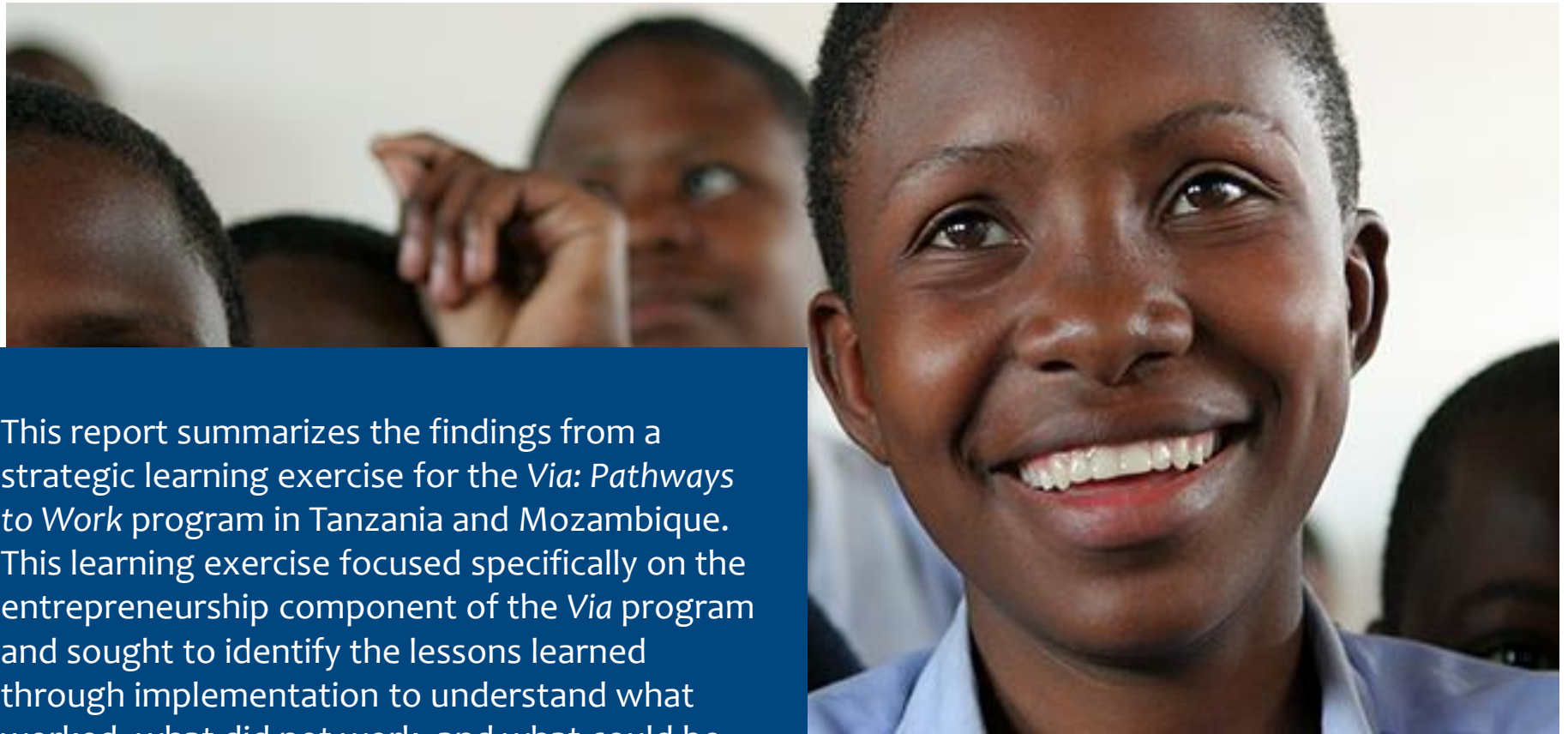


# SUMMARY REPORT: ENTREPRENEURSHIP STUDY

March 2021



This report summarizes the findings from a strategic learning exercise for the *Via: Pathways to Work* program in Tanzania and Mozambique. This learning exercise focused specifically on the entrepreneurship component of the *Via* program and sought to identify the lessons learned through implementation to understand what worked, what did not work, and what could be done differently in the future.



*Via: Pathways to Work* (hereafter *Via*), was a five-year initiative (2015-2020) implemented in Tanzania and Mozambique by the International Youth Foundation (IYF), in partnership with the Mastercard Foundation. The program consisted of two components: (1) an employability component and (2) an entrepreneurship component. This study focuses on the entrepreneurship component, which sought to improve entrepreneurship programming in the respective countries by supporting the integration of specific life skills, business development support, and mentorship for youth interested in entering into self-employment.

## TANZANIA

IYF partnered with the Tanzania Entrepreneurship and Competitiveness Center (TECC) to deliver:

- **Training:** Business management training, as well as entrepreneurship and life-skills training, using IYF's flagship life skills, personal mastery and work readiness program, Passport to Success® (PTS)
- **Mentorship:** Linking youth with voluntary business mentors
- **Promoting access to finance:** Improving awareness around the potential channels for accessing finance and promoting linkages with funding institutions

TECC collaborated with different partners to deliver the project, including the Small Industry Development Organization (SIDO), the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) and the Tanzania Women Chamber of Commerce (TWCC).



## MOZAMBIQUE

IYF partnered with GAPI, and using the Youth Inclusive Market Systems (YIMS) approach, identified hydroponics as a sub-sector of focus. The program consisted of:

- **Training:** Providing training to youth on PTS, financial literacy and business management
- **Vocational training:** Theoretical and practical training on using hydroponic units
- **Mentorship:** Small-scale farmers providing mentorship to beneficiaries
- **Access to markets:** Facilitating market linkages between youth and buyers/processors
- **Access to financial services:** Providing seed capital and supporting access to financial services.

GAPI was responsible for implementing all components of the program. However, due to implementation delays and an inability to mobilize the required numbers of youth, IYF terminated the entrepreneurship program.



# SUCCESSSES, CHALLENGES AND LESSONS LEARNED

## Program design and implementing partner selection

IYF's **Youth Inclusive Market Systems (YIMS) approach to market systems program design provides a comprehensive foundation** for understanding the key target populations, potential partners, possible sector focus areas, and bottlenecks that prevent youth from unlocking opportunities in entrepreneurship. The YIMS approach was employed more comprehensively in Mozambique, where IYF conducted workshops with key stakeholders, as well as extensive market research to understand the problems around self-employment for youth in Mozambique. However, learning from the Mozambique case, **there is scope for the approach to be applied more flexibly** to identify the optimal avenues for youth to engage, as well as the partners to support the process.

**The two countries also employed different approaches with respect to their implementing partners, which experienced different levels of success.** In Mozambique, GAPI was selected as the sole implementing partner, but in practice did not have the required expertise and capacity to implement all components of the program. In Tanzania, a partnership model, where TECC implemented the program in partnership with other organizations such as SIDO, appeared to be more successful since responsibility for different components could be delegated to partners with capacity to deliver. Furthermore, TECC had previous experience implementing similar entrepreneurship programs, which meant that there were existing structures, expertise and partnerships to build off.

## Sector focus

**Inclusion of a sector focus in entrepreneurship training has the benefit of offering tailored support relevant to the market that an entrepreneur is seeking to enter.** However, as indicated by the Mozambique case, where hydroponics was selected as the sub-sector of focus through the YIMS process, **it is also possible to get too specific or prescriptive.** In Mozambique, the hydroponics sector relied on expensive and difficult to obtain technology, causing challenges in implementation, and there was drop out from the program due to a lack of interest in the sector. This sector focus therefore had an adverse effect, making it too difficult or daunting for youth to participate in the sector.



## Youth recruitment into the program

**Recruitment and selection of youth was seen as one of the key successes of the Tanzania program.** A key strength to leverage from the TECC recruitment process was the intentionality of the program in investing time and resources to **select youth who had the aptitude and interest to complete and benefit from the training programs.** Another key strength was the branding of the program, which promoted high community response during recruitment. These measures ensured that the program reached a large number of youth and that those who participated in the program were invested in the process and more likely to apply what they had learned.

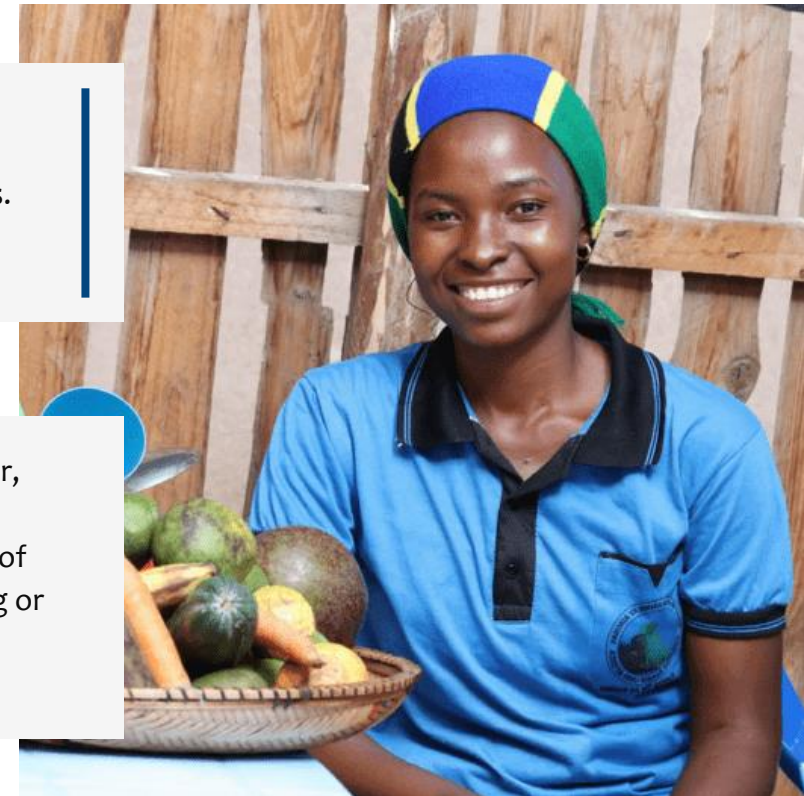
There are **also benefits associated with more integration with the Technical and Vocational Education and Training (TVET) system,** since many youth graduating from TVET often enter self-employment / entrepreneurship as a fallback option after failing to secure employment once they graduate from TVET institutions. This is something TVETs should be cognizant of and prepare students for.

## Access to finance

Access to finance is a prevalent challenge facing entrepreneurs across the board and neither of the programs addressed this need in depth. **There is a need for substantial systemic change to encourage the development of youth-friendly financial products.** This would require extensive investment and partnerships with financial institutions interested in developing products of this nature.

## Mentorship

Mentorship for young entrepreneurs can be a key driver of their success. However, **mentorship is still a nascent idea in many sub-Saharan African countries.** A key takeaway from the implementation of the mentorship offering is the importance of involving the mentorship partners in designing the required activities, and training or sensitization of professionals and potential mentors to create overall ecosystem awareness of what mentorship looks like, and why giving back to budding entrepreneurs is important.







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