



British Asian  
Trust

Citi Foundation



# Urban Youth Project

Pakistan, 2016 - 2020

End of programme report

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# FOREWORD

The British Asian Trust is delighted to offer this closing report to the four-year Urban Youth Project, which was developed, funded and implemented with tremendous support from Citi Foundation. Through this programme, we are proud to have reinforced the business acumen of so many marginalised young people in Pakistan and enabled them to establish new enterprises and employ many others in the process.

Two key factors lay behind our vision for this programme: the current, very significant youth-population bulge in Pakistan and the country's large informal economy. As much as 70% of Pakistan's workforce is in the informal sector – unregulated and unprotected. And within this, roughly 70% of workers are involved in micro-enterprises [i]. We recognise the potential for Pakistan's economy in helping to grow and formalise small businesses and in supporting entrepreneurship among the young.

Almost 64% of Pakistan's 182 million population is currently below the age of 30, and our belief is that young people can be a major driving force for the country's prosperity. In addition, we recognise that young entrepreneurs from poor, marginalised and less well-educated backgrounds are brimming with creative ideas but face significant barriers when trying to grow new businesses. They have limited access to business information, few financial resources and few if any legal protections.



*i Informal Labour Force Survey 2014-2015, Pakistan Bureau of Statistics, Government of Pakistan*

While incubator and accelerator programmes for micro-enterprises do exist in Pakistan, the Urban Youth Project set out specifically to cater to entrepreneurs from low-income and low-education backgrounds, and to build an environment in which their enterprises could thrive. Our belief was that supporting young, disadvantaged entrepreneurs to build sustainable small-scale businesses – whether marketing solar-powered lightbulbs, training private companies in first aid or running a small school – could significantly address the needs of the rapidly increasing population of under-employed young people. We are enormously encouraged that, to date, more than 280 young people have been through the programme and that together they have increased their incomes by an average of 75.1%.

Partnership has, as ever, been essential to the success of this programme. Citi Foundation's funding and inspiring commitment enabled the creation of the business training model and subsequent rollout and resourcing of the three phases of the programme. I would like to extend our enormous thanks not only to them but also to the implementing partners and their highly respected teams at Lahore University of Management Sciences' (LUMS) National Incubation Center (NIC), SEED Ventures and Karachi School of Business and Leadership (KSBL).

To embed a positive eco-system for youth micro-enterprise in Pakistan, we must continue to learn and share our experience. This short report aims to do just that, sharing lessons learnt and recommendations that will guide the future of this work. Our efforts do not end here. COVID-19 makes the need for successful small businesses, run by young people, an even greater priority for Pakistan. We look forward to taking the next iteration of this programme even further and even wider.

**RICHARD HAWKES**  
**CHIEF EXECUTIVE**  
**BRITISH ASIAN TRUST**

# IN PARTNERSHIP



On behalf of Citi and the Citi Foundation, I am pleased to introduce this timely and valuable report which speaks to the multiplier effect of combining focused corporate support with meaningful community practice.

Citi Foundation works with global partners to promote economic progress and solutions, and to improve the lives of youth in low-income communities around the world, including Pakistan. We invest in efforts that increase financial inclusion, catalyse job opportunities for youth, and reimagine approaches to building economically vibrant cities.

Our partnership with the British Asian Trust commenced in 2012 when we supported the organisation to deliver various livelihood projects in Pakistan. The partnership continued to develop and in 2016, we came together again to launch the four year Urban Youth Project. Falling within the tenets of Pathways to Progress, a Citi Foundation job skills-building initiative, the programme initially ran in Lahore, and later expanded to Karachi.

We are proud that the 282 young people who were selected to join the Urban Youth Project have graduated with the drive and knowledge that will improve their business lives forever. Their average incomes have grown, with 32% more entrepreneurs achieving a regular income of over Rs.25,000 a month and 11% more earning over Rs.75,000 a month. Furthermore, between them they have created employment for more than 300 others, with average employment in each micro-enterprise growing by 48% (from 2.25 to 3.34 people).

But our investments in entrepreneurship transcends skill-building to mindset formation. With the British Asian Trust, we share an ambition to open up opportunities for the workforce of the future and tap into the creativity of young people with business ideas, supporting them with training, mentoring and investment. We see the development of characteristics such as resourcefulness, positivity and tenacity as giving young people the tools for life.

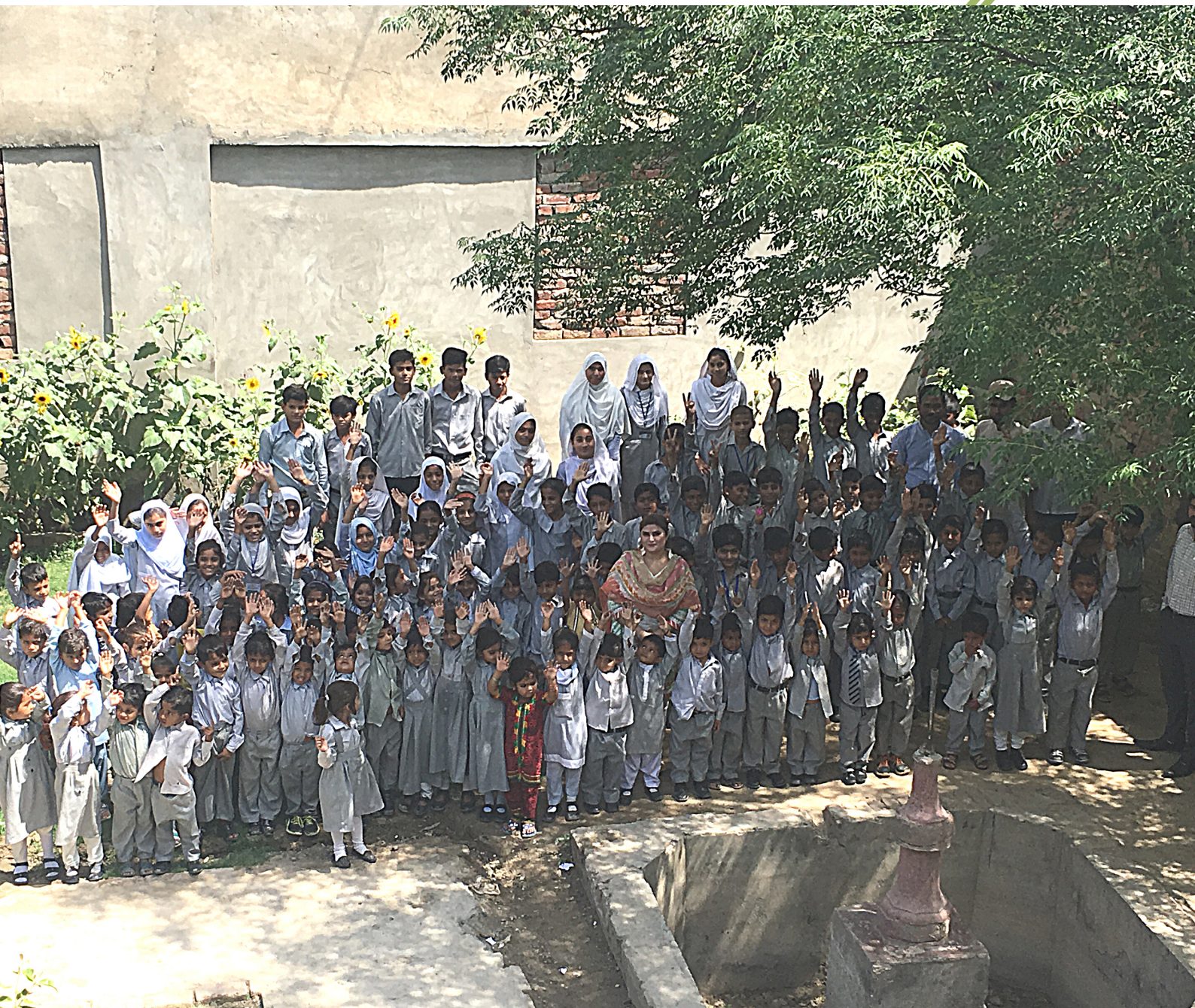
Enterprises can create multiple jobs. Through a focus on entrepreneurship among low-income urban youth, our aim has been to reduce youth unemployment and transform livelihoods for individuals, families and local communities in Pakistan. Our firm belief is that those who possess a skill should be supported to achieve their potential, regardless of their background.

It is heartening to see the key achievements and findings from the programme being captured in this report. We remain dedicated to learning from young people, practitioners, academics and peers so that together we can create stronger pathways for all young people to reach their potential.

**AHMED BOZAI**

**CCO & MD**

**CITIBANK N.A. PAKISTAN**



# EXECUTIVE SUMMARY

The current youth population bulge in Pakistan represents a huge economic opportunity, but without active interventions could become a huge burden. This report outlines the approach and interventions made during the four years of the Urban Youth Project, which was set up to support micro-entrepreneurs from marginalised backgrounds, aged 18-24, in Pakistan.

The programme aimed to create a replicable model of micro-enterprise business training for marginalised youth from low-income backgrounds. The evaluation has shown that the programme did indeed support growth in youth employment, with 90% of the participants successfully establishing micro-enterprises and the number of businesses employing up to three people increasing from 34% to 70%.

The programme improved the business skills of its young entrepreneurs, and led to an increase in incomes for participants at an average of 75.1%. Ninety-three percent of the participants confirmed that the activities of the course met their needs. In addition, 86% felt confident that their businesses were sustainable (barring further shock from COVID-19).

The programme also successfully contributed to building the capacity of our partners Lahore University of Management Sciences, SEED Ventures and Karachi School of Business and Leadership. It engaged these partners in new learning as they developed a curriculum focused on micro-businesses. They had to explore fresh approaches to support lower-income participants living and working in cities with differing business environments. As a result, the programme has established a market-responsive, replicable model for incubation of micro-enterprises run by marginalised and disadvantaged Pakistani youth.

The following pages demonstrate how the British Asian Trust and its partners have been able to prepare young people to become economically active. Entrepreneurship training is even more important in a world of post-COVID-19 recovery. We are delighted to offer up the findings in this report for use by partners and future grant-givers alike.





# COUNTRY CONTEXT

## THE EMPLOYMENT CONTEXT IN PAKISTAN

Pakistan is at a pivotal point in its history. It is the fifth most populous country in the world, with more than 220 million people [1]. By 2030, its labour market is expected to reach 87 million people.

The UNDP blog 'Unleashing the Potential of a Young Pakistan' (2018) quotes from its *National Human Development Report* that 64% of the country's population is below the age of 30 and 29% are between 15 and 29 [2], with 4 million young people reaching working age every year.

Such a workforce could represent extraordinary opportunities for Pakistan. If engaged productively, these young people can serve as catalysts to achieve the Sustainable Development Goals and lift themselves out of poverty. However, the UNDP's statistics also show that 61% of these young people are unemployed [3]. This puts a significant sector of the population at risk of social exclusion, reduced prospects and poverty, and it represents a looming crisis.

1. [www.nationsonline.org/oneworld/population-by-country.htm#MPC](http://www.nationsonline.org/oneworld/population-by-country.htm#MPC)

2. <http://hdr.undp.org/en/content/unleashing-potential-young-pakistan#:~:text=Pakistan's%20National%20Human%20Development%20Report,bulge%22%20into%20a%20demographic%20dividend>.

3. Quick Youth Facts, *Pakistan National Human Development Report*, <https://undp-pakistan.exposure.co/unleashing-the-potential-of-a-young-pakistan>



In addition to lack of employment, it is hard for young people to build relevant job-market skills. A staggering number of young people are not in education, employment or training at present. Those that do find employment often fall into informal, erratic, low paid and hazardous jobs, without legal and social protections. This damages the potential of young people and compromises their future employment and earnings.

The lack of decent opportunities for employment represents a huge risk to the country's social and economic stability. To bridge this gap, it is estimated that Pakistan needs to create 4.5 million jobs over the next five years,[4] but expanding the formal sector alone is not going to be enough.

## SUPPORTING NEW BUSINESSES

In recent years, the need to create high-impact, high-growth companies in Pakistan has begun to be addressed. Pakistan has improved its ranking in the World Bank's Ease of Doing Business ratings,[5] and business incubators have been launched in all major cities and at many public universities. However, these incubators are over-subscribed and, critically, entrepreneurial young people from less-advantaged backgrounds are the least able to access these services.

It is clear that micro-enterprises represent a significant source of untapped potential, and that fostering and supporting micro-entrepreneurship offers a huge opportunity to address the needs of under-employed youth.

Barriers that young people face in growing their micro- and small enterprises include: limited knowledge of business management and business laws; insufficient information about markets and the business environment; inadequate finance; and poor business infrastructure. Female entrepreneurs face additional barriers, due to cultural attitudes and discrimination.

Given the pivotal role entrepreneurship plays in promoting inclusive development, it is essential that young people in Pakistan are able to access the necessary support to grow their own businesses and build a movement for people-powered social change in Pakistan.

## ALIGNMENT OF THE PROGRAMME WITH NATIONAL POLICY

In line with the National Youth Policy of Government of Pakistan, the programme provided new opportunities to grow the potential of young people. By enabling excluded youth to participate in economic activities in the two largest urban centres in the country, it contributes to reducing youth engaging in violence – a major challenge in urban centres. The programme is also in line with Government of Pakistan international commitments under the framework of the Sustainable Development Goals (SDGs). It contributes to Goal 5: Gender equality, and Goal 8: Decent work and economic growth, as outlined in 'Pakistan Vision 2025: One Nation – One Vision' [6].

4. [www.thenews.com.pk/print/320253-pakistan-needs-1-3-million-additional-jobs-every-year-undp](http://www.thenews.com.pk/print/320253-pakistan-needs-1-3-million-additional-jobs-every-year-undp)

5. <https://tradingeconomics.com/pakistan/ease-of-doing-business>

6. [www.pc.gov.pk/uploads/vision2025/Vision-2025-Executive-Summary.pdf](http://www.pc.gov.pk/uploads/vision2025/Vision-2025-Executive-Summary.pdf)

The Urban Youth Project also aligns with the Pakistan Prime Minister’s ‘Kamyab Jawan – Youth Entrepreneurship Scheme’, designed to provide subsidised financing for startups and existing micro- and small business enterprises. Financing comes through a large number of participating commercial, Islamic and SME banks, coming together under the supervision of the State Bank of Pakistan [7].



7. <https://kamyabjawan.gov.pk/> and [https://smeda.org/index.php?option=com\\_content&view=article&id=568&Itemid=974](https://smeda.org/index.php?option=com_content&view=article&id=568&Itemid=974)



## THE PROGRAMME

Over the last four years, the Urban Youth Project has successfully supported over 280 young people from low-income backgrounds through entrepreneurship incubation, as well as creating an exciting new model for teaching entrepreneurship skills. The Urban Youth business incubator was one of the first to be launched in Pakistan for marginalised youth, aiming to target young people aged 18-25.

Our initial delivery partnership was with the Lahore University of Management Sciences (LUMS) National Incubation Center (NIC) – an incubation and acceleration platform experienced in facilitating startups to become successful businesses. In the second phase we also partnered with leading business school, the Karachi School of Business and Leadership (KSBL), and in the third phase, with SEED Ventures, a dynamic not-for-profit enterprise-development organisation.

### EMPOWERING YOUNG ENTREPRENEURS TO DEVELOP AND GROW NEW BUSINESSES

The programme set out to address the growing problem of youth unemployment in Pakistan. By providing business incubation to new and fledgling youth-led enterprises, it has developed an exciting model that has potential to give countless more marginalised young people in Pakistan the opportunity to become successful entrepreneurs.

### THE VISION:

- To deliver a model for entrepreneurial training and incubation support tailored to youth from low-income communities.
- To help youth engage in the formal economy, by increasing their employment opportunities and incomes, by developing and growing a thriving micro-enterprise.
- To help develop an eco-system fostering micro-enterprise by building strategic partnerships with public and private actors (including industry partners, donors and micro-finance lenders) and by demonstrating thought-leadership. (See 'Raising the sector profile' page 24.)

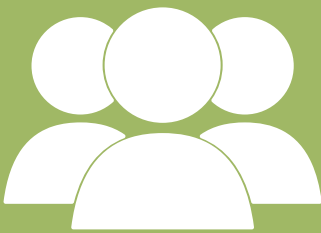
## OVERVIEW OF THE PROGRAMME:

Phase	Set up	Model
<b>I. Lahore</b>  <b>July 2016 – November 2018</b>	<ul style="list-style-type: none"><li>• Working with LUMS NIC to establish incubator programme.</li><li>• 61 young people supported through the programme in two cohorts (41 female, 20 male).</li><li>• Selection in collaboration with microfinance institutions.</li></ul>	<ul style="list-style-type: none"><li>• A context-centred programme.</li><li>• Focus on experiential learning.</li><li>• Curriculum made available in Urdu.</li><li>• Delivered by business experts.</li><li>• Modules on leadership, management, marketing and financial skills.</li><li>• Bespoke business and financial plans created.</li><li>• Seed funding available through a competitive pitching process.</li></ul>
<b>II. Lahore + Karachi</b>  <b>December 2018 – February 2020</b>	<ul style="list-style-type: none"><li>• Working with LUMS NIC and KSBL to test, replicate and implement second programme in Karachi.</li><li>• Growing demand for incubation support led to two cohorts in each city.</li><li>• 128 young people supported through the programme (55 female, 73 male).</li></ul>	<ul style="list-style-type: none"><li>• Intensive face-to-face delivery.</li><li>• Development of remote app-based learning.</li><li>• Mentoring from business experts.</li></ul>
<b>III. Karachi</b>  <b>October 2019 – November 2020</b>	<ul style="list-style-type: none"><li>• Independent incubator run by SEED Ventures.</li><li>• Strengthening a micro-entrepreneurship eco-system by engaging a new institution.</li><li>• Three cohorts incubated – 93 young people supported through the programme (33 female, 60 male).</li></ul>	<ul style="list-style-type: none"><li>• Curriculum adapted for increased online delivery.</li><li>• Modules enhanced on digital marketing &amp; good mental health.</li><li>• Some internet packages provided.</li><li>• Relatable, practical mentoring from grassroots entrepreneurs.</li><li>• Seed grants made through a competitive pitching process.</li></ul>

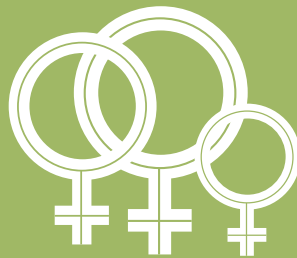
# KEY RESULTS AND FINDINGS

An evaluation report for the programme used qualitative and quantitative data to assess its effectiveness, impact, relevance, efficiency, sustainability and replicability. We are delighted that on all measures the programme was found to have achieved its objectives.

We were able to gather robust feedback on the programme, through high-levels of post-programme engagement. A survey of the micro-entrepreneurs received feedback from 210 of the 282 graduates (129 women and 153 men) in November 2020. These respondents represent 100% in the statistics referenced below. In addition, 38 in-depth interviews were conducted with youth micro-entrepreneurs and staff from partner organisations.



**282 youth trained**



**46% female participants**



**90% businesses established**



**Over 300 jobs created**



**75.1% increase in monthly income**



**Male-female income gap reduced by 53%**



**117% increase in monthly income of female youth**



**58% increase in monthly income of male youth**



**Among female participants, highest incomes were achieved by food- (160%) and clothing- (155%) related enterprises**

## SHAHISTA HAS STARTED A TEACHING ACADEMY IN HER HOME



Shahista Waheed grew up in the rural outskirts of Lahore. She has been interested in teaching since she was 15, when she spent her evenings after school tutoring younger children. When she was older, she taught classes at an independent academy. When Shahista heard about the Urban Youth Project, she was inspired to seek support with setting up a business of her own.

“At the training, they encouraged me to explore what I wanted to do – to make a plan and structure my thoughts. It made me realise that I could run my business differently – I could launch my own academy from home. It took me a year to put the plan together, but I was given guidance throughout. I got the confidence from the training to believe in myself.

The Urban Youth Project has been guiding me on business principles. They showed me that I could teach two children at the same time paying Rs.200 each or spend the same amount of time, but with greater focus and dedicated energy from me, on one child paying Rs.500. So, I’ve recently locked my fee for nursery students at Rs.500 per child. The trainers at the project encouraged me to ask parents in for monthly meetings, so they’d understand how involved I am with the progress of their child and their individual problems – which justifies the fee.”

Shahista is confident about her business. “I will grow it slowly,” she says. “When I started at home, I had four children coming in and I worked hard with them. All four got first positions in their classes, and because of their recommendations I ended up teaching other students who knew them.”

## KEY ACHIEVEMENTS

The outcomes achieved by the programme clearly demonstrate its success. More than 90% of participants successfully established micro-enterprises. All of the established businesses increased their monthly income by an average of 75.1%, despite the effects of COVID-19, and 300 jobs were created through employment of new staff.



## INDICATORS OF ACHIEVEMENT

The programme aimed to achieve impact in the following ways:

### **Strengthened micro-enterprises**

- Increased income/business profit
- Increased number of people employed
- Formal registration of micro-enterprises

### **A tested and scalable micro-entrepreneurship incubation model**

- A new methodology for micro-entrepreneur training (tested and delivered) that can be replicated in other locations and scaled to reach many more young entrepreneurs

### **An improved micro-entrepreneurship eco-system**

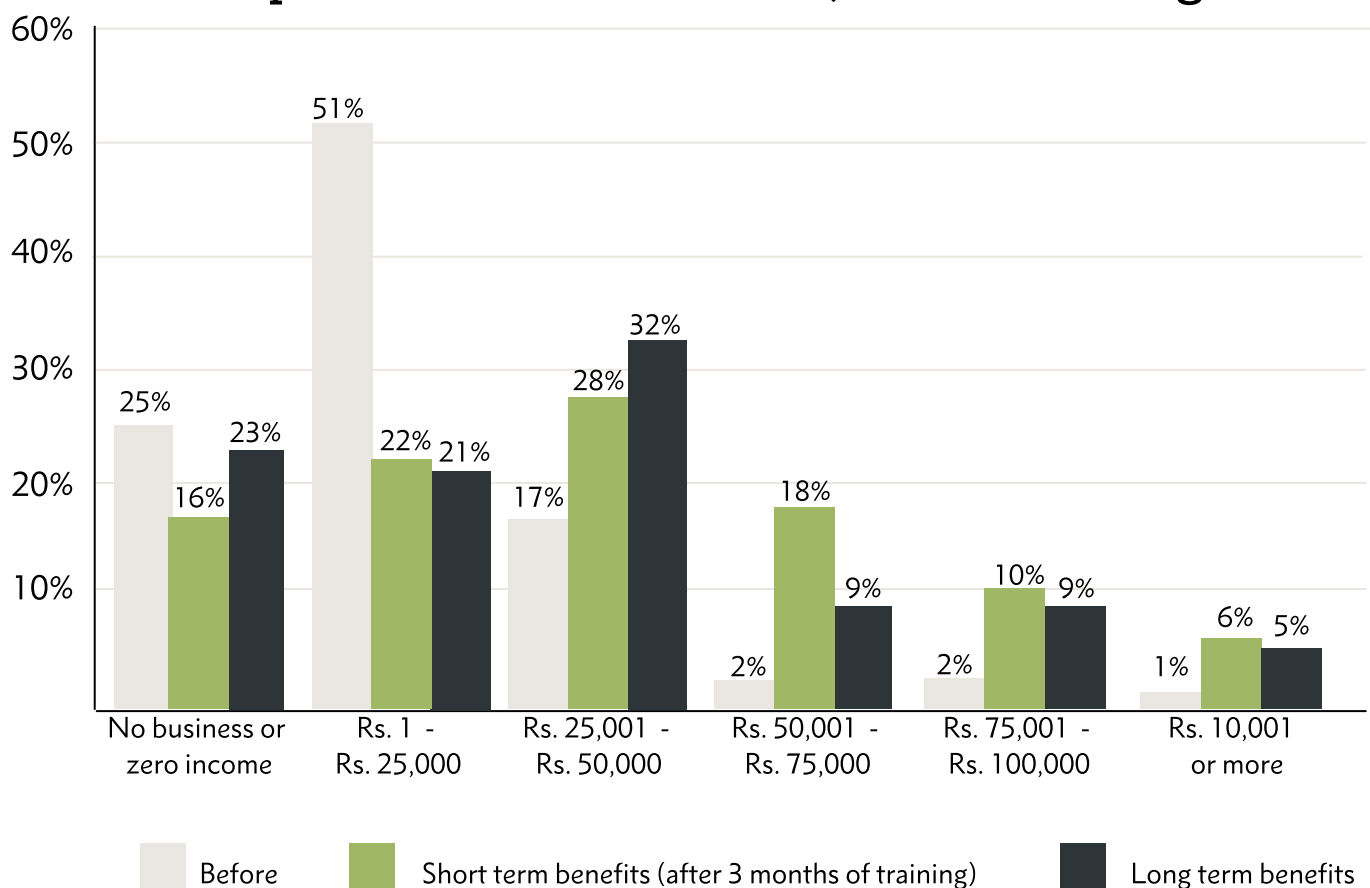
- An increased capacity of institutions to deliver micro-entrepreneurship training and incubation for youth

## PROGRAMME IMPACT

### Strengthened micro-enterprises:

- Successfully increased income: Businesses established through the programme increased their monthly income by an average of 75.1%

### Impact on income - before, short and long term



Respondents to the evaluation survey were asked about their monthly net income before joining the programme, their income over the short term (after three months of the training) and over the long run (see Figure above). This revealed an overall increase in their earning. Before joining the programme, 23% (49 youths) were earning Rs.25,001 and above. This number increased to 62% (130 youths) over the short term and 55% (115 youths) over the long term. The decrease in income over the long term can partly be attributed to losses caused by COVID-19. At the same time, however, the number of youths who were making Rs.75,001 and above increased from 3% (7 youths) to 14% (30 youths).

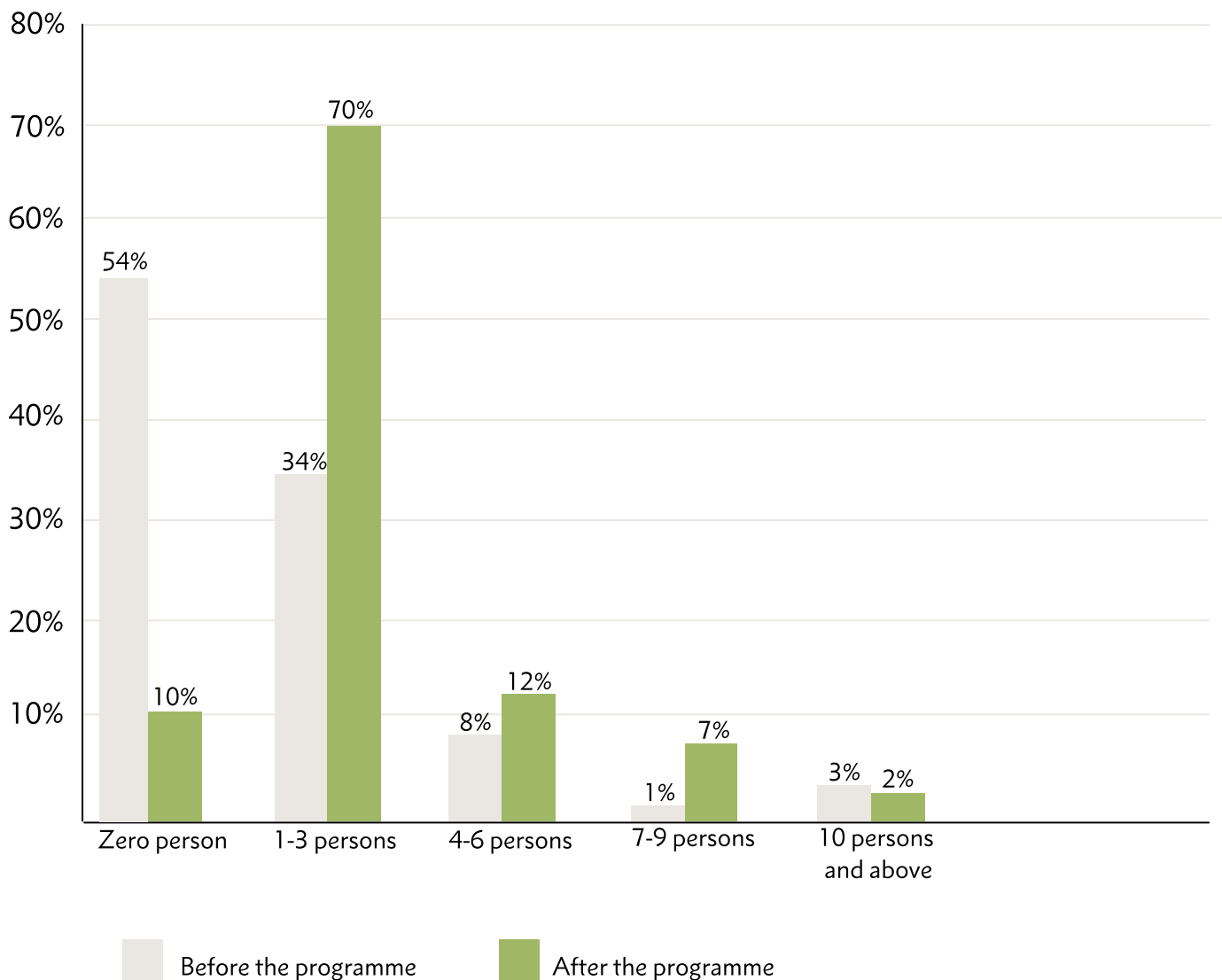
“ There is no happiness like the happiness of knowing that you can earn your own money and use it to build your future. ”

Saleha, Urban Youth Project participant, Karachi



- Successfully increased employment: The programme led to an increase in the employment rate of the surveyed micro-enterprises of, on average, 48% (from 2.25 to 3.34 employees).

## Impact on employment – numbers of persons employed or engaged in micro-enterprises



There was a significant increase in the number of people employed by the micro-entrepreneurs, with the most significant increase from 34% to 70% in those employing up to three people.

“As a result of this engagement, my communication, situation handling and management have improved, which is helping me in my life and business.”

Khadija, Urban Youth Project participant, Karachi

- Formal registration of micro-enterprises: 90% of the micro-businesses were formally registered.

10% of the trained entrepreneurs failed to formally register their micro-enterprises. The main reason was lack of access to capital. Regrettably, the women were twice as unlikely to register a business as the men. Additional barriers facing women were disapproval from their families and feelings of vulnerability around travelling.

“ The entrepreneurs felt like a family and were willing to collaborate. We need a cultural change around youth social impact and, in that regard, the training programme truly has outdone itself. Young people are doing something for themselves and investing what they’re earning. ”

Sabahat, trainer for Lahore and Karachi students, January 2020

## Tested and scalable micro-entrepreneurship incubation model

- A replicable and scalable model: The evaluation confirmed that the programme has indeed established a successful, flexible and replicable model.

The programme developed various methodologies and tools to deliver micro-entrepreneurship training for underserved youth. Of the respondents, 91% either agreed or fully agreed that methods and tools used in the programme were helpful in achieving the programme’s desired results.

## The value of digital

Over time, there was a gradual increase in the use of digital tools for teaching, with the greatest usage in phase 3, implemented by SEED Ventures, prompted by the impact of COVID-19. As part of this, most of the modules were delivered online, and a WhatsApp group was established.

Sixty two per cent of participants agreed or fully agreed that digital tools, including online sessions, could be adopted as the main way of delivering the programme in the future. They recognised that online tools are convenient, time and cost effective, and that they provide special benefits to women who may face more hurdles to take part in physical classes.



Thirty seven per cent of participants, however, believed that physical lectures were more effective. Their view was that physical interaction is best for learning. It is noted that people's computer literacy varies as does their access to hardware, software and to the internet. It was also noted that a combination of digital and physical teaching is effective.

More analysis will be needed as to how digital tools can best be used in the future to maximise the impact of the programme and improve its cost-effectiveness.

## Improved micro-entrepreneurship eco-system

- Successfully increased capacity: The programme has successfully contributed to building the capacity of three partners to support micro-entrepreneurs from lower income backgrounds.

The programme has contributed to the wider micro-entrepreneurship eco-system in the country through the British Asian Trust's spotlighting of the importance of youth entrepreneurship to its high-level networks and through the engagement and capacity building of our institutional partners. Karachi and Lahore are the largest economic hubs of the country and LUMS is the most prestigious institution for business training. Even though the partners were previously engaged in business education, the programme has generated new learning for them, working with micro-businesses, particularly from lower income groups. Engagement in the programme helped them develop curriculum for this group of youth, as well as experiment with new approaches. Having strengthened the capacity of three high-quality partner institutions in these cities, they can now lead the way for others.

In addition, SEED Ventures is currently undertaking research on the micro-entrepreneurship sector, further helping to give a voice to micro-entrepreneurs.



## MUHAMMAD RUNS PROFESSIONAL DRY CLEANERS, A DRY-CLEANING BUSINESS IN LAHORE



Muhammad Irfan had been running a dry-cleaning business since 2012 but was struggling to stay afloat. With mounting financial responsibilities at home and no funds to buy new equipment for the shop, Irfan applied for the Urban Youth Project at the National Incubation Center Lahore (NICL).

“The training programme taught us the essential business skills. We learnt practical skills related to accounting, accessing finance, dealing with customers and marketing. During my training, I began targeting customers with flyers and brochures. They proved very effective in increasing my daily income. My clients increased; I started getting orders from some big accounts, including Choco Palace, Freshly Bakery, and Nirvana Spa and Salon. I also hired someone to help me get more orders. I am a firm believer that we can turn our dreams into reality if we are willing to work hard for them. I am hopeful that one day I will make my family proud of me and provide them with everything they ever wished for.”

# CHANGING LIVES

The evaluation report confirmed how much the programme had enabled young entrepreneurs to acquire new skills not just to support earning a living but also to fulfil their potential. Of the graduates, 93% agreed or agreed strongly that the programme activities had supported their needs.

When the participants were asked if they thought they could sustain their businesses over the long term, 86% agreed or fully agreed, despite being in the midst of the COVID-19 pandemic. This is a testament to them and the skills they have gained but will depend on suppression of the virus and no further major shocks to their businesses.



## THE BUSINESS SECTORS COVERED BY THE NEW ENTERPRISES

The entrepreneurs set up a variety of traditional and non-traditional business and, even among the traditional enterprises, a large number adopted new business methods, particularly embracing e-commerce.

Traditional businesses included tailoring and bridal dresses, a beauty salon, clothes design and stitching, cosmetics sales, a fresh fruit and vegetable business, air conditioning sales and fitting, laundry and dry-cleaning and running a tuition centre. Non-traditional businesses have included selling parachute fabric, designing plastic components for machines, an archery-club, a corporate gifting service, customised painting of handbags and mugs, selling fresh home-cooked meals, and greeting card and invitation design.



“ I am planning the expansion of the business and want to start production of shirts and trousers. I am searching for new and large space for the operations. Secondly, I am planning to purchase some machinery and hire some new people to lower the cost per product. ”

Umair, Urban Youth Project participant, Lahore

## BUILDING SKILLS

The programme helped young entrepreneurs expand their vision and – through creation of a business road map – achieve, maintain and grow their businesses. It increased their understanding of core business functions, such as product development, accounting, stock management, marketing and customer-relationships; and improved their financial management, record-keeping and employee management. It also helped participants make best use of digital platforms. An overwhelming majority of participants (95%) either agreed or strongly agreed that engagement in the programme has enhanced their skills to run a business.

Methodologies used to fulfil the programme included, but were not limited to, presentations, class discussions, ideation and group work. Ninety three per cent of the respondents agreed or strongly agreed that programme activities were in accordance with their needs: enabling them not only to acquire new skills but also to address gaps in their life skills, such as communication, interpersonal relationships, conflict management, time management and self-appraisal.

## EMPOWERING WOMEN

For women, the challenges of starting and growing a business are especially acute. Despite the fact that women make up 49% of the country's population, they are significantly underrepresented when it comes to economic independence. Only 1% of women in Pakistan are engaged in entrepreneurship compared to 21% of men – the lowest rate in the world [8]. And less than 12% of firms include female ownership, compared to 34% globally. Supporting women to start a business, and removing barriers for those who already own businesses, can play a vital role in encouraging women's participation in the workforce.

8. <https://openknowledge.worldbank.org/bitstream/handle/10986/28864/121027-WP-P164910-PUBLIC-11-9-17-12am-PDU-Fall-2017-Online.pdf?sequence=5&isAllowed=y>

## OPENING DOORS

The programme opened new doors for young people, increased their income and confidence, and helped them make new business connections.

They reported decreased dependency and increased financial contribution to their families. In turn, increased respect from relatives has led to greater influence on family affairs, especially for the female micro-entrepreneurs.

“ When I separated from my husband, my parents were very worried as to how will they bear the expenses of their daughter and her son, but now I am earning a handsome amount. This has changed everyone's behaviour with me. ”

Sidra, Urban Youth Project participant,  
Lahore

Forty-six percent of the selected participants for the programme were women and the evaluation report notes that “the programme had a profound impact on women” – through greater financial independence and greater respect from their families and communities. While there is still some resistance in the acceptance of women as managers of their own businesses, this is starting to change.



“Originally I come from Balochistan, the least developed province of the country, but now I live in Karachi. I am the first girl in my family to run a business. After enrolling in the Urban Youth Project, I started selling women’s cultural outfits, known as a Dutchka. I have linked my skills with the development of people in my area. Taking part in the programme has given me self-confidence and helped me to be what I want to be. I can now cover all my expenses by myself. I have also improved my communication skills, learnt how to deal with strangers and now know how to expand my business.”

Mahnoor, Urban Youth Project participant, Karachi

# RAISING THE SECTOR PROFILE

Alongside the impact of the programme on participants individually, our goal has been to help strengthen Pakistan's micro-enterprise eco-system as a whole. Crucial to achieving this has been our development of a replicable incubation model and building institutional capacity to support a completely new target group, low-income youth entrepreneurs. Working with our three, key institutional partners, we have successfully developed both the model and the capacity.

## BUILDING THE MICRO-ENTERPRISE ECO-SYSTEM

Throughout the programme we focused on promoting our approach and building partnerships with universities and business-teaching institutes, industry partners, donors and micro-finance lenders. We were able to highlight and share key learnings with stakeholders, professional peers and thought leaders in Pakistan, as well as learnings from similar programmes being piloted in the public sector.

" I am delighted with the outcome of this joint initiative. Having been associated with the British Asian Trust and Citi Foundation in support of the launch of their joint report 'Sustainable Livelihoods: Investing in Pakistan's future', it is extremely positive to see how this programme has come to fruition, with the potential to be scaled further in future. "

Elin Burns, former British Deputy High Commissioner

In 2017, in celebration of the success of the first phase of the programme, a panel discussion on the importance of youth entrepreneurship and financial inclusion was hosted by Nadeem Lodhi, former CEO, Citi Pakistan, and Elin Burns, former British Deputy High Commissioner in Karachi. This took place at the Deputy High Commission in Karachi and included Citi Pakistan stakeholders, as well as business, academic, government and development-sector leaders and young-entrepreneur graduates of the first phase of the programme.

In addition to this, we ran two roundtable events, held in London and Lahore, highlighting and sharing key learnings with stakeholders, professional peers and thought leaders. We were delighted to develop connections with local and provincial governments, as well as the State Bank of Pakistan, and to share learnings from other similar programmes that are being piloted in the public sector.





## CELEBRATING YOUNG ENTREPRENEURS

We were enthusiastic to showcase the businesses and impact of the programme on the entrepreneurs. Along with promoting the importance of investing in youth entrepreneurship to high-level stakeholders through events and roundtables, we also widely shared the success stories of young people through social media.

In November 2018, successful graduates from the first phase of the programme attended a ceremony in the presence of Citi Foundation and LUMS NIC. Chief guest for the evening was Sayed Zulfiqar Bukhari, Special Assistant to the Prime Minister of Pakistan and Minister of State on Overseas Pakistanis and Human Resource Development.

A second award ceremony took place in February 2020 to celebrate the achievements of the cohorts from the second phase of the programme. Shahid Hussain, Rector at LUMS and the CEO of SSC Pvt Ltd, was the keynote speaker for the evening and he was joined by Adeel Shahid, Head of Marketing and Public Affairs at Citi Pakistan.

A graduation event for the SEED Ventures incubator took place virtually in November 2020. The event included keynote speeches from Fouzia Younis, Director of Communications, Pakistan Network, British High Commission; Adeel Shahid, Head of Marketing and Public Affairs at Citi Pakistan; and Kamyla Marvi, Pakistan Director, British Asian Trust.



## FATIMA'S BUSINESS, A.F. COLLECTION, SELLS BAGS, COSMETICS AND CUSTOMISED MERCHANDISE. SHE IS BASED IN LAHORE.



Before joining the Urban Youth Project, Fatima Shehzad had been running an online cosmetics business for a year but was finding it very hard to grow the business. She felt that she needed to rethink both her strategy and her resourcing.

Fatima joined the Urban Youth Project and learnt skills that helped her expand both her product line and her customer base.

“When I started this business, I didn’t have a lot of resources and I didn’t understand the business strategies I’d need to do this on a large scale. But I had the drive to do my own thing, to make a name for myself. The training helped me learn practical skills related to bookkeeping, attracting new customers, and marketing. During the training, I created a business card. With that, I was able to network better and grow my market. And I expanded my offering by introducing customised products. As a result, I started earning decent profit margins.

Establishing my business has changed my lifestyle. I hope that through it I can help others change theirs. My business is currently online but eventually I’d like to open a physical outlet and directly interact with my customers.

This business is not only a source of income for me but also a source of happiness. It shows me that I managed to grow a business with limited resources, and I think that with continued hard work I can take it to national, and even international, level. This business is not only my dream is for A.F. Collection to be recognised as a top brand.”

# CONCLUSIONS AND RECOMMENDATIONS

“ We believe that there is terrific untapped potential in the young people of Pakistan. With the right support and training, young people can thrive in their careers and become an asset for the country. ”

Richard Hawkes, Chief Executive of the British Asian Trust

This ambitious four-year programme has accomplished so much for young people in Pakistan and holds so much potential for the future.

We have developed and honed a successful new model for incubation and put this to the test through some of the most trying months one could imagine. The programme results demonstrate that the model has met youth's needs, supported job creation and reduced young people's risk of falling into poverty.

We have also boosted the micro-business environment in Pakistan for low-income youth participation, by building the capacity of our partner institutions and taking a lead in engaging with stakeholders, professional peers and thought leaders. We believe there are still greater opportunities to be had from sharing key learnings from the programme, and from the British Asian Trust engaging further on policy issues related to youth micro-entrepreneurship.

Our understanding of how best to take the programme forward has grown at every stage. It will be important in the future to tailor the right blend of face-to-face and digital teaching for the context. An online curriculum is cost-effective and could be rolled out at a greater scale to urban youth right across Pakistan. Before expanding a digital offering, assessment will be needed of the digital literacy of young entrepreneurs as well as the affordability of internet access.

Women's engagement in economic activity is also critical for Pakistan's future. To ensure equal opportunity for women micro-entrepreneurs in the programme, we will need to pay careful attention to the gender barriers that affect their participation and work to overcome them.

While access to finance was available in all phases of the programme to support the growth of promising businesses, it is recommended that in future this is built into programme design from the start. Assessing the ways entrepreneurs put such financing to use can then inform future targeted support, whether that be from financial institutions or government initiatives.

We are delighted by the impetus that this programme now has to scale-up, and would like to see a network of affiliate regional and national self-sustaining incubators. Harnessing the youth population bulge and taking micro-enterprises into the formal business space can only have positive impacts on Pakistan's economy.

The programme has shown itself to be in close alignment with national government priorities and we look forward to continuing to support this commitment through our work. Entrepreneurship offers a critical solution to youth unemployment and a demographic dividend for the region just when it needs it most.

“ I am an orphan from a low-income family. My brothers were the only ones supporting the household financially but we're a large family and that just wasn't enough. Despite this, my brothers didn't support my wanting to work outside to share the financial burden. Being of a traditional conservative mindset, they didn't want me to get an education. They wanted me to sit at home to help my mother with household chores.

But I have managed to pursue my dream of getting an education and now in transferring it to others. The Urban Youth Project helped boost my confidence and has taught me about running a successful business.

After the training, I was able to launch my academy commercially. I hope to expand and set it up in my own space in the future. I am committed to achieving this dream. ”

Khansa, Urban Youth Project participant



# END NOTES

## ABOUT OUR LOCAL PARTNERS

### LUMS



The National Incubation Center at LUMS, Lahore (NICL) is on a mission to contribute to Pakistan's economic development by promoting innovation and entrepreneurship. Its vision focuses on bolstering Pakistan's start-up ecosystem by incubating businesses that survive and scale to address a large commercial opportunity and attract investment capital for growth. This is accomplished by inspiring and facilitating a generation of problem solvers, especially in high impact areas for Pakistan, including but not limited to, agriculture, education, environment, financial inclusion, healthcare and applications utilising artificial intelligence and machine learning.

### NICL

NICL's flagship Foundation Program, supported by Ignite and MOITT, incubates enterprising problem solvers through a rigorous selection process conducted by role model entrepreneurs and venture capitalists. The immersive six-month long transformative journey, guided by the committed mentorship of business leaders and instruction from LUMS faculty and industry experts, culminates in an investor summit where ideas crystallized into ventures are pitched for capital raising.

NICL regularly originates and conducts outreach and training programs with potential for positive socio-economic returns, especially for youth and female-led microenterprises across Pakistan.

### KSBL



The Karachi School of Business and Leadership (KSBL) was established because a group of Pakistani business and corporate leaders recognised that Karachi, the business and commercial hub of Pakistan, needed a world-class business school. They envisioned KSBL as a graduate management school that would offer high-quality leading-edge programmes to the many talented young men and women in the country as well as those accepted from abroad.

KSBL is a school with a social conscience and will promote economic and social change by developing leaders who will impact organisations through their knowledge, skills and expertise, as well as contribute to business excellence by ensuring the application of highly professional and ethical practices in the national and international marketplace.



Social, Entrepreneurship and Equity Development – SEED is an ecosystem development organisation and is working in Pakistan to develop the enterprise and social enterprise landscape in the country. The organisation has over a decade of experience working across the entrepreneurial ecosystem with different domain players. Our endeavours range from policy advocacy and structuring legislations conducive for entrepreneurial development, creating access to finance through fund management and impact investment, developing entrepreneurial capacity, and working towards building the right culture and market that supports the growth of entrepreneurship and employment generation in the country.

We design project and initiatives relevant to each domain work through collaborative models that leverage on existing system strengths thus encouraging relevant stakeholders to be a part of the solutions, and have the requisite flexibility for innovation and replication across geographies locally and internationally. We have worked in collaboration with public and private sector organisations, academia, government, and financial institutions through initiatives and projects that have created incremental positive impact at an individual, institutional and systemic level. Our audience engagement is inclusive and diverse, including school children, university students, startups, small and medium enterprises, people with disabilities, women, trans-community and those at the bottom-of-the-pyramid market.

## **ACRONYMS**

- **KSBL** Karachi School of Business and Leadership
- **NIC** National Incubation Center
- **SDG** Sustainable Development Goals
- **LUMS** Lahore University of Management Sciences
- **MOITT** Ministry of Information Technology and Telecommunication
- **SEED** Social, Entrepreneurship and Equity Development
- **SME** Small and Medium-sized Enterprises
- **SSC Pvt Ltd** Service Sales Corporation Private
- **UNDP** United Nations Development Programme
- **UYP** Urban Youth Project



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