Access to Finance
Preamble / Introduction

• Africa is a continent with huge youth population.

• This is a blessing to the continent because of the huge potential.

• But if not well harnessed, it can be become another hurricane Florence
Present Situation and Challenges

• Finance remains a major challenge in the African continent and even the world over.
• Owners of funds, understandably takes it to where they will get the highest returns.
• Traditional Commercial Banks are profit-driven entities with shareholders whose interest differs.
• The Micro-finance Banks had made little contributions to youth employment because most of them have deviated from their primary goals.
Some identified interventions in Access to Finance

• Governments and some EOs have taken some laudable steps aimed at facilitating access to finance. Examples include:

➢ Togo:
  - The FAIEJ (*Funds d’Aide aux initiatives d’conomifus dis jeuns*) – An initiative that provides funds to youth start-ups after rigorous screening of business ideas and training.

➢ Zimbabwe:
  - Establishment of Youth Empowerment Bank and Women Empowerment Banks.
Some identified interventions in Access to Finance

➢ Malawi:
  - Establishment of Jobs for Youths Programmes with Access to Finance.

➢ Mali:
  - Facilitating Multilateral support through the World Bank and the Government of Denmark.

➢ Tunisia:
  - Bank Support for Small Businesses

➢ Nigeria:
  - The YouWin Project
  - The Bank of Industry Intervention
  - The CBN Real Sector Support Fund
  - NECA’s Network of Entrepreneur Women Microfinance Bank.
Our Views

- Creation of Guarantee Funds by EOs through member-companies and Governments.

- Exploring other sources of finance such as cooperatives and micro-financing.

- Encouragement of impact financing and Business Angels (Mo-Abudu, Tony Elumelu Foundation, etc.).

- Education of Youth Entrepreneurs/Start Ups (Why own 100% of nothing when you can own 50% of something)
Suggested Action Points

➢ EOs should embark on evidence-based advocacy for financial policies that are deliberately targeted at youth start-ups (*the Aviation presentation example*).

➢ More synergy between social partners and other stakeholders to ensure the continuity and sustainability of present initiatives.

➢ Providing access to finance is not enough, we must build trust between finance-providing institutions and youth entrepreneurs through training and mentoring of youths.

➢ Encourage and engage global financial institutions and support groups (World Bank, IMF, AfDB, etc)
Suggested Action Points

➢ Advocacy for friendly financial regulations such as low interest rates and long moratoriums for youth entrepreneurs and start-ups.

➢ Advocacy for incentives for finance-providers and institutions. Incentives such as tax holidays, etc.

➢ Facilitate effective monitoring and evaluation process.

➢ Facilitate a reporting /action-taken structure where all EOs can give feedback of actions taken and technical supports needed.

➢ Agreement on implementation time-line

➢ We all (Social Partners) have to make personal and organizational commitment to “DO-SOMETHING”. 
Thank you.