Project Name: Job Creation and Entrepreneurship among Youth in Kenya: Impact Evaluations

Organization(s): World Bank

Dates of Implementation: 2019 ongoing

Country: Kenya

Partner(s): Government of Kenya

Website: n/a

Project Description:

Youth in Kenya suffer from various constraints such as imperfect markets for start-up financing for young entrepreneurs, deficits in managerial and entrepreneurial skills, and lack of relevant experience. As a result, almost 80 percent of those employed and aged between 15 and 24 years have an informal job, even among those who are working, against 70 percent or lower for the rest of the population. In this context, the Government of Kenya is implementing the USD 150 million Kenya Youth Employment and Opportunities Project (KYEOP), supported by the World Bank. KYEOP is seeking to promote skills building, work experience, business formation and productivity, and access to labor market information for both young men and women.

This project consists of two complementary impact evaluations aiming to expand employment and entrepreneurship for youth in Kenya, in particular women. The first impact evaluation studies the combined and isolated impacts of providing cash grants and business development services (BDS) to youth in Kenya. The second focuses on the cost-effectiveness of a large-scale business plan competition. The activity also includes the design and implementation of behavioral-based micro-interventions aimed at closing gaps in labor market outcomes of male and female youth.

The activity fits within two impact evaluations under the auspices of the Kenya Youth Employment and Opportunities Project (KYEOP):

(1) Support for Self-Employment: The first impact evaluation focuses on an impact evaluation of component 2.1 of the KYEOP - support for self-employment, including testing of gender-integrated interventions. The support for self-employment finances (a) grants to a group of youth-led businesses; (b) business development services (BDS) to a second group of youth-led businesses; and (c) grants and BDS to a third group of youth. It includes sub-interventions focused on underlying constraints to women’s ability to control resources to grow their businesses and create new jobs; as well as constraints related to their aspirations.

(2) Business Plan Competition: Emerging evidence from Nigeria indicates that tackling capital constraints to high-growth entrepreneurship in the context of a youth business plan competition (BPC) can be an effective way of addressing this employment creation problem. Building on this work, the second impact evaluation will use a RCT to assess the importance of different features of a major scale business plan competition in Kenya financed by KYEOP. These features are common to most BPCs being designed in Africa. The applicants will be randomly assigned to a combination of four specific interventions at different stages in the BPC process.

Target Population:

Vulnerable youth aged 18 to 29 in Kenya.