Entrepreneurship for young women and girls in Africa

Youth Employment Evidence and Insights Hub

This thematic brief summarizes findings from a rapid evidence review on entrepreneurship interventions that support young women and girls in Africa to access dignified and fulfilling work opportunities. Derived from a curated evidence base of impact evaluation studies and other available evidence, it details programmatic takeaways from responsive interventions supported by key development actors. The evidence shows that most interventions are multifaceted tending to include access to finance, mentorship, business development support among other complementary components. The evidence also demonstrates significant outcomes, with programs achieving substantial employment gains, income increases and reaching hundreds of thousands of participants across diverse contexts. While these initiatives are typically designed to promote business growth, they also promote the economic inclusion of marginalized groups such as young women and youth living with disabilities. Additionally, the brief presents insights from how indigenous knowledge systems can create inclusive and sustainable entrepreneurial practices and opportunities for women in Africa.

Background

- Entrepreneurship is recognized as a sustainable pathway for empowering young African women economically, addressing unemployment, and enhancing economic inclusion for marginalized groups.
- Africa's young and talented population represents a vital strength with potential to drive entrepreneurial innovation and economic growth.
- Women lead most of Africa's entrepreneurship efforts which accounts for roughly 13 percent of the continent's GDP (Mastercard Foundation, n.d.).
- This indicates a viable growth and inclusion opportunity for the continent where women can be supported more consistently.

Key challenges and barriers to entrepreneurship

- **Limited access to resources:** Young women often struggle to access the finances and skills needed for business start-up and growth.
- **Social and cultural barriers:** Gender norms, cultural expectations and marginalization limit women's business activities.
- **Policy gaps:** Lack of supportive policies like tax breaks or business formalization reforms.
- **Rural challenges:** Distance, poor transport, and limited internet access in rural areas limits women's businesses.
- **Disability barriers:** Business development programs are often not designed for people with different abilities.
- **Poverty:** Poor communities lack financial capital for business start-up and growth costs.

What works and why

Evidence on entrepreneurship interventions

- **Training and business skills development** was shown to work best when tied to coaching and real-world practice. In Ethiopia, a USAID-funded POTENTIAL program combined work readiness training, entrepreneurship modules, coaching, and financial linkages. By 2018, nearly three-quarters of previously unemployed youth had found work, and their average monthly incomes rose by 68–97 percent (Mussa et al., 2018). In Liberia, the Economic Empowerment of Adolescent Girls and Young Women (EPAG) paired life-skills and business training with job placement support. Evaluation found a 47 percent increase in employment and an 80 percent increase in earnings among participants (Adoho, 2014).
  Multi-component interventions combining finance, skills and market access: In Uganda, the WINGS program supported young women's economic empowerment through three layered interventions: business skill training, individual start-up grant of approximately USD 150, and regular follow-up through trained community workers. One year after the intervention, monthly cash earnings among young women doubled with cash savings increasing threefold (Blattman et al., 2013). Similar approaches in Somalia through the UNDP Employment Generation for Early Recovery (EGER) and Area Based Early Recovery (ABER) combined cash-for-work, vocational training, and asset transfers. These programs doubled household incomes in targeted communities and created over 1.9 million workdays, showing that layered support can also be effective in fragile, conflict-affected contexts (UNDP, 2012).
- **Community engagement and peer support**: In Uganda, the Youth Opportunities Program (YOP) successfully leveraged existing community structures by forming groups around farmer cooperatives, sports clubs, and microfinance clubs. Local facilitators, including government employees, teachers, and community leaders, helped groups prepare grant proposals and manage grants creating accountability structures that made effects last up to nine years (Blattman et al., 2020). In Sierra Leone, the Youth Employment and Entrepreneurship Programme (YEEP) combined business development services, career advice, graduate internships, and agribusiness projects. Between 2013 and 2015, over 17,000 young people benefited, many starting businesses or gaining paid work. The use of business plan competitions and district-level service centers ensured local relevance and peer support (Adablah and Bockarie, 2018).
- **Sector-focused interventions**: In Nigeria, the Youth-in-Agribusiness (YIA) programme provided practical training, land, inputs, and credit access for youth. Participation increased gainful employment by up to 19 percent, with participants reporting much higher average incomes and asset accumulation compared to non-participants (Bello et al., 2021). This shows

the potential of agriculture-focused entrepreneurship support to reduce rural poverty and change perceptions about farming.

- **Policy environments are improving in some African contexts:** Notably, many African governments are rolling out supportive legislation to enhance the environment for innovation, with promising examples in Ghana and Kenya. However, critical gaps remain between policy efforts and their measured effectiveness on young women entrepreneurs (ACET, 2025).
  It should be noted that most countries have taken a bold step to create an enabling environment for supporting the existence and progression of women-led businesses in Africa. Of these policies, though with overlapping themes, some are deliberate in emphasizing how they tend to help the women-led organizations. In Uganda, Nigeria, Ethiopia, Mozambique, Ghana, and Sierra Leone, the policies are targeted at helping women-led businesses gain access to financial credit and incentives. Other countries, such as Rwanda, Ghana, and Zambia , have put in place polices that focus on women's economic empowerment, while countries like Kenya, Liberia, Namibia, and South Africa have been deliberate in making policies that give preferential access to public procurement / set-asides for women and women-led businesses.
  Digital entrepreneurship can be leveraged for better livelihoods: Africa is ready to embrace this wave of meaningful use of technology, given its young population, high reliance on mobile money technology, and ongoing business reforms – especially for the benefit of young women (Mashavira and Chinyamurindi, 2024; UNDP, 2023; Kedir and Koumae, 2022; Khoza, 2024).

Entrepreneurship development intersectional barriers in design of entrepreneurship interventions

Strong program design often begins with a focus on understanding the context and identifying the key barriers that may affect impact and effectiveness.

The interventions identified were implemented in various contexts, such as in conflict-affected regions, during health emergencies and in response to climate shocks.

Overcoming rurality

Some identified programs specifically focus on participants in rural settings. For instance, the Youth Opportunities Program (YOP) (Uganda) and WINGS (Uganda).

- The WINGS initiative in Uganda conducted village-level training led by local community leaders to teach skills. The adoption of peer learning from small-group engagement also encouraged and supported young women's participation. This approach enabled sustained engagement by the young women in conservative rural areas, reduced travel time and costs resulting in participants doubling their earnings and tripling their savings (Blattman et al., 2013).
- To overcome barriers of rurality, the youth participants in the YOP selected local

trainers, eliminating the need to travel. Grants were delivered as a single lump-sum transfer to the group bank's account managed by an elected committee. This group-based approach served as the main risk mitigation strategy, as it helped members support each other and stay accountable for how the money was spent. By allowing youth to choose relevant trades and tools, the program ensured alignment with local markets. Group formation fostered peer support and accountability, while implementation through local government structures built trust in remote, post-conflict communities (Blattman et al., 2020; Blattman et al., 2014).

Addressing disability-related barriers

Disability-sensitive interventions significantly increase meaningful participation and create lasting economic opportunities when inclusion is deliberately built into program design from the start.

- Three interventions targeted youth living with disabilities were found such as EYE (Egypt), Youth Reintegration Strategy (South Sudan) and Employment Creation for Youth to Build Sustainable Peace (Gambia).
- To ensure the meaningful and deliberate inclusion of youth living with disabilities in program activities, the EYE program adapted materials into accessible formats upon discussions with the youth while job matching was tailored to various disability needs. These activities helped to provide the relevant support needed by the young people with disabilities and increased their participation (Petersen et al., 2020).
- In Uganda, the Beyond Bentiu Youth Reintegration Strategy was designed to create peaceful coexistence between displaced youth and host communities. The program actively included youth with disabilities by involving them in local peace committees and planning processes. This approach contributed to integrating 1,065 beneficiaries (56% female) into the local economy, with 96% reporting increased average household incomes and 96% of established businesses continuing successfully six months after receiving start-up kits. This ensured reintegration support and livelihoods programming were responsive to their needs, particularly in displaced and rural settings (IMO and fUNDP, 2019).

In The Gambia, the youth employment program aimed at post-conflict peace building, provided practical examples of workplace inclusion. The program provided employment opportunities for persons with disabilities in construction works, with almost all, receiving on-the-job training and entrepreneurship training. This program included some hearing-impaired youth and used radio and community outreach to reach a wide range of young people. However, disability inclusion was not built into the overall design, and there were few adjustments to make activities more accessible for youth with different needs. For instance, individuals with hearing disability were included in mainstream work units, supported with sign-language translation, and placed under contractors trained in disability-inclusive approaches. While not full mainstreaming, these deliberate adjustments marked a meaningful step toward inclusive design for the program (ILO, 2019).

Responding to socioeconomic exclusion

Poverty-focused interventions that combine skills development with targeted financial support achieve significant poverty reduction and build long-term financial resilience.

- The SPIR program in Ethiopia, targeted extremely poor rural households vulnerable to food insecurity, provided US$200 transfers (cash or poultry) combined with financial literacy training through Village Economic and Social Associations. This approach resulted in persistent increases in livestock assets, substantial increases in savings, and decreases in women's depressive symptoms among the extremely poor, demonstrating how targeted transfers can improve both economic and mental health outcomes (Alderman et al 2021).
- In Rwanda, the HDAK program targeted vulnerable youth aged 16-30, with 42% having monthly incomes below the national poverty threshold. The program combined market-ready skills training, entrepreneurship education, start-up kits, and formation of Savings and Internal Lending Communities (SILCs). This integrated approach achieved remarkable results: average earnings increased by 225%, the proportion below the poverty threshold dropped from 42% to 14%, and 87% of participants began saving independently compared to 57% who had never saved before. This enabled youth living in poverty to access both immediate finances and develop skills needed for a sustainable economic future (Education Development Centre, 2022).

Interventions primarily targeting young women and girls

Programs specifically designed to address women's unique entrepreneurial barriers achieve significant scale and lasting systemic change when they combine financial access with targeted support for cultural and social barriers.

- Programs such as the YVRDP and RSL supported by UNDP, and ensured improved livelihoods and employment opportunities for young women and girls. UNDP programs in Somalia (EGER and ABER) achieved 35% female beneficiaries, while YVRDP in Sudan empowered 6,744 female community members and supported women groups to start craft and juice-making businesses in Nyala, with training in business development and economic management (Abduljabar, 2015; ADA Consultants, 2013).
- Although final evaluation evidence is limited, initiatives like the African Development Bank's We-Fi advocated for the inclusion of components designed to address the cultural and psychological barriers that women entrepreneurs often encounter (KPMG, 2021). As the only international initiative supporting women-owned enterprises at scale, We-Fi has reached 399,819 women-led small and medium enterprises and led to four legal and regulatory reforms supporting women's entrepreneurship (KPMG, 2021).
- Initiatives supported by USAID, such as PACE , have shown that building capacity

and financial support for start-ups were instrumental to business growth. The program has seen 66% of intermediaries integrate gender-inclusive practices, with culturally sensitive approaches resulting in 5 out of 8 small growing businesses being led by women, creating 30 out of 66 jobs specifically for women (Aidis and Fehlenberg, 2020).

- Other USAID interventions such as the EEEA are potentially important for the inclusion of women in sectors that are key for sustainable development such as energy, providing technical support, training materials, and business development skills while facilitating access to finance tailored to women's credit needs.

Insights on the role of Indigenous Knowledge in Entrepreneurship

Across Africa, women's entrepreneurship is often deeply rooted in indigenous knowledge. From ecological practices and cultural production to traditional medicine and storytelling, these knowledge systems are more than heritage as they are also economic assets. When recognized and supported, they enable women to build sustainable and culturally relevant businesses that respond to local realities, preserve identity, and generate income.

- Women entrepreneurs across Africa also use traditional knowledge systems such as indigenous seed-saving, herbal medicine, food preservation, textile making, and beadwork as the core of their products and services. These knowledge systems create distinct market offerings, particularly in agribusiness, eco-tourism, and creative industries (Gwandure and Lukhele-Olorunju, 2023).
- Young women in Nigeria, for example, have embedded indigenous values, storytelling, proverbs, and symbols into digital entrepreneurship, creating culturally resonant brands on platforms like Instagram and TikTok (Bakare-Fatungase et al., 2024).
- In South Africa, migrant and displaced women leverage knowledge of traditional cooking, herbal medicine, and textiles to create microenterprises in informal settlements. These businesses respond to both cultural demand and livelihood gaps (Reach Alliance, 2024-5).
- Networks like the African Indigenous Knowledge Research Network (AIKRN) are supporting women-led enterprises rooted in traditional knowledge across Kenya, Tanzania, Nigeria, and Ghana. These efforts are creating platforms for decolonizing innovation and cross-sector entrepreneurship (Institute of African Studies, 2024).
- Entrepreneurship rooted in indigenous ecological knowledge can drive both profit and conservation. The Green Belt Movement in Kenya is a powerful example of collective women's entrepreneurship built on traditional knowledge of land, water, and tree ecology. Women not only restored ecosystems but created income through seedling sales, eco-tourism, and

environmental training (UNEP, 2016; The Green Belt Movement, 2016).

- In Kenya, participation in table banking by women led to increased income generation and business resilience (Minjaet al., 2023; Okello, 2020) A scoping review done recently discovered that participation in Rotating Savings and Credit Associations (RSCAs) led to the provision of capital and risk-sharing for women and women-led microenterprises (Zambrano et al., 2023).
- For women artisan entrepreneurs in cooperatives, dignified work opportunities were created, fostering both economic advancement and social inclusion (Brogan and Dooley, 2023).
- These are some of the challenges with traditional knowledge and entrepreneurship:
  - **Intellectual property (IP) and legal protection:** Many indigenous practices are transmitted orally or through family and cultural traditions, leaving them without formal ownership or recognition under existing IP laws. This makes it difficult for artisans to derive sustainable income from their craft (Kumari. and Sharma, 2024; Ouma, 2017)
  - **Commercialization and markets:** While several indigenous products have strong market potential, they often face scalability challenges and limited access to export opportunities, which restricts income generation (Nimbalkar and Pokharkar, 2024).
  - **Knowledge erosion:** Over time, knowledge erosion weakens these enterprises, as traditional skills and practices lose relevance among younger generations amid changing market demands and limited innovation (Kusumastuti, et al., 2023).
  - **Integration with entrepreneurship ecosystems:** Many indigenous or community-based enterprises remain outside formal institutional frameworks, limiting their recognition, support, and access to resources (Ndomondo-Sigonda, et al., 2023).

Key programmatic insights

1. **Entrepreneurship shows potential as a pathway** to economic inclusion for young women and girls, particularly in addressing unemployment and marginalization, with documented outcomes showing substantial employment gains, income increases, and poverty reduction across diverse contexts.
2. **Integrated approaches are more common than standalone interventions.** Programs that combine training, finance, mentorship, and market access achieve higher participation rates, better business survival, and demonstrate scale potential, with some initiatives reaching

hundreds of thousands of women-led enterprises.

3. **Structural and policy-level support is limited in current programming**. While governments are introducing supportive Legislation, critical gaps persist between policy efforts and measured effectiveness on young women entrepreneurs. There is, therefore, a need to strengthen enabling environments through reforms such as tax incentives and regulatory changes.
4. **Programs that target specific groups work better than broad approaches.** Programs demonstrate higher participation and relevance when designed for specific populations (rural, displaced, disability-focused) rather than general youth programs, with successful adaptations using local trainers, community structures, and culturally appropriate delivery methods. Same applies for those specifically targeting young women and girls.
5. **Tailoring interventions to local contexts and realities is essential** because programs that align with the economic, environmental, and social conditions of their context are more likely to be relevant and effective. Such programs also show better sustainability and community ownership.
6. **Programs addressing deeper social and cultural barriers** achieve more comprehensive outcomes. Interventions that tackle gender norms, family dynamics, and psychological constraints alongside business skills demonstrate broader empowerment effects, though this approach is more complex and costly.
7. **Women's entrepreneurship in Africa could leverage indigenous knowledge.** By drawing on traditional practices, women entrepreneurs can build enterprises that are both culturally grounded and economically sustainable. However, realizing this potential requires addressing persistent barriers such as knowledge erosion across generations, limited legal and IP protections, and weak integration into formal entrepreneurship ecosystems. When effectively supported, this approach not only creates dignified livelihoods but also preserves cultural heritage and community identity while driving inclusive economic growth.