Youth entrepreneurship support

Youth entrepreneurship support contributed to enhance the number of better educated, more active and more enterprising young people in rural areas, to encourage idea generation, business promotion and greater societal participation.

1. Background information: why the approach has been put in place

Rural areas are facing more and more depopulation problems. Living in a rural area is not popular, particularly among young people. Lack of job opportunities as well as leisure activities increases young people’s tendency to move from rural to urban areas. As a result, aging population and decrease of entrepreneurs active in rural areas is becoming more common, determining also a general economic decline of rural areas. Furthermore, lack of knowledge of available financial opportunities offered to entrepreneurs living in rural areas affects negatively entrepreneurship.

In order to mitigate these negative trends, the Latvian NRN in cooperation with the Latvian Rural Advisory and Training Centre’ (LRATC) designed and implemented the Youth Entrepreneurship Support project. The main objective of the project was to promote entrepreneurial spirit in rural areas by supporting young people to implement their business ideas. In the space of two years (2012-2013) Information days at national level and training days (at regional/local level) focused on the identification and analysis of business ideas, business plans and project development were organised. The project targeted young people aged 18-30 that wanted to learn how to start or develop their businesses and contribute to the development of their rural areas.

2. Description of the approach: how it was done in practice

The Youth Entrepreneurship Support consisted on the organisation of a series of information and training days for young people living in rural areas, including young farmers. The information days provided young people with information about funding possibilities offered by EU and national funding in rural areas and enabled them to exchange experiences with young entrepreneurs already active in rural areas. During the training days young people were guided through a process that facilitated the identification and analysis of possible business ideas. Participants were also trained on how to develop a project, prepare a business plan as well as application for funding. Participants could benefit from discussing with representatives of local authorities, community organisations, universities, and other entrepreneurs. The Latvian NRN organized also a final competition ‘Laukiem būt!’ which awarded a financial prize, to encourage young participants to implement viable business ideas.

All the activities were organized and run by the Latvian NRN, with active participation of the regional advisors which took care to directly communicate with and help young people participating in the project.
A specific communication campaign was organized in order to better spread information about this project. Articles were published in the NRN and municipalities’ websites, the regional press and specific leaflets were distributed in schools. The use of social media proved also to be very effective in spreading news about the informative and training days.

3. Conclusions/lessons learnt relevant for the future: what were the results

Ten informative and 40 training days were organized between 2012 and 2013 as well as the final award competition. 170 young people participated in the informative days and 90 in the training days organized in 2012. Number of participants increased in 2013, reaching 320 participants in the informative days and 200 in the training days. At least 14 new companies, run by young people who benefited from this project, were registered by the end of 2013.

The NRN commitment, the capacity of the LRATC regional advisors to raise interest among young people in rural areas and the availability of speakers to discuss and help young participants contributed to make this project successful. However, difficulties were also experienced in the implementation of the project. Some municipalities and schools were not interested to promote the project, and this made it more difficult to reach young people. The participation of local authorities and school is crucial to reach young people and to involve them. For this reason special effort is needed to involve schools.

The lack of trust from financial institutions to young entrepreneurs is another issue, because it becomes difficult for young people to find the needed financial support to start their business.

The LV NRN identified some important suggestions useful to implement similar projects, namely: organising educational and active events tailored to young people’s needs; organizing mentoring and coaching programmes for youth; using and combining available financial resources; awareness raising from an early age about the potential of not only working hard but also to live well in the countryside; improving start-up funding opportunities for business inception; youth participation in NGOs’ activities.

The difficulties experienced agreeing eligibility within some areas of the application may suggest that many of the issues identified when developing and implementing projects are associated with interpretation of the RDP and its communication amongst stakeholders. The RDP may be better able to assist projects like this, that wish to support young people in rural areas, by developing a consistent and greater ‘can do’ approach to enabling project applications which focus on this age demographic.