



Pacific Summit and Policy Dialogue on Youth Entrepreneurship

Concept Note

5-7 April 2017

Introduction

Unemployment is the most critical challenge that young people globally confront today. The challenge is particularly acute in the Pacific region where jobs in the organised sector are few and far between, while those in the informal sector are often unstable, unsafe and poorly paid. Youth unemployment in the Pacific stands at an alarming 23% (SPC, 2011) with young people 4.5-6 times (ILO, 2015) less likely to secure decent jobs relative to older people.

The isolation and remoteness of Pacific island economies, slow economic growth and stagnant government budgets contribute to low job creation and labour market mismatch. The Young Employment Advocacy (YEA) initiative, led by PYC resulted in the Pacific leaders call for more investment in youth employment via the 2011 Forum Leaders communiqué. Consequently, the SPC led Pacific Youth Development Framework (PYDF), endorsed by the youth ministers in 2013 highlights youth employment as the first priority, with youth entrepreneurship as one of 3 outcomes under youth employment priority.

It is imperative therefore for governments in Pacific to identify and promote alternative pathways to sustainable livelihoods if they are to fulfil the aspirations and potential of their young people. Empowering young people to consider entrepreneurship as their vocation has to be a critical component of such a strategy. The Solutions for Youth Employment (S4YE), a World Bank-led multi-stakeholder coalition launched in 2014, analysed in its 2015 baseline report the relative effectiveness of 105 youth employment interventions implemented across the world since 1990, and found that entrepreneurship-promotion interventions show the largest positive effects on employment outcomes and earnings.

Over the years, key development partners in the region have made concerted efforts to encourage youth entrepreneurship as a pragmatic strategy to address spiralling youth unemployment and to positively harness young people's potential. This has included supporting entrepreneurship education, entrepreneurship training and business development services aimed at putting more young people into employment. In order to build on this momentum, the Commonwealth, ILO, SPC and PYC intends to convene a 3-day regional Summit on Youth Entrepreneurship that will focus identifying specific national and regional policy responses to promote youth entrepreneurship, share national policy analysis identifying best practice and gaps and establish a regional young entrepreneurs council.

Pacific Young Entrepreneurs Councils (Pacific - YEC)

A recent ILO-PYC-SPC-PLP initiative has been the establishment and operationalisation of Young Entrepreneurs Councils (YEC) in Fiji, Vanuatu (2016), Solomon Islands, Tonga, Samoa and PNG (2017). The YEC's are formally established within the national employers/private sector organisations with the aim of developing into a national advocacy and technical entity

that builds the evidence base and innovatively engages with policy and legislative decision makers to support specific business and employment aspirations of its members and potential young entrepreneurs.

In 2016, a Pacific Young Entrepreneurs Forum (PYC/SPC/PIPSO/PLP) from 29 June - 2 July and the Pacific Employers/Private Sector Meeting (ILO) from 14-18 November re-affirmed the value of YEC's including leveraging off the national platform provided by employer/private sector organisations.

Young entrepreneurs are job creators, employers, tax payers, suppliers, buyers, etc, making the economic case for policy response, inevitable.

As the number of young entrepreneurs in the region grows, so does the need for a bigger voice to articulate their needs and concerns. In most Pacific countries, young entrepreneurs have limited opportunities and platforms to champion their cause, despite the numerous issues they encounter. Notable constraints include: limited access to capital due to lack of collateral, lack of adequate skills, knowledge and experience, and limited exposure to business networks and markets. Within the Commonwealth, there have been concerted efforts to encourage youth entrepreneurship as a pragmatic strategy to address spiralling youth unemployment and to positively harness young people's potential. Towards this end, the Commonwealth Secretariat has been supporting the formation of regional alliances of youth entrepreneurs (Commonwealth Alliance of Young Entrepreneurs), in order to ensure them a bigger voice on issues that concern them most, and provide additional opportunities for learning and trade.

To take this forward, a one-day consultation meeting of national YEC's and young entrepreneurs is being convened to explore the concept and viability of the alliance of young entrepreneurs in that region, and ideally building commitment and ownership of such an initiative. With sufficient buy-in, the consultation would inter alia deliberate on objectives, membership, and structure of such an alliance and other important issues.

Young entrepreneurs from the seven countries in the region will discuss the concept of establishing a Pacific Young Entrepreneurs Councils (Pacific - YEC), to promote entrepreneurship and trade within the region and beyond. It is envisaged that this move will reflect young people's integral role in wealth creation and poverty reduction, and will build on similar alliances already established in other regions. The proposed Pacific - YEC will play a role in building that human capital for the future, unleashing the economic potential of young people and promoting sustainable growth and development.

Policy on Youth Entrepreneurship

In most Pacific island countries, youth entrepreneurship is prioritised in their respective National Youth Policy. However, this is not mainstreamed into economic or sectoral policies to ensure access to wider resources and opportunities for current young entrepreneurs. This also includes the incentivising and reducing processing time for youth businesses from start-up to expansion. Equally important, is the promotion of entrepreneurial education for in-school youths/potential young entrepreneurs, aimed at making entrepreneurship an informed career choice. While the Know About Business (KAB) programme has been institutionalised in 3 countries by the ILO, education policies do not promote the entrepreneurial thinking and activities.

In order to assist governments in member countries to create an enabling environment in which youth entrepreneurship can flourish, the Commonwealth Secretariat, in partnership with the United Nations Conference on Trade and Development (UNCTAD), has developed a *Policy Guide on Youth Entrepreneurship*. At the Pacific Region Commonwealth Youth Ministers Meeting, in September 2015, the Ministers "noted the emergence of a Policy Guide

on Youth Entrepreneurship, developed by the Commonwealth Secretariat, and committed to develop, and where necessary refine, national/regional youth entrepreneurship strategies in collaboration with the Commonwealth and other regional partners”.

The Policy Guide can play an important role in supporting governments to create environments that are optimal for youth entrepreneurship to flourish, including development of partnerships and networks across sectors (private and public) to achieve collective impact. To facilitate this, a three-day regional capacity-building workshop is being convened focused on connection, consultation and capacity-building, with the *Policy Guide* as a foundation.

Policy Advocacy on Youth Entrepreneurship at the 2017 Forum Economic Ministers Meeting (FEMM)

Sustainable Development Goal (SDG) 8.3 and 8.5 promote the need for such development oriented policies inclusive of youth entrepreneurship. The SAMOA pathway re-affirms its support to the private sector by developing entrepreneurship. Consequently, the 2015 and 2016 private sector statements to the Forum Leaders indicates the need to support entrepreneurship and reduce barriers to business.

Therefore, there is justification to seek the support and endorsement of the Forum Economic Ministers, for the mainstreaming of youth entrepreneurship in national developmental and sectorial policies, including education policies.

It is expected that the outcome document with recommendations of the Pacific Summit and Policy Dialogue on Youth Entrepreneurship will be presented to the 2018 Forum Economic Ministers Meeting (FEMM). The outcome document presented to the Ministers would contain a consolidated policy recommendation on promoting youth entrepreneurship for Ministers consideration and action.

Venue and Participants

The event will be held in Suva, Fiji. The 8 participating countries include: Fiji, Vanuatu, Solomon Islands, Papua New Guinea, Samoa, Tonga, Kiribati and Tuvalu. Participants will include 2 youth/YEC members (1 each from Kiribati & Tuvalu), and 2 government official (1 x Ministry of Youth & 1 x Ministry of Labour) and 1 National Employer/Private Sector Representative (based on discussion with PIFS).

Invitations will also be sent to the Australian and New Zealand equivalent of the YEC, however, at their own cost.

Objectives and methodology

	Objectives	Methodology
1	Enhanced awareness and improved knowledge - of the various processes, structures and programmes required to put in a place an effective national youth entrepreneurship policy and integrate it into national development planning. and implementation in line with the principles and policy recommendations outlined in the Commonwealth-UNCTAD Policy Guide on Youth Entrepreneurship.	Delivered by key partners using various guides such Commonwealth-UNCTAD Policy Guide on Youth Entrepreneurship.
2.	Present national policy analysis highlighting specific best practice and gaps (Govt)	This will be delivered by government reps. A presentation template will be developed requiring government reps to research, complete and

		present. Development of short, mature/raw videos will also be encouraged and will be uploaded on partner websites, social media.
3.	Share national experiences and challenges faced by current and potential young entrepreneurs;	This will be delivered by the young entrepreneurs. Young entrepreneurs will engage in national consultations with their YEC members and using a developed template, present to the summit.
4.	Identify specific national and regional policy responses to promote youth entrepreneurship; prepared National Action Plans and Roadmaps; and develop summit outcome document to be presented to FEMM.	This will be facilitated by a policy dialogue.
5.	Establish a regional young entrepreneurs council (ILO/CYP/PYC/SPC)	Through a consultation process with young entrepreneurs, the development partners will facilitate the drafting of objectives, repurpose, etc for a regional YEC and nomination of the first Pacific YEC
6.	Site visits to Fiji YEC initiatives, youth businesses, team building, etc etc (final day).	Organised by YEC Fiji as host country.
7.	Video on the summit and policy dialogue. Can also be used for advocacy at the FEMM and ILO Future of Work (FoW) meeting in March 2017.	Potentially with the support of SPC media unit

Submission to FEMM

A communique of the summit and policy dialogue will be drafted by the development partners. An information/policy paper will be drafted that will allow the agencies to support SPC to table a paper at the 2018 Forum Economic Ministers Meeting, to get their support for policy changes.