

Panel Discussion 1

**“ENTREPRENEURSHIP AND BUSINESS DEVELOPMENT
OPPORTUNITIES FOR YOUTH AND WOMEN IN AFRICA”**



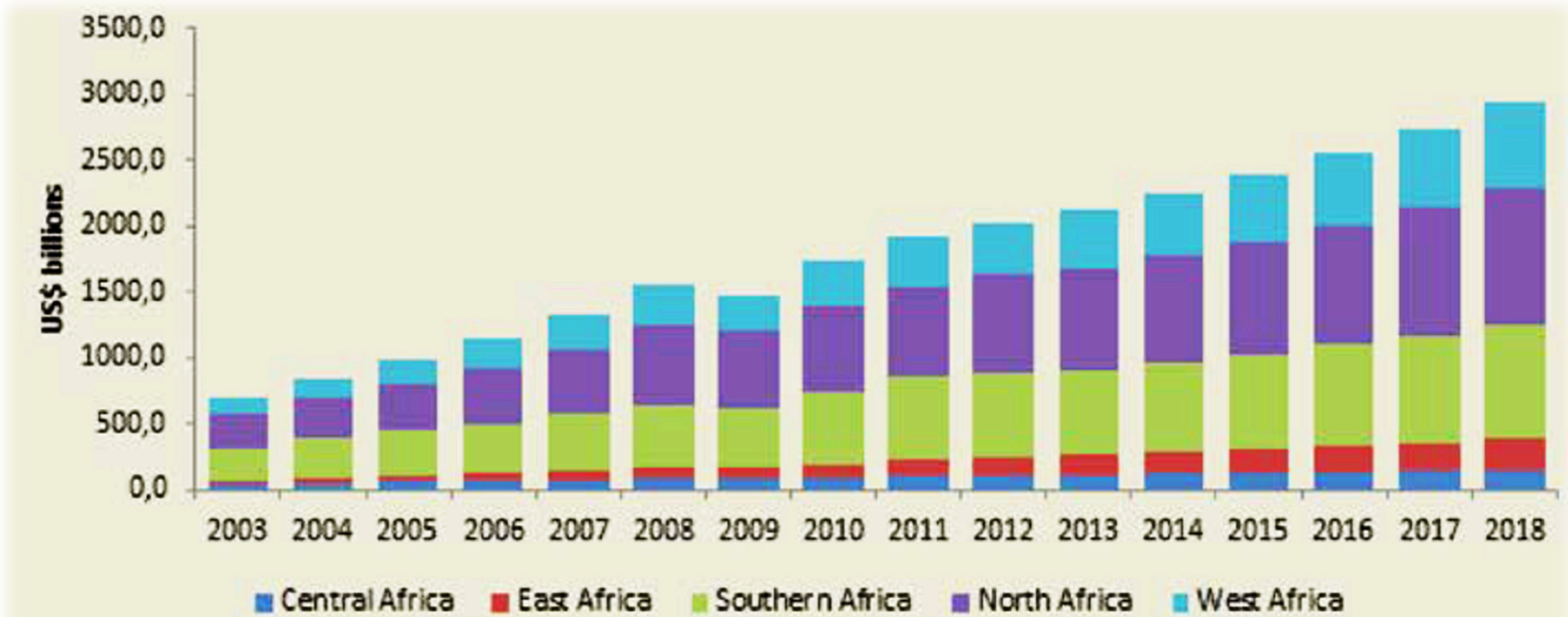
Deon Herbst
University of Pretoria

27 August 2015

Background

- Young people represent more than 60% of Africa's population and women represent more than 50% (World Bank, 2013).
- The need and the case for entrepreneurship and business development amongst women and youth is undoubtedly a key issue for Africa.
- Opportunities for youth and women are top policy priority for policymakers in Sub-Saharan Africa (SSA).
- Education is widely accepted as a leading instrument for promoting economic growth.
- Natural resources are an important contributor to Africa's growth and will continue to be.
- A range of other sectors, including agriculture, manufacturing, construction and services are contributing to economic development in Africa.

Sustained growth forecast



Source: IMF World Economic Outlook Database, April 2013.

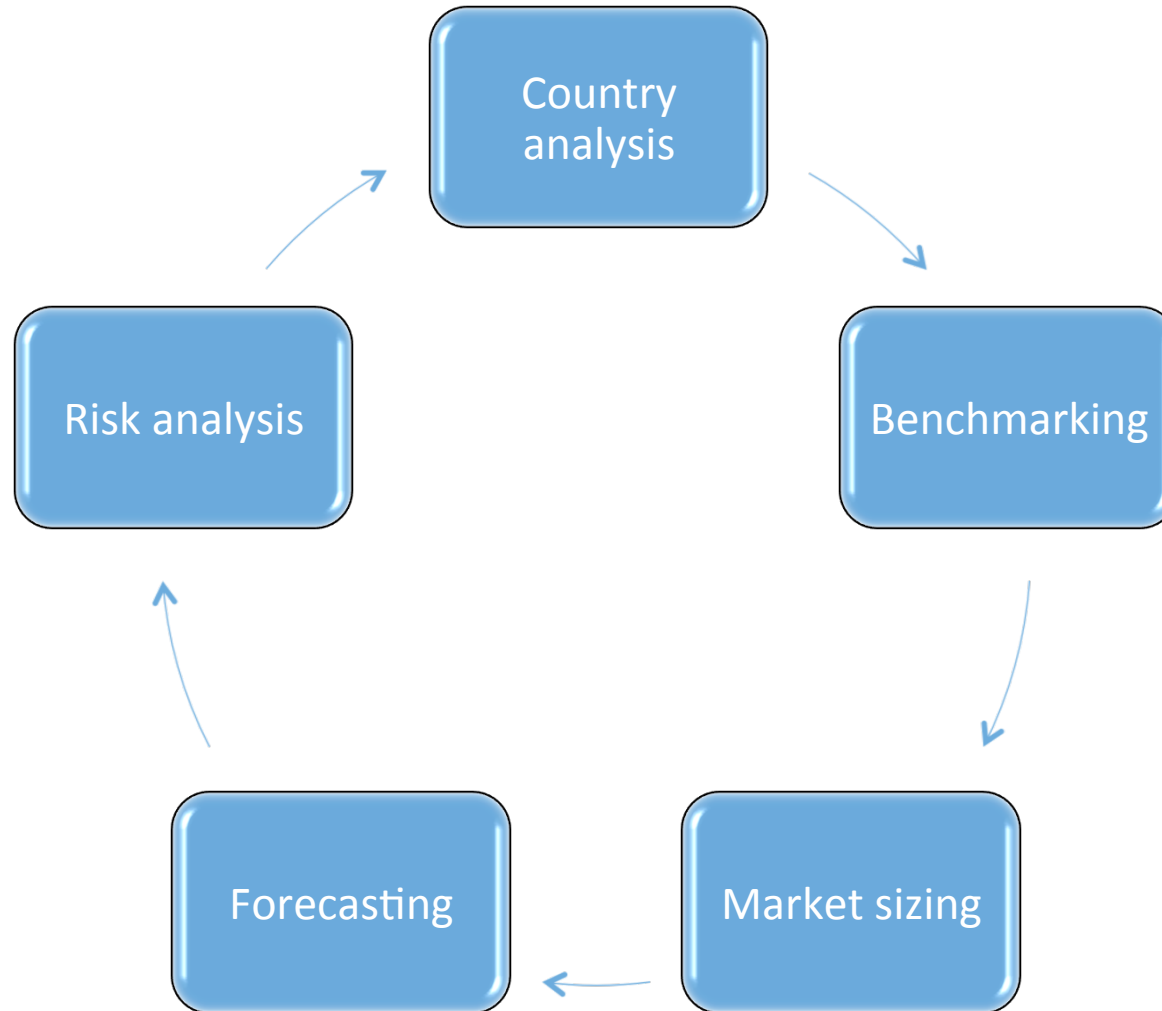
Potential sectors for youth and woman entrepreneurs

| Sector | Possible focal areas |
|----------------|--|
| Energy | Solar, oil, water and gas to be optimised to support African growth. |
| Minerals | Investment in extracting and processing is a lucrative business domain. |
| Agriculture | Food production, processing and preservation remains a profitable growth area. |
| Technology | Investment potential in capacity-building for R&D centres and hi-tech manufacturing. |
| Education | Enhanced education to advance the entrepreneurship and business development skills. |
| Infrastructure | Modernisation of infrastructure to facilitate exponential growth. |
| Tourism | Optimisation and marketing of tourism can open business opportunities for youth and women. |

Challenges

- Poor roads and transportation corridors (airline connections), and strict visas to cross African borders.
- The ongoing power crisis, severe infrastructure bottlenecks and higher tariffs.
- Lack of policies for governance of the training system, licensing and regulation, standards and examinations, financing and monitoring and evaluation.
- Lack of specific technical skills sectors such as the extractive industries, logistics, the chemical and pharmaceutical industries, manufacturing in general and agri-business.
- There is high illiteracy rate and those with qualifications lack the skill set required to be successful entrepreneurs.
- Business climates are hugely divergent.

A process to empower youth and woman to understand the business ecology in which they operate



Skills development and legislation to support youth and women entrepreneurship

- **Technical, managerial and financial literacy** training for the youth and women.
- New **business models** for business ownerships, e.g. **co-op structures**.
- Development of **supply chain management and systems**.
- **Policies** supporting youth and women entrepreneurship.
- **Enabling environment** for economic growth that is **gender- and age-responsive**.
- Intense **support** for entrepreneurs through **mentorship**.
- Better and quicker **access to capital and funding**.
- Promotion of **clusters and partnerships** to facilitate **access to information, technology and markets** for women and youth.

Summary

- The challenges faced by most organisations, communities and nations in Africa are complex in nature and solutions require a **multidisciplinary approach to research, training and mentoring**.
- Broad participation in **policy development** for critical educational and training needs is essential to **developing effective policies and business models** to which all parties can be committed.
- There are **enormous** entrepreneurship and business development **opportunities** for the **youth** and **women** in the sectors identified that can be fully exploited with **enough investment in research and skills development**.

“Education is the most powerful weapon which you can use to change the world.” (President Nelson Mandela)