



REPORT

YES

YOUTH
ENTREPRENUERSHIP
SUMMIT
2022

25th
May 2022
Marble Arch Hotel
Nairobi Kenya



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From Organisers

On 25th, May 2022, The Youth Congress (TYC) hosted about 60 participants selected from youth entrepreneurship groups and diverse stakeholders at the Youth Entrepreneurship Summit was conducted at Marble Arch Hotel, Nairobi City County. The summit theme was: Linking young entrepreneurs with opportunities for economic development.

The purpose of the Summit was to enlighten youth about opportunities and possibilities in business by engaging them in conversations, discussions and workshops related to entrepreneurship, finance, leadership, mentorship, community involvement and decision-making, as well as network with professionals and diverse stakeholders to discover special insights that can help young entrepreneurs achieve their goals.

Participants included experts, influencers and decision makers and representatives of youth entrepreneurship groups that have received support from The Youth Congress in collaboration with Kenya Community Development Foundation (KCDF).

The summit was made possible by the support and engagement of different stakeholders, including speakers, moderators, rapporteurs, delegates, partners and sponsors. We sincerely thank everyone involved for making the 2022 Youth Entrepreneurship Summit such a success. We hope that the summit has inspired youth entrepreneurs and will contribute positively to help shape the future of young entrepreneurs.



OPENING REMARKS

Youth are the majority among the unemployed Kenyans who have got no source of income. Out of every 10 unemployed Kenyans, seven of them are young people aged 35 and below. Unemployment disproportionately affects youth. As a result, many young people turn to self-employment. Youth entrepreneurship can provide young people with a sustainable livelihood.

The Youth Congress has partnered with the Kenya Community Development Foundation to assist the youth run their businesses, generate income and create jobs. The partnerships have brought to young entrepreneurs much-needed funding to support groups with tools, training and other diverse forms of assistance.

Youth associations that promote entrepreneurship, as has become the norm in the informal settlements of Nairobi and other parts of the country, can yield multiple socio-economic gains if widely replicated. Without employment, youth in informal settlements are faced with poverty, which makes them vulnerable targets for criminal gangs and radical groups.

There are many positive stories to tell about the role of youth entrepreneurial groups in socio-economic empowerment. In the same manner that women investment groups, chamas, have lifted millions of women from poverty, youth investment groups in entrepreneurship can create jobs for the youth, if supported and widely replicated.

Business in youth entrepreneurship groups is centered around what groups of youth like doing, something that makes them focus more on pursuing their talents and passion as businesses. This empowers the youth to focus on their gift areas like in the creative industries where they make concepts for clothing, footwear, jewellery, furniture, catering and such others. Other passions could be landscaping and environmental conservation. All these ensure that youth collectively utilize their skills to earn an income.

Their coming together synergises their skills and creative ideas as they tap on each others strengths. In addition, youth investment groups are a sure way of empowering youth to raise capital for their business start-ups.

The most important task for any nation should be to make sure all our young people can achieve their dreams.

▶ **Raphael Obonyo**
Convener, The Youth Congress

PRESENTATIONS

Youth Entrepreneurship, Talent and Innovation

Problem Statement: Youth unemployment is a major challenge in Kenya. This has been contributed by many factors major among them the mismatch between the education system and the labour market. Many youths are thus to be found eking out a living in the informal sector or continue to depend on their parents for upkeep.

The frustration and the inability to engage in productive work result on some of them in destructive activities and substance abuse. This calls for agent action to tap into the energy, skills and talents for their economic development.

Strategic Objective: An empowered youth population benefiting from available opportunities and utilizing skills and talent for economic development.

Enhancing livelihood for economic development

The Youth Congress is running a project on youth and women businesses for livelihood to enhance livelihood for economic development.

The project endeavours to support a selected number of young entrepreneurs to create employment and generate income for improved livelihood.

Activities

- Mapping of young entrepreneurs.
- Business start-up and network support.
- Multi-stakeholders' engagement and linkage forums.
- Mentorship, coaching and capacity building of young entrepreneurs.

Interventions

The Youth Congress uses youth entrepreneurship incubation which has really worked well. The Youth congress use the following steps:

- Engaging youth during conceptualization and planning
- Mapping youth entrepreneurs within the areas
- Engagement forum with stakeholders
- Call for application, vetting and field visit
- Awarding qualified youth organization
- Ideation, coaching and mentorship

SUCCESSSES OF THE PROGRAMME

45 NUMBER OF YOUTH GROUPS SUPPORTED



Way Forward

1. We need to identify the vast entrepreneurial ideas that exist and that remains untapped by doing that we will have a stock of numerous viable entrepreneurial opportunities that can be tapped
2. To learn emerging tools that young entrepreneurs are using to identify opportunities
3. To come up with a working relationship strategy with government entities and the private sector that will inform subsequent engagements to enhance continued entrepreneurial culture.





Building effective youth entrepreneurship groups key lessons from Botswana

► **Yandile Nuku**
Regional Programme Manager, Startup Support
at Co-creation Hub, Botswana

Youth unemployment is one of today's big global challenges. Entrepreneurship can be a powerful tool to help fight youth unemployment. Entrepreneurship is emerging as an appropriate solution to youth unemployment, following the reduced scope of the formal private sector and limited job opportunities in the public sector.

Youth entrepreneurship offers innovative solutions for economic growth among young people. But youth enterprise initiatives are still relatively new to development especially in Africa.

The innovation, talent and expertise of young people are crucial ingredients in the fight against COVID-19 and economic crises.

Youth leverage on opportunities with their set of skills, interests, talents and efforts complimented by their knowledge.

As a young person if you want to be heard. The best way to speak is through your work. Nothing beats impact and proven value.

How can we best build and support sustainable youth entrepreneurship?

- Get families and communities on board
- Develop business, technical and life skills for use beyond the project
- Think carefully about and beyond access to finances
- Use mentors, coaches and set clearly defined goals



Reflections on the partnership for support of entrepreneurs



► **Peter Warui**
Program Coordinator (Livelihood)-Kenya Community development Foundation (KCDF)

Kenya Community Development Foundation supports the sustainable development of communities by working in key areas across the country that includes: Education; Livelihoods & Environment and Natural Resource Management as key strategies in promoting social justice.

KCDF also believes in Effective Governance and Institutional Effectiveness as a central part of building and strengthening local institutions in achieving the sustainability agenda.

The livelihoods thematic work seeks to strengthen the ability of Kenyan communities to access sufficient income and resources necessary to meet their basic daily needs while making them resilient to environmental shocks and stresses. KCDF's livelihoods work seeks to promote economic growth targeting the 'bottom of the pyramid' by facilitating livelihood creation interventions in urban areas, marginalized communities, arid and semi-arid areas.

KCDF has partnered with the Youth Congress to support young people in Nairobi with small business start-up kits to kick-start their businesses with the aim of improving their income and ultimately, their overall livelihoods.

Two organisations have rolled out a support programme for the youth to mitigate the adverse effects of Covid-19. The programme supports entrepreneurship and job creation in the informal settlements. This is through giving out equipment, tools and grants to a number of youth groups to help them run their businesses, generate income and create jobs.

The post Covid- 19 recovery support programme started by the Youth Congress, in collaboration with Kenya Community Development Foundation, provide opportunities for economic growth among the youth.

Linking young entrepreneurs to opportunities for economic development

Kenya Private Sector Alliance



► **Llyord Mwaniki**
KEPSA representative

Role of private sector in youth empowerment

- Private sector offers right tools and employment opportunities
- Interest private sector: youth are major share of consumers
- Private sector is main driver of growth and job creation
- Entrepreneurship initiates business ideas, unleashes youth's potential, this is of great interest to the Private sector.
- Private sector has recently started participating in youth employment schemes as part of their social responsibility

Kenya Youth Empowerment Project

- KYEP was a Government of Kenya Project whose overall goal was to improve Youth Employability in Kenya
- The project had two components
 - Private Sector Internships and Training
 - Capacity Building and Institutional Strengthening

- It was a four years project ending in 2014
- The project had three main stakeholders, GOK, World Bank and Kenya Private Sector Alliance
- It was a National project but focusing particularly in 3 major city: Nairobi, Mombasa and Kisumu

To tackle the youth employment challenges, successive governments have put in place a range of different interventions. But to date none have effectively engaged the private sector. The turning point came after the post-election violence experienced in 2007. The private sector, under the umbrella of Kenya Private Sector Alliance (KEPSA), made a conscious decision to tackle youth unemployment and approached the Government to discuss how it could contribute. A project was launched to specifically address the mismatch in skills, geared towards providing youth with much needed work experience. The Kenya Youth Empowerment Project (KYEP) then

became the first Public-Private Partnership addressing youth unemployment directly, and the greatest commitment for both government and private sector to date. The pilot project was funded through a credit by the World Bank.

The overall objective of the project was to improve youth employability by engaging the private sector to provide training and workplace internships to young persons aged 15-29 years, with a minimum of eight years of schooling. Beneficiaries had to be out of school for more than one year and should not be engaged in both wage and self-employment. At the inception of the project, a training needs assessment was conducted to identify skills demanded by the employers in a range of sectors. The idea was to provide some market-driven skills (not just technical or professional) that would enable youth to secure either wage or self-employment within six months after the completion of the program.



Youth Enterprise Development Fund

Youth Enterprise Development Fund (YEDF) The Youth Enterprise Development Fund was established in 2006 to reduce unemployment among those aged 18 to 35 years. The YEDF provides support for micro, small and medium enterprises because they are expected to have the biggest impact on job creation. The YEDF also supports the development of market spaces and incubators and facilitates linkages between young entrepreneurs and medium enterprises.

- More than one million young people have benefitted from the Youth Enterprise Development Fund.
- Majority of the youth have turned their lives around and earn a living through the fund.
- The beneficiaries have been able to expand their businesses and start new ones, and we have seen major success stories all over the country.
- Youth have acquired up to Sh14.5 billion that has been invested in a wide range of projects including factories and cottage industries.

The fund that was established in 2006 aims at providing affordable credit to youth-owned enterprises while providing them with business development services such as market support and linkages, entrepreneurship training and commercial infrastructure.



Cleophas Odhiambo
Youth Fund representative



KEYNOTE ADDRESS



▶ Raymond Ochieng HSC
Secretary Youth Affairs
State Department for Youth
Ministry of ICT, Innovation & Youth Affairs

Good morning!

I am happy to be with you today at the Youth Entrepreneurship Summit organized by The Youth Congress in partnership with Kenya Community Development Foundation (KCDF). This summit provides an opportunity for all of us including the government to reflect on the value of entrepreneurship as a means of addressing youth unemployment, and chart pathways for promoting entrepreneurship

This event, I am informed is expected to provide an opportunity for deliberations and consultations on ways of strengthening youth

entrepreneurship.

Youth unemployment in Kenya is still rampant, even among the educated. Youth are the majority among the unemployed Kenyans who have got no source of income. Out of every 10 unemployed Kenyans, seven of them are young people aged 35 and below.

This implores on youth from across the country to urgently innovate new strategies on how they can get ahead socio-economically. Youth associations that promote entrepreneurship, as has become the norm in the informal settlements of Nairobi, can yield multiple socio-economic gains if widely replicated. Without employment, youth in informal settlements are faced with poverty, which makes them vulnerable targets for criminal gangs and radical groups.

A survey by the World Bank showed that about 40 percent of those who join outlawed groups say they are motivated by a lack of jobs.

Entrepreneurial groups synergise and mobilise the youth towards socio-economic objectives. In informal settlements, such groups have provided an avenue for the youth to fight unemployment, eradicate youth poverty, shun crime and to look into the future with optimism.

There are many positive stories to tell about the role of youth entrepreneurial groups in socio-economic empowerment. In the same manner that women investment groups, chamas, have lifted millions of women from poverty, youth investment groups in entrepreneurship can create jobs for the youth, if supported and widely replicated. Business in youth entrepreneurship groups is centered around what groups of youth like doing, something that makes them focus more on pursuing their talents and passion as businesses.

This empowers the youth to focus on their gift areas like in the creative industries where they make concepts for clothing, footwear, jewellery, furniture, catering and such others. Other passions could be landscaping and environmental conservation. All these ensure that youth collectively utilize their skills to earn an income.

Their coming together synergises their skills and creative ideas as they tap on each others strengths. In addition, youth investment groups are a sure way of empowering youth to raise capital for their business start-ups. In particular, a majority of the youth in informal settlements are banned and locked out of the access to business to financing.

Interventions by government including Youth Enterprise Development Fund (YEDF) and Uwezo Fund have rethought their designs to

make them more accessible, and spur youth entrepreneurship groups across the country, enhance employment creation, restore ambition and focus among the youth, build economic resilience and give marginalised youth from urban slums and rural areas a competitive advantage.

Also, I see initiatives by the private sector and civil society organisations as key to addressing the single most serious challenge we have as a country – youth unemployment.

We applaud The Youth Congress and the Kenya Community Development Foundation for the noble and impactful projects they have been undertaking to support youth entrepreneurs. I'm told, they have so far supported over 50 youth groups with a membership of 100,000 members and thousands of households, in different informal settlements in Kenya.

As a government, we are not only committed to tackle youth unemployment, we are keen to develop partnerships and work together with organisations like The Youth Congress, to advance our shared goals – to enhance development. As the saying goes, if you want to walk fast walk alone, but if you want to go far, walk together. Let us walk and work together, and we'll achieve more.

We promise you the Ministry's fervent support and effective collaboration as we forge a head. Let us continue to work together to support the youth. I wish, once again to appreciate the youth congress and Kenya Community Development Foundation for the good work, and pledge ministry's continued collaboration to improve the position and condition of Kenyan youth. I thank you all for kindly listening to me and it is my humble pleasure to declare the 2022 Youth Entrepreneurship Summit, officially open.

Gallery



GROUP DISCUSSION

- What kind of support do young entrepreneurship groups need to thrive?
- How can The Youth Congress be more effective in providing support to young entrepreneurs?
- What big opportunities do you think are there for young entrepreneurs?
- What risks and challenges are there for young entrepreneurs?
- How can the risks and challenges be effectively addressed?

Youth Entrepreneurship, Talent and Innovation

1. What kind of support do young entrepreneurial groups need to thrive?
 - A mentor who has vast experience in business management.
 - Financial assistance from different stakeholders to run their businesses
 - Skills development - Business Management skills
 - Linkages and access to modern equipment's for quality work and services.
 - Linkages and opportunities to expand market base.
 - Marketing strategies.
2. How can The Youth Congress be more effective in providing support to young entrepreneurs?
 - Provide links and networks to young entrepreneurs
 - Exchange programmes to broaden knowledge and skills
 - Incorporate more partners with different expertise to instil skills to the youth
 - Partnership and networks with various organization and institution dealing with entrepreneurial activities.
 - Increase entrepreneurship support to young entrepreneurs.
 - Link youth products to available market and opportunities for business development.
 - Conduct consultative forum with various stakeholders to increase development avenues.
3. What big opportunities do you think are there for young entrepreneurs?
 - Government affirmative funds
 - Financial assistance from financial institutions.
 - Networking and alliance building with different stakeholder.



4. What Risks and Challenges are there for young entrepreneurs?

- Financial gaps/ constraints in advancing/expanding business.
- Political interference during electioneering periods
- Marketing strategy to increase business revenues and customers.
- Competition in relation to modern equipment from other competitors. modern equipment to speed operation.
- Minimal resources.
- Limited market and linkages for products
- Limited skills and capacity to manage project.
- Lack of resources and opportunities.
- Lack of donors.

5. How can they be effectively addressed?

- Capacity building training to help youth enhance different skills
- Support stagnant projects with funds to boost and expand their projects.
- Organize exchange learning programs - To learn from successful business personnel on how to run and manage business.
- Encourage youth to save for sustainability of the project.
- Fund businesses which will create income and employment immediately.



RECOMMENDATIONS

Looking forward, various issues were discussed and several recommendations suggested

- Strengthening and developing a responsive Young Entrepreneurs Network (YEN) by admitting the new supported groups, developing, and implementing regulations, training, and documenting stories of change.
- Map out and link supported young entrepreneurs' groups with organizations providing other resources e.g., funding, training, coaching, and mentorship.
- Map like-minded organizations on youth and entrepreneurship to explore opportunities for partnership, and collective action for synergy.
- Document and publish stories of changes in supported groups to inspire other young entrepreneurs across the country and the globe.
- Strengthen/tighten the application and assessment process to provide a credible and fair opportunity for all young people's formations.
- Exploring opportunities for increased funding/grant from the partners to increase support for entrepreneurs' groups and expand the scope by implementing the informal settlements in other counties.
- Strengthen exchange and learning among groups and other inspiring entrepreneurs for inspiration, learning, and exposure.
- Nature and expose/market young entrepreneurs' models to mentor other young entrepreneurs' ambassadors.
- Develop and share the report with other stakeholders on young entrepreneurs working in informal settlements for evidence-based advocacy.
- Convene young entrepreneur's gala in partnership with ministry of youth and other stakeholders for exhibition and linkages.



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