

## **From startup to scale-up: How Rwanda's initiatives are redefining entrepreneurship**

Someone once told me that having an idea is one thing, but turning a startup into a scale-up is another game. While most startups hit the five-year mark and crumble, Rwanda's government policies and support programs are flipping the script, making Rwandan entrepreneurs the exception to the rule.

We have businesses such as Kanyana World Fashion that have been running since 2019 after being part of the 1st cohort of the Art-Rwanda-Ubuhanzi. We have businesses such as RGF which have benefited from different business and innovation competitions, including the YouthConnekt Awards in 2018.

The government of Rwanda continues to encourage young people who today are 78% of its total population to embrace entrepreneurship and tackle community challenges with creativity and innovation.

There is a massive movement of young entrepreneurs who have incredible ideas but the journey was not all roses. The odds can sometimes be stacked against them.

Global studies reveal that most startups struggle to survive beyond five years, and Rwanda is no exception. Despite this harsh reality, these young Rwandans are determined to defy the odds and beat the statistics.

Through the Entrepreneurship Development Policy, EDP, implemented by different government institutions, young people were able to gain access to technical and financial resources in order to fulfill those incredible ideas and become the exception from the 5-year rule.

We have seen various youth competitions by different Ministries with various partners such as Hanga PitchFest, YouthConnekt Awards, Youth-Led Organisations Hackathon, Ignite Rwanda, Cyber Stars, Art Rwanda, TVET Youth Challenge, and more, award the most impactful innovative and creative ideas led by young people with funds needed for their business.

But simply receiving funds isn't the magic ticket to startup success. Many startups stumble without continuous support, often folding during their critical early years.

Ignace Turatsinze, Co-founder and CEO of Payington, who was the 2nd place winner of Hanga PitchFest 2022 and was awarded \$20,000, said in an interview "We know a lot of companies that have closed globally with a lot of money, money is not the ultimate point here. The point is how you are going to implement your solution. It requires you to learn and to continuously learn."

Recognizing this, the government has poured effort into initiatives like Hanga PitchFest and others, which go beyond funding to provide essential mentorship and business development services. By boosting access to the skills and know-how needed to launch and scale a business, they're ensuring that young entrepreneurs have more than just a fighting chance.

Peace Ndoli, the Co-founder and COO of Lifesten Health who was the 1st place winner in the competition and awarded \$50,000 said, “One of the biggest support you need as a startup in order to scale up, is actually the mentorship and support system around the solution and that is the most amazing thing.” Because of mentorship and upskilling, Lifesten is close to surpassing the five-year mark.

Mentorship is just the beginning. The EDP streamlines supportive tax regimes, market opportunities, access to technology and innovation, and an inclusive entrepreneurial culture.

In my line of work, I encounter many young entrepreneurs. Earlier this year, I met a young woman whose words stuck with me: “It’s easier to be an entrepreneur now than ever before.”

In line with Rwanda’s vision to become an upper middle-income country by the year 2035 and to reach high-income status by 2050, there was no doubt that entrepreneurship had to be one of the key drivers in reducing poverty, promoting social change, fostering innovation, and economic transformation.

With a goal to create 250,000 jobs per year, young people can become job creators with the support of various government initiatives.