

MAPPING NIGERIA'S YOUTH ENTREPRENEURSHIP ECOSYSTEM

A LOOK AT SELECT STATES



Kingdom of the Netherlands



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Executive Summary

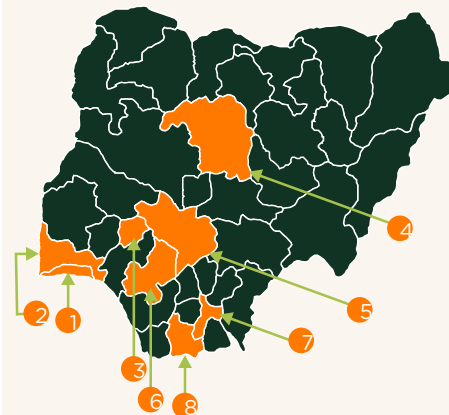
Nigeria stands at a demographic and economic crossroads. With more than 70% of its population under the age of 30, the country's youth are both its greatest asset and its most urgent development priority. Amidst high unemployment, rising economic uncertainty, and underperforming social infrastructure, entrepreneurship has become not only a means of survival but a viable pathway to innovation, livelihood, and growth.

This report presents the findings of a national mapping study of Nigeria's youth entrepreneurship ecosystem, led by FATE Foundation in partnership with Orange Corners and with support from the Kingdom of the Netherlands. Covering eight states, namely: Lagos, Ogun, Ekiti, Kaduna, Kogi, Edo, Abia, and Rivers, the study provides a data-driven, field-tested look at the opportunities, barriers, actors, and systemic gaps shaping the youth enterprise landscape across the country.

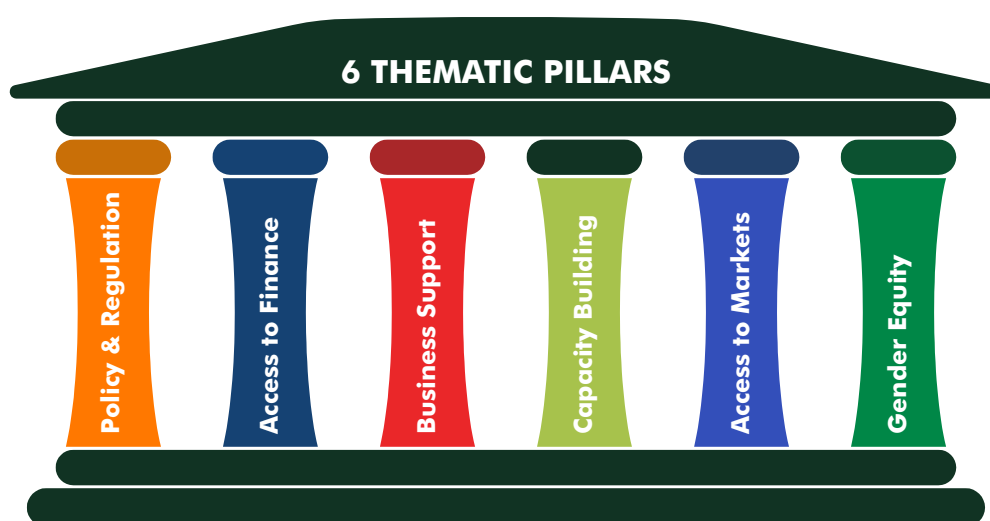
The findings are grounded in over 2000 surveys, multiple stakeholder interviews, and comparative analysis across six thematic pillars: Policy & Regulation, Access to Finance, Business Support, Capacity Building, Access to Markets, and Gender Equity. These thematic pillars build on the ecosystem framework developed by the Aspen Network of Development Entrepreneurs (ANDE) and previously adapted in the **2016 Mapping of Nigeria's Entrepreneurship Ecosystem by the FATE Institute and Orange Corners' Mapping Template**.

In a country where the formal labour market cannot absorb its growing youth population, and where inflation, insecurity, and regulatory uncertainty have made business more precarious, youth-led enterprises hold real potential to catalyse inclusive, grassroots-level economic growth. But Nigeria's entrepreneurship ecosystem remains uneven, fragmented, and deeply constrained by structural and geographic inequities.

8 SELECTED STATES SURVEYED



- | | |
|-----------------|------------------|
| 1. Lagos | 2. Ogun |
| 3. Ekiti | 4. Kaduna |
| 5. Kogi | 6. Edo |
| 7. Abia | 8. Rivers |

2,569Youth entrepreneurs
surveyed

What this study uncovers is not just a snapshot of the current system, but a map of where change is possible and where investment is most urgently needed.

KEY INSIGHTS FROM THE STUDY

Youth Entrepreneurs Are Operating Without Institutional Safety Nets

Over 60% of Young entrepreneurs consistently reported that government support is either inaccessible, irrelevant, or unresponsive. In some interviews, government engagement was described as a “waste of time.” This disconnect not only erodes trust, but also blocks access to policy-driven benefits such as registration support, infrastructure subsidies, and grants. Youth are instead turning to personal networks or informal systems that cannot scale.

Finance is Inaccessible and Often Inappropriate

While finance remains the top barrier (less than 30% of respondents had gotten access to finance), the issue is not just availability but readiness and fit. Many entrepreneurs lack the documentation and capacity to secure formal capital. Most rely on personal savings or family support, excluding those without wealthy networks. Moreover, there is limited access to youth-appropriate financial instruments such as equity-free capital, concessional loans, or crowdfunding. The few structured schemes that do exist are overly centralised in Lagos and Abuja.

Business Support Is Geographically Skewed

Entrepreneurship Support Organisations (ESOs), innovation hubs, and incubators are heavily concentrated in Lagos and Ogun. Youth in states like Ekiti, Kogi, and Abia have limited access to co-working spaces, mentoring, product testing labs, or pitch-stage training. This spatial inequality reinforces national economic imbalances and limits the pipeline of viable ventures from outside urban corridors.

The Capacity Gap Is Widening

Many youth entrepreneurs, especially those with only primary or secondary education, struggle with the basics of business management: financial planning, marketing, pricing, and strategic growth. Capacity-building efforts are not only insufficient (only 16% of respondents stated they had gotten any form of training support), but often exclude marginalised groups such as people with disabilities or youth in conflict-affected areas. A redesign of delivery methods and content is overdue.

Market Entry Remains Fragmented and Risky

Only 13% of youth entrepreneurs stated they had been able to gain support in accessing markets. Furthermore, most youth-led businesses remain disconnected from regional trade opportunities under frameworks like AfCFTA, and are absent from public procurement pipelines that could help anchor their growth.

Gender Gaps Are Deep and Structural

Although women are increasingly entering entrepreneurship, most remain confined to low-growth sectors and informal, home-based businesses. This is driven by a combination of unequal access to finance (about 59% of those who received financial support were men), caregiving expectations, and limited access to mentorship or visibility. Without targeted funding models and support systems, women entrepreneurs will remain underrepresented in innovation-driven or export-ready sectors.

A Portrait of Two Ecosystems

The study presents two parallel realities:

- In Lagos, Ogun, and Kaduna, there is momentum, driven by hubs, investors, and donor-funded programmes. Entrepreneurs in these states are more likely to be digitally connected, mentored, and visible to capital and markets.
- In Ekiti, Kogi, Abia, and parts of Edo, the ecosystem is thinner, less coordinated, and more reliant on informal workarounds. Here, resilience is strong, but support is minimal, and yet, the potential is equally promising if better targeted interventions are introduced.

Despite the challenges, Nigeria's youth entrepreneurship ecosystem is full of untapped opportunity:

A Portrait of Two Ecosystems

Youth-led innovation is rising across agriculture, healthtech, edtech, and circular economy sectors.

- Mobile penetration has crossed 90%, and digital platforms are creating new access points for learning and commerce.
- Youth networks, incubators, and co-creation spaces, though uneven, are laying the groundwork for a more connected and collaborative ecosystem.
- Cross-sector collaboration is increasing, with the potential to build regionally embedded hubs of entrepreneurship and innovation.
- What's needed now is a bold, collaborative effort to rebalance the ecosystem, through smarter policy, targeted capital, inclusive training, and a shift in how entrepreneurship is viewed and supported at national and subnational levels.



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