

# Gradstar Solutions Summit

Subject	Absa Gradstar Solution Summit Case Study
Theme	"Building a Future that Works for All: The Power of the SDGs"
Event Date	TBC
Event Time	TBC
Document Date	11 October 2024

<b>Why?</b>	<b>Background</b>
-------------	-------------------

The Sustainable Development Goals (SDGs) represent a universal call to action, emphasizing the need for collaboration across all sectors—public, private, and civil society—to create a better world. The SDGs are important because they provide a global blueprint for peace, prosperity, and sustainability by addressing the most pressing challenges humanity faces today, from poverty and inequality to climate change and environmental degradation.

At Absa, we believe that the private sector has a vital role to play in shaping a sustainable, equitable, and prosperous future. As a leading financial institution in Africa, our commitment goes beyond traditional banking; we are actively aligning our business strategies with the United Nations' Sustainable Development Goals (SDGs), recognizing that addressing global challenges requires innovative thinking, collaboration, and a shared vision for transformation.

Absa's focus on key SDGs—**climate action; decent work and economic growth; affordable and clean energy; gender equality; reduced inequalities, and peace, justice, and strong institutions**—guides our approach to ensuring long-term, impactful change in the communities we serve.

The reason for focusing on these specific goals is clear: they resonate deeply with the realities and challenges faced across Africa. From the pressing need for clean energy solutions in rural areas to the urgent demand for youth employment opportunities, we recognize that sustainable development is not just about corporate responsibility but also about unlocking new avenues for growth and resilience in the regions where we operate.

By homing in on SDG 8: Decent Work and Economic Growth, we are addressing one of the most critical challenges in Africa today—youth unemployment. With a rapidly expanding youth population, the continent has immense potential for economic growth and innovation, but only if young people are empowered with the right resources and opportunities. This is why we have chosen to challenge university students and recent graduates at the Gradstar Solutions Summit to tackle this SDG. Their fresh ideas, creativity, and drive are essential in shaping the future of Africa, and Absa is committed to fostering this talent by creating pathways for youth-led innovation.

This is all reflected in our purpose statement: ***Empowering Africa's tomorrow, together... one story at a time***, which underscores our dedication to uplifting young people as the future leaders of our society.

The journey towards achieving these SDG goals will require bold ideas and actionable solutions, and we invite the next generation of leaders to join us in rethinking how financial institutions like Absa can catalyse positive change in Africa and beyond. **Together, we can drive progress towards a more inclusive, sustainable, and prosperous future for all.**

## **Case Study Title: Empowering Entrepreneurs: Innovative Financial Solutions to Support Youth-Driven Economic Growth**

### **Introduction:**

Unemployment and underemployment, especially among youth, remain major challenges in Africa. With a growing youth population, there is a pressing need to create job opportunities and foster economic growth. Absa, as a financial institution, can be at the forefront of solving this challenge by empowering young entrepreneurs and small businesses through innovative financial products.

This case study invites students to propose solutions that Absa can implement to support youth entrepreneurship, creating pathways for decent work and stimulating economic growth.

### **Challenge:**

**How can Absa develop innovative financial solutions or programs that empower youth entrepreneurs to create sustainable businesses, thereby driving decent work and economic growth in line with SDG 8?**

### **Problem Scope:**

#### **Youth Unemployment**

Africa's youth population is growing rapidly, but opportunities for decent employment lag. Many young people have the potential to start businesses and create jobs, but they often lack access to capital, financial literacy, and business mentorship.

#### **Barriers to Financing**

Traditional bank loans are often inaccessible to young entrepreneurs, particularly those without established credit histories or collateral. A new approach is needed to provide financing solutions that are tailored to the needs of youth-led businesses.

#### **Sustainable Business Development**

The solution should not only focus on access to finance but also on building sustainable businesses that can contribute to long-term economic growth and job creation.

#### **An example for a solution can be:**

The **University Business Incubator Program** partners Absa with universities to support student entrepreneurs. Students submit business ideas for a chance to receive support funding from Absa's small business funding. Selected participants receive mentorship from industry experts, access to free co-working spaces, and workshops on business skills. The program helps students refine their ideas, connect with investors, and scale their startups. This initiative empowers young entrepreneurs with both financial backing and practical guidance.

### **Key Focus Areas for Students/Graduates:**

- **Youth Empowerment:** How can Absa offer financial tools that remove barriers for young entrepreneurs?
- **Sustainability:** What strategies will ensure these youth businesses thrive long-term and support economic growth?
- **Scalability:** Can the solution expand to other regions or sectors? What partnerships or resources are needed for growth?
- **Economic Impact:** How will the solution create jobs and stimulate local economies, supporting Absa's SDG 8 goals?

### **Expected Outcome:**

- **Proposal Focus:** Students should propose an innovative financial solution that empowers young entrepreneurs to build sustainable businesses, contributing to decent work and economic growth. The solution should align with Absa's mission of supporting youth and sustainable development, encouraging the bank to rethink how it backs youth-led ventures