



# Microfinance and Youth Entrepreneurship in Cape Town: An Evaluation

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## Abstract

Microfinance programmes have emerged as a significant tool for supporting entrepreneurship in South Africa's Cape Town region, particularly among young entrepreneurs. A mixed-methods approach was employed, combining quantitative data from a survey of microloan recipients with qualitative interviews focusing on key informants working within the field. The analysis reveals that while microfinance provided initial capital and support for 75% of surveyed entrepreneurs, only 40% reported achieving sustainable business growth over one year. Despite initial success, long-term financial sustainability remains a challenge for youth entrepreneurs supported by microfinance programmes in Cape Town. Microfinance providers should enhance their support services to include training on financial management and market strategies, alongside continued access to funds. Cape Town, Youth Entrepreneurship, Microfinance, Sustainability, Business Growth

**Keywords:** *Cape Town, Microfinance, Entrepreneurship, Youth, Development Economics, Community-Based Initiatives, Qualitative Research*

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