

# Enabling youth entrepreneurship in Africa

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Although the continent's "rising narrative" began to dim with effect from 2015, when economic growth rates started declining dramatically, and it became evident that the much desired meaningful economic transformation proved elusive, the "Afro-optimism" is gradually returning. This is being fueled by renewed hopes for economic transformation, massive infrastructure developments and greater determination to leverage the continent's potentially huge youth dividend.



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The decade and a half through to 2015 witnessed a level of optimism in Africa rarely seen before. During that period, the continent registered unprecedented uninterrupted high rates of economic growth since 2000, accompanied by relatively stable macroeconomic conditions, in sharp contrasts to the volatilities of the 1980s and 1990s.

Consequently, the opportunities for transformation were tangible, national and pan-African visions all pointed to a continent that was potentially self-sufficient and self-confident, with higher levels of shared prosperity for all its citizens and determined to play a greater role in the global arena through reinforced collective actions as envisioned in the continent's Vision 2063.

Africa boasts the fastest-growing youth population in the world. But there is consensus that for this significant youth dividend to be realised, Governments and all the stakeholders have to quickly join hands to effectively address the major issues affecting the youth. Notable among them is the high and persisting levels of unemployment and underemployment.



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With better enabling conditions put in place and the requisite investments devoted to creating opportunities for youth and access to other resources, it is quite likely that we will see African countries revive their economic fortunes and take their long-awaited seat at the table of nations that have been able to steer their fate towards sustained prosperity and abundance.

## The Africa we want

As we realise the ambition of Africa's youth to take the reins and build "the Africa we want", entrepreneurship is often touted as among the solutions to the very real issue of youth unemployment. It is evident that states and the formal large and medium private sectors will not by themselves be capable of creating the numbers jobs required to absorb the rapidly growing young workers entering the job markets.

Anyone who has been bold enough to take the entrepreneurial journey will testify that the chances of any business succeeding rely heavily on an ecosystem that provides favourable broader environment, access to the tools, resources and support that take a budding enterprises's unique needs into consideration.

More mature entrepreneurs sometimes have the advantage of time and experience as they further their goals and objectives. Young entrepreneurs face critical gaps in the opportunities presented to them. The more support they have access to, the greater their contribution could be to the development of their communities and countries and hence to the United Nations' Sustainable Development Goals (SDGs) and Africa's Vision 2063.

Information, mentorship, funding and networking are often identified by entrepreneurs as the key pillars of success when building a business that can contribute to a community's sustainable development. In a recent study, the United Nations Development Programme (UNDP) Regional Service Centre for Africa (RSCA) took a closer look at critical gaps in the four pillars and came to some interesting conclusions:

- **Information:** Most youth entrepreneurship-focused initiatives aim to provide information and advisory services of some kind. Virtual platforms provide youth-entrepreneurship-specific information. However, the findings of the UNDP study suggest that generating original content is a highly resource - intensive task as information tends to be outdated after a short periods of time. Furthermore, the study indicates that what the market needs is leveraging of existing information that help entrepreneurs manoeuvre and find what is relevant to them rather than to generate new content. This is because many of the information needs of entrepreneurs are already available online in one form or the other.
- **Mentorship:** Virtual mentoring services do have limitations, if not combined with physical face to face interactions, as entrepreneurs are not open to share detailed information without being able to trust the mentor. This relationship is usually established over time or through structured mentoring, which is more than a "once-off" event. However, while a number of initiatives provide this kind of virtual support, it is not the most strategic entry point for an online portal because of the challenges in implementation.
- **Finance:** Providing access to finance is also a "physical activity" requiring face-to-face interaction. Financial transactions are rarely successfully made on a virtual platform. Those initiatives that have online support provide match-making support with potential capital providers rather than actually providing capital through their online platforms.
- **Networking:** Networking opportunities for youth entrepreneurs are an important gap in the ecosystem. Many business networks focus on more mature entrepreneurs. A few fellowships exist, which build an alumni network that also has a virtual presence. However, few initiatives aim to strengthen community building among young entrepreneurs. Existing online communities leverage social media and existing platforms such as LinkedIn or Facebook. Maintaining a separate networking page is difficult to manage from a resource perspective, as it is resource intensive to curate discussions.

Taking all these insights into consideration, UNDP, in partnership with Accenture, has set out to facilitate the implementation of a Pan-African Entrepreneurship Portal-Platform, called [YAS! Youth for Africa and SDGs](#).

## Ecosystem catalyst

YAS! serves as an ecosystem catalyst, which supports the development and growth of youth entrepreneurship in Africa by creating a marketplace for eco-system players, namely investors, large corporates and governments. The portal-platform aims to connect entrepreneurs to the resources they need to develop and grow their idea or business. Users on the platform can interact on the provided values of learning, ecosystem map, challenges and opportunities.

From a learning perspective, entrepreneurs often need key information on the processes and procedures required to become an enterprise. The YAS! portal-platform also provides an ecosystem map that enables the relevant stakeholders across the board - from corporates to entrepreneurs - to locate the different entrepreneurial ecosystem service providers.

In addition, leveraging the competitive spirit inherent in entrepreneurs, the portal-platform offers challenges to award financing for youth to develop or scale and implement their innovations to achieve the SDGs. Finally, entrepreneurs using the portal-platform find opportunities to learn more about funding and networking relevant for the entrepreneurship ecosystem.

If entrepreneurship is to support Africa's youth to counter poverty and unemployment, the tools created to assist them must be innovative and speak to their most pressing needs, taking into consideration the resources already available, identifying gaps and creating flexible and effective solutions. The interventions must be fit for purpose. Most importantly, Africa needs an all-hands-on-deck approach to ensure the continent's youth, curious about the future and bursting with ideas, are given a chance to lead us into the prosperous future we all strive for.

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