

An Evaluation of CAMFED's Impact in Supporting Young Women's Livelihoods in Four African Countries

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Executive Summary

The Campaign for Female Education (CAMFED) provides support for young women in sub-Saharan Africa to successfully navigate the transition from school to productive and fulfilling livelihoods. This independent evaluation was commissioned to help CAMFED better understand the impacts of its livelihoods program to date on several indicators of individual, household and community well-being. The evaluation was based primarily on data gathered through a survey of a representative sample (N=1,037) of 10,265 women CAMFED has supported. The survey reached both early-stage entrepreneurs and women who had been supported by CAMFED to launch businesses as many as four years previously in Zimbabwe, Zambia, Tanzania, and Malawi. The sample also included women who had stopped running their businesses. The evaluation identified significant impact in four major dimensions: 1) increased entrepreneurship, income, savings, and household consumption, 2) improved decision-making power around household finances, marriage, and childbirth 3) new job creation and philanthropy in rural communities, and 4) expanded opportunities for further education and business growth.

Demographics of Program Participants

Women who participated in the post-school transitions and livelihoods program were typically:

- Recent secondary school graduates from particularly marginalized backgrounds
- Managing challenges, including orphanhood, disability and illness
- Supported by CAMFED to complete secondary school
- Living in rural communities often remote from urban centers
- Mostly aged between 18 and 25 years old
- Still experiencing poverty and likely to be hungry some or most days of the week

Findings: Increased Entrepreneurship, Income, Savings, and Household Spending

- **In a context where a majority of rural young women are either unemployed or unpaid for their work, CAMFED's livelihoods program enabled most of the marginalized young women who participated to set up businesses and thereby create jobs for themselves.**
- **The majority of young women who received CAMFED support to establish or grow a business generated profit after a start-up period.** In three of four countries, women who stayed in business for one year earned profits that exceeded national thresholds for a basic standard of living. More mature businesses tended to earn even higher profits. This led to a substantial income increase for young women, particularly in rural areas where unpaid labor in the agricultural sector is often the norm.

- **Program participants contributed earnings to their households and increased household spending on basic needs including food and education.** In regions where a majority of poor children are food insecure or malnourished, and many cannot afford to finish school, CAMFED entrepreneurs were able to improve food security and school attendance for others in their care.
- **The majority of women running their own businesses were generating enough income to contribute to personal savings.** In regions where many poor households experience “shocks” in a given year, savings play an important role in building household resiliency and can also support further education.

Findings: Improved Decision-Making Power around Finances, Marriage, and Childbirth

- **Women markedly increased their role in financial decision-making following participation in the program, and women operating their businesses for longer were more likely to be engaged in financial decisions.** As participants explained, their ability to earn an income and contribute to the household led to greater decision-making authority. Increasing age and changing family responsibilities - such as through marriage - likely also contributed to this trend. In some instances, women appeared to lose decision-making power when earnings dropped.
- **Program participants in multiple countries had higher median ages at first marriage and childbirth than demographically similar women who did not participate in the program. CAMFED's secondary school and livelihoods programs may have helped women delay marriage and childbearing by:** 1) improving rates of secondary school retention and completion, 2) enabling school graduates to increase their income, and 3) increasing participants' knowledge about sexual and reproductive health and negotiating power in relationships. Further study is recommended to better quantify CAMFED's contribution in this area.

Findings: Increased Abilities to Support Others through New Jobs and Philanthropy

- **Entrepreneurs supported by CAMFED created additional jobs in their communities.** Between one-third and one-sixth had paid employees in the past year. In Tanzania and Zimbabwe, approximately one-third of jobs created were full-time and permanent, adding high-quality employment opportunities where unpaid, seasonal roles are the norm.
- **Philanthropic giving was high among women running businesses,** suggesting that the positive impacts of CAMFED investments were amplified in the community. In communities where many parents and guardians lack the money needed to send their children to school, women who established businesses were “ploughing back” and supporting students with their earnings. Among current business owners, the support

ranged from \$5.50 USD to \$32.50 USD per term. This is enough to provide vital support to enable several children to attend and stay in school in the rural communities where participants lived.

Findings: Expanded Opportunities for Further Education and Business Growth

- **Young women who received CAMFED business support have positive perceptions of themselves and are generally optimistic about their future careers.** While most women began businesses as a “means to an end”, a significant share now plan to pursue entrepreneurship as a long-term career.
- **Many women in each country who started businesses with CAMFED’s support were still operating them up to 4 years later (at the time of the surveys). Around half of women from Zambia and Malawi that closed their businesses progressed onwards to further education.** Women from Tanzania and Zimbabwe were much less likely to cite a “positive” reason for closing their businesses, and few women in any country found an alternate paid job. Businesses provided a viable pathway to further education but were less likely to lead to formal, paid employment, suggesting that jobs created through entrepreneurship are often women’s best option for income generation in rural areas. Improving the productivity and profitability of family farming operations may be another positive pathway for young women.

Findings Related to Success Factors and Challenges

- **In regions where access to financing is extremely limited, CAMFED small grants and loans helped meet the high demand for capital.** Expanding access to business finance removed a key barrier to entrepreneurship for many women in this sample.
- **Program participants highly valued the business training and mentorship provided and the majority applied what they learned.** Feedback showed that the curriculum, addressing business skills and personal development topics, served women in their enterprises as well as in their relationships and other career pursuits. CAMFED filled a gap in rural areas where few youth, especially young women, receive any formal business training.
- **While most entrepreneurs turned a profit after a start-up period, the majority also faced a range of challenges. Many of these are common in rural, resource-constrained settings,** including competition from similar businesses, lack of access to additional capital, customers not paying bills, lack of transportation, and employer illness. CAMFED has already taken a proactive approach to removing barriers where possible, with feedback loops in place to support further program refinements.

Purpose of the Report

This report provides an independent assessment of the impact of CAMFED's programs to improve young women's livelihoods in sub-Saharan Africa between 2013 and 2018. Specifically, the report highlights outcomes of CAMFED's initiatives to help young women successfully navigate the transition from school to positive career pathways, including entrepreneurship, further study, and/or paid employment. The report assesses the extent to which CAMFED initiatives have enabled young women to generate a sustained income for themselves through entrepreneurship, gain greater control over life choices (such as marriage and childbirth), create paid jobs for others, and support more vulnerable children in their families and communities. The report also identifies success factors and challenges faced by young female entrepreneurs establishing and growing businesses. Many evaluations of business training programs to date have focused on urban settings and shorter-term financial outcomes. With a spotlight on rural enterprises and the inclusion of some multi-year data, this evaluation contributes to the field's growing knowledge about what works in youth enterprise.¹

Overview of the Context, Target Group, and CAMFED Program

Context

The evaluated programs were delivered in CAMFED's core districts of operation. CAMFED works in particularly poor, rural districts in Malawi, Tanzania, Zambia, Zimbabwe and Ghana.² These areas are characterised by a scarcity of paid employment, widespread poverty and high rates of early marriage, hunger and child malnutrition. In this context, young, poor, rural women are particularly disadvantaged and the majority of employed women work in agriculture, typically as unpaid labourers on subsistence farms.

CAMFED focuses on the period after secondary school which represents an important staging post for poor, young, rural women. Rural economies offer few formal employment opportunities. Men control most assets such as land and the collateral that could be used to access finance and launch a business. Women are also less likely than men to benefit from skills training and business advisory services. Without an income, young women have little control over their lives. Some migrate to urban centers in search of employment, which, if found, can be highly risky and exploitative such as street portering and involve transactional sex, exposing young women to abuse and HIV. Young women who stay at home may be married off to men not of their choosing. Children inherit their mother's poverty.

¹McKenzie D and Woodruff C, "What Are We Learning From Business Training and Entrepreneurship Evaluations Around the Developing World?" World Bank Development Research Group, September 2012.

² This evaluation does not include data from Ghana as equivalent surveys were not conducted in Ghana.

The scale of the challenge is growing. Africa has the fastest growing and most youthful population in the world, expected to exceed 830 million by 2050.³ Climate change is putting further pressure on livelihoods and food security. Urgent action is required to support young people in Africa to fulfil their potential and to build quality livelihoods.

Target Group

The group targeted by the evaluated program was young African women from rural districts characterised by high levels of poverty. Most participants were deeply marginalised even within this context of rural poverty, affected by extreme poverty as well as, in many cases, orphanhood, disability and long-term illness. While children, they were identified for support to go to secondary school because their parents or guardians could not afford essential school-going costs such as fees, uniforms and menstrual hygiene products.

Recent secondary school graduates were invited to join the livelihoods program soon after completing school when young women are particularly at risk of early marriage and forced migration to urban centers in search of employment. In Zambia and Malawi, the average age of participants at the start of the program was 19 years. In Zimbabwe and Tanzania, this evaluation focuses on women who took on the role of Learner Guides, who volunteered their time to support children's effective learning in school and received CAMFED business support to start or grow existing micro-businesses.

CAMFED Program

Camfed delivered the transitions and livelihood program with financial support from: Human Dignity Foundation and Mastercard Foundation (Malawi), Genesis Charitable Trust and the Fossil Foundation (Zambia), UK DFID's Girls' Education Challenge (Tanzania and Zimbabwe), and Skoll Foundation and Kiva lenders (multi-country). The program included:

- 1) Training in core business skills and financial literacy alongside life skills including leadership, sexual and reproductive health and career planning;
- 2) Business finance in the form of a non-repayable seed grant of around \$50 and / or an interest-free loan of around \$500;
- 3) Mentoring and peer support from other experienced female entrepreneurs through the CAMFED alumnae network known as CAMA and CAMFED itself; and
- 4) Linkages to technical assistance, assets and market access through CAMFED's partnerships with government bodies traditional authorities, business and financial service providers.

³ African Development Bank, *Jobs for Youth in Africa: Strategy for Creating 25 Million Jobs and Equipping 50 Million Youth 2016-2025*, 2016

1) Training in business, financial literacy and life skills: Training was delivered by experienced young women trainers based in the same areas of rural Africa as the participants. Trainers had been provided with training from experts in financial literacy, business and health drawn from CAMFED staff, government and other organizations. Each trainer and participant was provided with a handbook for learning and reference. The curriculum covered core skills such as planning, added value, financial record-keeping, marketing, pricing, customer service and business ethics as well as overcoming challenges and problem-solving. Financial literacy training covered saving, budgeting, banking and borrowing as well as making sound spending decisions. Additional modules covered leadership, sexual and reproductive health and “My Rights, My Choices” including negotiating choices in relationships.

Trainers applied a “gender lens” to the training and mentoring support that took into account the challenges young women face (based on their personal experience of those challenges), provided a space for young women to discuss solutions with their peers, and that celebrated female role models.

Case studies were grounded in local business examples and experiential learning was central to the training, including, for example, a practical mini enterprise project where participants produced, priced and marketed simple merchandise to their peers in a simulated trade fair. Representatives from local financial service institutions and local government officers tasked with supporting rural entrepreneurship participated to customize and localize the training. Training also covered career planning and support to enable young women to explore further education and paid employment as post-school pathways. CAMFED conducted periodic trainer review meetings in order to review pre- and post-training survey data and to identify and implement improvements to the training and mentoring support.

2) Business finance and assets: Participants in Malawi and Zambia were invited to develop a business plan and awarded a micro-grant to enable them to launch their businesses. Participants in Malawi received a grant worth approximately \$44. Participants in Zambia received a grant worth between \$36 to \$74. Participants in Zimbabwe and Tanzania received an interest-free Kiva loan of approximately \$500. In some cases, CAMFED's training and support also unlocked access to additional sources of finance from government partners. For example, entrepreneurs in Zambia were granted equipment and resources for aquaculture enterprises by the Ministry of Agriculture and in Tanzania CAMFED-supported entrepreneurs received an interest-free loan from their Town Council to support their poultry business.

3) Women's peer support: The CAMFED alumnae network – CAMA – is designed as a structure through which women can support each other, cascade business expertise and collaborate both for business and to plan activism to help others. CAMA currently has over 138,000 young women members across Africa. Members elect representatives and engage in activities at ward, district, national and international levels. The CAMA network offered young women important support immediately after secondary school. This meant that new school graduates could tap into a local network of young women who have lived through the same challenges they face,

such as how to plan for the future after school, how to avoid early marriage and unwanted sex and how to make sound financial decisions when they start earning an income. Experienced female entrepreneurs in the CAMA network provided both formal and informal business mentoring to participants in the program.

4) Linkages for technical assistance, assets and market access through CAMFED partnerships with government, traditional authorities and the private sector: CAMFED connected young women to further business support in a number of ways.

CAMFED's partnerships with key government Ministries (varying by country but including those with the mandates to support youth, community development and small business development) meant that the target group was connected to further sources of support beyond that directly provided by CAMFED and CAMA. This practical support included: business visits and advice; one-to-one support to plan loan repayments; further education application advice; subsidised vocational skills training courses; participation in trade fairs; connections to new market opportunities such as buyer introductions; grants, interest-free loans or equipment for entrepreneurs in priority sectors and agricultural advisory services. Many of these Ministries are represented on the CAMFED Community Development Committees (CDCs) in each of the 146 districts where CAMFED operates. Traditional authorities - who control most land assets and influence community attitudes - and elected representatives of young women also sit on the CDCs. The CDCs therefore provided a forum for cross-sectoral planning of business support for the target group and, in some cases, unlocked access to assets such as community land for young women's business use. CAMFED also collaborated with financial service providers, health providers and women's business networks to provide support for the participants.

Methodology for the Analysis

CAMFED International (CAMFED) engaged AJB Advisors to conduct an independent evaluation of its post-secondary school programs in four sub-Saharan countries: Zambia, Malawi, Tanzania and Zimbabwe. AJB Advisors is a US-based consultancy focused on nonprofit strategy and evaluation, particularly in the areas of global development, enterprise, livelihoods, health and education (see Appendix for full description).

This evaluation drew upon data primarily gathered via standardized in-person interviews with program participants in four of CAMFED's countries of operation. Trained interviewers recorded their responses on paper questionnaires and/or tablets running open data kit software and included reference to business financial records. Interviews focused on business and life outcomes for 1,037 participants, representative of the 10,265 women reached by CAMFED's post-school transition and livelihoods program. Participants were sampled from all regions where the program was delivered in each country and included a mix of business maturities and both women who were currently and previously running businesses. Data from Zambia and Malawi included an earlier baseline survey to determine the percentage of women who

established a business after completing CAMFED trainings. Insights from twelve focus group discussions in Zambia with new and established entrepreneurs, along with women who had closed their businesses, also informed the study.

Data from all sources was analyzed for trends, themes, and (as appropriate) statistical significance. Most of the findings reported about differences within the sample reached the threshold for statistical significance. There are a few distinctions in the data across countries worth noting which may be related to differences in populations sampled:

- Women participating in the Zambia and Malawi programs tended to be younger and had graduated more recently from secondary school than women in the other two countries.
- At the time of the surveys, the businesses operated by women in Malawi and Tanzania were, on average, more recently established than businesses in Zambia and Zimbabwe.
- Women participating in the business program from Zimbabwe were much less likely to have received support from CAMFED to complete secondary school (32%) and were much more likely to be married and with children at the start of the program.

Some differences in the data can therefore be explained by differences in demographics and business maturity across the entrepreneurs in the countries studied.

Where possible in this evaluation, data collected has been contextualized with government and other third-party information about levels of poverty and marginalization in specific geographies and specific target groups. This enables better understanding of counterfactual outcomes in the absence of CAMFED programs and services. One important caveat to this approach is that demographic data does not serve as a substitute for a control group. In the report, we have highlighted areas where differences between CAMFED participants and other women in the community exist. Where we believe these differences point towards areas of program impact, we have highlighted them and used additional, qualitative data to support our conclusions. Further studies (including a cohort study already underway) will build additional understanding about CAMFED's contributions towards women's wellbeing and livelihoods in sub-Saharan Africa.

Key Evaluation Findings

Evidence: Increased Entrepreneurship, Income, Savings, and Household Spending

1) To what extent has CAMFED enabled young women to set up or grow businesses?

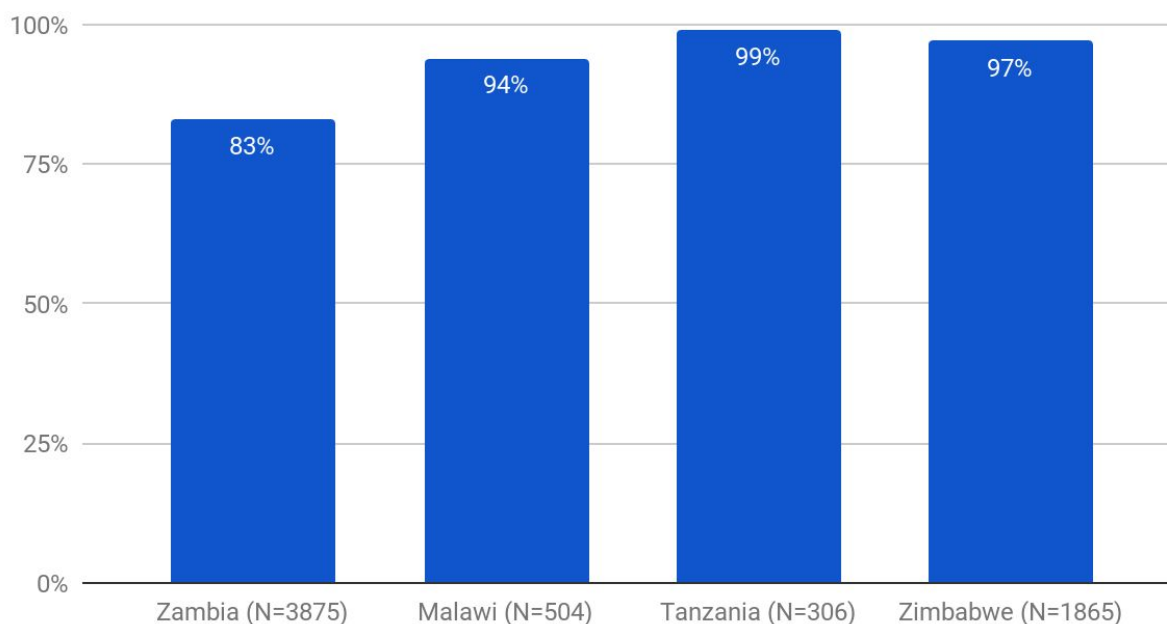
Key Findings: In a context where a majority of rural young women are either unemployed or unpaid for their work, CAMFED's enterprise programs have enabled most of the marginalized young women who participated to set up businesses and thereby create jobs for themselves.

Data indicates that CAMFED has played a key role in enabling young women to establish and grow businesses across the four countries analyzed. In Malawi and Zambia, where women received CAMFED business training and grants shortly after graduating secondary school, 94% and 83% of participants (respectively) successfully set up or grew a business.⁴ Most of these “starter” businesses required \$15-\$100 USD in capital. In Zimbabwe and Tanzania, 97% and 99% of participants (respectively) achieved their goal of establishing or growing a business with comprehensive CAMFED support and a ~\$500 Kiva loan.⁵

⁴ These figures are from Stage 1 of the Business Tracking Survey conducted in both Malawi and Zambia. Note that the sample sizes in this stage were higher than in Stage 2, when most of the data discussed here was collected.

⁵ CAMFED, Survey of Learner Guides' Outcomes, Tanzania, May 2016 and CAMFED, Survey of Learner Guides' Outcomes, Zimbabwe, June 2016.

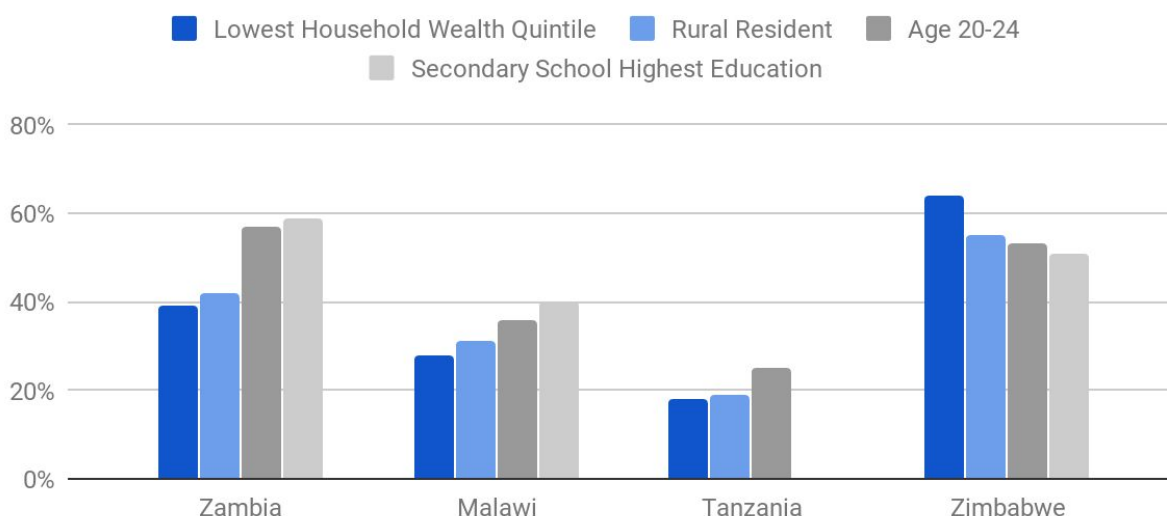
% of Program Participants That Started or Grew Businesses



"When people see you not doing anything they will call you to do house chores. That's maybe where I would be [without CAMFED business support]." - Zambia Participant

Demographic data across countries highlights the lack of opportunities available for poor, rural women transitioning from secondary school to the workforce. The chart below shows rates of unemployment for women that share some characteristics with CAMFED program participants. Roughly one-quarter (Tanzania) to one-half of these women (Zambia and Zimbabwe) have earned no income in the past twelve months through either formal or informal employment (these categories include self-employment or working on a family farm or business). Women working at all in the last year for pay (even if extremely minimal) were not counted as unemployed, suggesting that these rates vastly understate the problem. Further, while young women from higher income households may opt out of the workforce while they complete further study, this is generally not possible for CAMFED's target population.

External Context: % Women Ages 15-49 Unemployed For Past 12 Months



Sources: Demographic and Health Surveys 2013-2016. No secondary school employment data for Tanzania.

Studies about the prevalence of youth ages 15-24 not in education, employment or training (NEET) also suggest that CAMFED has helped create paid employment opportunities for youth where they do not otherwise exist. NEET rates for young women in CAMFED countries are high at: 19% (Tanzania), 41% (Malawi), 50% (Zambia) and 57% (Zimbabwe).⁶

Even among rural young women who are employed in some way, underemployment and unpaid employment are common. This is primarily driven by the high number of unpaid jobs in the agricultural sector and a lack of waged jobs in general. One Tanzanian study showed that 90% of rural women work in agriculture, most self-employed on their own farms.⁷ Another national survey showed that 64% of Tanzanian women ages 15-49 working in agriculture in the past year were not paid.⁸ In Malawi, underemployment or part-time work is high among youth in general (84% for youth ages 15-19) and among youth in agriculture (74%), where nearly 80% of all youth jobs are concentrated.⁹ And in Zambia, among all women aged 15-49 who report being employed, 74.1% of those in rural areas are engaged in agriculture, with the majority (60.9%) not paid for this work and most working only seasonally (83.2%).¹⁰

⁶ ILOSTAT, "Youth NEET Rates."

⁷ Food and Agriculture Organization of the United Nations, "Gender Inequalities in Rural Employment in Tanzania Mainland," 2014.

⁸ Tanzania Demographic and Health Survey and Malaria Indicator Survey 2015-2016.

⁹ International Labour Organization, "Understanding child labour and youth unemployment in Malawi," 2018.

¹⁰ Zambia Demographic and Health Survey 2013-2014, Central Statistical Office.

These findings about the prevalence of unemployment, underemployment and employment without income, contextualize the impact of CAMFED's programs in enabling the vast majority of participants to launch a business and create a job for themselves.

2) To what extent has CAMFED enabled young women to generate and sustain an income?

Key Findings: The majority of young women who received CAMFED support to establish or grow a business generated profit after a start-up period. In three of four countries, women who stayed in business for one year earned profits that exceeded national thresholds for a basic standard of living. More mature businesses tended to earn even higher profits. This led to a substantial income increase for young women, particularly in rural areas where unpaid labor in the agricultural sector is often the norm.

Survey data showed that most women from all four countries who started or grew a business with CAMFED support generated a profit after an initial "start up" period of approximately five to seven months.¹¹ Women in the sample who had operated their businesses for longer earned greater returns. Even among women that closed their businesses, the majority earned money or at a minimum broke even (see next section).

Profits: Women Currently Running Businesses

Because the CAMFED programs launched in different countries at different times, targeted women of slightly different ages, and utilized different financing vehicles, it is difficult to make specific comparisons about income gains among participants.¹² Evidence about income gains and growth over time by country are therefore featured in separate charts below.¹³⁻¹⁴ The income gains reported by young women in each country were sizeable enough to significantly

¹¹ For women in this survey, "business profits" and salaries women paid themselves were nearly synonymous. Women who realized business profits typically used those profits to meet immediate household expenses, blurring the distinction between salaries and business profits that may emerge in other settings.

¹² When interpreting the income data it is important to bear in mind that: 1) only participants that were currently running a business at the time of the survey were asked about their income in the previous month, 2) because incomes may fluctuate over time, a given monthly income figure may be well above or below income in other months, and 3) women provided trained enumerators with business records to verify statements about income, though in some cases the accuracy cannot be guaranteed (obviously incorrect records were not included in this analysis).

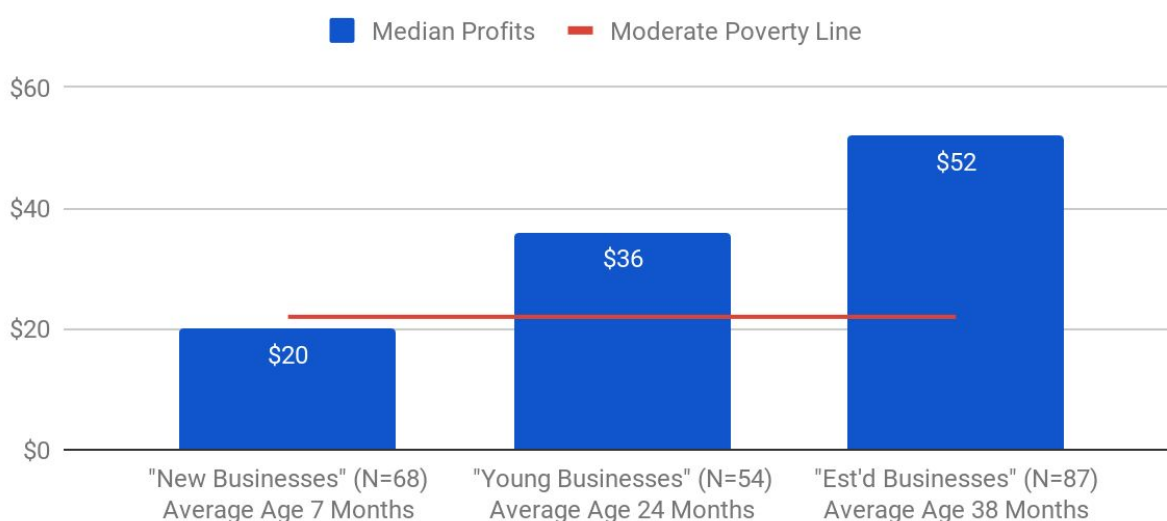
¹³ The effect of higher age of the entrepreneurs on average earnings (women who are older tend to earn slightly more) could not be teased out. It is unlikely that statistically significant increases in monthly business profits between less and more mature businesses could be attributed entirely (or even primarily) to age.

¹⁴ Business profits were calculated by taking the reported amounts for monthly business expenditures (except for cash reserves) from the reported monthly business income.

elevate the economic standing of their households. In less than a year, median income among women in three countries met or exceeded income thresholds for the national moderate poverty line, representing a basic standard of living for one adult. For women with little or no income prior to starting a business, this is a dramatic improvement with major implications for quality of life.

In Zambia and Tanzania, women with more established businesses surpassed wages for some full-time jobs in the formal sector. In Tanzania, for example, CAMFED entrepreneurs running businesses for more than six months earned a median monthly profit of \$119, much more than the median monthly wage for women aged 15+ working in agriculture (\$19), self-employment (\$35), and paid jobs (\$65).¹⁵ In Zambia, women with businesses that were an average of two years old or more surpassed monthly earnings for full-time waged workers earning the general minimum wage (a rate much higher than the moderate poverty line). In Zimbabwe, women with businesses running more than two years earned a median annual profit of \$1,140 USD, approaching the annual net cash income for an entire household in rural areas (\$1,337).¹⁶ These financial gains are notable, demonstrating that it is possible for disadvantaged rural young female entrepreneurs to exceed the earnings of formal waged jobs.

Zambia: Median Profit in Previous Month Among Current Business Owners

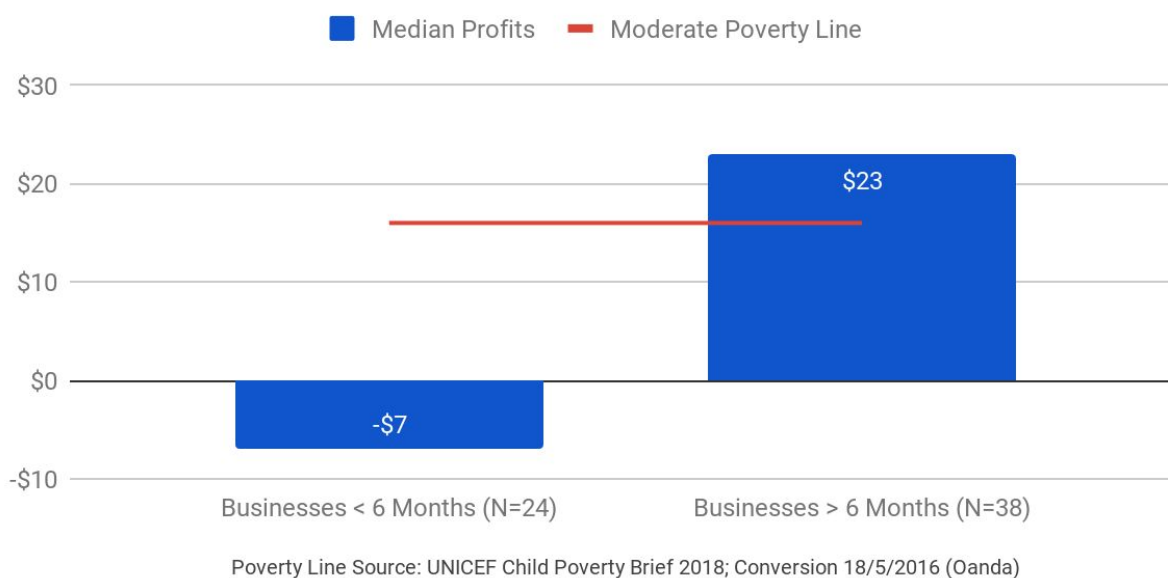


Poverty Line Source: Living Conditions Monitoring Surveys (Zambia); Currency Conversion 11/12/17 (Oanda)

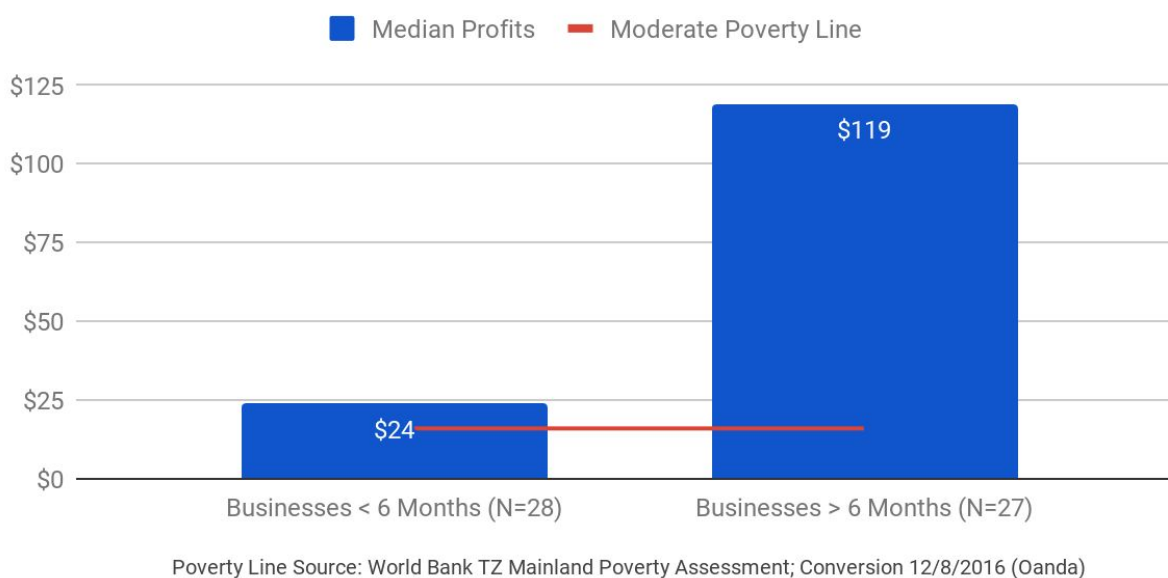
¹⁵ Tanzania National Bureau of Statistics, 2014.

¹⁶ Zimstat, "Poverty, Income, Consumption, and Expenditure Survey 2017 Report."

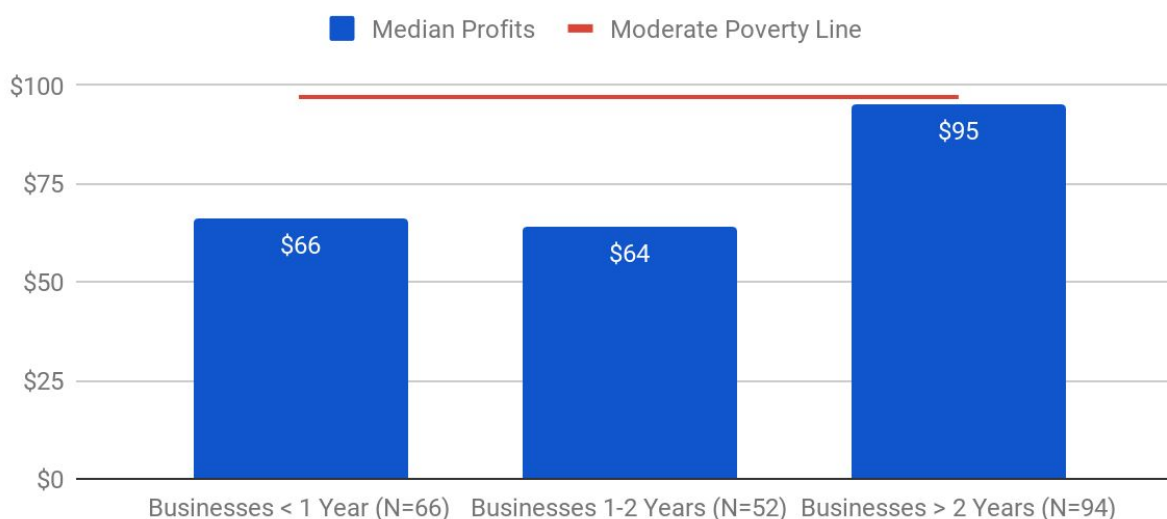
Malawi: Median Profit in Previous Month Among Current Business Owners



Tanzania: Median Profit in Previous Month Among Current Business Owners



Zimbabwe: Median Profit in Previous Month Among Current Business Owners



Note: Estimated poverty line adjusted from early 2010s World Bank "extreme poverty" figure (\$2/day)

Average business profits in the previous month for all four countries are also featured in the Appendix. In Zambia, average (mean) profits tended to be higher than medians, reflecting outliers that were generating outsized returns relative to the general sample. The opposite was true in Malawi and Tanzania, where median earnings among more established businesses were higher than averages. This suggests outliers with outsized negative or small returns. In Zimbabwe, profit levels were likely impacted by an extremely challenging economic context linked to the legacy of hyperinflation as well as the effects of droughts and flooding. One other caveat is that using previous month's income data does not account for the seasonal variation common in agricultural businesses in particular. A future study tracking women's income for multiple months (when accuracy can be verified) could help further develop the evidence base around business profits.

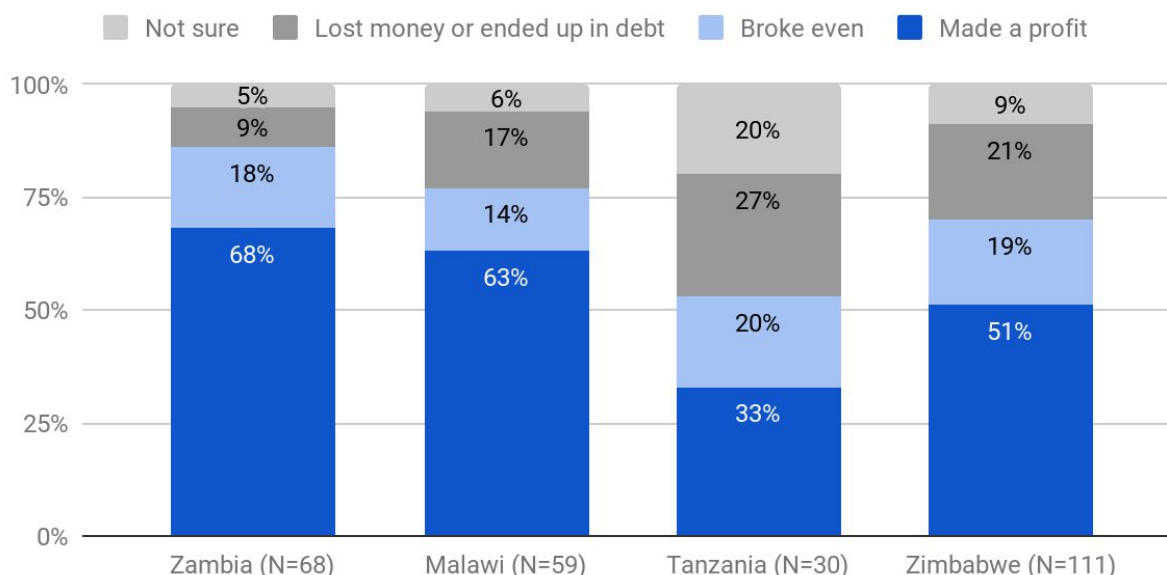
"[Without CAMFED] I wouldn't have had capital to start a business. With the loan I started a vegetable gardening business and started gaining my own income." - Tanzania Participant

Profits: Women No Longer Running Businesses

Among women who had stopped running their businesses in all four countries, a majority reported that they had realized a profit or had at least broken even prior to shutting down (ranging from 53% in Tanzania to 86% in Malawi). While these women did not sustain their

income stream from self-employment, most had closed their businesses in a better financial position than when they started and had earned income they likely could not have earned elsewhere.

Financial Outcomes of Women Who Stopped Running Their Businesses



The higher percentage of women in Tanzania and Zimbabwe who “lost money or ended up in debt” is to be expected given that they received loans rather than grants, though some loans were written off. It is also possible that results in Tanzania are more positive than shown by this data, given the larger share of participants (20%) without adequate business records. Continued program modifications should be explored with the goal of increasing the share of women who profit from their businesses and mitigating negative effects among those who do not. At the same time, it is likely unrealistic for all women to create and maintain profitable businesses, particularly on what for many was their first experience of entrepreneurship, given the challenges inherent to business ownership in general, and notably in the rural regions CAMFED operates. These include extreme weather events (droughts, flooding), macroeconomic or political shifts, and health crises.

As one further point of context, it is important to remember that “breaking even” can be a positive initial outcome for young entrepreneurs. Women who broke even in this sample enjoyed running their businesses and gained experience and skills that they will likely to apply in a future business. This involved little financial opportunity cost, given that most of these women would otherwise be underemployed and/or engaged in unpaid household or agricultural work.

3) To what extent have young women that started or grew businesses been able to contribute income for their households' basic needs?

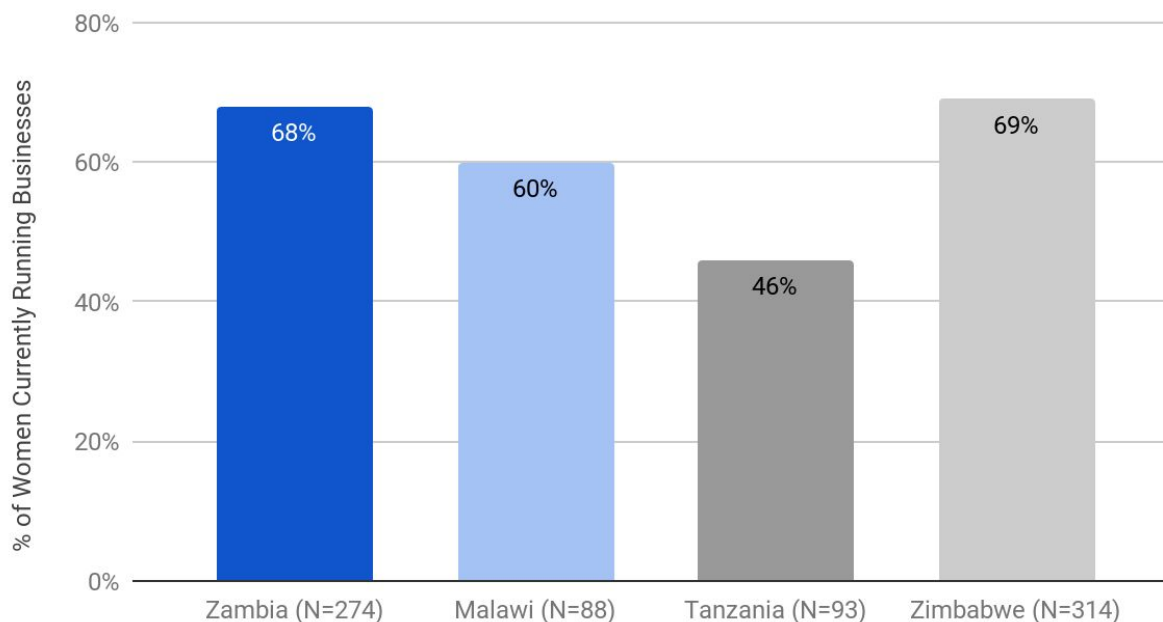
Key Findings: Program participants contributed earnings to their households and increased household spending on basic needs including food and education. In regions where a majority of poor children are food insecure or malnourished, and many cannot afford to finish school, CAMFED entrepreneurs were able to improve food security and school attendance for others in their care.

A large body of literature demonstrates that young women empowered to earn an income will contribute money to their households and raise the standard of living for their families and other children in their care. Survey data bore this out, showing that women who started or grew businesses were likely to spend more on household basic needs. In poor settings, “spending can be seen as a better indicator of living standards and long-term resources than income (unless averaged out over several months) as households tend to smooth their consumption over time by borrowing and saving.”¹⁷ At the time of the survey, around two-thirds of women in Zambia, Malawi, and Zimbabwe and close to half of current entrepreneurs in Tanzania reported spending more on their households' food, education and healthcare than before starting a business.

“I have been able to cater for my social needs, help my family and pay for medical bills for my husband.” - Zimbabwe Participant

¹⁷ Meyer B and Sullivan J, “Measuring the Well-Being of the Poor Using Income and Consumption,” National Bureau of Economic Research, June 2003.

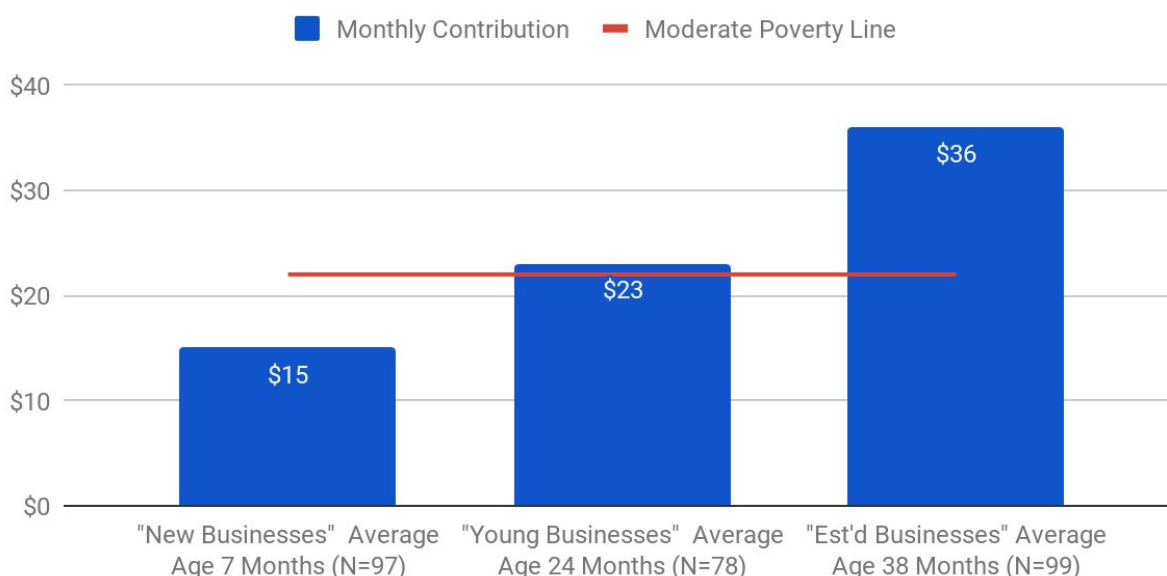
% of Women Who Spent More on Education, Health, and Food



Because surveyed women in Malawi and Tanzania had been operating their businesses for a shorter amount of time, on average, than women in Zambia and Zimbabwe, it is possible that numbers in the chart for Malawi and Tanzania are conservative. In Zambia, women with more “mature” businesses tended to make higher contributions towards basic needs, likely a function of older age, business earnings, and more household responsibilities. Young women running “new” businesses (average age 7 months) contributed an average of \$15 USD per month to the household, compared with an average of \$23 USD for “young” businesses (average age 24 months) and \$36 USD for “established” businesses (average age 38 months). In Zambia, where the extreme poverty line is defined as \$16 per month (calculated based on the cost to feed one adult for one month) and the moderate poverty line is \$22 per month, an increase in household spending of 1-2 times this amount represents a dramatic increase in standard of living.¹⁸ Across the four countries, the data showed that women with businesses that had been operating for longer, on average, had higher household disposable income and that this income was spent in ways that improved family well-being.

¹⁸ Zambia Living Conditions Survey 2015.

Zambia: Monthly Contribution to Household Expenses by Business Stage



"Without the grant, I would not have been to pay for my brothers' school fees and clothes. My uncle only helps us with shelter."
- Zambia Participant

It is worth noting that a share of current entrepreneurs in each country reported that spending on household basic needs actually declined since starting a business (ranging from 19% in Tanzania to 26% in Malawi). This reflects the complexities of early-stage businesses and suggests that a minority of women may have allocated increasing amounts of money to sustain or grow their businesses. This is important because for many young women, family pressure can lead them to divert money from planned business investment.

Further Detail: Food Spending and Household Impacts

Given the high rates of childhood malnutrition and food insecurity in the regions where CAMFED works, increased household spend on food is a powerful program impact that spreads beyond young entrepreneurs themselves. In three of four countries, program participants running businesses at the time of the survey reported that monthly food spend per person in their household had increased.¹⁹ In Zambia, per person per month spend on food was higher among

¹⁹ Note that in the previous section, respondents were asked whether their spending on "food, education, and healthcare" (in the aggregate) had increased. Women in Zimbabwe may have increased spending overall for basic needs though not necessarily for food.

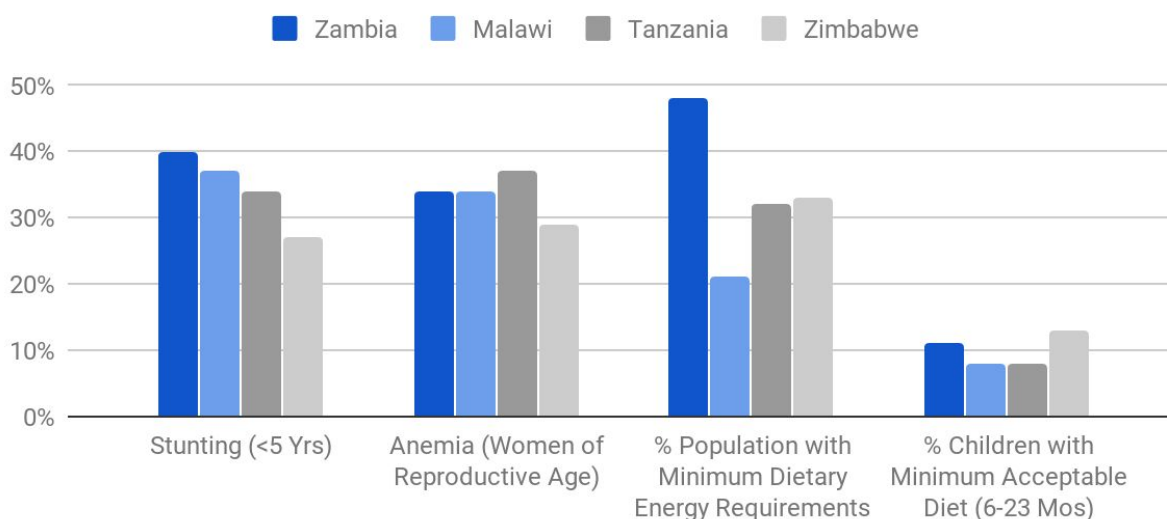
more mature businesses (from \$8 USD per person for “new” businesses, to \$9 USD per person for “early” businesses, and to \$10 USD per person for “established” businesses). In Malawi, women with businesses operating for more than six months increased household spend on food per person per month spend from \$3.85 to \$4.29 USD. During the same timeframe in Tanzania, spend increased from \$4.69 to \$6.44 USD. There is not significant variation in household food spending by business age in Zimbabwe.

The effects of increased household spending on food enabled by CAMFED's programs can be far-reaching and multi-generational. A large share of women running businesses in the sample had parental responsibilities (ranging from 42% in Tanzania to 71% in Zimbabwe) and cared for 2-4 children on average. In many cases, these children were not their own, a testament to the willingness of these young women to support members of their extended families and other disadvantaged children in their communities. The profits of a single entrepreneur can ensure that several children receive the food and nutrients they need, preventing illness and enabling them to learn more effectively in school.

Focus groups with participants in Zambia found that women felt their diet had improved since they started their businesses. With their increased income, their families ate meat and fish more often. Participants mentioned that they no longer had meals of nshima (Zambia's staple food, prepared with maize flour and water) alone without ‘relish’ – the accompanying sauce which provides most of the nutritious content.

The chart below details the significant nutritional deficiencies present in CAMFED target countries, evidence of the potential for improving the health and well-being of young women and their families through increased food spending. Note that these are country-wide statistics, and rates in rural areas tend to be even higher.

External Context: Nutritional Status Indicators Within CAMFED Target Countries



Source: World Health Organization Nutritional Landscape Information System Country Reports

4) To what extent has running a business supported by CAMFED enabled young women to save money?

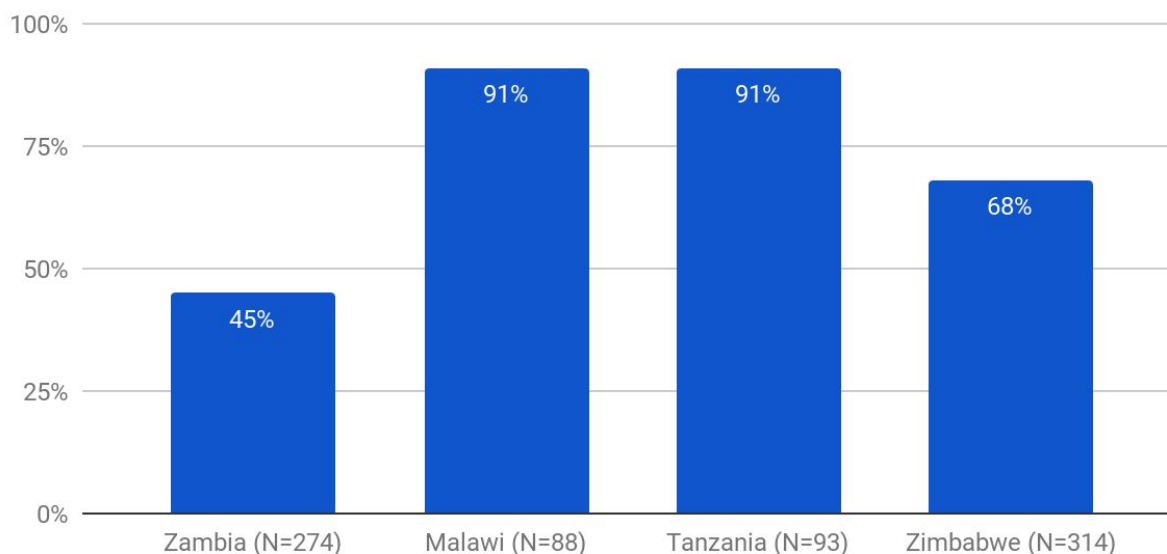
Key Findings: The majority of women running their own businesses were generating enough income to contribute to personal savings. In regions where many poor households experience “shocks” in a given year, savings play an important role in building household resiliency and can also support further education.

A large share of women surveyed who were currently running businesses were earning enough income to contribute to personal savings. The percent of business owners saving money ranged from 45% (Zambia) to over 91% (Malawi and Tanzania). In Zambia, where comparisons by business stage were possible, the average amount saved per month was higher among more “mature” businesses, likely a reflection of increased business earnings.²⁰ Savings averaged \$6 USD per month for “new” businesses and \$22 USD per month for “established” businesses. \$22 is also the monthly income threshold for Zambia’s moderate poverty line, suggesting that mature entrepreneurs can generate a one month “emergency fund” for themselves (enough for

²⁰ In some cases, women who are older (and who are more likely to be in the sample of businesses that have been operating for longer) may be earning and saving more in small part due to their increased age. Data from DHS surveys show that women, on average, earn slightly more as they get older.

food and basic essentials) through one month of work. Just 2% of women in Zambia and 26% of women in Malawi reported having savings before the business training.

% of Women Contributing Money to Personal Savings



Note: This chart includes women currently running businesses only

Rates of savings (both formally in financial institutions and more informally) are low in CAMFED's four target countries.²¹ Formal savings account ownership ranges from 34% (Malawi) to 55% (Zimbabwe), with women less likely in all countries to be formally banked.²² In general across the developing world, women are less likely to have savings of any kind, suggesting that the increases in women's savings supported by CAMFED programming can make a significant contribution towards household security. Savings can also provide a vehicle for poor women to progress to tertiary schooling if desired. As one example, 75% of women with savings in Zambia were saving towards more education.

²¹ World Bank Group, 'Global Findex Database,' 2017.

²² Ibid.

Evidence: Improved Decision-Making Power around Finances, Marriage, and Childbirth

5) To what extent are CAMFED participants empowered to make financial decisions?

Key Findings: Women markedly increased their role in financial decision-making following participation in the program, and women operating their businesses for longer were more likely to be engaged in financial decisions. As participants explained, their ability to earn an income and contribute to the household led to greater decision-making authority. Increasing age and changing family responsibilities, such as through marriage, likely also contributed to this trend. In some instances, women appeared to lose decision-making power when earnings dropped.

Entrepreneurs surveyed reported that they were typically involved in household decisions related to both day-to-day and larger expenditures. This involvement likely increased as a result of running a business. In Zambia where a pre-training questionnaire was administered to the target group, just 25% of women were initially involved in decisions about day-to-day expenditures and just 14% were involved in decisions about bigger purchases.²³ In a follow-on survey of businesses owners in Zambia, women reported much higher levels of involvement in decisions about day-to-day expenditures (83-97%) and larger purchases (62-89%).

Across multiple countries, survey data also suggested an association between increased earnings and improved financial agency. First, women with more mature businesses were likely to report greater involvement in household purchasing decisions and control over their earnings. Second, women who closed their businesses (and generally earned less income) reported slight dips in measures of financial agency.

"I was invited to village business meetings. It made me so important in my home that I was included in every family discussion." - Zimbabwe Participant

One Zambian participant described how her involvement in financial decision-making had changed over time, driven by her ability to contribute:

"When we are making a family budget they include me because I also give them money. They have to ask me, 'How could you spend your money this

²³ CAMFED, "Shaping My Future Young Women's Wave 8 Findings From Pre and Post Training Survey," April 2016.

month, how much have you taken this month?" They see how much I have, how much I am going to keep for my savings, and what we are going to use at home. I participate in making family decisions, I am included. This is from when I started running a business, it did not happen when I was just not doing anything."

Because women with more mature businesses also tended to be older, it is difficult to tease out the independent effects of business ownership, earnings, and age on improved financial agency. Further analysis to understand the differential effects of entrepreneurship and earnings on decision-making authority among women who are married, who are female heads of household, and who live with their parents would be useful to better unpack CAMFED's contribution to increased financial agency. One early conclusion from these data is that helping women maintain their income streams will be important to ensure continued engagement in financial decision making.

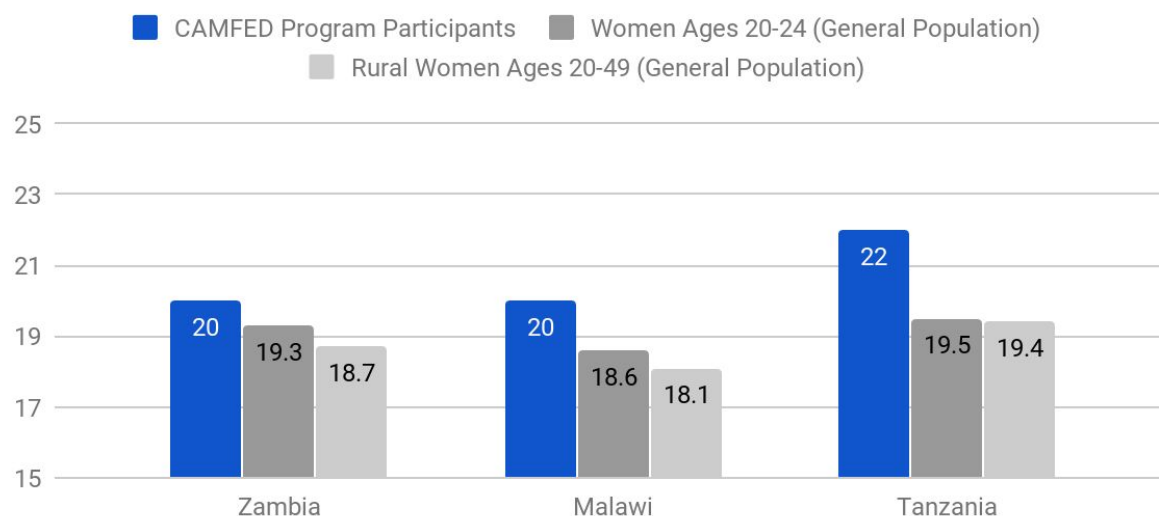
6) To what extent have CAMFED programs helped women gain greater control over life choices such as later than typical age at first marriage and childbirth?

Key Findings: Program participants in multiple countries had higher median ages at first marriage and childbirth than demographically similar women who did not participate in the program. CAMFED's secondary school and livelihoods programs may have helped women delay marriage and childbearing by: 1) improving rates of secondary school retention and completion, 2) enabling school graduates to increase their income, and 3) increasing participants' knowledge about sexual and reproductive health and negotiating power in relationships. Further study is recommended to better quantify CAMFED's contribution in this area.

CAMFED reaches young women soon after they complete secondary school with the goal of offering them viable options to generate an income and avoid unwanted early marriage. There is a strong body of literature linking components of CAMFED's programming - most notably increasing secondary school attainment and improving household income - to declines in early marriage and childbearing. Education about sexual and reproductive health (SRH), another component of CAMFED's secondary school and business training programs, can also be protective in settings where women have reasonable levels of control over their sexual and health decisions.

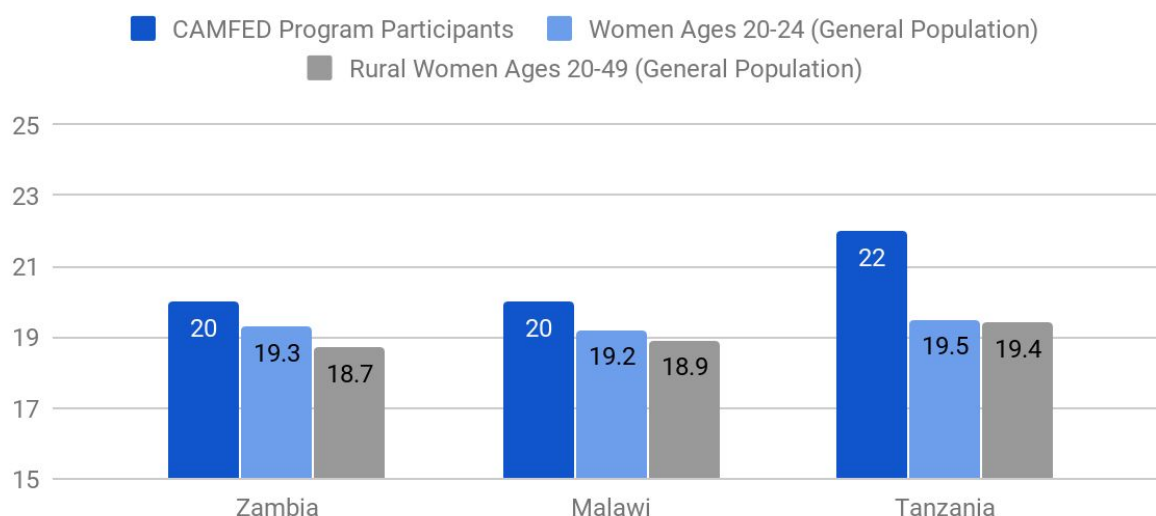
"Because of the [business] grant I run from poverty. Now my parents depend on me and advise me not to get married at a tender age because I make my own money. Without the grant maybe I am in marriage." - Malawi Participant

Median Age at First Marriage Among CAMFED Program Participants Versus General Population



Sources: DHS Surveys: Zambia (2013-14), Malawi (2015-16), and Tanzania (2015-16).

Median Age at First Birth Among CAMFED Program Participants Versus General Population



Sources: DHS Surveys: Zambia (2013-14), Malawi (2015-16), and Tanzania (2015-16).

Almost all women who participated in CAMFED's business training programs in Zambia, Malawi and Tanzania also benefited from CAMFED's support to attend secondary school, without which they would have been unable to enroll or would have dropped out.²⁴ It is challenging to untangle the specific effect sizes of each CAMFED intervention on delays in marriage and childbirth, though interview and survey data indicate that they both played a role. A cohort study commissioned by CAMFED is currently underway that will improve understanding of the contribution of its specific programs on reductions in early marriage and childbirth.

"Without the [CAMFED] program, I wouldn't have started a business. I probably would have been married. I would have been lacking a lot of things." - Zambia Participant

One clear theme from interviews with CAMFED business training participants was that women feel particularly vulnerable to early marriage in the year following secondary school graduation, when few can afford to continue their studies and most are unable to find paid work. Marriage may be viewed by women - and their families - as one of the few options for sustaining themselves. Interview data suggests that by enabling women to earn an income following secondary school, CAMFED helps women maintain greater control over their life choices

²⁴ Note that Zimbabwe was excluded from this analysis because only 32% of the sample were supported by CAMFED through secondary school and most women in that country began the business program after they were married.

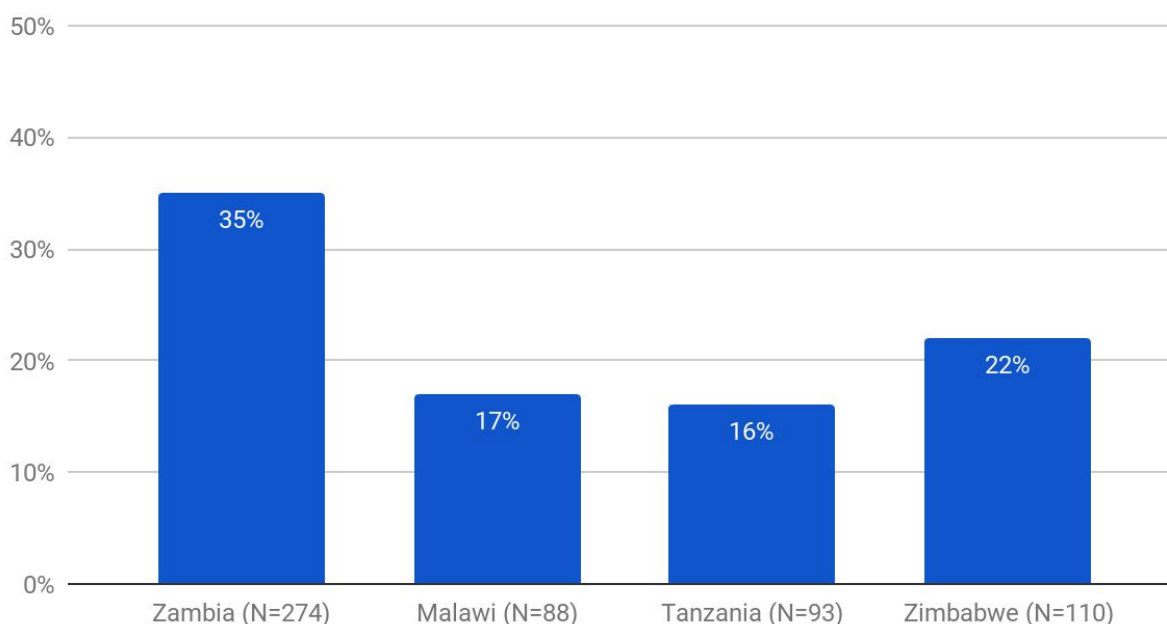
including when to get married and have children. This has ripple effects both for these women and their families. Women who marry later have fewer, healthier children, fewer complications from pregnancy and childbirth, and earn more throughout their lifetimes.

Evidence: Increased Abilities to Support Others through New Jobs and Philanthropy

7) To what extent do young women who start businesses with CAMFED support create jobs for others in their communities?

Key Findings: Entrepreneurs supported by CAMFED created additional jobs in their communities. Between one-third and one-sixth had paid employees in the past year. In Tanzania and Zimbabwe, approximately one-third of jobs created were full-time and permanent, adding high-quality employment opportunities where unpaid, seasonal roles are the norm.

% of Current Businesses with Paid Employees in the Past Year



New jobs created by entrepreneurs in Zambia and Malawi were less likely to be full-time (13% and 18%, respectively). In all countries, family members were frequently involved in women's businesses as both unpaid and paid workers. Note that in Zambia and Zimbabwe, women with businesses operating for longer were slightly more likely to employ paid workers, though the differences were not statistically significant.

8) To what extent do young entrepreneurs supported through CAMFED engage in philanthropy to support children in school?

Key Findings: Philanthropic giving was high among women running businesses, suggesting that the positive impacts of CAMFED investments were amplified in the community. In communities where many parents and guardians lack the money needed to send their children to school, women who grew and established businesses were “ploughing back” and supporting students with their earnings. Among current business owners, the support ranged from \$5.50 USD to \$32.50 USD per term. This is enough to provide vital support to enable several children to attend and stay in school in areas where CAMFED works.

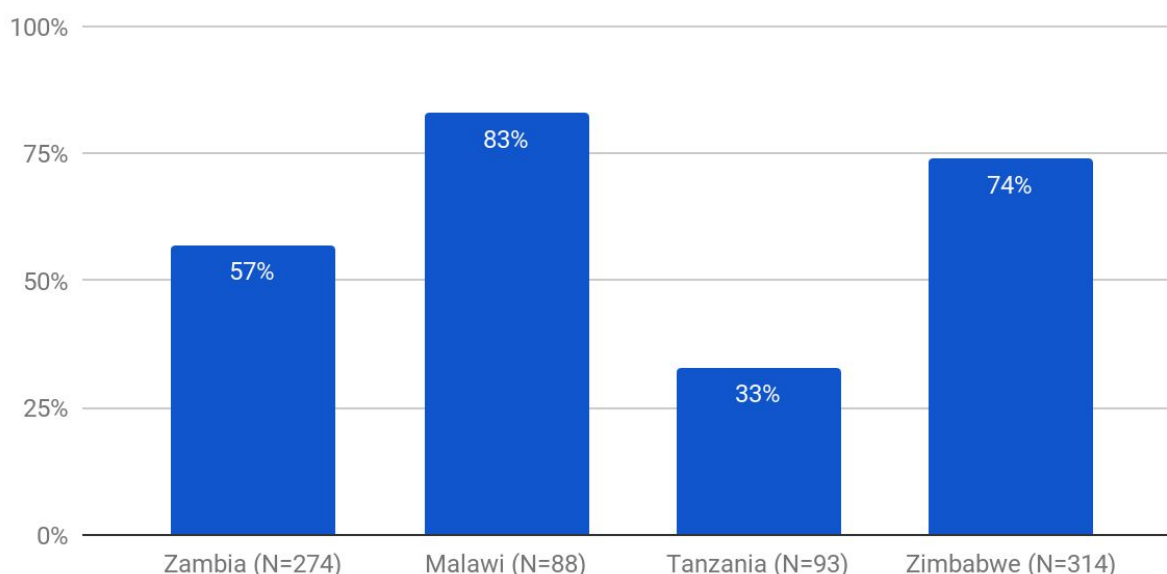
During the CAMFED business training, women are encouraged to “plough back” and “turn the tide of poverty by leading in the regeneration of their communities and addressing the needs of families, communities and nations.”²⁵ Results from the survey show that a large share of young entrepreneurs were indeed “ploughing back” by supporting other children in their communities to attend school, in addition to their own. In Zambia, women running businesses for longer were more likely to be paying for children’s educational costs (45% of entrepreneurs with average business ages of 7 months, 55% of entrepreneurs with average business ages of 24 months, and 70% of entrepreneurs with average business ages of 38 months). Across countries, the average value of support provided by women currently running businesses ranged from \$5.50 USD (Malawi) to \$32.50 USD (Zimbabwe) towards fees, stationary, books, shoes, clothes, and food. In all countries but Tanzania, women currently running a business were able to provide a greater average value of support than those who had closed their businesses.

The potential impact of this support on expanding access to education is profound. For students living in poverty, even in countries where school fees have been abolished (such as Tanzania), costs associated with attendance such as uniforms, school materials and sanitary protection, make education unaffordable for many, particularly in rural areas and particularly for girls.²⁶ By “ploughing back” their earnings, CAMFED entrepreneurs are helping to ensure that other girls make it through the precarious secondary school years.

²⁵ Shaping My Future Student Notebook, 2015.

²⁶ UNICEF, State of the World’s Children 2016, International Fund for Agricultural Development; Center for Reproductive Rights 2013.

% of Current Business Owners That Provided Monetary Support to Children Last Term to Attend School



"I can now provide for my own needs. I can also help some of the children in my community, buying them food, clothes, and books."
- Zambia Participant

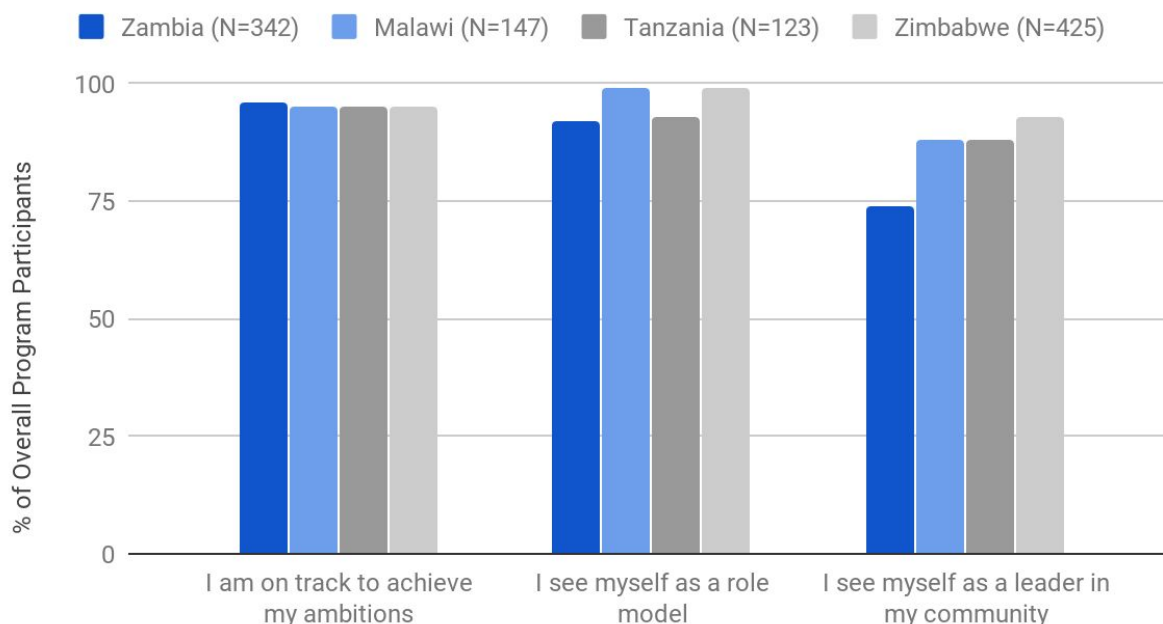
Evidence: Expanded Opportunities for Further Education and Business Growth

9) To what extent do young women in the CAMFED program feel more confident about the future?

Key Findings: Young women who received CAMFED business support have positive perceptions of themselves and are generally optimistic about their future careers. While most women began businesses as a "means to an end", a significant share now plan to pursue entrepreneurship as a long-term career.

The vast majority of women who received CAMFED support for their businesses (whether or not they are still operating) report high levels of confidence and optimism. While there is no survey control group to contextualize these findings, qualitative data suggests that participants believe the CAMFED program helped build hopefulness about the future and an expanded understanding of what was possible.

Self-Perceptions of CAMFED Program Participants

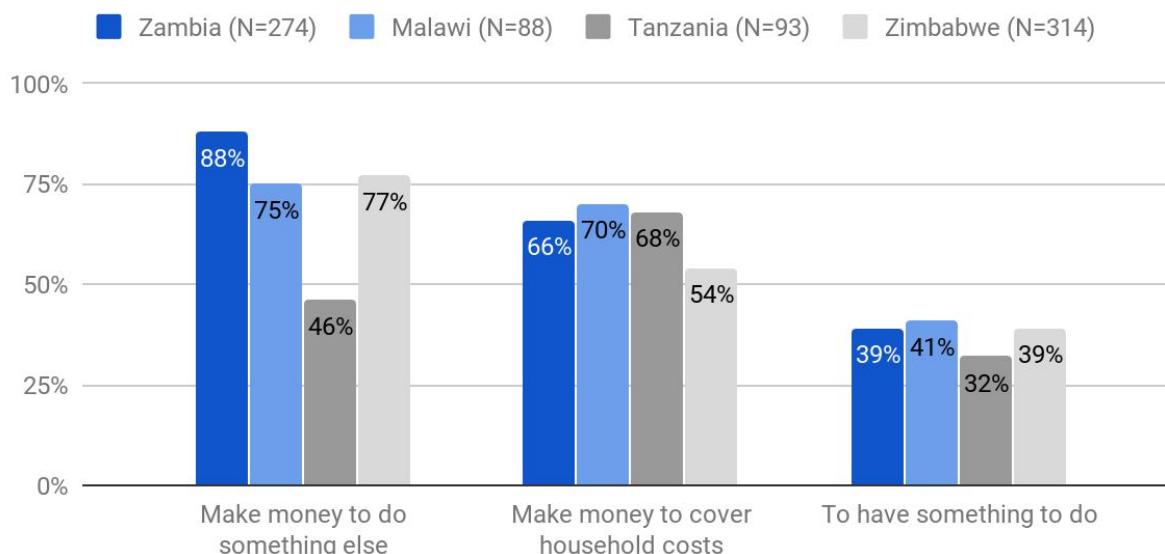


For many young women, running a business with CAMFED's support may have introduced them to the idea of being a businesswoman and entrepreneur as a career in itself. The large majority of participants in the sample currently running a business (ranging from 84% in Zambia to 98% in Tanzania) said "it was likely or very likely" that they would be running their businesses a year later. More than three-quarters of current entrepreneurs in all countries hoped to be business owners in five years' time. And even among women who had closed their businesses, most said they intended to start another in the future (ranging from 85% in Zambia to 97% in Malawi and Zimbabwe). These high rates may reflect the dearth of other options for paid employment in CAMFED regions, genuine interest in entrepreneurship as a career, or most likely some combination. In any case, a large share of young women who started businesses with CAMFED support ultimately began to see entrepreneurship as a viable career path.

The focus group discussions also showed that, for many participants, running a business is already a safer, more productive career path than the alternative. One participant trained in 2015 said,

"For me, things have changed. My parents were not working, so I was worrying that when I finished school I would have to go to Namibia as a maid. Even with my Grade 12 education I would have been a maid because we don't have money. But now I am better. They have given me a grant so I have started my business."

Why Did You Start Your Business? (Select All That Apply)



Note: Includes women currently operating a business only

10) To what extent are young women in the CAMFED program able to transition to paid employment and further study? How have business incomes enabled this?

Key Findings: Many women in each country who started businesses with CAMFED's support were still operating them up to 4 years later (at the time of the surveys). Around half of women from Zambia and Malawi that closed their businesses progressed onwards to further education. Women from Tanzania and Zimbabwe were much less likely to cite a "positive" reason for closing their businesses, and few women in any country found an alternate paid job. Businesses provided a viable pathway to further education but were less likely to lead to formal, paid employment, suggesting that jobs created through entrepreneurship are often women's best option for income generation in rural areas. Improving the productivity and profitability of family farming operations may be another positive pathway for young women.

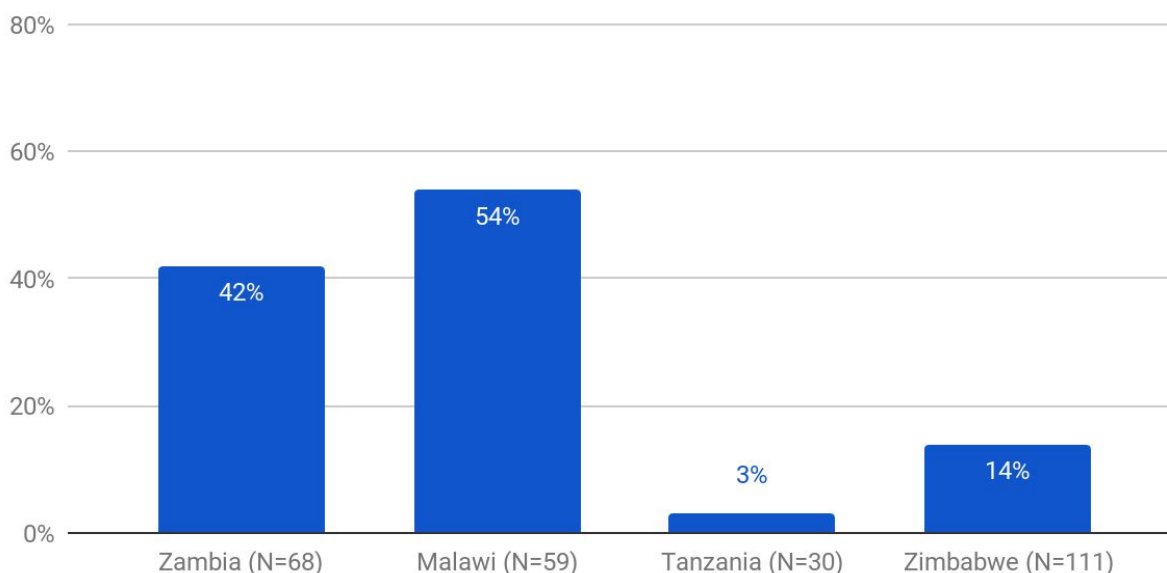
As mentioned earlier in the report, most women who stopped running their businesses had realized a profit or had at least broken even prior to shutting down (ranging from 53% in Tanzania to 86% in Malawi). While these women did not sustain their income stream from self-employment, most had closed their businesses in a better financial position than when they started. Savings from the business could enable women to pursue further education, including paying for tuition or fees to resit their secondary school exams. This played out in Zambia and

Malawi, where around half of women stopped their businesses to attend further education (42% and 54% respectively). In Malawi, women who had stopped running their businesses were also significantly more likely to have retaken their end of school exams (60% compared with 41%) to improve their scores. Exam results are required for their applications for further education, as well as for formal employment.

"I wouldn't have been able to pay for my education. I went back to form three and passed my MSCE exams. Without the grant, I wouldn't have this certificate." - Malawi Participant

The high rates of continued education in Zambia and Malawi are noteworthy, particularly because university initially feels far out of reach for many. As one CAMA member who received support to complete tertiary school explained, "You ask people who have been brought up in the rural area[s] - where you don't have any people to tell you about university, the importance of it. It's challenging to apply." CAMFED training programs encouraged women to think proactively about their career and education plans and in some cases to significantly raise their aspirations.

% of Women Previously Operating a Business Who Stopped to Continue Schooling



Reflecting the low availability of paid employment in rural communities, only a small minority (1-3% across countries) of participants who stopped running their businesses transitioned to a paid job. However, tertiary education can be expected to open up new opportunities for paid employment for participants. Additionally, commercialized farming may be another avenue to earn income. It is noteworthy that respondents often do not consider their farming work -

frequently cited as an important activity among current and former business owners - to be a “business”, likely reflecting its nature as subsistence-based farming on a family plot. CAMFED has identified the opportunity to help more young women engaged in farming to commercialize their work by increasing their productivity, sustainability and profitability.

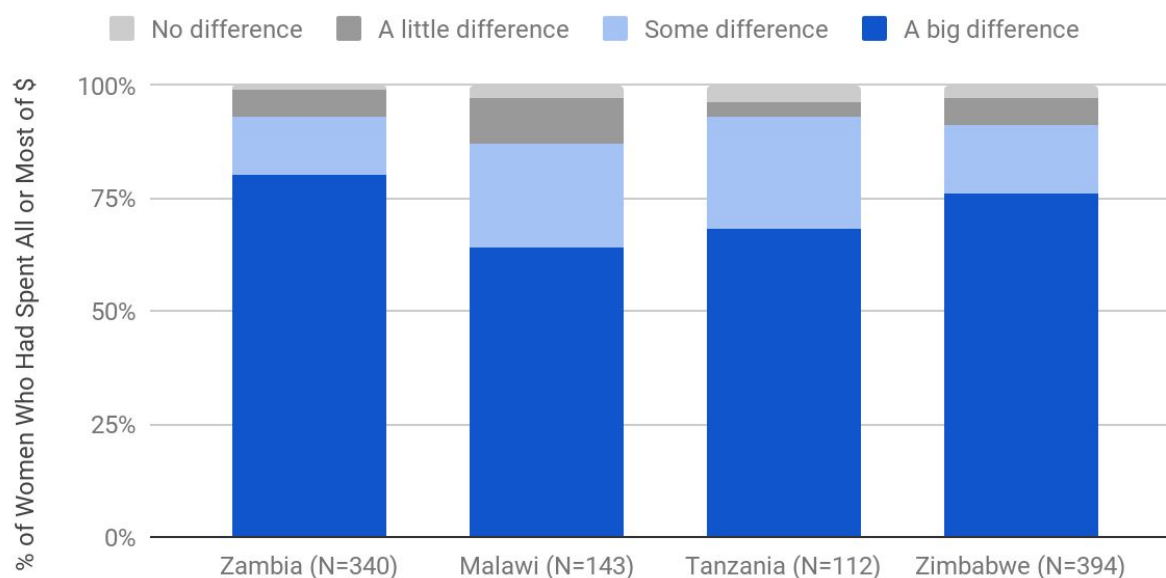
Evidence: Program Success Factors and Challenges

11) How critical is business finance from CAMFED (and partners) for the success of young female entrepreneurs?

Key Findings: In regions where access to financing is extremely limited, CAMFED small grants and loans helped meet the high demand for capital. Expanding access to business finance removed a key barrier to entrepreneurship for many women in this sample.

Prior to participation in the CAMFED program, the vast majority of women surveyed in Zambia and Malawi had never received a business grant (98% and 86% respectively). In Tanzania and Zimbabwe, most women had never borrowed money for their businesses prior to receiving their Kiva loans (94% and 93%, respectively). Unattractive loan terms were most frequently cited as the reason women had not taken out loans previously (26% in Zimbabwe and 43% in Tanzania). Among the few women who had borrowed money, a friend or family member was the most common source.

How Much Difference Has CAMFED Financing Made to You and Your Business?



In Zambia, where focus group evidence is available, many of the participants explained that they would never have had the confidence to start a business without the grant and many said they would either have “done nothing” or worked for someone else, probably unpaid, if they had not received the grant.

A large body of research points to a high level of financial exclusion in sub-Saharan Africa and suggests that CAMFED is meeting an acute need through provision of youth-appropriate financial products. In one study, just 3.3% of young employers and own-account workers in Malawi received their financing from the formal banking system.²⁷ Analysis by the OECD showed that barriers to accessing financing are the “most pervasive constraints” facing young rural entrepreneurs.²⁸ A synthesis of CAMFED’s focus group results in Zambia showed that “young, rural women find it particularly difficult to access affordable finance for business growth because of their lack of collateral, the low levels of financial service provision and the high interest rates charged by many microfinance institutions.”²⁹ As one focus group participant noted, “I would not have started my business without a grant. Living standards with my mother also would not have changed. I am also helping her with my profit to buy food and I would have had nothing to do if I didn’t get a grant.”

²⁷ International Labour Office, “Labor Market Transitions of Young Women and Men in Malawi,” International Labour Office, April 2016.

²⁸ OECD, “Youth Well-Being Policy Review of Malawi,” 2018.

²⁹ CAMFED, “Young Women’s Livelihood and Leadership,” Outcomes and Learning from CAMFED’s Shaping My Future Programme in Zambia 2013 – 2017, October 2018.

Participants also described how they had used the loans to purchase assets and equipment to grow their businesses. For example, one Zimbabwe participant said that she had used the loan to “start a cattle fattening project and add stock in my grocery shop.” A Tanzania participant reported that the loan enabled her to “move my shop from Msata to Kihangaiko where there was a bigger market for my products.”

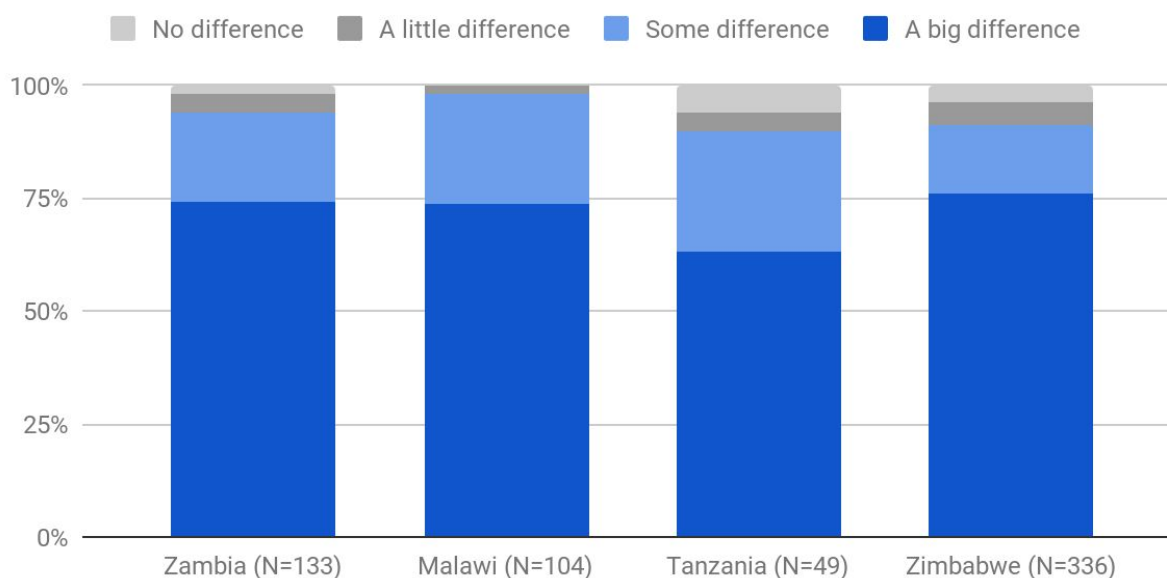
“Without the loan I would have failed to expand my farm and hire laborers. At times of floods and drought my business would have collapsed. My capital was very small.” - Tanzania Participant

12) What role has mentoring and business support from CAMFED and CAMA played in enabling young entrepreneurs to succeed?

Key Findings: Program participants highly valued the business training and mentorship provided through CAMFED and the majority applied what they learned. Feedback showed that the curriculum, addressing business skills and personal development topics, served women in their enterprises as well as in their relationships and other career pursuits. CAMFED fills a gap in rural areas where few youth, especially young women, receive any formal business training.

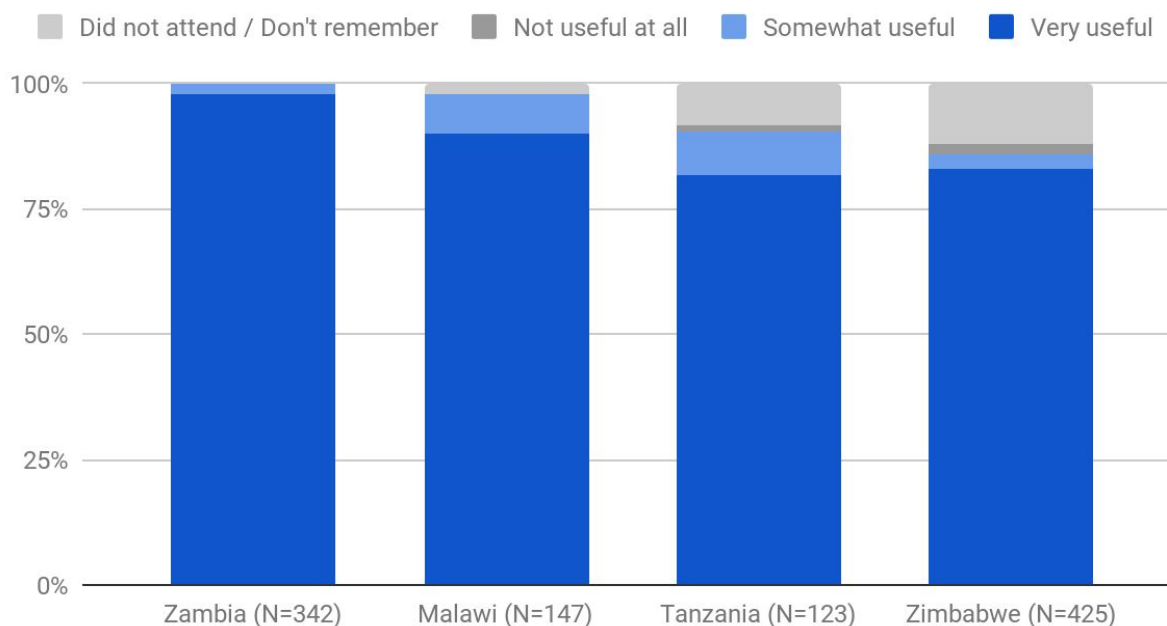
Young women were very positive about the business mentoring they received through the CAMFED program, with both current and previous business owners rating it highly. Women currently running businesses tended to meet with their CAMFED mentors more frequently, though many women who had closed their businesses maintained relationships with mentors.

How Much Difference Has CAMFED Support, Advice, and Mentoring Made to You and Your Business?



Women who were still running businesses, as well as those who had closed their businesses, also found the business training useful. Focus group feedback suggests that the training curriculum, which addressed core businesses skills and several other personal development topics (including leadership and communication, sexual and reproductive health, and career planning), served women in their enterprises as well as in their personal lives. Participants across countries found the module on financial record keeping and understanding profits and losses particularly helpful. Notably, 97% of business training participants in Zambia mentioned that they had applied what they had learned in their business. This was a 24% increase from an earlier survey, suggesting that CAMFED's efforts to solicit feedback and iterate on its training approach yielded improvements.

How Useful Did You Find CAMFED's Business Training?



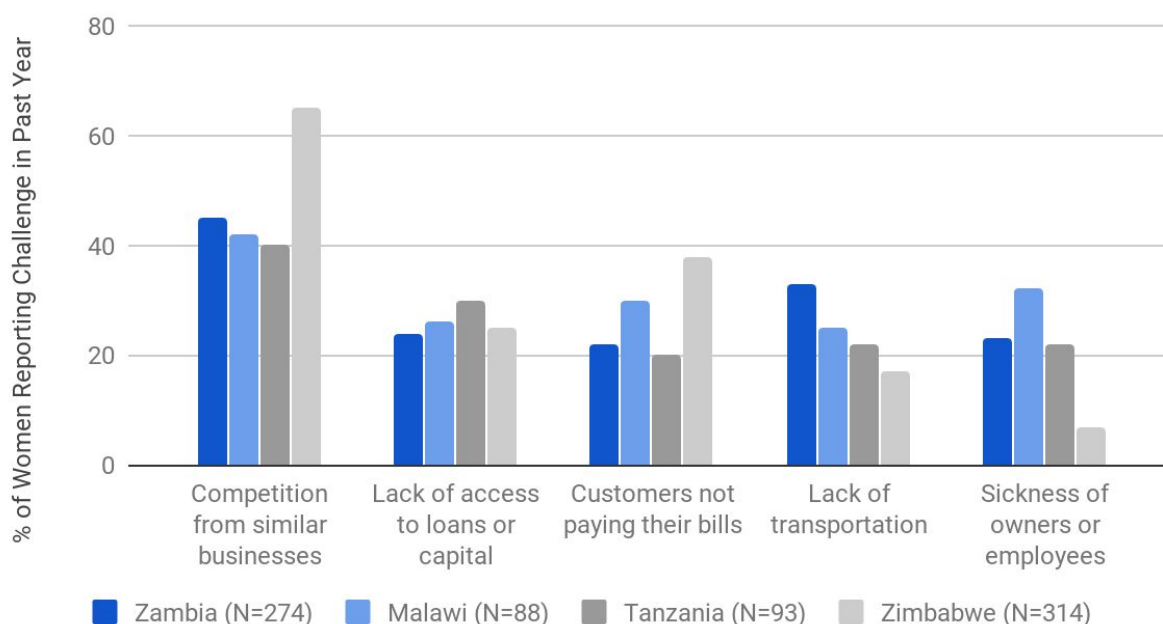
Studies in sub-Saharan African suggest that CAMFED is meeting an acute need for youth-focused business training and mentoring. 80% of rural youth entrepreneurs receive no formal support to develop their business skills. An OECD policy report focused on Malawi concluded that youth need access to business assistance and support services. “For better integration to markets and local value chains, rural youth entrepreneurs need soft supports, such as information, advice, coaching and mentoring, to overcome knowledge gaps.” Initiatives to help youth meet investors, connect with established businesses, share ideas, and promote products were also recommended.

13) What challenges do young female entrepreneurs face?

Key Findings: While most entrepreneurs turned a profit after a start-up period, the majority also faced a range of challenges. Many of these are common in rural, resource-constrained settings, including competition from similar businesses, lack of access to additional capital, customers not paying bills, lack of transportation, and employer illness. CAMFED has already taken a proactive approach to removing barriers where possible, with feedback loops in place to support further program refinements.

The vast majority of women in all four countries whose ventures were supported through CAMFED reported that they “enjoyed running their business[es]” and would continue to launch or grow businesses in the future. Most also made a profit. These women also reported challenges that affected the success of their businesses. Challenges experienced by more than one-fifth (20%) of women currently running businesses in three or more countries are detailed below.

Common Challenges of Women Currently Running Businesses



Further Detail: Competition

Competition was the most common issue for women currently running businesses in all four countries, and also among women in the sample no longer running businesses (ranging from 38% in Tanzania to 71% in Zimbabwe). External studies show that the majority of entrepreneurs in rural, sub-Saharan Africa may be facing this challenge. In one study in Zambia, two-thirds of entrepreneurs identified “many competitors” as a major business challenge.³⁰ A review of micro-, small- and medium-sized enterprises in Tanzania (MSMEs) identified “similar businesses” as a major issue.³¹ Competition was also highlighted as a barrier to small business growth in Zimbabwe.³²

Survey data on the types of businesses young women supported by CAMFED were operating showed a predominance of retail businesses, particularly the sale of foodstuffs, items for the

³⁰ Global Entrepreneurship Monitor, “African Entrepreneurship Sub-Saharan African Regional Report,” 2012.

³¹ Tanzania Ministry of Trade and Industry, “MSME National Baseline Survey,” December 2012.

³² The World Bank, “Enterprise Surveys: Zimbabwe 2016 Country Profile.”

home and clothes as well as livestock rearing. Focus group discussions in Zambia provided further insight regarding the type of businesses entrepreneurs chose to launch and their rationale for those choices. Considerations among entrepreneurs included:

- Modest size of the seed grant in Zambia and Malawi (around \$50) which largely precluded purchase of expensive equipment
- Nature of the local customer base, which, with most consumers living in rural poverty has limited purchasing power leading to a focus on business products and services that meet essential household needs
- The entrepreneur's need to rapidly start generating an income and contributing to her family, leading to a prioritization of businesses that generate income on a daily or weekly basis

A review of CAMFED program reports showed that helping businesses succeed in highly competitive environments was a focus of training and mentoring support. This support evolved over time as CAMFED regularly solicited feedback and introduced new elements to its program. As one example, CAMFED expanded training and mentoring support on market research, value addition and customer service to help entrepreneurs differentiate their offering.

In some cases, the grants and loans provided by CAMFED also helped the participants to purchase assets required to launch growing businesses, particularly in Zimbabwe and Tanzania where the higher value loan was provided. For example, livestock rearing was the second most popular business type in Zimbabwe (32%) and in Tanzania a number of enterprising participants provided transport services by motorbike.

CAMFED also partnered with government bodies, traditional authorities, business networks and the private sector to connect participants to additional technical assistance, assets and new market connections. For example, in Zambia, CAMFED linked participants to free Ministry of Agriculture training and resource grants to enable young women to start businesses in aquaculture - supplying a growing demand for high quality and sustainable sources of protein - while the Zambia Federation of Women in Business supported entrepreneurs to showcase their businesses at trade fairs. In Malawi, CAMFED's collaboration with the Ministry of Gender linked the entrepreneurs to new market opportunities, connecting young women to buyers for their produce.

Focus groups in Zambia surfaced a number of ways entrepreneurs had grown their businesses in spite of widespread competition, including offering reliable quality and good value for money, choosing a location with lots of passing traffic, and providing outstanding service to build a loyal customer base.³³

³³ CAMFED, "Shaping My Future Qualitative Findings," January 2018.

Further Detail: Challenges Related to Loans and Capital, Cash Flow, and Inventory

Other common business challenges that were identified in the survey related to securing adequate loans and capital and to managing cash flow and inventory. As mentioned above, access to financing remains a pressing issue across sub-Saharan Africa, and CAMFED increased its seed grant amounts in Zambia as the business program evolved in response to unmet need in this area. This enabled women to buy more equipment and assets and set up more innovative businesses. CAMFED's partnership with Kiva has also opened up access to larger, interest-free loans to help entrepreneurs invest in business growth. To date, \$2.6 million has been lent to CAMFED-supported entrepreneurs.

Other strategies CAMFED used to help entrepreneurs access and make effective use of capital included:

- Engaging local financial service providers (such as Finance Bank) to deliver components of the training and build connections with program participants.
- Through CAMFED's Community Development Communities in each district, working with traditional leaders to unlock women's access to assets typically controlled by men. For example, Senior Chief Nkula in Chinsali, Zambia has awarded a 400 hectare land with river to CAMFED-supported entrepreneurs to showcase and support training in women's leadership for productive and sustainable agricultural businesses.
- Providing practical support to the entrepreneurs to help manage their finances and loan repayments. In Tanzania, local government Community Development Officers and Trade Officers - delivered this support. In Zimbabwe, this support was provided by the Ministry of Women Affairs, Gender and Community Development Ward Coordinators. This local level, hands-on support was valued by the entrepreneurs to help them make effective use of the business finance.

Collecting money for goods sold on credit was a challenge felt particularly acutely among previous business owners in the survey, with one-third to one-half of these women reporting problems with "customers not paying their bills" (31% in Zambia to 52% in Zimbabwe). Feedback from focus groups in Zambia showed that women found it particularly difficult to ask for money from people close to them in the community, many who had known them as children. CAMFED training manuals and mentoring guides provided advice for entrepreneurs and their mentors on how to navigate pressure to sell on credit.

Finally, "items being broken, damaged, or spoilt before they [were] sold" was particularly common in Zambia (24%) and Malawi (26%), and "poor harvest" affected 28% of women previously running businesses in Tanzania. In some cases, these speak to the inherent

difficulties of running a business in rural sub-Saharan Africa, the unpredictable nature of agricultural businesses, and to the vulnerability of these women to the effects of climate change.

Further Detail: Inadequate Transportation

“Lack of or poor access to transportation” was another common barrier across countries among women currently and previously running businesses. An external review of business challenges in Zimbabwe also found that transportation was a major limiting factor.³⁴ One-quarter to one-third of women no longer operating their businesses cited transportation as a problem (ranging from 22% in Tanzania to 38% in Malawi). As one example, among entrepreneurs in Zambia, many women reported buying their stock from the capital city of Lusaka which requires a day-long bus trip to reach. As a partial solution, some women decided to split transportation costs and send one person to buy goods on behalf of a group. However, this limited women’s abilities to choose their own stock and ensure quality in some cases.

Summary: Business Challenges

Women who established or grew businesses with CAMFED’s support faced challenges that were largely to be expected in the regions they were operating in. When possible, CAMFED innovated on its program model and adapted the training and mentoring support to help participants address these challenges, and also connected entrepreneurs to relevant sources of government and private sector support. Entrepreneurs also generated a host of partial solutions and modifications to continue growing their businesses in difficult operating climates.

Conclusion

CAMFED’s program to help women establish and grow businesses led to significant positive impacts, both for the women themselves and for their families and communities. Young women who increased their incomes through entrepreneurship spent more on food and education for their households and saved more money towards their future goals and for family emergencies. They reported greater involvement in household financial decisions and more freedom to choose when and to whom they married. These women “ploughed back” by supporting the school costs for children in their community. Some also created quality, paid jobs in regions with few options for paid employment. Many built experience and confidence as business owners and began to view entrepreneurship as a viable, long-term career path. Others pursued tertiary education with proceeds from their businesses and reported greater career aspirations as a result of the program. With financial support, training and mentorship from CAMFED, many women successfully navigated the vulnerable transition time after secondary school.

Many impacts of CAMFED’s programs will likely persist and grow in the future. Survey results showed that women who operated their businesses for 1-2 years or longer earned more profits

³⁴ World Bank, “Enterprise Surveys: Zimbabwe 2016 Country Profile.”

than women with younger businesses. These “mature” business operators also contributed more to household spending on essentials, and provided more money to fund the education of children in the community. As more young women establish and grow businesses, and as these businesses increase their earnings, more women and children will benefit and to a greater degree. Enabling more women to continue operating their businesses and ensuring that even more women who close their businesses do so for “positive” reasons like attending school, will magnify the impact of CAMFED’s programs further.

The multi-generational “ripple” effects of CAMFED’s investments in young women were pronounced in this study. Children in the care of young entrepreneurs supported by CAMFED benefitted from the improved quality and quantity of food in their households and increased spending on education. These children will likely be healthier, live longer and more productive lives, and earn more income than they would have otherwise, continuing a virtuous cycle that is core to CAMFED’s model. Other aspects of CAMFED’s program design that promote longevity include the use of a growing alumni network to deliver mentorship, support and training at low cost (CAMA) and government and industry partnerships that embed support for young women into their programs. Through its support of young entrepreneurs in sub-Saharan Africa, CAMFED is demonstrating that women can create jobs for themselves and enjoy improved quality of life while supporting their families and communities.

Appendices

Appendix A: Overview of Data Sources

African Development Bank, *Jobs for Youth in Africa: Strategy for Creating 25 Million Jobs and Equipping 50 Million Youth 2016-2025*, 2016

CAMFED, "Shaping My Future Qualitative Findings," January 2018.

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World Bank Group, "Global Findex Database," 2017.

World Bank Group, "Tanzania Mainland Poverty Assessment."

World Health Organization, "Nutritional Landscape Information System Country Reports."

Zambia Living Conditions Monitoring Survey, 2015.

Zimbabwe National Statistics Agency, "Poverty, Income, Consumption, and Expenditure Survey 2017 Report."

Zimbabwe National Statistics Agency and ICF International. 2016. "Zimbabwe Demographic and Health Survey 2015: Final Report." Rockville, Maryland, USA: Zimbabwe National Statistics Agency (ZIMSTAT) and ICF International.

Appendix B: Background of Primary Evaluator

Managing Director Amber Binkley, the primary evaluator for this report, has two decades of experience in social sector research, most notably as an Associate Director at FSG Social Impact Advisors and now as head of her own firm. Amber has worked with dozens of major foundations, corporations, and nonprofits, including the Packard Foundation, Mastercard, Ashoka, and the Bill and Melinda Gates Foundation. She has a Master of Science degree from the Harvard School of Public Health and a Bachelor of Arts degree with a focus on international women's health from Stanford.

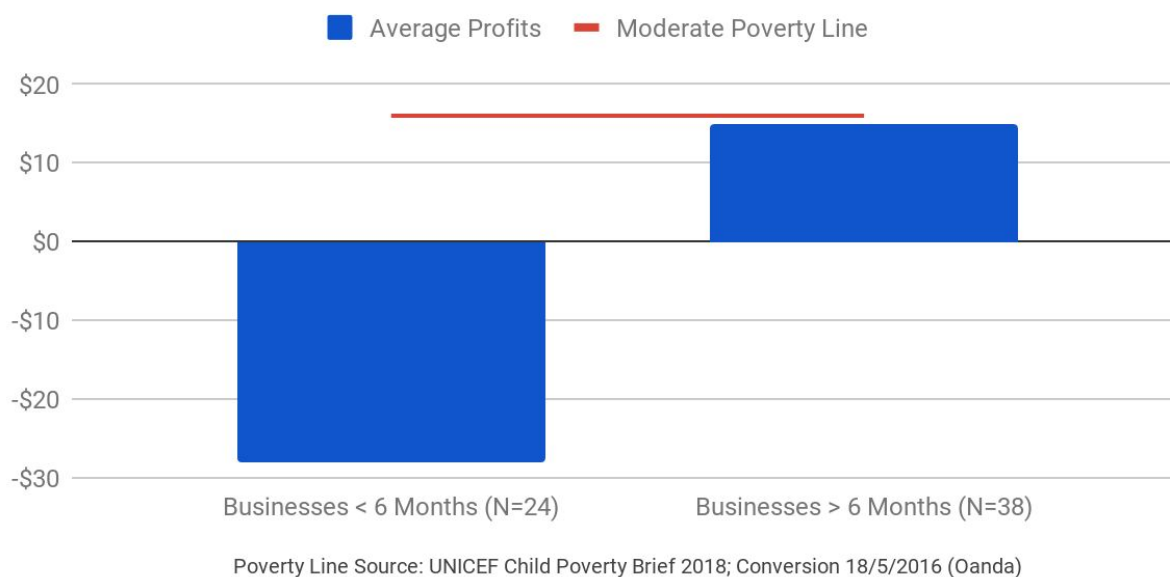
Appendix C: Overview of Survey and Interview Data Collected by Country

Country	Population Supported	Nature of Support	Target Group	Sample Surveyed / Interviewed	Date of Survey / Interview
Zambia	3,922	Peer-led support to manage the post-school transition period; business and life skills training including financial literacy, sexual and reproductive health, career planning; business finance in the form of seed grants of around \$50; peer business mentoring and linkages to business advice and support services including through government partnerships	Recent female school graduates (average age 19 years when they started the program) from deeply marginalised backgrounds in rural areas of four provinces with high levels of poverty: Luapula, Northern, Western, and Muchinga provinces. Survey included respondents from the four provinces.	342	2017
Malawi	1,240	As above	Recent female school graduates (average age 19 years when they started the program) from deeply marginalised backgrounds in rural areas with high levels of poverty in Central, Northern and Southern regions. Survey included respondents from: Machinga, Mchinji, Mulanje, Mzimba North, Neno, Nkhata Bay, Nsanje, Salima, and Zomba Rural districts.	147	2016
Tanzania	860	As above, with business finance in the form of an interest-free loan of typically \$500 rather than the grant..	Young female secondary school graduates from deeply marginalised backgrounds in rural areas with high levels of poverty in Pwani, Morogoro, Iringa and Tanga regions. Engaged in setting up new	123	2016

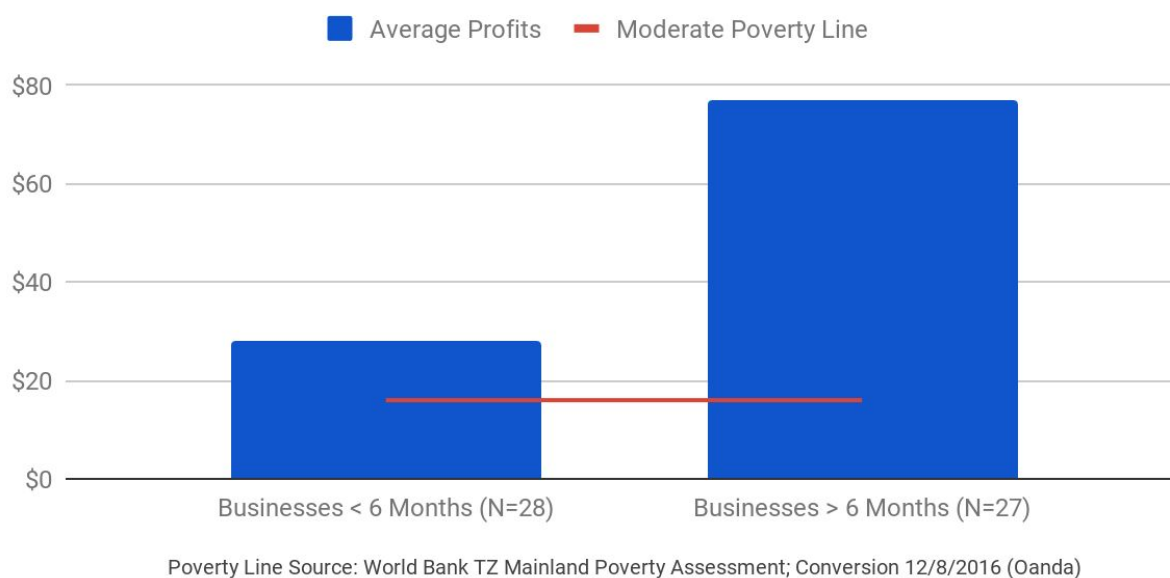
			businesses and with early stage businesses. Within these provinces, survey included participants from Pangani, Handeni, Gairo, Bagamoyo, Kilolo, Kilosa, Iringa, Kibaha, Morogoro Rural, Kilombero, and Rufiji districts.		
Zimbabwe	4,243	As above	Young female secondary school graduates from deeply marginalised backgrounds in rural areas with high levels of poverty in Mashonaland West, Mashonaland East, Mashonaland Central, Manicaland Province, Matabeleland North, Matabeleland South, Midlands and Masvingo Provinces. Within these provinces, surveys included participants from Binga, Buhera, Chikomba West, Chiredzi, Gokwe South, Guruve, Hurungwe, Kwekwe, Matobo, Mbire, Mt Darwin, Mudzi, Muzarabani, Nyaminyami, Shurugwi, Umguza, Umzingwane, and Wedza districts.	425	2016

Appendix D: Average Monthly Profits of CAMFED Entrepreneurs Vs. Moderate Poverty Line

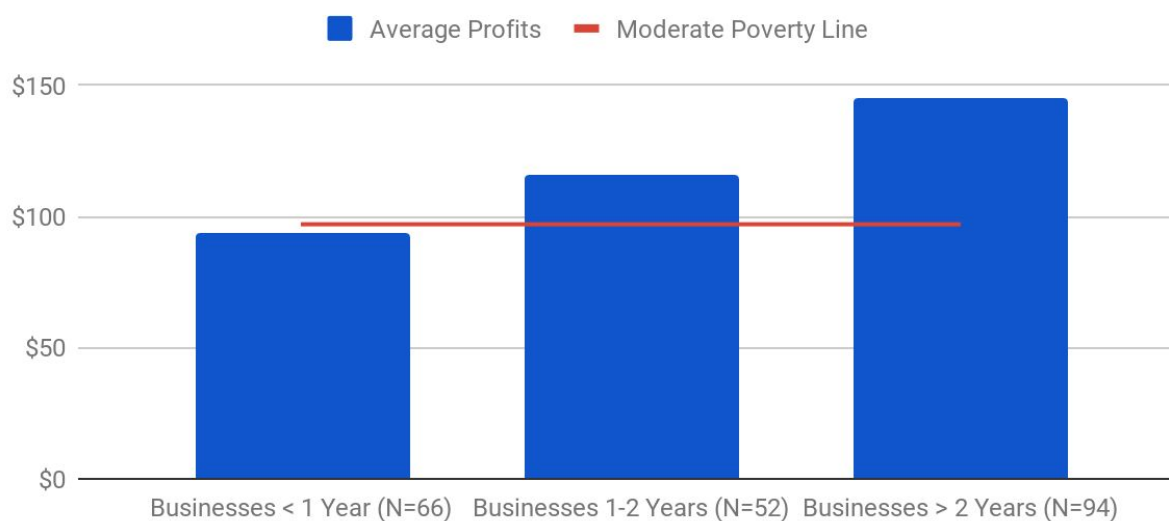
Malawi: Average Profit in Previous Month Among Current Business Owners



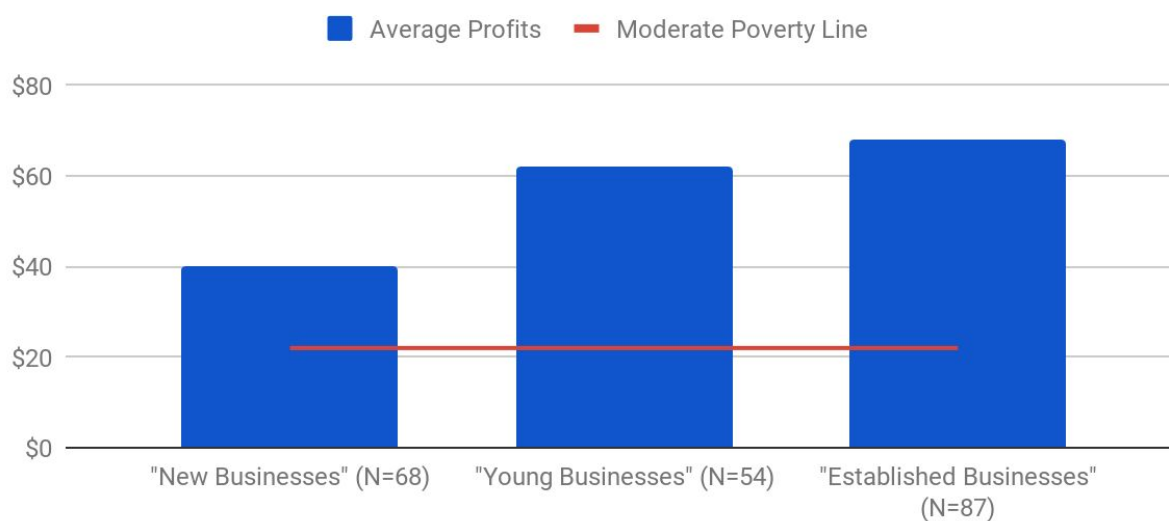
Tanzania: Average Profit in Previous Month Among Current Business Owners



Zimbabwe: Average Profit in Previous Month Among Current Business Owners



Zambia: Average Profit in Previous Month Among Current Business Owners



Poverty Line Source: 2015 Living Conditions Monitoring Surveys (Zambia); Currency Conversion 11/12/17 (Oanda)