# **AGORA 4 YOUTH**

## Perspectives on Youth inclusion

Report on the second round table "The entrepreneurial spirit: a tool for Youth inclusion?"

#### What is Agora 4 Youth?

Agora 4 Youth aims to gather actors in Luxembourg working with Youth to discuss, share points of view and find sustainable solutions for the integration of excluded Youth.





## **Organizers**

- <u>Life Project 4 Youth</u>'s mission is the social and professional insertion of impoverished Young Adults living in exclusion.
- Youth 4 Change Network (Y4CN) is an international network of NGOs that develops and shares operational practices, advocates, in favor of the social & professional integration of vulnerable and excluded young adults.

The theme of the Agora 4 Youth first round table was "The entrepreneurial spirit: a tool for Youth inclusion?". It was held March 20th 2019, moderated by Nathalie Binet and Lilia Barbirou.

The partners are deeply thanked for their support in putting together the event. As noted by Adrien de Hauteclocque, "We have the chance to have a very diverse panel, which is sort of our objective, because the idea is to put around the table people who are all involved in youth inclusion but in different ways, since when we cross different worlds, we will find solutions."

Here is a reminder of the key elements discussed during the second great event!

### **Guest speakers**

- Andris Piebalgs European Development Commissioner from 2010 to 2014
- Moussa Camara Les Déterminés, founding president
- Laura Labidurie Adie, Credit and Business development advisor
- Jean-Baptiste Roy Life Project 4 Youth, Project leader activity development Asia
- **Jérémy del Rosario** Microlux, project manager Microfinance
- Rosa Lisa lannone University of Luxembourg, doctoral researcher on entrepreneurship

#### Introduction

The event began with the intervention of 2 men related to Agora 4 Youth.

#### Mr de Paula Coelho, Dean of the European Investment Bank Institute (in English)

"I must confess that I had never heard of this organisation [Life Project 4 Youth]. But after being briefed, helping an international network of organisations that advocates the social and professional integration of young adults was completely obvious for the EIB institute. The Institute was set up some seven years ago within the EIB group to promote and support social, cultural and academic initiatives with European stakeholders and the public at large. It is a key pillar of the EIB group's community and citizenship engagement through its three initiatives: arts and culture, social, and knowledge. In the social area we support and we reward social innovators. Our flagship initiative is the Social Innovation Tournament, SIT, which recognizes and supports the best European social innovators. The projects are typically related to fighting unemployment or the marginalization of disadvantaged communities, promoting access in a wide range of fields from education and health

care to the natural and human environment, using new technologies, new systems and new processes. All finalists and lauriat's join an alumni network, which is a growing community of social entrepreneurs from twenty different countries working to create societal impact, and that is quite an achievement. The Institute is worth its mission as the philanthropic arm of the EIB group and I believe is definitely a natural partner for AGORA 4 Youth".



#### Marc de Crouy-Chanel, President of Life Project 4 Youth Luxembourg (in French)

"You know all, I think, of the worsening situation of the gap between rich and poor and more specifically, for youth. It is a huge problem for our societies because not only does it mean that we have an exclusion that is increasing on the long term, but we are losing a lot of positive energy for society in general. And the energy that we will deploy to help with the inclusion of excluded youth is one hundred times less high than that the one which we should employ to have a society that walks on one leg. It is important to plead this cause and to show that it is a problem that

concerns us all. AGORA 4 Youth is here to reunite these actors to reflect together on how we will evolve society. We cannot each in our own corner change society, we have to do it all together and go in the same direction. Through this organization we have met many involved people, at the association level, at the enterprise level, and on the ground. There is already a strong effort, but we can go much further. So I am launching a call, for you to all get involved at your own level, to advance this cause of youth inclusion in our society, and I hope this round table will help us".

### **Guest Speaker of Honour - Andris Piebalgs**

"I think [Agora 4 Youth] is a great initiative because, the current situation is more than ever clear how important the issue of the Youth exclusion is.

From one side, youth have clearly demonstrated its engagement in fighting in support of the measures for limiting climate change. We have seen also that it is not only in Europe, but in Alegria, it is mostly young people that said "no" just for traditional, formal change of power for real development. I believe the biggest risk management we now face is definitely in our developing / development world partners. Are there big differences in challenges for youth



inclusion in Europe and in the developing world, in particular in Africa? The issues are the same, just the scale and the need to address them faster are bigger.

There are two issues that are making this more difficult in developing countries.

- There is lack of capital: there is no money in the countries. And I would just say for my country [Latvia], that we have a chance to join the EU not only because of legislative framework and other things, but also because we have been open to capital. There is more money to do things that are necessary.
- And other thing is infrastructure, you need the infrastructure if you would like to have a fast growing economy.

That is why I would say, talking about Europe, we have a relevance to wherever else in the world just say a difference of scale, speed, and well some additional resources that are needed.

Youth employment challenge in Europe was rather well recognized. I think it formulates rather simply: Europe needs to invest in the people, providing them with new opportunities, and helping them to see the opportunities. This is by far more difficult because, you invest, provide opportunities and then help them to see these opportunities. So what does it mean in real practice? There are a couple of elements that are usually well recognized. You need to provide some knowledge, skills, and experiences; train and help to find the first job, and give the opportunity to make their voice heard. Because if it is not heard, then you never

have feedback. You never have real experience of what happens at the exact time. So basically now the proposal would be creation of a form of national and guarantee coordination committee. With that at least you know what different measures are applied, you can provide a more flexible scheme, and early career guidance. And more focus should be made on the trend in the labour market. It is an unstable employment situation. We clearly see that governments try to stabilize but basically they have failed, they have non standard form for basic work, for better or worse, but that we have also uncertainty about skills requirement. So we need somehow really to have more daily work and that needs more self management.

If you would say that the overall cost for the economy are huge, well when people are in trouble in European economies, we help the people to get out of trouble. The challenge is that we have counted on one scheme and usually when you have a lot of schemes you need to manage them so then you have a huge burden of management that also costs money, and actually we spend so much money that could be far better addressed through universal basic income. I believe it also could be gradual. Start with young people, these are exactly the people in the group from seventeen to twenty four. The entrepreneurial spirit in inclusion process, could be achieved only when I feel safe about myself, about my family or well I know that I have some security net behind me and not just looking point.

Today, you see self employment rates are low. It is by far lower for younger people than older groups. And interestingly it mismatches with expectations, because 40% would like to have self employed. As the self-employment decision definitely is complex mix of push and pull factors. But there are high level of fails on two particular issues. One is, that when you decide to do the entrepreneurial activity, you go to low value added sectors, where are low entry value, so you come in this and it's easy to fail. And second, as young people, you have a very strong risk that your business is under capitalized. So these two basic risks are. And we could help with basic education, we could screen business plans, micro finances help, etc. [...]

It matters to support young entrepreneurship in particular areas. Because I believe in this way we develop a new dynamic process. I believe that the current work can't sustain, we need a system that is by far more flexible. But only if you have a strong back, a support, a safety net. And also targeted direction where you create more value added and where you have more opportunities also to sustain with some support but developing new skills for the society" - Andris Piebalgs.

"What do you inspire from, this optimism displayed in this world that is egotistical and politically heckled? And, what needs to be done, obviously rapidly, that you have not done or your successors at the Commission?" - **Question from the public** (In French).

"Sometimes we need optimism because there are a lot of people that say the opposite. We really need to believe that things are changing for the better.

Because otherwise you give more chances for people to say "that does not work, this is bad, etc." - **Andris Piebalgs** (In English).

#### **Panelists discussion**

Here the key take away from our discussion.

#### Who are the entrepreneurs? Is there a specific profile for entrepreneurs?

- "For our programme Les Déterminés, we have around 200 applications for 15 seats. The profiles of the Youth who apply are very diverse, the project they want to launch as well. What we look is the **personality of the people**. Entrepreneurship is not done for everyone, so we look to the deep motivation of the people" Mr. Camara.
- "There is this image of the entrepreneur which is related to the "start-up world", so we have in mind a white educated guys launching his tech project. But the real situation is very different: we observe entrepreneurs' profiles are diverse including profiles like indigenous population, migrant population, LGBT, ex-convicts, etc. It actually reflects the current situation of the world and the mobility of the populations" Ms. lannone.

#### What about the Youth in entrepreneurship?

• "In France, 1 out of 3 people would like to create their own company, and 40% don't push the idea because they have wrong clichés about the company creation. Numerous young adults between 18 and 24 years old are in this case: they would like to create their company but they heard so many clichés that it can easily discourage them: "you are too young", "you need to be rich to be an entrepreneur", "you cannot begin without a diploma", "it is too



complicated". But the unemployment rate of young adults is twice as big as the global unemployment rate, so we need to guide them with adequate tools to fight this clichés and enable them to become entrepreneurs" - Ms. Labidurie.

#### In Luxembourg, who are the beneficiaries for microcredit?

• "Despite the first comment we heard when Microlux was launched 3 years

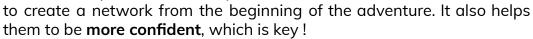


ago - "Why microcredit in Luxembourg, there is money there" - we can witness it is not the case for everyone. There are poor people, people who live in precarious situation. For the past 3 years, we financed around 60 people with amount inferior to 25k€. 60% of them are independent workers, we have migrants, most of them come from the South of

the country since Luxembourg is too expensive in terms of rental fees" - Mr. del Rosario.

#### In entrepreneurship, support is crucial. How do you bring this to entrepreneurs?

- "Our program is organized so we can support the youth on different manners:
  - We bring the Youth to meet other entrepreneurs who followed the same path for entrepreneurship or experts of specific fields the Youth can learn from
  - Each time, we make them go outside their territory, to go on the field so they can go out of their comfort zone
  - We also work intensively for the first 7 weeks to bring them to acquire the codes, the soft skills that will be needed later either to develop their own businesses or in companies. Plus the fact they are a team, so we push them to help each other



- Then for 6 months, we will bring a **personalized support**
- But what we push the most is the testing: the Youth need to try and test their project to learn from their mistakes, question they mode of actions, etc." - Mr. Camara.
- At ADIE in France, we see different types of support :
  - There is individual support adapted to the person and to the steps the entrepreneurs are in their company creation with: in the beginning, a financial support, but also administrative. And then, a post creation support to secure the activity through regular meeting,
  - We also provide a **collective support**, which was first for young adults but that we finally opened to all entrepreneurs
- "Within LP4Y, we use an entrepreneurial pedagogy that we apply in the whole training of the Youth. How is it organized? Well, we have centers which are like incubators, where the Youth come 5 days a week for 9 months. In the centers, they will create and run a micro-economic initiative to experience what it is to run your own company. It can be a small bakery in Vietnam, the



printing of T-shirts in the Philippines or even the sale of filtered, clean water to communities in Djakarta. This experience will bring them to develop soft skills, they will need later: indeed they will work as a team, will need to improve their communication skills with customers, managing people, they will also have computer and english trainings but related to the management of the micro-economic initiative, etc. All this experience will bring them to become

**entrepreneurs of their life at least.** The objective is not that they become entrepreneurs, but that they acquire these skills for their own professional and personal life" - Mr. Roy.

- "The university itself is becoming a stakeholder and a partner in these small businesses. Entrepreneurship is becoming a discipline in its own right. Additionally, for us at university, we use 2 approaches that are:
  - A formal education process but with simulation, which enables learners to implement and test what they learnt
  - An interdisciplinary approach through modules or entrepreneurial trainings that apply across other subjects

In both cases, the statutes of "students", "learners" enable the Youth to access more knowledge and legitimate their asking questions to experts!" - Ms. lannone.



#### For you, what are the keys of the entrepreneurship experience?

- "For me **soft skills** really make the difference. [Youth] left with a spirit of audacity, with an entrepreneurial spirit" Mr. Roy
- "Be passionate, be fulfilled by the entrepreneurship experience. It requires a lot of time, energy, sacrifices, so people need to be ok with it" Mr. Camara
- "The capacity to **analyse and adapt**" Ms. Labiduire
- "Confidence in themselves... I see people going from training to training but they are not active..." Mr. del Rosario
- "Something I feel very passionately about and that we have all talked about is **leadership**. We need to be conscious in our teaching of strategies that put people ahead and the ones that do not" Ms. lannone

## **Questions from the Audience**

#### Observation made the least excluded of the excluded.

- "Our group genuinely works with people precarious situations" Ms. Labidurie
- "Regarding the profiles of youth in territories with low mobility, there is real groundwork to do. The objective of our program is to mix groups to enrich their network" Mr. Camara
- "The people in the programs are already in low situations" Ms. Barbirou.
- "Something we emphasize is that society's profile of an entrepreneur needs to be widened... if someone is about to create for themselves and provide for their family then that contribution also needs to be celebrated" Ms. lannone.
- "Technology is creating opportunities and open doors, notedly for entrepreneurs" Mr. Camara.

## **Closing Statements**

In conclusion the panel discussed the next steps to put in place in the future.

The next conference will be adopting another format, more collaborative and interactive with workshops.

We will come back to you on the matter later!

## **THANK YOU!**



