

Y-bizna: Empowering Youth in Informal Settlements

By Hesborn Nyakundi Nyagaka

Youth unemployment remains to be a tough nut to crack for many economies across the world. In Kenya, it is estimated that 55 percent of young people do not have any form of employment. The fact that over 75 percent of the country's population is composed of young people underscores the need for creative initiatives designed to facilitate job creation through entrepreneurship.

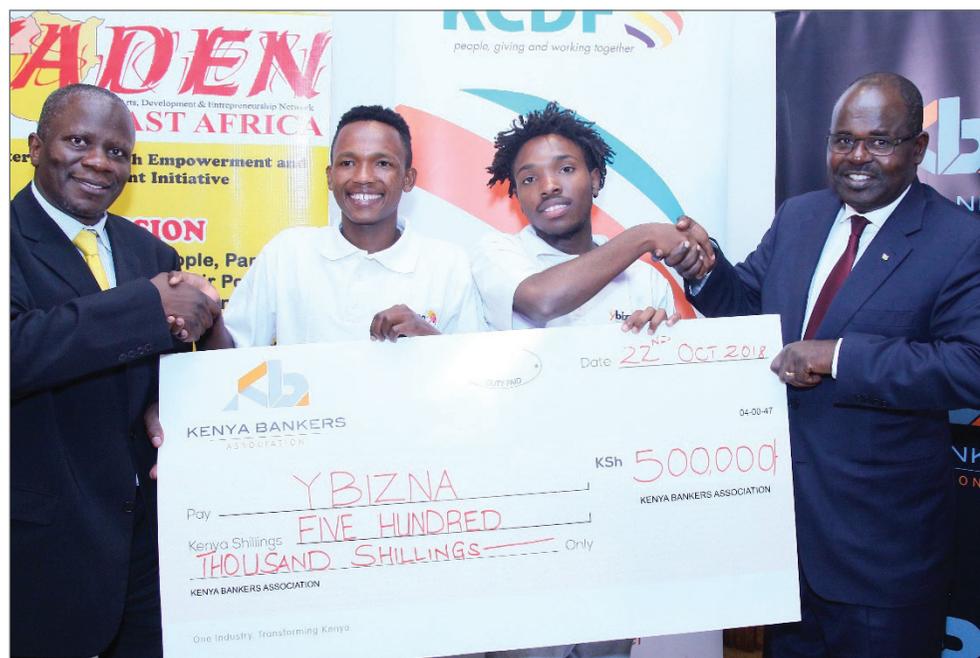
Urban slums are the most discernible embodiment of youth unemployment. The bulk of youth in slums move from their rural homes in search for opportunities in urban centres. Due to availability of affordable housing, the young people settle in the informal settlements hoping for employment opportunities. Due to the scarcity of jobs in the country, many of them end up engaging in antisocial activities such as crime and getting involved in drugs. Even those who make attempts to establish small businesses are daunted by inability to access capital.

It is on this backdrop that the Kenya Bankers Association (KBA) initiated a youth empowerment programme in 2017. Dubbed Y-bizna (Youth in Business) the programme was implemented in partnership with the Kenya Community Development Foundation (KCDF). It targeted vulnerable young men living in informal settlements in Nairobi and Mombasa. The implementing partners included YADEN (Youth, Arts, Development and Entrepreneurship Network) in Nairobi and DAYO (Dream Achievers Youth Organization) in Mombasa.

The focus on young men was deliberate. During election years, young men are often drawn into the political current, and end up being used to incite violence. The lack of sustainable sources of income is a key factor that makes them easy prey for individuals seeking to politicise slum communities. The project, therefore, focused on young men from the deprived informal settlements of Mathare, Huruma and Kariobangi in Nairobi, and Kisauni in Mombasa. The aim was to address economic challenges as a pathway to address crime and electoral violence.

The project sought to enable vulnerable young people to empower themselves and transform their communities through enterprise by inculcating life skills through practical engagements designed to create new opportunities for themselves and their communities. The initiative constituted a Ksh. 1 million fund financed by KBA and managed by KCDF to provide the youth with interest-free loans to start micro-businesses or scale up various income generation projects.

Through KCDF, YADEN and DAYO, more than 300 youths were mobilised to participate in basic business literacy training. The curriculum featured topics such as writing feasible business plans, business registration, and ways of applying for bank credit. After the training, the young men were pooled into groups and offered a platform to present their business plans to a panel. During the process, the groups were assisted to improve their business proposals after which they were cleared for Y-bizna seed loans.



KCDF Director Edmund Mudibo (left), Y-bizna beneficiaries Joseph Wesonga and Brandon Wesonga, and KBA CEO Dr. Habil Olaka during the presentation of the revolving fund to the Nairobi youth group.

The process of evaluating the plans was facilitated by, KBA, KCDF, KCB, YADEN and DAYO. The team painstakingly went through the plans, advising the aspiring entrepreneurs on areas that needed adjustments to ensure the

businesses kicked off successfully. During their presentations, the youth highlighted the challenges they faced living in the slums. Some

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Name: Wilfred Gambo
Area: Kisauni
Business: Cybercafe & Juice Parlour

“Through Y-bizna, I learnt how to draw up a business plan. The programme enabled me to earn a living through business and empower other young men in my community.”



Name: Joseph Wesonga
Area: Pangani-Mlango Kubwa
Business: Dancer

“Y-bizna gave me many ideas on how to empower myself through dancing. Previously, it did not occur to me that dancing could be turned into a business. I feel proud of myself that I have achieved something through Y-bizna.”

Entrepreneurs with Business Skills and Start-Up Capital



Name: Brandon Njoroge
Area: Mathare-Area One
Business: Shoe Vendor

“Through Y-bizna I learnt how to save and obtain a bank loan. I learnt how to prepare a good business plan, too. My business is now getting better by the day.”



Name: Kevin Uduny
Area: Mathare -Huruma
Business: Farming

“I feel privileged to have gone through Y-bizna. I am now a different person. I learnt how to keep up-to-date business records and to plan ahead. I was also guided on how to obtain a bank loan.”



Name: Jarso Mohamed
Area: Huruma
Business: Restaurant

“Before getting Y-bizna training on business and entrepreneurship, it seemed so difficult to start off. I had a lot of challenges. The programme gave me some amount to add to what I had. That is how I started and here I am now.”

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recounted how they had tried setting up businesses but failed due to lack of funds, inadequate business skills, and identifying appropriate business niches within their communities. Many of them had also tried to access loans from banks because they lacked formal structures and documentation. They were, therefore, advised on

various funding options available, including Government youth programmes.

During a forum organized to present credit to the first group of the Y-bizna fund beneficiaries in Nairobi, KBA Chief Executive Officer Dr. Habil Olaka commended the young men for opting to earn a living through business. Dr. Olaka said Y-bizna had met its objective of inspiring business

acumen among the youth, facilitating access to available social-economic opportunities in their neighborhoods.

“Through this programme, the banking industry has managed to engage young entrepreneurs in mentorship activities, promoting them as community pillars especially in ensuring peace and leadership,” he said, thanking all partners and the KBA

member banks for supporting the program.

The start-ups initiated by youths who have undergone the KBA programme include: poultry farming, carpentry, phone repair, car wash, barber shops, pet dog rearing, and mat weaving, among others. Part of the fund’s beneficiaries in Kisauni (Mombasa) are young men who have been successfully rehabilitated from

drug and substance abuse.

“The project has helped reduce crime, violence and improved the living standards of the young people in Mombasa and Nairobi, by training young men on management of small and micro-enterprise ventures, financial literacy and provision of business mentorship,” noted KCDF Director Mr. Edmund Mudibo.



Hon. Dr. Lilian Gogo (left) and Nairobi Women Representative Hon. Esther Passaris during the KBA Chairman’s Ball. The legislators commended KBA for the Y-bizna initiative and called for inclusion of girls in the programme. Ms. Passaris pledged Ksh. 100,000.



L-R: KBA Director of Communication and Public Affairs Nuru Mugambi and KBA Vice Chairman John Gachora in a panel discussion with three Y-bizna beneficiaries during the the KBA Chairman’s Ball. Mr. Gachora encouraged banks to design products that speak to the needs of the youth.