

Guaranteed Loan
Programme

Young Entrepreneurs

2023

- Standalone grant funding
- Young innovators bootcamp
- NextGen apprenticeship programme

Initiative Overview

In 2022, the unemployment rate among young Bahamians remained at a challenging 24%, showing a modest 3% improvement from 2021. The Young Entrepreneurs Initiative is poised to empower young Bahamians between 18 and 35 years-old with vital entrepreneurial skills and offer an alternative path to traditional employment.

In collaboration with partners such as the Ministry of Youth, Sports, and Culture, Bahamas Technical and Vocational Institute (BTVI), University of The Bahamas (UB), as well as the John Templeton Foundation, the Small Business Development Centre (SBDC) is proud to announce the launch of the Young Entrepreneurs Initiative on December 13, 2023, with a steadfast commitment to achieving the following objectives:

- Conduct virtual information sessions to prepare young entrepreneurs to take full advantage of training, apprenticeship, networking and funding opportunities.
- Conduct a national survey to help initiative partners clearly understand the unique challenges faced by young entrepreneurs in New Providence and the Family Islands.
- Facilitate the Young Innovators Bootcamp to stimulate the creation of innovative products and services that will better address the needs and wants of local and global consumers.
- Implement the NextGen Apprenticeship Programme which will allow BTVI and UB students to apply their theoretical knowledge to real-world scenarios while refining critical entrepreneurial skills. Non-students can also participate.
- Facilitate the Innovative Business Pitch Competition in New Providence, Grand Bahama, Eleuthera, Abaco, Exuma, and Long Island to identify young entrepreneurs who can address national issues with innovative solutions.
- Invite young entrepreneurs in New Providence and the Family Islands to access up to \$10,000 in standalone grant funding to cover startup or expansion costs such as leasehold improvements, production equipment, raw materials, accounting software, incorporation fees, insurance premiums, security deposits, licensing fees, and employee uniforms.
- Promote success stories about young entrepreneurs on our social media platforms in the form of short videos shared on ZNS, Aliv and SBDC platforms.



Innovators Bootcamp

From January 17, 2024 to February 10, 2024, the Young Innovators Bootcamp will seamlessly blend dynamic think tank sessions, competitive scavenger hunts, and immersive training sessions. These experiences are meticulously crafted to ignite the spark of creativity within young entrepreneurs, inspiring them to pioneer innovative products and services that can propel The Bahamas into alignment with leading global economies.

In New Providence and the Family Islands, bootcamp sessions will be conducted twice per week, from 6:30 pm to 7:30 pm on Wednesdays and from 8:30 am to 9:30 am on Saturdays. Wednesday sessions are virtual, whereas Saturday sessions require in-person attendance for participants in New Providence, Grand Bahama, Abaco, Eleuthera and Long Island. Entrepreneurs who are unable to attend sessions on Saturdays for religious reasons, must declare this on their registration form so that alternative arrangements can be made.

Registration for the Young Innovators Bootcamp will open December 13, 2023 and close January 12, 2024. Topics that will be explored during the multifaceted training sessions include:

Session 1 - Sustainable Business Model

- Understanding the objectives of a business model canvas.
- Identifying key components of a sustainable business model.
- Crafting a business model that aligns with your vision and goals.

Session 2 - Digital Marketing Strategies

- Exploring digital marketing channels, including social media, email marketing, and search engine optimization.
- Creating effective digital marketing strategies on a budget.
- Leveraging online tools and platforms to maximize digital presence.



Session 3 - Financial Literacy and Budgeting

- Building a foundation in financial literacy, including understanding income, expenses, and profit.
- Developing a weekly, monthly, and yearly business budget.
- Other strategies for managing cash flow and ensuring financial stability.

Session 4 - Legal Aspects of Entrepreneurship

- An overview of legal structures for businesses.
- Intellectual property rights and protection.
- Contracts, agreements, and compliance with business regulations.

Session 5 - Innovation and Adaptability in Business

- Fostering a culture of innovation within your business.
- Strategies for adapting to changing market conditions.
- Identifying opportunities for innovation and growth.

Session 6 - Customer-Centric Business Practices

- The importance of understanding customer needs and preferences.
- Building a customer-centric approach to product development and marketing.
- Strategies for delivering exceptional customer experiences.

Session 7 - Effective Networking and Relationship Building

- The value of networking and building professional relationships.
- Techniques for effective networking, both online and offline.
- Leveraging relationships to open doors for opportunities.

Session 8 - Social Entrepreneurship and Community Impact

- Understanding the concept of social entrepreneurship.
- Identifying social issues and opportunities for community impact.
- Strategies for integrating social responsibility into your business model.



Standalone Grant

Limited access to capital is a challenge for entrepreneurs of all ages, but it's particularly challenging for young people due to their lack of security (eg. cash, property) and credit history. To help solve this problem, starting December 13, 2023, the SBDC will accept applications for the Young Entrepreneurs Standalone Grant from MSMEs that meet the following eligibility requirements:

- The MSME is majority Bahamian-owned;
- The sole, majority or equal shareholder is 18 to 35 years-old;
- The MSME earns less than \$5,000,000 in annual sales;
- The MSME employs less than 50 people;
- The sole, majority or equal shareholder has completed the Young Innovators Bootcamp.

To be eligible for the Young Entrepreneurs Standalone Grant up to \$10,000, applicants must also submit the following documents:

- Executive summary
- Business license
- Passport photo page
- Proof of address (eg. voter's card, utility bill, or notarized parental letter)
- Vendor invoices
- Wire instructions (business bank accounts only)

The deadline to submit the standalone grant application is January 12, 2024, and applicants will receive approval or denial notifications by February 16, 2024. By February 13, 2024, a certificate of completion will be issued to entrepreneurs who completed the Young Innovators Bootcamp.



Application steps

01 Information sessions

We will conduct virtual information sessions for young entrepreneurs in New Providence and the Family Islands to learn more about the initiative and the application steps.

02 National survey

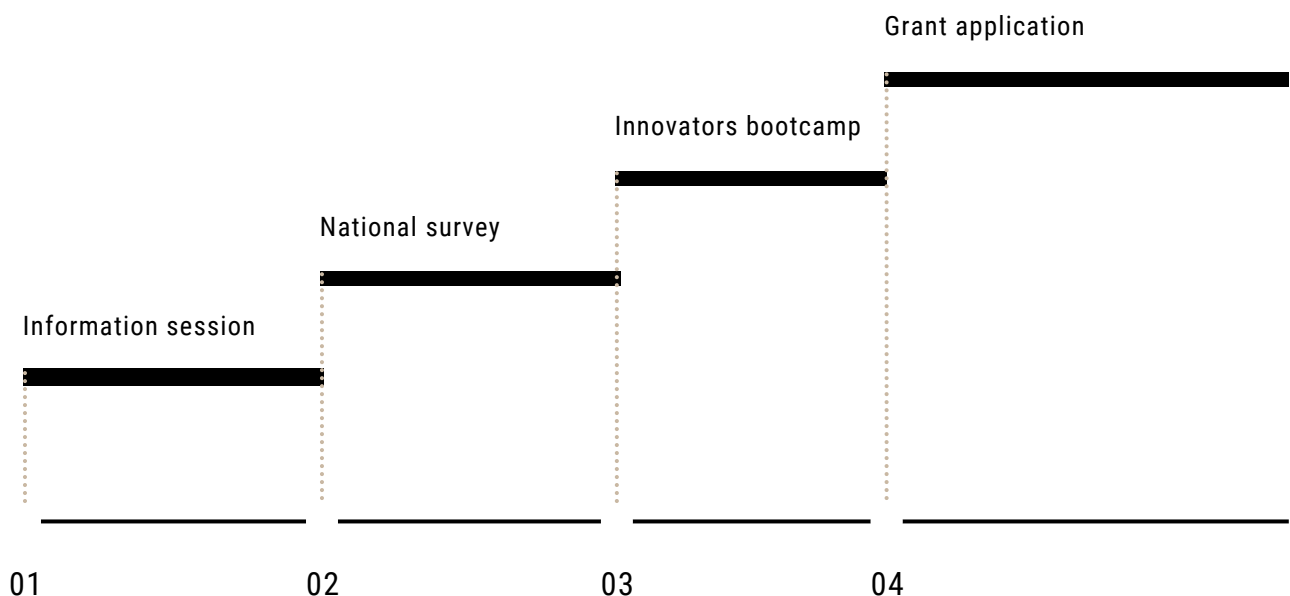
We will conduct an online national survey to gather valuable feedback from young entrepreneurs so that we can strategize the best ways to assist them.

03 Innovators bootcamp

Eight training sessions will offer young entrepreneurs a comprehensive training programme aimed at equipping them with essential skills to succeed in business.

04 Grant application

To be eligible for the standalone grant up to \$10,000, grant applicants must complete the previous 3 steps and submit the required documents listed on page 5.



Apprenticeship Programme

Young entrepreneurs are encouraged to participate in the NextGen Apprenticeship Programme, offering hands-on learning experiences alongside experienced entrepreneurs. While not mandatory for standalone grant eligibility, the apprenticeship is a highly recommended endeavor for its multifaceted benefits, as outlined below.

Practical Skills Development:

- Apply theoretical knowledge to real-world scenarios, refining critical entrepreneurial skills like market analysis and financial modeling.
- Bridge the gap between academic learning and real-world application, providing a solid foundation for navigating business complexities.

Trusted Mentorship:

- Receive guidance from experienced entrepreneurs, establishing meaningful connections beyond the programme.
- Access crucial information on industry specific-challenges from SBDC's business consultants, serving as a long-term resource for the entrepreneurial journey.

Networking Opportunities:

- Enjoy networking with professionals, mentors, and industry contacts during day-to-day apprenticeship activities.
- Expand professional circles through training workshops, collaborative projects, and pitch competitions, opening doors to potential partnerships and ventures.

Stipend Support:

- Obtain a monthly stipend that will cover basic living expenses such as rent, food, and utilities. Furthermore, financial stability allows apprentices to focus on their entrepreneurial endeavors without the burden of immediate financial concerns.



Enhanced Business Acumen

- Gain an in-depth understanding of successful business practices beyond theoretical knowledge.
- Develop insights into decision-making, resource allocation, and strategic planning, empowering informed choices in entrepreneurial journeys.

Access to Funding Opportunities:

- Explore various funding options such as grants, loans, and investments available through the SBDC.
- Develop skills needed to secure funding through pitch preparation workshops and one-on-one consultations with SBDC team members.

Exposure to Industry Partnerships and Collaborations:

- Develop practical skills in negotiations and collaborations, enhancing the ability to forge strategic partnerships for future business growth.

The pilot NextGen Apprenticeship Programme is scheduled for February 12, 2024 to March 8, 2024, and is designed to accommodate 50 young entrepreneurs who are willing to commit 20 hours per week to the programme.

The SBDC also plans to facilitate summer and winter apprenticeships which will allow young entrepreneurs to serve as apprentices in other islands and countries from where they reside.

To register for the NextGen Apprenticeship programme, persons between 18 to 35-years old must submit the following documents:

- Executive summary
- Curriculum vitae
- Passport photo page
- Driver's license
- National insurance card
- Proof of address (eg. voter's card, utility bill, or notarized parental letter)
- Police certificate (no more than 3 months old)
- Bank account details



Apprenticeship Schedule

The NextGen Apprenticeship Programme is designed to show young entrepreneurs how to run every aspect of a successful business. Following the schedule below, apprentices will gain a clear understanding of their mentor's business model in key areas.

Week 1: Understanding the Foundation

Day 1: Introduction and Overview

- Meet and greet between the apprentice and mentor.
- Overview of the mentor's business.
- Setting goals and expectations for the apprenticeship.

Day 2: Product/Service Description

- Discovering the mentor's suite of products and/or services.
- Analyzing product and/or service features, benefits, and unique selling points.
- Understanding the importance of product/service-market fit.

Day 3: Target Customers and Market Overview

- Identifying and profiling the mentor's target customers.
- Conducting market research to understand industry trends.
- Analyzing the market size, potential, and challenges.

Day 4: Personnel Plan

- Introduction to the mentor's team structure.
- Discussing roles, responsibilities, and organizational hierarchy.
- Exploring effective team management strategies.

Day 5: End of Week Review

- Reflecting on the week's learning.
- Addressing any questions or concerns.
- Setting goals for the upcoming weeks.

Week 2: Strategic Planning

Day 6: Marketing Strategy

- Exploring the mentor's online and offline marketing channels
- Evaluating the mentor's marketing strategies.
- Evaluating the mentor's branding collaterals.

Day 7: Competitor Analysis

- Identifying the mentor's key competitors in the industry.
- Analyzing the competitors' strengths.
- Analyzing the competitors' weaknesses.



Day 8: Competitive Advantages

- Discussing the mentor's unique selling propositions.
- Identifying and enhancing competitive advantages.
- Creating a value proposition for the target market.

Day 9: Developmental Milestones

- Mapping out the mentor's business achievements from inception until now.
- Mapping out the mentor's business milestones for the next 3 to 5 years.
- Understanding the importance of goal-setting.

Day 10: End of Week Review

- Reviewing progress and adjustments.
- Clarifying any remaining questions.
- Preparing for the final two weeks.

Week 3: Financial Planning

Day 11: Breakeven Analysis

- Evaluating the mentor's pricing strategies.
- Analyzing unit fixed and variable costs.
- Formulating/improving strategies to achieve breakeven.

Day 12: Financial Statements

- Introduction to three main financial statements.
- Learning to create financial statements.
- Learning to analyze financial statements.
- Learning to drive financial statements.

Day 13-15: Application and Hands-On

- Applying learned concepts to the mentor's business.
- Creating a simplified business plan for the apprentice's hypothetical/existing business.
- Receiving feedback from the mentor.

Week 4: Takeaways and Final Presentations

Day 16-19: Project Refinement and Feedback

- Refining the apprentice's business plan based on mentor's feedback.
- Finalizing key takeaways and lessons learned.
- Preparing a presentation summarizing the apprenticeship experience.

Day 20: Final Presentations

- Apprentices present their business plans and key takeaways.
- Mentors provide feedback and insights.
- Celebration and networking session.



Incubator Spaces

The heart of the Young Entrepreneurs Initiative lies in the provision of shared incubator spaces for up-and-coming businesses that manufacture products, such as: jellies, sauces, spices, condiments, chips, juices, sorbets, gelatos, candles, soaps, lotions, fragrances, therapeutic oils, apparel, handbags, and jewelry.

Within shared incubator spaces, entrepreneurs between 18 to 35-years old will gain access to state-of-the-art production facilities and equipment, all without the need for substantial capital investments during the first 6 to 12 months of their business. During this vulnerable time frame, young entrepreneurs can focus on refining their products and building their customer base while minimizing their operational costs.

To take advantage of shared incubator spaces in New Providence, Grand Bahama and Eleuthera, young entrepreneurs must complete an online application form starting April 1, 2024. The application form will be reviewed by the initiative partners; and once approved, entrepreneurs will be asked to schedule their production times based on the availability of the shared spaces. Additionally, entrepreneurs will be required to pay a flat and minimal hourly rate to ensure proper upkeep of the spaces and regular equipment maintenance.

At the time of registration, entrepreneurs must submit the following documents for consideration:

- Executive summary
- Business license
- Food handler's certificate (if applicable)
- Passport photo page
- Driver's license
- National insurance card
- Proof of address (eg. voter's card, utility bill, or notarized parental letter)

The SBDC will assist tenants in obtaining liability insurance coverage at an affordable rate from a reputable provider.



Pitch Competition

The initiative partners will host a series of Innovative Business Pitch competitions on the islands of New Providence, Grand Bahama, Eleuthera, Abaco, Exuma, and Long Island throughout 2024.

Distinguished panels of 7 judges, comprising financial institution representatives, potential angel investors, and industry experts, will evaluate participants based on their ability to present and defend their business plans. First, second, and third-place winners will receive both cash and in-kind prizes generously donated by sponsors.

Pitch competition applications will be accepted from MSMEs that meet the following criteria:

- The MSME is majority Bahamian-owned

- The sole, majority, or equal shareholder is 18 to 35 years-old;
- The MSME earns less than \$5,000,000 in annual sales;
- The MSME employs less than 50 people; and
- The sole, majority, or equal shareholder has completed the Young Innovators Bootcamp.

The following documents will also be required during the pitch competition application process:

- Business plan
- Pitch deck
- Valid business license
- Passport photo page
- Vendor invoices
- Wire instructions (business bank accounts only)

The schedule for the 6 Innovative Business Pitch Competitions will be announced at a later date on the SBDC's website and social media pages.



School Tour 2024

The SBDC team is excited to visit 24 schools both in New Providence and the Family Islands during 2024. Our mission? To help high school students answer a simple yet profoundly transformative question: "Why Do I Want To Become An Entrepreneur?" By introducing and addressing the question at the same time, we hope to inspire young Bahamians to consider entrepreneurship as a fulfilling and alternative path to employment.

Our goal is to secure speaking engagements and build lasting relationships with the following schools:

- H.O. Nash Junior School
- St. John's College
- C.R. Walker Senior School
- Centre for the Deaf
- T.A. Thompson Junior School
- St. Augustine's College
- C.C. Sweeting Senior School
- Erin Gilmore School for the Blind and Visually Impaired
- A.F. Adderley Junior School
- Bahamas Academy
- C.V. Bethel Senior School
- PACE Bahamas
- Willie Mae Pratt Centre for Girls
- Simpson Penn Centre for Boys
- Eight Mile Rock High School
- Sister Mary Patricia Junior School
- St. George's High School
- Jack Hayward High School
- Forest Heights Academy
- Patrick J. Bethel High School
- Agape Christian School
- S.C. Bootle High School
- Central Eleuthera High School
- N.G.M. Major High School



Guaranteed Loans

Under the Young Entrepreneurs Initiative, existing and startup MSMEs can access grant, loan and equity funding as follows:

- Up to \$10,000 in standalone grant funding
- Up to \$20,000 in matching grant funding
- Up to \$50,000 in micro loan funding
- Up to \$500,000 in guaranteed loan funding
- Up to \$250,000 in equity funding

If an MSME legitimately requires funding in addition to the standalone grant, the SBDC's Investment Committee may approve the MSME for a matching grant and government guarantee. Once the Committee issues the approval letter, the Funding Manager will submit the funding application to our current partners listed below:

- Fidelity Bank
- Royal Bank of Canada
- Bahamas Development Bank
- Bahamas Entrepreneurial Venture Fund
- Simplified Lending
- National Workers Credit Union
- Teachers & Salaried Workers Credit Union
- Bank of The Bahamas
- Commonwealth Bank

Upon the approval of the loan application, financial institution(s) will issue a Loan Offer Letter for the business owner(s) to sign and a Guarantee Agreement for the SBDC's Executive Director and Deputy Executive Director to cosign. Once the Loan Offer Letter and Guarantee Agreement are signed by relevant parties, the financial institution(s) will facilitate loan proceed disbursements. Similarly, upon the approval of the equity application, Bahamas Entrepreneurial Venture Fund will issue an Equity Offer Letter and Dividend Agreement for the business owner(s) to accept. However, equity funding is not backed by a government guarantee.

In the instance where an applicant applies for matching grant along with loan and/or equity funding, the grant proceeds will not be disbursed until the loan and/or equity offer is issued and accepted in writing.

To be eligible for funding under the Guaranteed Loan Programme, a business must:

- Generate less than \$5 million in annual sales;
- Employ less than 50 full-time and part-time staff;
- Have a positive environmental and social impact; and
- Have majority Bahamian ownership with at least 51% controlling interest.