepreneur financing: small financing; incubation financing; equity financing and low-interest loans. What makes the DER fund stand out, is the transparency, simplicity and speed of the procedures for accessing funding. The three-week turnaround of funding applications has played an important part in this. Furthermore, using banks to distribute funds rather than distributing directly enhances transparency (i.e. the funds are not seen as political funds). The fund designates money for specific sectors and regions so that youth in more remote areas also benefit and economic activity is diversified and decentralized. The DER has also

proven effective in listening to the Senegalese community of young entrepreneurs and connecting them to relevant government ministries to co-create start-up friendly legislation.

Additionally, carefully designed cash-based transfers, grants, can be highly effective in supporting growth-oriented businesses in job creation. Research has also shown that positive outcomes were attained by programs providing start-up grants, whether alone or in combination with training and advisory services (Kluve et al., 2017, p. 155; Blattman & Ralston, 2015; Cho and Honerati, 2013). The Nigerian government's Youth Enterprise With Innovation (YouWiN!) program was a large-scale national business plan competition for young entrepreneurs in Nigeria (See image 5 below of the former Nigerian President Goodluck Jonathan during a YouWin event). YouWiN winners received prizes averaging a grant of USD 50,000 each, as well as some mentoring and training. The YouWiN! business plan competition had large impacts on the rate of business start-up, the survival of existing enterprises, employment, profits, and sales of winning enterprises. Results from a rigorous impact evaluation showed that by the end of the third year of YouWiN activity, the 1,200 winners are estimated to have generated more than 7,000 new jobs than the control group. The cost per job created compares favourably to similar programs in the United States and developing countries. (McKenzie, 2015).



Image 5: Former Nigerian President Goodluck Jonathan during a past YouWin launch (left) and a YouWin product exhibition (right) (Source: utibeetim.com)

Although the provision of start-ups with large cash grants, was long deemed unwise, due to beliefs that young people would squander such grants or not use them effectively, Nigeria's YouWin project has, however, shown that a selection process can identify young entrepreneurs who will be able to use large cash grants effectively (AU Study on YEP, 2019). Furthermore, disbursing funds through local banks is recommended to make it clear that the grants are not political giveaways.

For growth-oriented young entrepreneurs, tapping into the still limited amounts of private investment capital available in Africa is a severe challenge. Meanwhile, many African countries have a local business community with senior members of the business community with the financial means to invest. If local established entrepreneurs and business people become angel investors in their communities, it not only unlocks investment capital, but also creates a community of potential mentors who have a close understanding of the direct environment in which the entrepreneur operates and can provide additional guidance. The proximity of the entrepreneur and the investor is an advantage for two reasons. For the investor, personally interacting with the entrepreneur can help to build trust and understand their specific financing needs. For the entrepreneur, the investor can provide support in networking and advice related to practical questions concerning local markets. This increases the chances of success, which leads to higher and/or faster returns for the investor. Angel networks are currently being established in Africa both on a continental and local scales such as the African Angel Business Network and the Lagos Angel Network (GEN, 2018). These are integrated in the Global Business Angel Network that supports research and events to help members create new Angel Networks and learn from each other's experiences. Governments therefore need to encourage and provide support for the establishment of such local business angel networks.



The AU and RECs should therefore develop policies and initiatives that support Member States' efforts to provide a conducive environment for incubation centres and seed capital for budding entrepreneurs. The Partnership between UNDP and the Tony Elumelu Foundation to train mentor and provide financial support to 100,000 entrepreneurs in Africa over a 10-year period towards the attainment of SDGs is a case in point. The AU can adopt such an approach through its One Million by 2021 Initiative to partner with Member States and private sector in training, mentoring and financially supporting young people towards the achievement of SDGs and Agenda 2063.

2.4 Support and enhance an enabling entrepreneurial ecosystem

Entrepreneurial success is significantly influenced by the supporting ecosystem in which youth create their businesses (Psilos & Galloway, 2018). There is, therefore, a need to strengthen the entrepreneurship ecosystem such as to provide room and support for the emergence and growth of young entrepreneurs. This can be done, for instance, through the establishment and support of entrepreneurship hubs. Start-up hubs, incubators and accelerators are the nurseries of the entrepreneurial ecosystem. Young people gather here to network, access ICT infrastructure, attend trainings, find business partners, receive business development advice, create prototypes, inspire and be inspired. The 2017 Africa Economic Outlook report emphasizes that skills and business incubation services are prominent determinants of success in supporting entrepreneurial activity (AfDB, OECD, & UNDP, 2017).

Many hubs across the continent have been set up in response to gaps young people see in the provision of support to young entrepreneurs. An example of these includes EcoliaLabs, an incubation hub with a co-working space and a digital skills training center in Yaoundé, Cameroon (AU Study on YEP, 2019). Young Cameroonians go to EcoliaLabs' digital skills training center to upgrade their skill sets to improve their employability. In the center, young people are trained on how to do web development, build mobile phone applications, create e-commerce websites,

design for and use digital communication tools and marketing. Out of nearly 300 youth trained since 2016, EcoliaLabs has confirmation that about 140 have found employment after the end of the training, in different sectors of activities, where they occupy positions ranging from developer, head of digital communication, to project manager. Additionally, about 30 have started their own companies, and are mostly freelance. Opportunities to build on such hub networks, improve the quality of their programming and funding should be further explored.

While there is a rapid growth of tech hubs, incubators, maker spaces, and accelerators accessible to youth in African urban centers, youth in smaller cities, towns and rural areas are still largely detached from these spaces that play an important part in accessing support programs and networking. Despite a growing amount of entrepreneurship support programs, most young people are not aware of them and are therefore not accessing assistance to help them get started in business or increase their profitability (Kew et al. 2015).

Although young entrepreneurs report similar challenges across income groups, they need differentiated support. While skills development, business experience, market access, access to capital, business networks and the enabling environment are challenges for most entrepreneurs (Psilos & Galloway, 2018), support must be tailored to the specific type of young entrepreneurs being targeted. For instance, due to the unique challenges that young women face, they should be afforded support that matches their needs.

Additionally, for those entrepreneurs seeking to grow their business, different types of support are needed in the various stages of starting and growing a business, including pre-incubation, incubation, acceleration and scale. Additionally, start-up incubation and acceleration spaces should go beyond tech innovations to also integrate start-ups in other sectors such as agriculture. For instance, BlueMoon,



an agriculture business incubator in Ethiopia, supports young people to discover, nurture and fund exceptional ideas in agribusiness.

Further, multilateral Development Banks (MDBs), bilateral partners, philanthropic foundations are important stakeholders in promoting youth entrepreneurship through among others providing seed capital and finance facilities. The support of these stakeholders to promote youth entrepreneurship should be deepened and scaled, a role that could be supported and coordinated by the AU through strategic engagement and partnership with the private sectors and financing institutions in the implementation of flagship initiatives as well as the implementation of national entrepreneurship initiatives (Pre-validation Report on YEP Study, 2019, pg 5).

2.5 Leverage and strengthen existing stakeholders

A range of actors, both public and private, take on specialized roles in the entrepreneurship ecosystem to support young entrepreneurs and potential young entrepreneurs as illustrated in Figure 9.

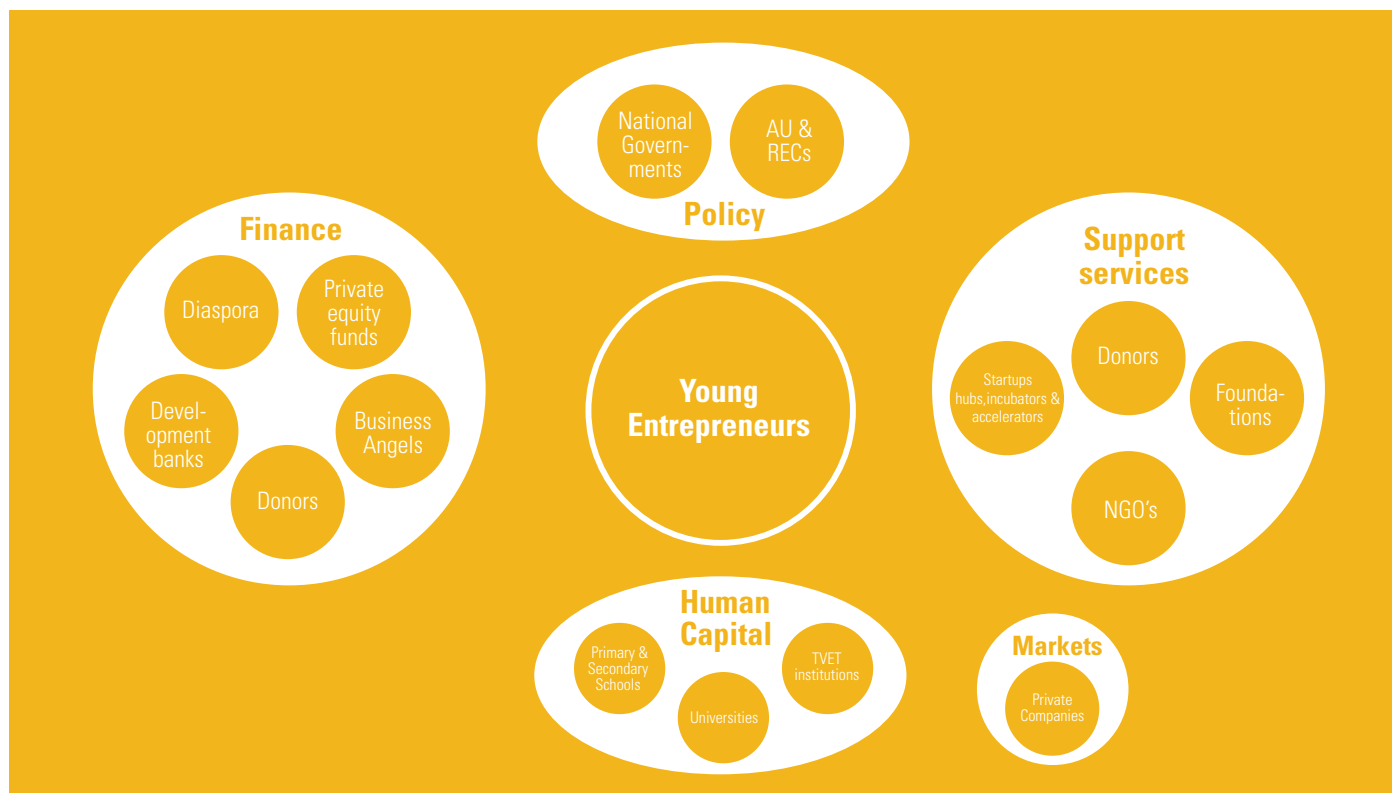


Figure 9: Actors in the entrepreneurship ecosystem
(Source: AU YEP Study, 2019)

Providing sector specific support offers opportunities for a more profound impact. Various initiatives across the Continent have illustrated this. This includes the highlighted work of NULIF in the manufacturing sector as well as the work of Creative Futures in the creative industries and that of Global African Agribusiness Accelerator Platform (GAAAP) in the agriculture sector (AU Study on YEP, 2019). Creative Futures is a two-year program intended to increase the capacity and network of creative professionals in Ethiopia in Visual Arts, Photography, Film, Fashion, Architecture, Graphic Design, Animation, Digital Art, Game/App/Software Development, Crafts, Sculptors, Printmaking and Pottery sectors to support them in building sustainable careers (See image 6 below of one of the sessions about film convened by Creative Futures). The program was implemented by a consortium of partners: the British Council, iceaddis, and the Goethe-Institut. Many of the participants work in the so-called gig-economy as freelancers, a form of entrepreneurship that is on the rise globally and in Africa (AU Study on YEP, 2019). The program provided toolkits for both creatives and private sector stakeholders to help them work together, as well as business and marketing, and event management toolkits for creatives to support them in better understanding how to market their products and skills.

GAAAP, on its part, is a private sector lead accelerator, designed to take existing youth-led agribusinesses to the next level of growth. The platform is active in four African countries to date: Uganda, Zambia, Kenya, and South Africa, with 20 fellows per country. GAAAP was founded by the Africa Business Group (ABG), an African economic development company. GAAAP specifically supports existing agribusinesses whose founder or founders are under 40 (Interview with GAAAP founder Michael Sudarkasa, June 2019). GAAAP focuses on expanding these businesses by connecting young agripreneurs to local and inter-African market opportunities (AU Study on YEP, pg 66).

However, effective mechanisms to coordinate and guide activities of stakeholders involved in supporting youth, including young entrepreneurs are critical. Youth Connekt Rwanda (YCR) presents a good model of the platform that has been able to effectively achieve this (AU Study on YEP, 2019) (See image 7 below). YCR a platform that connects youth to peers, role models, resources, skills and economic opportunities. The platform leverages existing programs and actors and serves as a useful government-backed coordinating mechanism for all ecosystem actors seeking to support the youth. It consists of various programs and events dedicated to supporting youth, with a strong focus on entrepreneurship support. YCR designs programs with the Ministry of Youth, based on statistics and priorities of the Rwandan government, and engages relevant partners for implementation.

Image 6: "Film Creative Hustle convened by Creative Futures (Source: @creativefutures.ethiopia)





Image 7: President Paul Kagame of Rwanda leads industry leaders: Dr Mukhisa Kituyi (UNCTAD) and Jack Ma (Alibaba Group) in engaging with youth at a past Youth Connekt Summit (Source: The African Courier)

As many governments face the challenge of effectively leveraging the diverse range of stakeholders active in the entrepreneurial ecosystem, adapting this mechanism can provide a way to tackle this challenge by consolidating the ecosystem. Youth Connekt Africa is open to supporting any country to establish a national Youth Connekt, provided the initiative and initial funding comes from the countries' Ministry responsible for youth. Through Youth Connekt Africa, the example of YCR has so far been replicated in 11 other countries: Uganda, Democratic Republic of Congo, Congo Brazzaville, Cameroon, Ghana, Liberia, Sierra Leone, The Gambia, Cape Verde, Zambia & Zimbabwe.

Additionally, it is important to leverage existing stakeholders in providing support to young entrepreneurs. A significant proportion of people many of them youth are motivated to give back to their communities and are working hard to support youth by setting up hubs, co-working spaces, maker-spaces, and providing technical advice and support services to them. Recognizing the need to maintain certain quality standards in facility and service provision, these stakeholders should be leveraged and strengthened rather than side-lined by creating new structures that fulfil the same purpose. For example, before funding and staffing a series of new incubation centres, governments are advised to engage with existing incubators and find out which types of support they would need to implement the programs envisioned for the new incubators. That way, the entrepreneurial ecosystem is strengthened and governments can leverage the energy of citizens who engage out of passion for the future of their country and continent. This is also a principle applied strongly in the Youth Connekt.

2.6 Promote gender responsive programming

Gender responsive programming and ecosystem support enhances participation of and outcomes for young women. Women face different challenges than men, and these are often not considered in general efforts to improve the entrepreneurial ecosystem. The majority of entrepreneurs in Africa are women, but their businesses are less productive and have fewer employees than their male counterparts (WBG, 2019). Women more often start a business out of necessity than opportunity compared to men and tend to enter sectors with less growth potential in the informal economy (GEDI, 2017; WBG, 2019). Moreover, women have less assets and capital to invest and are less likely to adopt advanced business practices (WBG, 2019) (See image 8 below).



Image 8: Woman engineer (Source: African Development Bank)

Women face different constraints than men which causes them to make different decisions that often lead to less productive outcomes (WBG, 2019). These constraints vary from legal and other forms of discrimination and marginalisation to time constraints due to family obligations and household responsibilities disproportionately placed on them. These are discussed in detail in the recent report from the World Bank Group (2019). Research shows that when these constraints are alleviated, women perform just as well as men, including in male-dominated sectors (WBG, 2019). However, policies to improve the entrepreneurial ecosystems that do not explicitly take these constraints into account pose the risk of widening the existing gender gap (WBG, 2019).

For young women in particular, successful programs tend to combine business skills training with life skills and/or mentorship (Fox & Kaul, 2017). For example, the Empowerment and Livelihood for Adolescents program implemented by BRAC in Uganda provided training on running a small business and education on health and risky behaviours (AU Study on YEP, 2019). A study that tracked 4,888 girls over two years found that the program increased the likelihood of participants engaging in income-generating activities by 32 percent and also had strong positive impacts on health and agency outcomes (AU Study on YEP, 2019; Bandiera et al (2012)). Other initiatives that have sought to empower young women in entrepreneurship include the Economic Empowerment of Adolescent Girls and Young Women (EPAG) program in Liberia and @iLabAfrica in Kenya. The two have engaged in skills training, incubation and the provision of seed funding for ideas specifically by young women thus contributing to increased entrepreneurship and income for women.

When designing and implementing programs for young African entrepreneurs, therefore, it is important that consideration must be given to questions such as whether young women will be able to participate in them or whether any gender specific barriers that may prevent women from participating and how these can be addressed to facilitate equal participation by young women.

03 Policy Implications

3.1 For the African Union

The AU has shown particularly strong leadership in its approach to the growing youth population. Rather than framing this as a problem, the AU sees African youth as having great potential and emphasizes the need to equip them with the knowledge and skills they need to contribute to a peaceful and prosperous Africa. The 2017 AU Roadmap on Harnessing the Demographic Dividend through Investments in Youth (AUC, 2017) solidifies this intent and explicitly addresses youth entrepreneurship as an area for Member States to invest in. The AU continues to drive this topic through the Chairpersons 1 Million by 2021 initiative focusing on engagement, entrepreneurship, education, and employment. Furthermore, the AU supports and endorses initiatives that are in line with driving entrepreneurship support.

Given its convening power, large scale impact as well as political leverage, the AU has a role not only in developing and adopting policies, strategies and action plans to promote youth entrepreneurship in Africa but most importantly in the implementation and tracking of these policies as well as the replication and scaling up of identified good practices at the Member States levels. The AU has a critically important role to equally provide technical support to the Member States to promote youth entrepreneurship. In this regard, the AU should:

3.1.1 Strengthen the foundations for youth programming

In order to strengthen the foundations for youth programming both at the continental as well as at Member State levels, the AU should:

- a) Utilise the comparable lessons presented by the good practice in its Member States to adopt a continental approach/policy on youth entrepreneurship promotion;
- b) Review the Continental Education Strategy for Africa (CESA 2016-2025) and the Science Technology and Innovation Strategy for Africa (STISA 2024) to ensure that they include more entrepreneurial components;
- c) Utilise the opportunity it has in providing technical support in the development of national policies that are aligned with the Continental commitments of Member States to integrate policies that are supportive of youth entrepreneurship and cushion them against economic shockwaves caused by pandemics and disasters. This may, for instance, be achieved by the AU's Department of Rural Economy and Agriculture (DREA) Comprehensive Africa Agriculture Development Programme (CAADP) which assists Member States in developing policies and investment plans aligned with commitments in the Malabo Declaration as well as the Africa Continental Free Trade Area (ACFTA);
- d) Engage the African Governance Architecture and African Peace and Security Architecture to enhance youth participation in democratic governance and peace-building initiatives that lead to the creation of a conducive environment for entrepreneurship;

- e) Establish a support mechanism within the relevant departments responsible for policy frameworks that support youth engagement, employment and entrepreneurship to advocate for the ratification and implementation of the relevant policies and treaties;
- f) Establish a reporting mechanism, track progress, monitor and provide technical support for the implementation of continental policies and commitments on youth entrepreneurship promotion at the Member States level; and
- g) Consider adopting a benchmarking tool for the Member States in order to stimulate educational institutions to engage more in entrepreneurship promotion that could include benchmarking standards across the Member States.

3.1.2 Catalyse action at Member States level

At the level of its Member States, the AU should:

- a) Promote and support national policies aimed at enhancing the entrepreneurship ecosystem such as those providing for preferential procurement for the youth as well as those facilitating government tax incentives for young entrepreneurs;
- b) Promote coordinated and collective support action services by the Member States to promote youth entrepreneurship – by supporting, and where they don't exist, establishing entrepreneurship parks inspired by the industrial parks model at national and local levels;
- c) Recognise and celebrate youth and initiatives promoting youth entrepreneurship through continental awards;
- d) Leverage its convening power to convene, coordinate and connect the private sector and other stakeholders to support youth entrepreneurs in Africa;
- e) Support the implementation, replication and scaling up of the identified good practices among the Member States.

3.1.3 Implement its continental flagship programmes

The AU moreover needs to implement its continental flagship projects related to youth entrepreneurship. In this respect, the AU should:

- a) Support relevant entrepreneurial human capital development through the Teachers Without Borders initiative to promote skills transfer and exchange of relevant and appropriate entrepreneurship education and training through among others the Pan African University (PAU);
- b) Through the One Million by 2021 Initiative, encourage the private sector and bilateral partners to support and enhance Member State entrepreneurship ecosystems that should include state-led and private sector innovative financing for young entrepreneurs;
- c) Promote and support the roll-out of the PAU Entrepreneurship Hub in all the PAU Institutes and create synergies and intake with national universities and stakeholders including the private sector and youth.

3.1.4 Coordinate continental initiatives on youth entrepreneurship and raise awareness

Many departments of the African Union Commission (AUC) and its organs have youth entrepreneurship high up on their agenda and work on initiatives aimed at supporting youth entrepreneurs. As the topic of youth empowerment is crosscutting, the AU should devise a mechanism for interdepartmental coordination and collaboration in order to achieve coherence, synergies and impact on youth empowerment including entrepreneurship promotion. If AUC manages to coordinate its efforts on youth entrepreneurship, it can create more powerful and impactful initiatives. It can also share the process with the Member States so they can also coordinate their efforts across different ministries. This can help to break the silos between different actors hence effectively facilitating youth entrepreneurship.

The AU should also use its power to lobby for the topic of youth entrepreneurship. For example, it could recognize and celebrate youth and initiatives promoting youth entrepreneurship through continental awards or choose youth entrepreneurship as a theme of the year. In addition, the AU can also partner with bilateral partners to organize roundtables on development topics and ways to deal with challenges that young entrepreneurs face as a result of economic slowdowns either related to pandemics like Covid-19 or other unexpected phenomena.

3.1.5 Institutionalise and convene multi-stakeholder partnerships for supporting youth entrepreneurs

The AU should utilise its convening power to create partnerships with multiple stakeholders such as the private sector, civil society organisations, universities and youth-led initiatives to develop and promote entrepreneurship initiatives. One example is the One million by 2021 Initiative that could encourage the private sector and bilateral partners to support and enhance Member State entrepreneurship ecosystems; this should include state-led and private sector innovative financing for young entrepreneurs and support to existing entrepreneurship support organisations.

The AU should also consider institutionalising regular continental and national platforms for sharing lessons learned concerning youth entrepreneurship promotions among various stakeholders. This may for instance include the bi-annual Africa Creates Jobs and Promotes Entrepreneurship Forum.

3.2 RECs

While the main function of RECs is to facilitate regional integration, their Member States and through the wider African Economic Community (AEC), it is projected that the biggest business opportunities in the coming decade will be created by Africans who start businesses, generate jobs and wealth, and capture growth opportunities (ILO, 2016).

This means that youth entrepreneurship will be the epicentre of business opportunities in Africa and for the RECs to achieve their objective of economic integration and creation of jobs of people within their regions, they must harness the potential of youths in the respective regions. RECs should therefore develop policies that are aimed at improving youth entrepreneurship capabilities including supporting youth Micro, Small and Medium Enterprises (MSMEs); promoting youth entrepreneurship by streamlining regulations that impede young people from starting and running sustainable enterprises; establishing a SADC Youth Empowerment Fund and programmes to assist in identifying youth innovators: encouraging regional youth innovation competitions; promoting youth exchange/learning/networking programmes in the respective economic regions; and cushioning them against unexpected economic challenges.

3.3 AU Member States

To promote youth entrepreneurship, the AU Member States should:

- a) Engage youth directly in policymaking regarding start-ups and entrepreneurship generally;
- b) Review policies in the education sector to ensure they intersect education and entrepreneurship and create an enabling foundation for youth entrepreneurship that should begin at early childhood;
- c) Promote, implement and domesticate the CESA, which seeks to re-orient Africa's education and training systems to meet the knowledge, competencies, skills, innovation and creativity required to match employment market needs;
- d) Establish and strengthen the legal framework for availing start-up capital and business financing facilities for youth and develop ecosystems to support them. The framework should also develop special windows for support to women-led businesses as well as rural and marginalised groups, including those with disabilities, impoverished, minorities.
- e) Increase the use of smartly designed and transparent cash grants to support entrepreneurship initiatives for the youth;
- f) Support the establishment of local business angel networks to provide access to finance and mentorship for young entrepreneurs, paying attention to gender parity;
- g) Establish supporting ecosystems for entrepreneurship such as an entrepreneurship park – similar to now-famous industrial parts – to foster collective and team spaces to engage among youth entrepreneurs that feed into mentorship, incubations and financing, among others benefits;
- h) Provide support and incentives to the business community to mentor and incubate youth involved in value addition in various sectors;
- i) Establish and (co-)fund a clear coordinating entity for youth support such as Rwanda's Youth Connekt;
- j) Leverage and strengthen existing stakeholders to provide support for and promote youth entrepreneurship;

- k) Promote gender-responsive programming in all aspects of youth entrepreneurship promotion and implementation;
- l) Enhance the capacity of youth entrepreneurs in all sectors and regions that should include training, coordinating, connecting and sharing comparable Member States good models - such as the Youth Connekt in Rwanda and the PAU Entrepreneurship Hub;
- m) Support young entrepreneurs and business against economic challenges that may be caused by pandemics such as Covid-19 and disasters; and
- n) Implement, monitor and track the implementation of continental and national legal and policy frameworks and where such do not exist, adopt policies that support and promote youth entrepreneurship.

3.4 Education Institutions and Universities

The formal schooling system should integrate comprehensive entrepreneurship education into the national curriculum at all levels. Comprehensive curricula need to be developed to provide young people with different sets of competencies, including technical, non-cognitive and life skills as well as entrepreneurial behaviours (OECD/EU, 2012).

At the primary level, it is important to:

- raise awareness about entrepreneurship as a career opportunity;
- develop skills, knowledge and attitudes that are conducive to entrepreneurial behaviour;
- promote entrepreneurship through extracurricular activities; and
- develop experiential and learning-by-doing methodologies.

At the secondary level, efforts should be deployed to:

- encourage more interactive, hands-on and experiential teaching methods (e.g. team-based activities, role-playing, simulations and games);
- promote entrepreneurship through diverse extracurricular activities;

- integrate entrepreneurship into the curriculum as an optional course or an afterschool activity; and
- promote the use of technology, especially the Internet.

At the tertiary level, it is essential to:

- develop effective curricula that provide students with the basic skills for starting and operating a business, including basic accounting;
- create entrepreneurship schools and integrate the teaching of entrepreneurship into traditional subject matter;
- establish, within universities, entrepreneurship centres that engage in training, R&D, consultancy and information dissemination, and that provide follow-up services to students;
- facilitate networking and exchange among universities in order to increase the spread and use of innovative pedagogies and teaching materials in entrepreneurship education.

3.5 Private Sector

The private sector is key in the promotion and development of an entrepreneurship ecosystem. Raising capital, finding talent, and overcoming bureaucracy are three of the top challenges youth entrepreneurs ascribe to their environments and these can be mitigated by the private sector. The private sector is considered to be dynamic, innovative and result oriented (Ifeoma Nwoye, 1997).

The involvement of the private sector in policymaking is as important as their partnership with the AU, Member States and the Youth Entrepreneurs.

3.6 Youth

The youth have incredible potential. They offer new perspectives for shaping current and future policies, strategies and activities (UN, 2011). Today's young people are also great communicators, with the capacity for influencing policies, trends, culture and mind-sets. Moreover, they have a right to shape policies that will impact their lives and that of coming generations. This is particularly the case for policies that are specific to young people – the adage, 'nothing about us, without us' rings true and is a source of great frustration the world over. The youth should therefore be provided with opportunities to participate meaningfully in policy development. Some of the opportunities that can be explored include engagement with the AU Youth Envoy and the Youth Division to champion for policy, legal and institutional reforms and changes.

Further, because the labour market experiences of young people have become increasingly delayed and fractured (Bradley and Devadason, 2008), one expectation is that young people have to adapt to differing forms of work and business activity. In terms of entrepreneurship, this may have led to the adoption of differing 'business models' such as part-time self-employment; some form of co-operative or social enterprise; or a focus on a particular (innovative) sector. Young people should therefore be encouraged to be more innovative in developing business and other entrepreneurial activities that may lead to income generation.

04

Conclusion

For the future of Africa to be integrated, prosperous, and peaceful as envisioned under the AU's Agenda 2063, and for Africa to reap its youth demographic dividend, more needs to be done both at the Continental as well as the Member State level to promote, support and facilitate youth entrepreneurship. The above policy proposals are key in providing a better policy and regulatory environment for youth entrepreneurship; guaranteeing education systems that is tailor-made to equip youth with relevant entrepreneurship training and skills; increasing the level of access the youth have to credit and the markets for financing entrepreneurship initiatives; ensuring an enabling and supportive entrepreneurship ecosystem; the effective engagement and involvement of the private sector in entrepreneurship promotion as well as in mainstreaming gender in youth entrepreneurship in Africa. All these will go a long way in securing Africa's future by promoting innovative approaches to realise not only the Africa we want, but also the Africa we need.

05

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