Entrepreneurship and Financial Inclusion

Financial Inclusion

- Youth are 33% less likely to have a savings account than adults and 44% less likely to save in a formal institution. [UNCDF, 2013, http://goo.gl/aBUv7q]

- Saving-account penetration rates for youth vary by geographical region, ranging from 12% in Africa to 50% in East Asia and the Pacific. [UNDESA, 2013, http://goo.gl/CXEZab]

- 73% of youth surveyed by the G20 Entrepreneurs Alliance in 2013 said access to finance remains very or somehow difficult in their countries. [G20 Young Entrepreneurs, 2013, http://bit.ly/KxPpsC]


- Access to financial and social assets is key to helping youth make their own economic decisions and escape poverty. [UNCDF, 2014, http://bit.ly/1Nc7x5D]

- Few financial service providers (FSPs) such as banks, credit unions or microfinance institutions, understand and adequately serve the youth market, and regulatory frameworks are not designed to be youth inclusive or protective of youth rights. [UNCDF, 2014, http://bit.ly/1Nc7x5D]

- Through programmes like UNCDF-YouthStart, more than 110,000 youth have opened a savings account in a formal FSP in sub-Saharan Africa. [UNCDF, 2014, http://bit.ly/1Nc7x5D]


Providing young people with financial services can help promote entrepreneurship and asset building, and emphasize sustainable livelihoods. [UNCDF, 2014, http://bit.ly/1Nc7x5D]

Entrepreneurship

- Young entrepreneurs often face challenges when setting up and developing their businesses. These include:
  - Lack of access to capital and start-up funding
  - Lack of access to business development services
  - Limited knowledge and thus less competitive than older players
  - Age restrictions to independently open and manage a savings account.


• The majority of the world’s youth live and work in rural areas where they face many obstacles to engage in productive activities. [UNCDF, 2014, http://bit.ly/1Nc7x5D]

• The private sector is the main driver in the fight against poverty, providing 9 in 10 jobs. [UNIDO IFC: JOBS STUDY, 2013]

• By integrating young women and men into competitive agro-based value-chains and creative industries, employment and business opportunities can be created. Innovative young entrepreneurs can create businesses in rural areas by processing agricultural resources and developing tourism opportunities, thus transforming traditional agrarian societies into entrepreneurial societies. [UNIDO, 2014, http://bit.ly/1e4biyh]