Upscaling African SMEs Post Covid:

Adapting to the New Normal



AFRICAN ASSOCIATION OF ENTREPRENEURS
Supporting Sustainable Entrepreneurship

"Handbook 2023"

Table of Contents

Editor's Note 1

Section 1 - Doing Business in Africa 3
The East African Federation: An African Powerhouse 4
Factors Affecting the Northern Nigerian Business Environment 8
The Impact of COVID-19 on Ghana's Changing Business Environmen 13
The Impact of the Covid-19 Pandemic on Small and Medium Enterprises in Nigeria 20
Challenges Faced by SMEs in Kenya 25
Defying the Odds: Northern Nigerian Female Entrepreneurs And their Challenges 30
SMEs in North Africa: Opportunities and Challenges 36
Solid Waste Management and Recycling In Ethiopia 41
Tax Rights in 2022: What MSEs in Nigeria Need to Know 46
Doing Business in Zimbabwe: A 2022 Synopsis of the Business, Policy, Legal and Regulatory Landscape 54
The Economics of Safety: The Business Case for Zimbabwe 69
Promoting Agricultural Production in the Republic of Congo: Overview, Challenges and Opportunities 83
Challenges and Opportunities for Moroccan SMEs Based on the "Belt and Road Initiatives" Cooperation 88
The Tragedy of Natural Resource Privatisation: Story of Ada Salt Mining Industry 94
Evaluation of Zimbabwe Disaster Rapid Response Mechanism 96

Section 2 - Strengthen/Accelerate Your SME 101
Legal and Financial Environment for Micro-Enterprises in Tanzania 102
No Holding Back – A Zambian Fashion Designer's Journey to Building A Brand in China 112
Deciphering Socio-economic Challenges To A Sustainable Business Environment in Nigeria 116
Harnessing the Potential of Women Entrepreneurs in South Sudan 124

Lessons on the Basic Skillset Every Entrepreneur Must Seek in order to Thrive In their Respective Field 129
Today's Woman: Self-Reliance in Nigeria 134
Mentor, Coach, Expert or Volunteer: What Does My Enterprise Need? 137
Supporting the Informal Sector: Connecting Entrepreneurs to Expert Volunteers 141

Section 3 - African Potentials: The Africa of Our Dreams 144
Exploring the Non-Oil Economy of Angola: Fisheries 145
Economic Significance Of Sole Proprietorship And Its Sustainability of Business Data 150
The Imperative for Green Economy Transition in African Agriculture 156
Rethinking Urbanization as a Key Factor for Business Development in Morocco and Entrepreneurs Mission in it: Why are Entrepreneurs and the Destruction Economy Such Important Aspects in Morocco's Urbanization Planning? 161
The Role of Small and Medium Enterprises (SMEs) in Making Egypt Self-sufficient 166
Subscriber Acquisition Initiatives in Ghana's Satellite-Television : (Pay TV Direct-To-Home Bouquet) Market 173
AAE and China 178
Can We Achieve Sustainable Africa? 180
Help Olawore Transform Fishing Industry 181

Section 4 - Contributors 183

Editor's Note

Welcome to this extraordinary edition of the AAE 2022 magazine, dedicated to the crucial topic of "Upscaling African SMEs Post Covid: Adopting to the New Normal." In this Handbook, we are thrilled to present over 35 meticulously crafted articles written by 27 esteemed contributors hailing from various corners of the world. Each article is a treasure trove of up-to-date data, statistics, and well-referenced insights, providing a comprehensive and cohesive exploration of three key themes: Doing Business in Africa, Strengthening Your SME, and African Potentials: The Africa of our dreams.

Section 1: Doing Business in Africa

This section serves as a compass, guiding readers through the intricacies of doing business in Africa. Our contributors provide valuable perspectives on the challenges and opportunities that entrepreneurs and businesses face in the African market. From navigating regulatory environments to understanding consumer behavior, each article offers an in-depth analysis supported by the latest data and statistics. The purpose and arguments of the articles are meticulously articulated, allowing readers to gain a profound understanding of the opportunities and challenges presented by the African business environment. It offers practical advice and strategies for successfully operating in Africa.

Section 2: Strengthening Your SME

Here, we delve into the strategies and techniques essential for bolstering SMEs in the post-Covid era. The focus areas shed light on contemporary topics and insights aimed at empowering SMEs to adapt, innovate, and thrive in the ever-

evolving business landscape. The cohesiveness and thorough discussion of each article enable readers to gain actionable insights to enhance the resilience and growth of their own SMEs.

Section 3: African Potentials: The Africa of Our Dreams

In this section, we embark on an awe-inspiring journey that unveils the untapped potentials of the African continent. Through articles exploring growth and development across various economics sectors, readers are treated to an array of well-supported arguments, purposefully crafted to showcase Africa's immense growth prospects. Through their thought-provoking articles, they paint a vivid picture of an Africa poised to fulfill its extraordinary potential and become a global powerhouse.

We extend our deepest gratitude to our exceptional contributors, whose self-sacrifice, dedication and expertise have made this edition a remarkable resource for our readers. By seamlessly integrating up-to-date data, statistics, and references, they have elevated the quality of discourse surrounding African SMEs and showcased the immense possibilities that lie ahead. Their collective expertise enriches our understanding of the African business landscape and provides invaluable insights for entrepreneurs, policymakers, and investors alike.

We encourage our readers to immerse themselves in the thought-provoking content within these pages. Each article has been carefully curated to provide a wealth of knowledge and actionable insights. May this edition inspire our readers to forge ahead, leveraging the lessons learned from the past and embracing the opportunities presented by the new normal.

Thank you for joining us on this journey of exploration and discovery towards building a thriving and prosperous Africa.

Warm regards,

Ifeanyi Francis-Shokoya
for the Editorial Team

Doing Business in Africa





The East African Federation: An African Powerhouse?

Kabeeria Kaume

The East African Federation (EAF) is the vision of a united African state composed of six East African Community (EAC) Member Nations. This community currently has Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda as members, with the DRC (upon approval) as the seventh, making a total population of 195 million. The establishment of this federation would result in a landmass of over 2.5 million square kilometers, making it the largest in Africa, in which the largest city would be Dar es Salaam with 7 million people. At present, the GDP of the EAC stands at $224 billion, ranking 49th in the world with a per capita GDP of $1,150. Could this be Africa's first superpower?



Image 1 : EAC Flag (Source: East African Community).

Reasons for hope

[1]*Overview of EAC, East African Community, 2018.* [2]*Martin, Rhys. "East African Federation Looks Set for Further Delay." Global Risk Insights, 2021.*
[3]*Kasaija, PA. "Regional Integration: A Political Federation of the East African Countries?" African Journal of International Affairs, 2010.*

East Africa has been the fastest-growing region in Africa for decades. Uganda, Kenya and Rwanda have each had 5, 6 and 7% growth respectively in 2010 until the pandemic. Collectively, the EAC's GDP has grown 92% from $106 billion in 2010 to $204 billion in 2019.

The EAC embodies modern cooperation with an old history. Kenya, Uganda and Tanzania were united as a colony in 1919 under the British empire before transitioning into the East African Community in 1967, which at the time used the East African shilling and standard external tariffs. This was subject to collapse in 1997

following diversity in the political system, including dictatorship under Idi Amin, socialism under Mwalimu Nyerere and capitalism under Mzee Kenyatta. In 1999, the community was revived under the EAC Treaty with a four-step plan:

A. Customs Union
B. Common Market
C. Monetary Union
D. Political Federation

The motivations behind this were numerous, seeing that there is a shared cultural identity and that even semi-autonomous states can be part of a greater union. A similar dominant tropical savanna climate has been noted within the community, which lends itself to similar agricultural and seasonal practices. At present, the lingua franca is English but was recently changed to Swahili, which is spoken by about 200 million persons in Africa.

Strides to unity

Many have posited that religion is key to political and social stability in any union, with the most widespread religion in this region being Christianity. 140 million Christians live within the EAC, comprising roughly 78% of the population. The second most significant religious identity within the community is Islam. This is important because the split of South Sudan from the Republic was a key part of their annexation and is easily seen as a separation of the Christian and Muslim populations from the former country. Ensuring the stability of the region will no doubt require cooperation from both faiths and their adherents.

The first African superpower?

The leading strength this federation would have if properly harnessed is its massive youth demographic. The EAF would have a median age of 17.8 years and ensuring these youths are on the path towards economic independence is vital to the success of the federation. Several plans are in place to ensure the

right infrastructure is in place. Mombasa is the largest seaport in the region and a massive economic and cultural hub that services the interior, which will be dwarfed by the $22 billion Lamu port, expected to be the biggest in Africa upon completion. The continued expansion of all airports in the region and attraction to international investors is on a steady rise. The federation's proposed capital is Arusha in Tanzania, with a population of around 400,000 people. The city has served as a centre for diplomacy for several years, and was where the civil war in Rwanda was brought to an end through the peace and reconciliation agreement. Even when the SPLM party was near collapse, the agreement for South Sudan was settled in Arusha. The city is fairly central in the federation and has served as the headquarters of the East African Community.

It is from Arusha that much progress has been made. The Customs Union was established in 2005, and Rwanda and Burundi joined the community in 2007. The 2010 East African Common Market Protocol was intended to foster an open market zone to improve the exchange of people, goods, services and capital within the community. Zero tariffs and minimal duties have shown promise within the region. Having this backed by the East African shilling will no doubt raise the region's monetary strength.

Teething problems

The Common Market still has further to go, as imports that undercut local businesses are often denied entry to neighbouring markets. Kenya has locked out Ugandan milk, timber, sugar and maize. South Sudan joined in 2016 and the Republic of Sudan also sought entry in 2011, but was denied for poor relations with South Sudan and Uganda. In 2013 all member states committed to progressively unite monetarily by harmonizing their monetary and fiscal policies, while Kenya, Uganda, Tanzania and Rwanda simultaneously unveil their national budgets in June. This union is still quite far off. Seeing how differently each currency performs, convergence will be difficult since each nation still has its own currency and seems to benefit or be short-changed depending on their current fiscal strength.

There are plans to fast-track the daunting political federation alongside the monetary union. In 2018, a committee from the six Member States was set up to draft a regional constitution to be unveiled in 2022 for ratification in 2023. Should the addition of the DRC to the federation be approved, the area of the federation would double, making it the 7th largest and 4th most populous region in the world after the USA, with a population of 285 million people. DRC has a GDP per

[4] *Kasaija, PA. "Regional Integration: A Political Federation of the East African Countries?" African Journal of International Affairs, 2010.*
[5] *Ikuya, James Magode. "Why the Current Clamor for East African Federation Cannot Produce Unity." Development, 2017.*

capita of $500 making it among the poorest in the world, however, its resources and a port on the Western coast of Africa would provide the EAC with the potential to determine the path of development for sub-Saharan Africa.

However as mentioned above, there is much to be done. Citing underfunding and political tension between Burundi and Uganda, Rwanda boycotted talks in 2021 claiming that the two countries supported opposition political movements in Rwanda. Failed talks in October 2021 also show how complex this final leg is proving to be. Poverty is still a major issue to be addressed in the community. It is no doubt a worthy vision for the continent-wide pan-African federation to truly realize the potential of Africa rising to determine her own fate.

References

EAC. East African Community Annual Report 2014-2015. East African Community, 2016, http://repository.eac.int/handle/11671/24334.

EAC. Overview of EAC, East African Community, 2018, https://www.eac.int/overview-of-eac#:~:text=The%20EAC%20is%20home%20to,over%2022%25%20is%20urban%20population.

EAC. Towards Political Federation in the East African Community: Achievements and Challenges. East African Community, 2014, https://www.eac.int/documents/category/political-federation.

Ikuya, James Magode. "Why the Current Clamor for East African Federation Cannot Produce Unity." Development, vol. 60, no. 3-4, 2017, pp. 197–200, https://doi.org/10.1057/s41301-018-0163-8.

Kasaija, PA. "Regional Integration: A Political Federation of the East African Countries?" African Journal of International Affairs, vol. 7, no. 1-2, 2010, https://doi.org/10.4314/ajia.v7i1-2.57213.

Martin, Rhys. "East African Federation Looks Set for Further Delay." Global Risk Insights, 20 Mar. 2021, https://globalriskinsights.com/2021/03/east-african-federation-looks-set-for-further-delay/.

Owaka, Simon. 21st Ordinary Meeting of the Summit of the EAC Heads of State Postponed, East African Community, 2022, https://www.eac.int/press-releases/1626-21st-ordinary-meeting-of-the-summit-of-the-eac-heads-of-state-postponed.

[6] *Owaka, Simon. 21st Ordinary Meeting of the Summit of the EAC Heads of State Postponed, EAC, 2022.*
[7] *Martin, Rhys. "East African Federation Looks Set for Further Delay." Global Risk Insights, 2021.*



Factors Affecting the Northern Nigerian Business Environment

Aisha Ahmad

Nigeria is an indigenous country located in West Africa. It has a population of 211 million people, the most populous in Africa, and covers a span of 923,769 square kilometres. Nigeria is made up of 36 states with its capital located in the Federal Capital Territory, Abuja. Lagos is the largest city in Nigeria and also one of the largest metropolitan areas in the world. The three major ethnic groups in Nigeria are Hausa, Yoruba, and Igbo. Nigeria is divided into six geopolitical zones: North Central, North East, North West, South East, South West, and South-South (Niger Delta region). There are about 400 ethnic groups and 450 different languages, which is why these zones are not just classified by geographical locations, but by similar languages, cultures, and political histories.

For this research, we will focus on the Northern Nigerian business environment. Northern Nigeria is made up of states from the North East, North West, and North Central. Although it is

comprised of different tribes and ethnic groups, the universal language is Hausa and the major religion practiced is Islam. It also shares similar cultures and traditions. Kano, Kaduna, and Abuja are the three biggest hotspots for business in the North. Kano is the second-largest city in Nigeria, with a population of over four million, and is a major route for trans-Saharan trade. It has the largest commercial market for entrepreneurs providing all kinds of goods and services. Kaduna is currently the number one spot for investment in Northern Nigeria, offering various growth opportunities. Abuja is the second state in Nigeria with the highest IGR per population in H1 2021.

Northern Nigerian Business Environment

A business environment is a collection of factors, both internal and external, that directly or indirectly affect the workings and growth of an organisation. Before starting a business, a manager needs to analyse the business environment and the factors affecting it, including its strengths and weaknesses, by using market information. This will help avoid making costly mistakes, wasting resources on unnecessary products, and ensuring a business achieves return on investment (ROI) or reaches break-even. One of the tools used to analyse a business environment is the PESTLE Analysis, which encompasses political, economic, sociocultural, technological, legal, and environmental factors. PESTLE analysis, as well as primary and secondary data, will be used to examine the business environment in Nigeria, with a focus on the North.

What are the factors affecting the business environment in Northern Nigeria? To get a good grasp of what business owners in Africa experience from their start-up stage, I used both primary and secondary data, including my survey of several entrepreneurs: Aliyu Bello Aliyu, CEO of MyClinic.ng, a healthcare technology company focused on affordable digital inclusion for African hospitals; Hadiza Abarshi, CEO of a business that provides purely natural fruit juices; and Faridah Kyari, owner of a bakery business and a catering home-based school for young women. In a PESTLE format, these are the factors that affect the business environment:

1. **Political Factors**: Despite its economic potential, some of Northern Nigeria's regions face some level of violence. The high tension, civil unrest, and rampant insecurity have made it hard to do business there. Bandits and kidnappers have displaced a lot of residents in those areas, thus affecting businesses. As we all know, lack of security takes away

investments from cities. For instance, the production of rice in Zamfara and Kebbi has been severely affected by bandits who hold local farmers to ransom before they can harvest their goods, thus driving up the prices of the food.

Notwithstanding, the security situation has improved in the North-Eastern part of Nigerian and business activities are still booming in many states.

2. **Economic Factors**: Operating a mono-economy with a heavy reliance on the oil sector, Nigeria's economic situation has faced its woes following the pandemic situation. The revenue generated is low, and when distributed across the federal, state, and local governments, not much is left to pay salaries. This leaves disposable income very low, making it hard for families to afford their basic needs.

Nigeria has a high rate of unemployment, which provides an opportunity for businesses and foreign organizations to have more access to labour and outsource their labour-intensive units to Nigeria.

3. **Sociocultural Factors**: The dominant religion in the North is Islam and it affects the business and investment choices people make. For instance, Northerners will not engage in certain profitable businesses like alcoholic beverages, pork meat, or gambling/betting because these are all prohibited in Islam. Kano State has banned the sale of alcoholic beverages. Also, most Northerners refuse to get bank loans for capital funding because of interest (riba) which is strictly prohibited under Islamic laws. It is on this basis that MyClinic.ng started a health insurance scheme with one of the biggest non-interest Islamic financial institutes in Nigeria, Jaiz Bank. Religious and cultural beliefs play a big role in the Northern business environment and affect many business decisions. To invest in a Northern business, non-interest loan options should be provided.

4. **Technological Factors**: Northern Nigeria is a region of agriculture. But most rural parts are disconnected, with no railway tracks to transport goods across state lines or into the cities. However, there is some good news for entrepreneurs and potential investors on that front as railways and trains are being commissioned that will create major trade routes linking the North and South and its ports for export trades.

Another challenge is the lack of proper education on how to integrate modern tools with technology and resources into businesses to drive up productivity and maximize profit. With the world

transitioning into a digital age where everything is now online, Nigeria is not left behind as there are several successful tech start-ups, and tech schools with both in-person and online learning options. There is increased use of online facilities by businesses as staff work remotely post-COVID. It is imperative that any entrepreneur has basic tech skills or has a co-founder who is tech-savvy to lower the cost of operation. Most Northern business start-ups spend a lot of money on getting software developers, product managers, data scientists, and so on. A huge sum of their capital is spent on outsourcing the work, which pushes achieving ROI back a year.

5. **Legal Factors**: Through NIRSAL MicroFinance Bank, a sum of N50 Billion credit facility has been created to assist households and MSMEs (micro, small and medium-sized enterprises) that were hit by the COVID-19 pandemic. Interest rates have also been reduced from 9 percent to 5 percent, which goes a long way in ensuring businesses have enough starting capital and achieve faster break-even without the threat of heavy interest reimbursement. The Central Bank of Nigeria loan ratio has also been increased to make sure Deposit Money Banks (DMBs) can continue to give out lower interest and longer-term credit to businesses.

Another factor that affects the business market in Nigeria as a whole is the lack of mentorship. As start-up founders with no experience, entrepreneurs are bound to make avoidable mistakes. This is due to the general lack of experience in navigating the business environment. Mentorship creates value for the involved parties. With the right mentorship, a business can grow at an accelerated rate, saving time and cost, and soon reaches break-even. This is because mentors who have more experience, have navigated the waters, and are more knowledgeable on efficient approaches to intrinsic and extrinsic environmental factors can provide the necessary insights. They could also provide an entry into the market, as existing parties.

Recommendations

Conflict and violence have collectively affected the business environment and further depressed the economy of the region. While the business environment is improving and blooming, there is need for concerted effort from both government and international bodies to invest in this region.

Active mentorship programs should be implemented for upcoming entrepreneurs to access necessary guidance, knowledge, and insights. Mentorship brings together a

community of similar-minded individuals with common goals and interests, and this will have long-term benefits going forward.

References

Articles

"Business environment." Toppr, https://www.toppr.com/guides/business-environment/.

"The enterprise and Nigerian business environment." BarterNG, 26 February 2022, https://barterng.com/entrepreneurship/nigerian-business-environment/.

"Geopolitical zones of Nigeria." *Wikipedia, Wikimedia Foundation, 27 February 2022, https://en.m.wikipedia.org/wiki/Geopolitical_zones_of_Nigeria.*

Interviews

Abarshi, Hadiza. Interview. By Aisha Ahmad. 3 March 2022.

Aliyu, Aliyu Bello. Interview. By Aisha Ahmad. 28 February 2022.

Kyari, Faridah. Interview. By Aisha Ahmad. 4 March 2022.



The Impact of COVID-19 on Ghana's Changing Business Environment

Benedicta Mensah

Ghana sits on the Atlantic Ocean and borders Togo in the east, Cote d'Ivoire in the west, and Burkina Faso in the north (World Bank 2021). It has a population of approximately 31.07 million people (2020) and is the second most populous country in West Africa after Nigeria. Ghana is a multi-ethnic country rich in natural resources as well as one of West Africa's most stable and democratic countries (Central Intelligence Agency 2022). Over the last two decades, the country has made significant strides toward democracy through a multi-party system, with its independent judiciary earning public trust. Ghana has consistently ranked in the top three countries in Africa for freedom of expression (World Bank 2021). It has maintained one of the continent's most free and stable governments since 1993 and ranks relatively well on measures of healthcare, economic growth, and human development (Ateku 2017; Wikipedia 2022).

Ghana's economy is diverse and resource-rich, with industries ranging from manufacturing and exporting digital technology goods, to automotive and ship construction and exportation, as well as the export of diverse and resource-rich resources such as hydrocarbons and industrial minerals. The economy is heavily reliant on primary commodity exports such as gold, cocoa, and oil. As a result, Ghana now has one of the highest GDP per capita in West Africa and became the world's fastest-growing economy in 2011 (Wikipedia 2022). Ghana is classified as a middle-income country (Central Intelligence Agency 2022; Wikipedia 2022). The services sector accounts for 50% of GDP, followed by manufacturing (24.1%), extractive industries (5%), and taxation (20.9%) (Ghana Statistical Service 2012; Central Intelligence Agency 2022). 82% of Ghanaians are employed in the public sector, while 20% are employed in the private sector (Ghana Statistical Service 2015).

Ghana's business environment is marked by rapid economic growth and steady innovation (Expat Arrivals 2022). In Ghana, businesses can be either limited-liability corporations incorporated under Ghanaian law or foreign firms incorporated under the rules of another country. The law allows Ghanaians and non-Ghanaians to own a majority or a minority stake in local businesses. The current most profitable businesses in Ghana include technology accessories, alcoholic beverages, toiletries, jewelry, construction materials, pharmaceuticals, beauty salons, food industry, and herbal medicine (Fada 2018). Ghana has been an attractive investment destination for the past two decades due to its relative



political stability and improved macroeconomic prospects (PricewaterhouseCoopers2018). The World Bank and the International Finance Corporation's 2017 Doing Business report put Ghana at 108th out of 190 nations for overall ease of doing business, up three places from 2016 (World Bank 2022). Ghana's investment attractiveness also stems from government actions such as law amendments aimed at addressing the hurdles to the country's development as a West African economic hub. Ghana's "getting credit" score of 60 is higher than the sub-Saharan African region's (45.2), as evidenced by three indicators: legal rights strength, credit information depth, and credit bureau coverage. In Ghana, getting an energy connection takes four procedures and 55 days, whereas in sub-Saharan Africa, it takes at least five procedures and 109 days. Sub-Saharan Africa has a score of 38.5 for "safeguarding minority investors," which is 20 points worse than Ghana's score of 60.0. According to the World Bank, complying with tax regulations in Ghana takes an estimated 226 hours per year, about five times the amount of time it takes in the most effective tax regimes.

Additional initiatives being implemented by the government to improve Ghana's attractiveness as an investment destination include a review of the Ghana Investment Promotion Centre (GIPC) (PricewaterhouseCoopers 2018; Bin Salih 2020). The structure mimics that of a mature or stable economy, with industrial and service sector expansion driving total economic growth. A number of governmental efforts relating to agriculture and industry are projected to stimulate growth. The information and communication sub-sector is predicted to drive further growth in the services sector (PricewaterhouseCoopers 2018). Ghana's ease of doing business reflects the government's success in implementing programs that have increased Ghana's appeal to foreign investors (Bin Salih 2020). The World Bank argues that Ghana has the potential to accelerate economic development and create more and better jobs over the next several decades, if not for the COVID-19 pandemic. It may accomplish this by promoting further global integration, technological transformation, macroeconomic stability, and financial sector development, according to the World Bank's most recent economic review of the country (World Bank 2021). However, Ghana's rapid growth was slowed by the COVID-19 pandemic, the March 2020 lockdown, and a precipitous drop in commodity exports (World Bank 2022).

The COVID-19 pandemic has had a devastating effect on economies, businesses, and consumers worldwide, particularly in terms of crisis management, supply chains, liquidity, and operations (Oxford Business Group 2022). Without a doubt, the impact on businesses has been far-reaching, and businesses in Ghana have been equally impacted (Cudjoe 2021). At first, only central banks and the broader banking community were initially impacted by these disruptions (Oxford Business Group 2022). The pandemic's disruptions resulted in massive revenue losses—including a GH2.2 billion shortfall in non-oil tax revenue. Additionally, it resulted in a downward revision of the country's GDP growth target for the year from 6.8% to 1.9%. According to the Ghana Statistical Service (GSS), during the partial lockdown of two major cities in Ghana (Accra and Kumasi), more than a third (35.7%) of business establishments were closed (temporarily or permanently), compared to nearly a quarter (24.3%) of household firms. As reported by the IMF, the economic shock manifested itself initially through trade disruptions with China, commodity price declines, and tightening financial conditions, even before the first confirmed case on 12 March 2020 (IMF 2020; Cudjoe 2021). While several businesses were forced to close or close partially as a result of the pandemic, a critical factor that drove many businesses into the abyss was the announcement of lockdowns by numerous governments worldwide. As a result, the partial lockdown had a detrimental effect on the revenue of many of these businesses. The current developments have made their recovery extremely difficult.

In 2020, Ghana's economy was badly impacted by the COVID-19 crisis, with the tourist and service sectors suffering the most, and the agricultural sectors suffering the least (Adu-Ababio et al. 2021). The new COVID-19 Business Tracker Survey, conducted across the country between 26 May and 17 June 2020 by the Ghana Statistical Service (GSS) in collaboration with the United Nations Development Programme (UNDP) and the World Bank, revealed that the COVID-19 pandemic has had a significant impact on Ghanaian businesses, forcing many to cut costs through reduced staff hours, wage reductions, and, in some cases, layoffs (World Bank 2022). In general, the findings indicated that businesses experienced shocks in supply and demand for goods and services during the country's COVID-19 partial lockdown. About 131,000 businesses reported having difficulty obtaining financing and expressing uncertainty about the business environment (World

Bank 2022). The poverty rate is increasing again, rising from 11.1% in 2019 to 11.3% in 2021 (Statista 2022). The economic crisis has had a tremendous impact on ordinary people's lives as well. Ghana's fiscal deficit grew in 2020, and the country's national debt surpassed 78% of GDP, putting it in debt distress (Trading Economics 2022).

Countries hardest hit by the pandemic have implemented aggressive fiscal and monetary policy measures to address the health crisis's challenges, including rate cuts (Oxford Business Group 2022). Since the first detection of COVID-19 in March 2020 in sub-Saharan Africa, Ghana has undertaken a range of containment measures to combat the pandemic, as well as a variety of tax-benefit policies to cushion society from the significantly reduced economic activity, comparable to many of its peers. In addition to the comprehensive tax-benefit system in place prior to the crisis, the government implemented a number of discretionary policy initiatives. Supportive policy measures have benefited low-income households (Adu-Ababio et al. 2021).

Despite the economic stress on Ghana as a result of the pandemic, the business sector has transformed to mitigate the impact. One such transformation is the significant acceleration of digital transformation, which is propelling the growth of the digital economy to new heights. This has provided new opportunities, particularly for small businesses that are still struggling to adopt digital tools. Due to the economic freeze, many businesses have been forced to reinvent themselves to adapt to the new reality or face closure (Guarda 2021). Other sectors that have seen a boost include local product and service production, especially with delivery services. Despite the various discretionary policies implemented, simulations point to an increase in poverty and inequality. Overall, the negative effects of the lockdowns outweighed the positive benefits of the measures and resulted in a rise in poverty (Adu-Ababio et al. 2021).

References

Articles

Ateku, Abdul-Jalilu. "Ghana Is 60: An African Success Story with Tough Challenges Ahead." The Conversation, 7 March 2017, https://theconversation.com/ghana-is-60-an-african-success-story-with-tough-challenges-ahead-74049

Bin Salih, Hafiz. "Ghana's Business Environment. Doing Business in Ghana." GRIN Verlag, 2020,

https://www.grin.com/document/909272.

Cudjoe, Kizito. "How COVID-19 Is Impacting the Future of Businesses in Ghana." Ghana Business News, 15 March 2021, https://www.ghanabusinessnews.com/2021/03/15/how-covid-19-is-impacting-the-future-of-businesses-in-ghana/.

"Doing Business in Ghana." Expat Arrivals, 2022, https://www.expatarrivals.com/africa/ghana/doing-business-ghana.

Fada, Uwa. "10 Most Profitable Businesses in Ghana." BuzzGhana, 2018, https://buzzghana.com/profitable-businesses-ghana/.

Guarda, Dinis. "Covid-19 Impact On Businesses: Building Resilience in the Digital Economy." IntelligentHQ, February 2021, https://www.intelligenthq.com/covid-19-impact-on-businesses-building-resilience-in-the-digital-economy/.

IMF African Department. "Ghana: Request for Disbursement Under the Rapid Credit Facility-Press Release; Staff Report; and Statement by the Executive Director for Ghana." Country Report No. 20/110, 16 April 2020, International Monetary Fund, https://www.imf.org/en/Publications/CR/Issues/2020/04/16/Ghana-Request-for-Disbursement-Under-the-Rapid-Credit-Facility-Press-Release-Staff-Report-49337. Accessed 8 Apr. 2022

Policy Papers

Adu-Ababio, Kwabena, Osei, Robert Darko, Pirttila, Jukka and Rattenhuber, Pia. "Distributional Effects of the COVID-19 Pandemic in Ghana." UNU-WIDER Policy Brief, United Nations University, October 2021, https://www.wider.unu.edu/publication/distributional-effects-covid-19-pandemic-ghana.

"Ghana Can Create Better Jobs through Accelerated Economic Transformation." World Bank, The World Bank Group, 24 November 2021, https://www.worldbank.org/en/news/press-release/2021/11/24/ghana-can-create-better-jobs-through-accelerated-economic-transformation.

"How Did Ghana's Capital Markets Handle the Covid-19 Pandemic?" The Report: Ghana 2022, Oxford Business Group, March 2022, https://oxfordbusinessgroup.com/analysis/weather-storm-measures-taken-ease-impact-covid-19-pandemic.

Data Sources

"Business Enabling Environment." World Bank, The World Bank Group, 2022, https://www.worldbank.org/en/programs/business-enabling-environment.

"Doing Business and Investing in Ghana." PricewaterhouseCoopers, 2018, https://www.pwc.com/gh/en/pdf/doing-business-and-investing-gh.pdf.

"Economy of Ghana." Wikipedia, Wikimedia Foundation, 23 March 2022, https://en.wikipedia.org/wiki/Economy_of_Ghana.

"Ghana." The World Factbook, Central Intelligence Agency, 30 March 2022, https://www.cia.gov/the-world-factbook/countries/ghana/.

"Ghana." Wikipedia, Wikimedia Foundation, 24 March 2022, https://en.wikipedia.org/wiki/Ghana.

"Ghana Government Debt to GDP." Trading Economics, April 2022, https://tradingeconomics.com/ghana/government-debt-to-gdp.

"Integrated Business Establishment Survey." National Employment Report, Ghana Statistical Service, September 2015, https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/NATIONAL%20EMPLOYMENT%20REPORT_FINAL%20%2024-5-16.pdf.

"International Poverty Rate in Ghana from 2017 to 2022." Statista, 2022, https://www.statista.com/statistics/1222084/international-poverty-rate-in-ghana/.

"Revised Gross Domestic Product 2011." National Accounts Statistics, Ghana Statistical Service, April 2012, http://www.statsghana.gov.gh/docfiles/GDP/revised_gdp_2011_april-2012.pdf.

"The World Bank in Ghana - Overview." World Bank, The World Bank Group, 11 October 2021, https://www.worldbank.org/en/country/ghana/overview#1.



The Impact of the Covid-19 Pandemic on Small and Medium Enterprises in Nigeria

Fenan Kalaty

The Covid-19 virus knows no borders, as nations worldwide have been directly impacted by it through many avenues, including in major economic sectors (Ameji et. al 41). Regardless of the progress of their economic development, the Covid-19 epidemic has negatively impacted business sectors globally (Ameji et. al 41). Nigeria, a country in Sub-Saharan Africa, with the most populated Black nation of approximately 200 million people, is indeed included by the impartation of the pandemic (Ameji et. al 41).

Statistically-speaking, 94 percent of global and local businesses in Nigeria have been affected in one form or another by the COVID-19 virus, according to a 2020 study by KPMG (Oyewale et. al 1).

Indeed, small and medium enterprises (SMEs) are no exception. SMEs are a larger portion of the foundation of major developed economies as they provide

significant employment, and even increase export services (PWC). In Nigeria, for instance, SMEs provide 84% of employment and contain 48% of the national GDP (PWC). Although defined by the World Bank as compromising approximately 300 employees, in Nigeria, they constitute a smaller scale of an estimate of 50 employees (Aderemi et al. 251). As 90% of businesses in Nigeria are SMEs (Gbandi and Amissa 329) and comprise approximately 41.4 million businesses according to the National Bureau of Statistics (Aderemi et al. 252), the impact of SMEs by the Covid-19 affliction of critical concern. Existing issues by SMES in Africa, including Nigeria, such as poor electricity from a micro-level, and lack of regulatory framework from a macro- perspective, have been further amplified by the pandemic. Yet, novel issues have also immediately or progressively emerged among SMEs due to the Covid-19 contagion in Nigeria (Gerald et. al 42).

Productivity

In grappling with the Covid-19 pandemic, the Nigerian government has used measures to reduce the spread of the virus (Oyewale et. al 2). One method was the closure of essential services, ranging from schools to worship centers, and even including some businesses (Oyewale et. al 2). The closure of SME essential services proved to decrease productivity among employed staff members. That is, the supply of labor was reduced as either many were unwell due to contracting the Covid-19 virus, or were forced to not attend work due to having dependents at home because of the Government mandate of restriction of activities, school, etc. (Ameji et. al, 2020 42). As a result of workers being absent from work, they could be laid off or on the other hand could be unable to receive proper pay for their work due to decreased business activities (Ameji et. al, 2020, p. 42). Other SMEs had no choice but to reduce the working hours of their employees as well (Edgecliffe in Bulurafa and Adamu 77).

In Nigeria, SMEs employees were very largely negatively affected, as they constitute 70% of the working population (Ademeri et. Alm 253). The unemployment percentage, including individuals employed by SMEs, has significantly increased from 23.1% to 33.5% between 2019-2020, according to the National Bureau of Statistics (2020) (Bulurafa and Adamu 77). It can thus be said that because of the upward trend of unemployment in Nigeria, it put individuals at a greater risk of poverty (Bulurafa and Adamu 77).

Finances

SMEs in Nigeria have also faced financial setbacks as a result of the Covid-19 outbreak. In a recent study, 94% of business interviewees revealed that they experienced a downfall in finances in terms of cashflow, sales, and revenue (Oyewale et. al 3). They even face the risk of closing their businesses since they were unable to manage their accruals (Schrank et. al in Bulurafa and Adamu 77). In a different study by (Ameji, 2020 49), that took place in Lokoja, Kogi State of Nigeria, it demonstrated that the monthly earnings of the SME business owners significantly reduced, and they even had issues getting loans and other forms of credit since they were only offered at very high interest rates.

As mentioned, the Nigerian government closed businesses that provided essential services to minimize the spread of the Covid-19 virus among the population. One study by Ademeri et. al (259) aimed to explore the impact of Covid-19 on 100 SMEs engaging in three types of essential needs, in terms of food/consumables, pharmaceuticals, and oil gas. This study was particularly located in the Sango-Ota industrial neighborhood in Ogun State, Nigeria. Based on the results of questionnaire data, the results indicated that the SMEs only experienced a medium-sized decrease in production and sales during Nigerian mandate lockdown closures. In comparison to the substantial reduction from SMEs overall, as indicated in other studies noted above, the moderate decrease in production and sales is likely due to the provision of mandatory services by the SMEs. Yet, interestingly, they did experience a significant decrease in their contracts and deliveries.

Youth Owners and Employees

Another angle that has been examined on the Covid-19 pandemic's impact on SMEs is that which related to youth or young individuals being employed by SMEs, either as owners or workers. Largely taken from the study by Ogar et. al (24) which analyzed this specific topic, they found that due to the closure of businesses and therefore the loss of employment and entrepreneurial income by youth in Nigeria, that unfortunately youth often went into a different direction of earning income. For instance, they quote that “most youths are now engaged in antisocial vices and crimes like kidnapping, armed robbery, rape, drug addictions, ritual killings, violence and cybercrimes” (Ogar et al 24). While this may be an extreme statement, we see that there was a sense of desperation to earn income because of their loss of legitimate income by the young population employed either as

staff or as entrepreneurs in Nigeria.

In addition, in a different study, they found due to business closures and losses, youth proprietors and workers were forced to move from the urban city centers where their business was normally doing well, to the rural areas to conduct their business activities (Ogar et. al 25). This was since they found that the pandemic did not hit hard in the rural areas in comparison to the urban centers (Ogar et. al 25). Altogether, we can see that youth attempted to provide as many solutions as possible to re-earning their income, whether that was moving from the urban to the rural centers for better business opportunities, or even to turn to crime-related activities, simply to sustain themselves financially as prior business owners or workers of SMEs.

Recommendations

Essentially, we see that the Covid-19 outbreak has had a negative effect on SMEs in Nigeria through the factors of productivity, finances, and among youth proprietors and workers of SMEs. Based on these three criteria of impact, it is clear the Covid-19 pandemic knew no boundaries in the business sector of Nigeria, particularly among SMEs. Some authors have provided recommendations in their scholarly articles on how these unfavorable dilemmas could be alleviated going forward. For instance, the authors Aderemi et. al (259) recommend that "the government should set aside emergency fund targeting SMEs in the country. Deferment of taxes or waiver of taxes, lower interest rate could also be embarked on by the appropriate policy makers to make SMEs remain afloat during and after COVID-19 pandemic". In addition, Ameji et. al (50) state an interesting point in terms of modifying the mode of business activities among SMEs in Nigeria: "SMEs could also improve on its performance by participating on online-based platforms and visual services in order to sustain their business activities during lockdown and movement restrictions". As such, it can be said with the application of these types of recommendations, among others, the negative impact of the Covid-19 public health problem on SMEs in Nigeria could indeed be improved over time.

Journal Articles

Ameji, Enemona Negedu, Usio Uchechi Taiga, and Muhammed Amade. Covid-19 Pandemic and Performance of Small and Medium Scale Enterprises (Smes) in Lokoja, Kogi State, Nigeria.

Bularafa, Bukar Ali, and Umar Garba Adamu. Effect of Covid-19 Pandemic on Sme Performance in Nigeria. 3 Vol.

Global Academic Excellence (M) Sdn Bhd, 2021.

Chris-Valentine Ogar, Eneji, et al. "Assessment of the Socioeconomic Impact of Covid-19 Pandemic on Small and Medium Scale Business Enterprises: Nigerian Youths in Perspective." Journal of world economic research (Print) 10.1 (2021): 18.

Gbandi, E. C. and G. Amissah. "Financing Options Available to Small and Medium Scale Enterprises (SMEs) in Nigeria: A Critique." The business & management review (Harrow) 3.1 (2012): 278. ProQuest Entrepreneurship.Gerald, Emejulu, Agbasi Obianuju, and Nosike Chukwunonso. "Strategic Agility and Performance of Small and Medium Enterprises in the Phase of Covid-19 Pandemic." International Journal of Financial, Accounting, and Management 2.1 (2020): 41.

Oyewale, Abioye, Ogunniyi Adebayo, and Olagunju Kehinde. Estimating the Impact of COVID-19 on Small and Medium Scale Enterprise: Evidence from Nigeria.

Schrank, Holly L., Maria I. Marshall, Adrienne Hall-Phillips, Renee F. Wiatt, and Nicole E. Jones. "Small-Business Demise and Recovery After Katrina: Rate of Survival and Demise." Natural hazards (Dordrecht) 65.3 (2012): 2353-2374.

Timothy Ayomitunde Aderemi, et al. "Impact of Corona Virus (COVID-19) Pandemic on Small and Medium Scale Enterprises (SMEs) in Nigeria: A Critical Case Study." Acta Universitatis Danubius. Œconomica 16.4 (2020): 251-61.

Newspaper Articles

Edgecliffe-Johnson, A. "Coronavirus Lay-offs Split Corporate America". Financial Times, New York, 2020. Accessed from www.ft.com

Photos

Azeez, Omobayo. "Figure 1." Business A.M. 16, July 2020. Accessed from: https://www.businessamlive.com/study-shows-73-nigerian-smbs-on-facebook-express-optimism-amid-pandemic/

Website Articles

PWC. "Nigeria SME Survey". PWC. Accessed from: https://www.pwc.com/ng/en/events/nigeria- sme-survey.html



Challenges Faced by SMEs in Kenya

Margarita Wesonga Raila

Small and medium enterprises (SMEs) are an integral part of the Kenyan economy —more than 30% of the annual jobs are created by SMEs. (Wakiaga, 2018).

The majority of Kenyan SMEs are in the informal sector, popularly known as jua kali. According to estimates, the jua kali sector contains 98% of the business in Kenya, contributing 30% of jobs and 3% of Kenya's GDP (KAAA, 2017). Due to the informal nature that these jua kali SMEs operate under, most of the information about them is often based on estimates. The amount of money they make is also hard to confirm since they seldom use the traditional banking systems.

For a long time, the government has created policies that favour SMEs but implementation of these policies is hindered by massive corruption at the highest levels of government, (Ngunjiri, 2010). This corruption has led to a bad relationship between the government and entrepreneurs.

The impacts of the Covid-19 pandemic adversely affected many businesses, and some closed down. The government of Kenya, as in other parts of the world, put in place measures to help businesses, including a reduction in taxes. Many small companies benefited from the measures and could keep a few employees on the payroll. However, the measures did not benefit SMEs as it did the large corps. As the pandemic eases across the globe, recovery has started for SMEs in Kenya but entrepreneurs still face the challenges that were in existence before the pandemic. These problems have remained unaddressed for a very long time; if they are addressed, there could be major changes in the way the Kenyan economy develops. These challenges are discussed below.

The Unaddressed Challenges

SMEs in the country face a lot of challenges. Despite the government coming up with favourable policies there still are problems that are yet to be solved.

Access to credit

Credit is an integral part of any business in Kenya. However, many SMEs cannot get access to cheap loans to scale up their operations. One of the reasons is that most commercial banks ask for tangible collateral before giving out loans. Since most entrepreneurs have no land titles to use, they fail to qualify for the loans.

Most SMEs in the informal sector do not use banks and prefer to do their transactions using cash. This means that they do not build a credit and have no relationships with banks where they can access loans whenever needs arise.

Mobile lending is rising in Kenya. Most young people have used these mobile platforms to borrow sums but have defaulted on payments (Maina, 2021). These defaults are listed with credit reference bureaus and make it hard for the youth that may be interested in setting up a business to access mainstream credit. These youth therefore turn to non-deposit taking microfinance institutions (MFIs) for expensive loans. These MFIs prey on individuals who have bad credit scores but disposable assets, such as cars. Often, the repayment of these loans consumes most of the money that an SME makes and leads to closure of the business.

I talked to Josephat Vaati, a victim of predatory MFI practices. Josephat once had a successful business baking and delivering cakes in Wamunyu town and its environs. He says he had his sights set

on expanding his business and was setting up a modern kitchen to improve and expand his service. Due to his lack of good credit, he could not get a loan from a bank. However, he managed to get a loan from a non-deposit taking MFI. Josephat used his delivery van's logbook as collateral for his loan. After a few months, he was short of cash and the MFI refused to restructure the loan. He lost his van. Now his delivery service is in jeopardy as he has to pay motorcycle riders to do his deliveries. The loan repayment plus the extra delivery costs have eaten into his profits, and he is barely making ends meet.

Josephat is one of the many business owners who have suffered in the hands of unregulated lenders in the country. The Central Bank of Kenya has made efforts to try and curb these institutions, but they face the challenge of the MFIs not following the same regulatory regime as banks. There also seems to be a lack of political will to regulate these institutions.

Inadequate managerial training

Most of the individuals that establish SMEs are not trained in management, (Kasi Insights, 2021). They set up business and try to wing it by learning and unlearning along the way. This method does not result in good operations. It often leads to failure and loss of resources. These SME owners also often cannot employ staff to carry out management responsibilities due to tight budgets. By trying to run the whole operation, without the needed skills, the owners are susceptible to burnout.

Slow adoption of technology

In this era of technology, any business that wants to stay ahead must quickly embrace new products and services in the market. A good example of an innovative technology is mobile payments. However, years after the introduction of mobile payments in Kenya, many SMEs still insist on cash payments. Covid-19 may have pushed some to accept mobile payments but others are yet to embrace the technology. This reluctance is a clear indication that some entrepreneurs are still stuck in the age where cash ruled and they do not want to innovate.

One reason entrepreneurs give for their lack of up-to-date technology is that the costs are high. Another reason for some is they do not want a third party getting a glimpse of their real financial situation. There are also concerns that technology is evolving at a high speed, and that better products are introduced in the market every day. Therefore, some SME owners are left to speculate as to whether to embrace what is available now or to wait for the next big thing.

Either way, there is a need to accelerate the uptake of technology by Kenyan SMEs.

Regulations and law

In Kenya, I believe we have overregulation by a government that has decided to steer business via laws and regulations and refused to let industries develop freely. Do not get me wrong, I am not saying that all government regulation is bad. However, sometimes the law should follow society's lead and not try to mould society (Kasi Insights, 2021). For effective development, SMEs should be allowed to operate free of multiple regulations and licensing requirements. For example, to start a food business, there are a number of required licences: trading licence, a fire clearance certificate, an advertising signage licence, a health certificate, and a food hygiene licence. These multiple licences are not only expensive, but acquiring them is time consuming. If SMEs only needed one permit, that's cheap and time effective to secure, more SMEs would be set up, leading to more employment opportunities for young Kenyans.

Conclusion

SMEs are the backbone of the Kenyan economy. However, there are myriad of challenges that must be navigated before one can successfully set up shop and make a profit. Some of these challenges are caused by the government and others by the entrepreneurs themselves.

The government needs to come up with a straightforward licensing regime that does not demand multiple licences for a single business. We also need mentorship programmes for budding entrepreneurs where they learn about management and good financial planning to avoid bad loans that affect their future prospects. Alongside these other changes, financial institutions need to come up with affordable loans for entrepreneurs. These improvements would lead to a win-win situation for all parties.

References

Kasi Insight. "Challenges of Doing Business in Kenya" Kasi Insights, 30 October 2021, https://www.kasiinsight.com/post/challenges-of-doing-business-in-kenya

Kenya Agribusiness and Agroindustry Alliance (KAAA). "Challenges Faced by Small and Medium Enterprises in Kenya", 12 April 2017, https://kaaa.co.ke/challenges-faced-by-small-and-medium-enterprises-in-kenya/.

Maina, Mwangi. "Kenya: The cycle of mobile app loans is costing the youth its health and finances" The Africa Report", 26 November 2021, https://www.theafricareport.com/149766/kenya-the-cycle-of-mobile-app-loans-is-costing-the-youth-its-health-and-finances/

Ngunjiri, Irene. (2010). Corruption and Entrepreneurship in Kenya. Journal of Language, Technology & Entrepreneurship in Africa. 2. 10.4314/jolte.v2i1.51993.

Wakiaga, Phyliss. "SMEs critical in attaining manufacturing dream"< https://kam.co.ke/smes-critical-in-attaining-manufacturing-dream/>



Defying the Odds: Northern Nigerian Female Entrepreneurs and their Challenges

Asmau Kankia

Abstract

Lack of proper business environment in Nigeria has been a major issue for entrepreneurship in the nation most especially lack of necessary infrastructures and insecurity challenges (mostly in the northern Nigeria. Despite all the challenges, some northern female entrepreneurs continue to defy these challenges and continue to succeed in their businesses. Additionally, cultural and religion sentiment affect female entrepreneurship in the region. This paper focuses on what lessons can be learnt from these female entrepreneurs, and can be cascaded across other female entrepreneurs not just in Nigeria but across West Africa. This paper adopted qualitative research approach using content analysis and desk review method.

Nigeria is Africa's most populous country, largest economy, and leading oil producer. It plays a major political and economic role in Africa and wields significant influence in regional bodies such as the African Union and the Economic Community of West African States (ECOWAS). The country's commercial center, Lagos, is among the world's largest cities, with an annual economic output surpassing that of many African countries. By 2050, Nigeria is poised to overtake the United States as the world's third most populous country, with a population projected to exceed 400 million. 1 (At 216 million inhabitants as of mid-2020, Nigeria is currently the world's sixth most populous.) Few countries in Africa have the potential to make a larger global impact (Jelena). Mostly Muslim populates Northern Nigeria, and Kano state is the Mecca of Islamic Nigeria. Sharia law (Islamic law based on the teachings of the Qur'an) is enforced there, and it is often described as a conservative community with a mixture of cultures, traditions, and religions.

Business environment is the combination of all environmental conditions and influences that are capable of affecting or influencing business activities. Business environment entails social political, cultural and economic factors or conditions that are capable of affecting the life, growth and development of business outfit or venture. These conditions range from customer's choice to changes to government policies. Business environment is marked by different dynamic features such as global competition, information technology, quality service revolution and corporate social responsibilities which are compelling managers to rethink and reshape their approach to their various operation responsibilities (Obasan).The business environment is globally perceived to influence the performance of enterprises. The external business environment consists of extraneous factors that are beyond the control and cannot be manipulated by the business enterprise management. The business enterprise is obliged to be cognizant with its operating environment in order to heighten its performance. Furthermore, the environment and business enterprises are in a mutually interdependent interaction. This is because an enterprise exists in the world of threats, resources, limits, and opportunities. Concerning Small and medium enterprises in Nigeria, several factors influence their performance and tend to make their operating environment unsafe for investment and unfriendly. Thus, there is need for

knowledge to be shared on these factors and how they influence a business enterprise performance.

Entrepreneurship is the willingness and ability of an individual to seek for investment opportunities, to establish and to run an enterprise successfully (Suleiman). Entrepreneurship contributes to the development of skilled and semi-skilled labor for national development as well as self-employment and poverty alleviation (Adebayo et al).

CHALLENGES NORTHERN WOMEN ENTERPRENUER FACES

1. CONFLICTING ROLES OF WOMEN: Being torn between work and home has been a major issue to women entrepreneurs. Whether you work or not your role at home will not be changed and this leave a heavy burden on the woman and sometimes the women are put in a position to choose between their work or and caring for their home.

2. INFRASRUCTURAL CHALLENGES: These are challenges that almost all small business entrepreneurs in Nigeria regardless of their gender experience. This includes;

a. Lack of capital.
b. Difficulties in getting loans.
c. Poor state of infrastructure.
d. Unstable Nigerian economy and politics.
e. Inconsistent government policies.
f. Poor knowledge on how to run a business.
g. Marketing strategy challenge.
h. Lack of patience. (Odimayo)

3. CULTURAL AND RELIGION CHALLENGE: Women are limited in marketing their business due to the fact that northern Nigeria is predominately populated by Muslim and Hausa dweller and their culture do not allow women to be frequently going out. In addition, in religion aspect, women are not encouraged to be talking to a man that is her non-muharamm (chaperone). These two strong rules affect many women entrepreneurs in the northern Nigeria and makes their business more challenging.

4. INSECURITY: Security is the course of action allied with the eradication of any sort of threat to man and his values (Adegoke). The deficiency in adequate and proficient security brings about the notion of insecurity. (Nwagbosa) asserts that insecurity signifies different meanings such as, anxiety, fear, instability, uncertainty; danger; hazard; absence of safety; and lack of protection. With the insurgency in the northern

Nigerian from book haram (northeast), kidnapping and banditry (North West and north central) have left many women to abandon their business due to fear and lack of protection from the government.

METHODOLOGY

This paper adopted qualitative research approach using content analysis and desk review method. A qualitative interview was conducted (key informant interview) with 2 successful northern female entrepreneurs in Kano state (because Kano is the largest city in the northern Nigeria and second in Nigeria, and also Kano is the center of commerce). One entrepreneur is from urban and have formal education and the other one is from the rural community with no formal education.

Respondent were interviewed by being asked few question regarding their social demographics and factors that make their business successful. Among the questions asked in the demographic section are Age, Ethnicity, Marital status, Level of education and Monthly income.

Questions asked during the interviews were

1. What motivates you to start business entrepreneurships?
2. What are the things that help you to succeed in your business?
3. What are the challenges you faces in your business?
4. How do you overcome those challenges?

RESULT responses analyzed revealed that the major things that makes these northern women entrepreneurs successful are:

1. Awareness of both religion and cultural inclusion of women to do business. More so many religious females' scholars were business entrepreneurs of that era.
2. Family support especially husband for the married women and father for the unmarried ones.
3. Knowledge of the business is the most important.
4. Type of business and target audience; as a woman who is still the northern Nigeria, society frowns on mingling with other men so, it is important to choose business that doesn't required you to frequently go out or mingle with other men.
5. Regardless of your level of education, you can succeed once you have confidence in what you are doing.

CONCLUSION

This paper has shown that regardless of all challenges northern women are facing, some still defy those odd and succeeds in the most simple and easiest way and some of this ways can even be

cascaded in other regions or West Africa at large.

RECOMMENDATION:

Government should provide adequate infrastructure for conducive business development in the area.

Religious and traditional leaders need to be included in all aspect of the business development to help in awareness creation of female business inclusion.

Training and awareness regarding entrepreneurship should be frequent so women entrepreneurs will have good knowledge and understanding of the business to choose.

REFERENCES

JOURNAL PUBLICATIONS

Abiodun, A Eniola "The role of SME firm performance in Nigeria". Arabian Journal of Business and Management Review (OMAN Chapter), 2014 pp33-47.

https://www.arabianjbmr.com/pdfs/OM_VOL_3_(12)/3.pdf

Adebayo, Kolawole, "The historical background of entrepreneurial development in Nigeria: Its gains, shortcomings and needful" Journal of Emerging Trewnds in Economics and Management Sciences (JETEMS), Vol.4 (5) 2013 pp. 493-500

Adeoye, A. O. (2012). "Impact of External Business Environment on Organizational Performance on

Food and Beverage Industry in Nigeria." British Journal of Arts and Social Sciences, 6 (2), pp. 56-65.

Adegoke, N. (2014). 'The Nigeria police and the challenges of security in Nigeria." Review of Public Administration and Management, 3(6), 21-35.

https://www.arabianjbmr.com/pdfs/RPAM_VOL_3_6/3.pdf

Jelena Zivkovic "Participation of women entrepreneurs in northern Nigeria" 2014 IOSR Journal Of Humanities And Social Science (IOSR-JHSS) Volume 19, Issue 1, Ver. IV (Jan. 2014), PP 95-104e-ISSN:2279-0837,p-ISSN:2279-0845..www.iosrjournals.org https://www.iosrjournals.org/iosr-jhss/papers/Vol19-issue1/Version-4/Q0191495104.pdf

Ogunyomi, and Ojodu, "Introduction to Business Management", 2nd ed., Lagos, Abilejo Printing Press. 2015

REPORT

Aigbokhan, Ben "Poverty, growth and inequality in Nigeria" A case study Washington, DC: 2000 AERC Research Paper 102 African Economic Research Consortium, Nairobi October 2000 http://unpan1.un.org/intradoc/groups/public/documents/idep/unpan003895.pdf

United Nations, Department of Economic and Social Affairs, Population Division (2019). "World Population Prospects 2019" Highlights (ST/ESA/SER.A/423).

https://population.un.org/wpp/publications/files/wpp2019_highlights.pdf



SMEs in North Africa: Opportunities and Challenges

Hendra Manurung

The African continent includes several countries stretching across North Africa, West Africa, East Africa, and South Africa. It is a stain on the conscience of the world's existence with the epicenter of poverty and disease. Also, it is known as a continent desperately in need of foreign aid, and to which the rich and powerful countries must urgently stretch a helping hand of benevolence . However, in most developing countries, small and medium enterprises (SMEs) have a significant role in national economies.

This article contributes insights into how North African SMEs sustains the often turbulent institutional environments and volatile markets. With the presence of SMEs over the past decade, revenue growth in the SMEs sector has outperformed other business lines and boosted two to three times as traditional segments. The promotion of entrepreneurship and small business remains a priority of the North African leaders. The commitment is to ensure how SMEs progressively generate national contribution and performance

of the regional economy in critical areas such as job creation, equity, and access to markets.

Small and medium-sized enterprises or small and medium-sized businesses are businesses whose personnel numbers fall below certain limits. World Bank, the EU, the UN, and the World Trade Organization as IOs utilize SMEs abbreviation . The support of SMEs presence has been many years is to contributing and have a role in the economic growth of the Middle East and North Africa (MENA) region. Regulators, economists, and financial institutions conform to the effectiveness of SMEs in reducing acute poverty and creating jobs. SMEs represent between 80 to 90% of formal sector enterprises in MENA but are often not aware of the economic potential that the public market offers. For the last ten years (2011-2021), most African financial institutions have moved quickly to boosting green lending and digital innovation. African financial institutions have remained relatively resilient during the COVID-19 crisis, and lingering problems could set back financing during the economic recovery . Almost half of the banks reported that their biggest worry was a deterioration of their loan portfolios. Another 21% were most worried about the increased risk of new lending.

SMEs in Northern Africa Regions

SMEs in North Africa are optimally assisted in capital financing and business sustainability by stakeholders responding to globalization and the world free market. The MENA regional leaders are responsible for jobs and employment for the 20 million young people who will join the workforce by 2025 . The African continent has an area of about 30.37 million km² with a population of around 1.37 billion people (2021) dominated by millennials and generation Z. The UN estimates that North Africa's current population in 2021 is 254,035,925 . This population is equivalent to 3.16% of the total world population, ranks number 3 in Africa among sub-regions ranked by population. Around 52.4% of the population is urban (129,068,218 people in 2019). Egypt has the largest population, and Western Sahara has the smallest. North African countries have a demographic bonus such as capital, challenge, and opportunity to generate their respective economies through business intensification and opening various SMEs and jobs employment.

However, the lack of access to finance might severely impact SMEs' growth and employment. All financial institutions must focus on the SMEs segment and expect to encourage the creation of an

enabling environment to grow business. The greater competition and reduced profit margins in corporate and retail banking will make banks increasingly seek to diversify into new business lines to maintain and increase profits. Apart from that, banks will differentiate themselves by offering innovative tools and reaching untapped markets, particularly for the management of SMEs in North African countries .

A sizable population of almost 23 million SMEs in MENA presents a potential business opportunity. It is not only aimed at supporting economic growth and job creation in MENA but also for banks to build a profit from the market. Further, several challenges emerged after the end of the Arab Spring movement in the MENA region, including 1) the need to create job opportunities; 2) equal access; 3) competitive levels of competition; 4) transparency and accountability; 5) the creation of a fair and competitive environment. Crony capitalism, the given-privileged access of certain elites to the favorable legal and regulatory treatment of political patrons, access to markets, and the coincidence of political and economic power were rampant happened, was also a concern contributing to the uprising. Noticeably many saw privilege and corruption as the source of unemployment and inequality, effectively raising barriers to entry and potential growth for entrepreneurs.

Development of SMEs

SMEs represent about 90 percent of businesses with more than 50% of employment worldwide, and formal SMEs contribute up to 40% of national income in emerging economies . These numbers are significantly higher when informal SMEs are included. Based on World Bank estimation, 600 million jobs will be needed by 2030 to absorb the growing global workforce, which makes SME development a high priority for many governments around the world. In research from a scholar , SMEs are now widely recognized in the MENA region as engines of development.

Financial access is a constraint to SME growth as it is the second most cited obstacle facing SMEs to grow their businesses in emerging markets and developing countries. In the MENA region, it is seen US$57 billion microfinance gap, while the small-medium enterprises' finance gap is US$138 billion . Today SMEs have been at the forefront of industrial growth in many North African countries. It needs market growth in the MENA to help accelerate the regional economy through SME products distributed worldwide. Indeed, without the focus and accuracy

of business strategy, business growth will decline and cause a drastic slowdown in the development of domestic and regional industries. North African SMEs should be encouraged to grow and play an active role as strategic bridges for relevant stakeholders who can provide guidance on policy advocacy and create a competitive business environment.

Egypt is a market of more than 100 million people and offers opportunities for trained entrepreneurial skills. Mostafa Amin is an Egyptian entrepreneur stated as follows .

"One of the best decisions in my life was to reject a job offer from a big corporation and embark on an entrepreneurial start-up journey. Indeed, the journey has been tough and there were, and still are, bumpy roads, but the rising entrepreneurial spirit across the country has been extremely uplifting. I have been in the Egyptian entrepreneurial ecosystem for the past few years and I consider myself well connected and quite informed about everything that has been happening. But I can say with confidence that what the country has been seeing in the past few years is very promising and inspires us to do more."

Most of Egypt's businesses are small-sized, with 97 percent employing fewer than ten workers. Medium-sized enterprises with 10 to 50 employees account for around 2.7% of total businesses, ranging from small stalls to big enterprises. Big businesses with over 50 employees account for 0.4% of all enterprises nationwide. SMEs' existence can generate business to continue and discover new market trends and advanced technologies in the food industry in Africa.

Conclusion

SMEs development has a proven track record of driving growth and opening job opportunities. North African countries' government leaders should be aware and lead all efforts to boost the level of entrepreneurship through supporting SMEs creation and economic improvement. Partnerships between government and various stakeholders and role-players remain a critical success factor. These collaborative institutions have made progressive results in delivering a wide range of support services.

The financing of the SMEs business sector in North Africa needs to be continuously encouraged to develop and grow with the support of bank financing. Therefore, ongoing policy implementation and appropriate strategy challenges require improving the scope and quality of their offerings to SMEs businesses. In addition, SMEs

should need to responsively accommodate the integration of the open market provided and supported by the various governmental departments and related institutions.

References

Articles

Ahamed, Adeeb. "Improving access to finance for businesses in MENA region," World Economic Forum, 2021.

Amin, Mostafa. "My life as an entrepreneur in Egypt." World Bank Blogs, 2018.

Fischer, Eileen and Reuber, Rebecca. "Industrial Clusters and SME Promotion in Developing Countries." Commonwealth Secretariat, 2000.

Kolade, Seun. "How Africa's entrepreneurs are handling the continent's challenges: new book." The Conversation, 2022.

World Bank. "Small and Medium Enterprises (SMEs) Finance." 2022.

Worldometer. "Northern Africa Population." 2022.

Books

European Investment Bank (EIB). "Green, smart and inclusive finance." EIB Press, 2021.

Nasr, Sahar and Pearce, Douglas. "Middle East and North Africa Region - SMEs for job creation in the Arab World: SME access to financial services (English)." World Bank, 2012.

Research Paper

Otman, Khaled. "Small and Medium Enterprises in the Middle East and North Africa Region." International Journal of Business and Management, vol. 16, no. 5, 2021, p. 55. Crossref, https://doi.org/10.5539/ijbm.v16n5p55



Solid Waste Management and Recycling in Ethiopia

Habtom

We have a waste problem. Currently the world generates around 2 billion tonnes of solid waste annually and this is estimated to rise to 3.4 billion tonnes by 2050, 1.4 billion tonnes coming from Africa.

The modern waste collection methods of the economically developed countries can collect more than 90% of waste and recycle around 20% of what is collected. On the other hand, in Africa, including Ethiopia, the waste collection is less than 40% with only around 4% recycled.

Ethiopia is the second most populous country in Africa next to Nigeria, with a population of 115 million approximately. And since the amount of waste generated is directly related with the population size, Ethiopia has a high waste amount compared to other African countries. In addition to population size, rapid expansion of urbanization also has a high impact on waste generated amount. In Ethiopia, where the number of urban dwellers has

been increasing each year, the waste generation has also increased from 9,700 tonne/day in 2015 to 12,200 ton/day in 2020. By 2030, it is likely the 2015 national daily waste amount will be doubled.

Challenges for solid waste management and recycling

Solid waste management is a major challenge facing cities in the developing countries like Ethiopia. You see waste in the main streets of the cities and even around public service centres, like schools and health centres. This waste can cause health and environmental problems and traffic jams and affects urban tourism by disgusting local and international tourists.

The challenges for solid waste management and recycling in Ethiopia can be categorised in to six main groups.

1. **Policy and legal**: the government has a policy and legal system for solid waste management, including the National integrated urban sanitation and hygiene strategy 2017, and the Solid waste management proclamation No 513/2007. However, at the ground level, there is no implementation mechanism to assist the MSEs (Micro and Small Enterprises) and other informal waste collectors to modernize their collection and disposal of waste.
2. **Institutional**: The main ministry responsible for solid waste management in Ethiopia is the Ministry of Urban Development and Housing. An interview with the Ministry and other stakeholders, revealed a lack of skilled human resources and weak institutional linkage and cooperation with government and private entities. This lack of capacity at the Ministry is the main reason for so many informal recycling companies. With a stronger ministry, these informal enterprises could be easily up scaled up to formal MSEs through training and capacity building programs.

3. **Technical**: Transportation and logistics problems across the country mean, waste collection coverage is small compared to waste generation coverage. Many areas have no, or only traditional, recycling systems.

4. **Financial**: The lack of financial security and low service charges for pollution clear up and waste collection reduces the incentive for informal and MSE waste collectors to work hard or try to expand. At the government level, there is poor waste budget planning and management.

5. **Social**: There is a lack of awareness of waste management and recycling and some restrictive cultural and traditional thinking that highly affects the development of the sector.
6. **Political**: Waste management and

recycling is not a popular topic for politicians, and it rarely gets their commitment. This lack of political interest leads to a lack of proper funding, management and monitoring. For example, tragically, in 2016 over 115 people died in a garbage land slide at Reppi, an Addis Ababa garbage disposal site.

Opportunities for solid waste management and recycling

The Ethiopian economy is highly dependent on the import of industrial outputs because of the low capacity of local industries and the lack of raw materials, like plastic, aluminium and paper. Ethiopia also has a foreign currency shortage due to this high demand for industrial outputs from abroad. Recycling can play a role in helping solve the vicious cycle by creating a supply of raw materials in the country.

Opportunities in the plastic industry

Ethiopia is the second largest importer of plastic raw materials from east and central African countries. The current amount of plastic consumption in Ethiopia is about 386,000 tonnes/year. Due to a lack of technology, investment, and experience only 30-40% of the plastic waste is recycled.

For example, there are more than 60 bottled water companies in the Ethiopian market, selling around 3.5 billion bottles of water per year. In contrast, there are only around ten plastic bottle recyclers and only two of them are using the hot wash processing that obtains a higher quality of flakes. These two higher quality recyclers only produce for export. There is room in the market for more plastic recyclers, especially those using hot wash processing that creates high quality inputs for Ethiopia's domestic manufacturing and materials for export.

Opportunities in the paper industry

Ethiopia spends over a US$100 million/year importing of paper raw materials. In contrast, there are more than 15 formal and informal paper recyclers in Ethiopia and collectively they only recycle only around 5% of paper. More than 200,000 tonnes of paper and cartons are lost wastage which is dumped, burned or left in the streets as a garbage.

Panda Paper is a success story for paper recycling. It installed 40 mobile waste paper deposit sites around the capital city, to allow communities and individuals to sell their waste paper at US$0.04/kg. The company contracted around 7000 MSEs and collectors and created 90 full time jobs. The company also partnered with the Addis Ababa city administration to organize and coordinate a paper collection system. Panda Paper is an outstanding

performer in the paper recycling sector but even Panda and plus all other recyclers collectively only recycle 5% of the total waste. The sector has room for more entrepreneurs to engage and invest.

Opportunities in tyre re-treading and recycling

The high economic growth and development in between 2010 and 2020 increased the demand for cars and, therefore, car tyres. Currently there are more than 600,000 registered cars in Ethiopia. On average the country imports 32,470 tonnes of tyres per year. And most of these tyres are disposed of in the environment because only less than 5% of tyres in Ethiopia are re-treaded or recycled.

In 2018, I was a part of tire re-treading and recycling business investigation in Ethiopia for the Japanese company Fukunaga Engineering. This investigation unveiled there were feasible business opportunities for the right enterprises. This industry needs the engagement of entrepreneurs or SMEs with better access to technology and a larger capacity, because the tyre re-treading and recycling industry needs more specialised machines and technology compared to other recycling technologies. However, due to the high price of tyres, it is feasible to get an investment return. The investigation also found the government and the Chemical and Construction Inputs Industry Development Institute welcomed cooperation with entrepreneurs.

When we presented this business idea at a conference in Japan many delegates from Africa requested to collaborate, so it appears this business untouched many African countries.

Conclusion

From the above opportunity examples, you can see the potential of waste! By inviting the local, national and international private sector into the waste collection and treatment services, Ethiopia can create employment opportunities for unemployed youths. To attract more investment, the government should facilitate and support the sector and give incentives and subsidies.

References

Giz. Global Business Network (GBN) Programme, "Partnership Ready Ethiopia: Recycling Sector." 14 Apr. 2020, GBN_SectorBrief_Äthiopien-Recyling_E_WEB.pdf (giz.de)

"Waste and Recycling Companies and Suppliers in Ethiopia: Environmental XPRT." Waste and Recycling Companies

and Suppliers in Ethiopia, https://www.environmental-expert.com/waste-recycling/companies/location-ethiopia.

Seifu, Bereket. "Waste for Value (W4V) in Ethiopia." Global Compact, 12 Nov. 2019, glwaste-management-world.com/artikel/turning-trash-into-cash-in-ethiopia.

UNDP Ethiopia. "Minalesh Tera: How Addis Ababas informal recycling and reusing market supports formal waste management" 13 July 2020, et.undp.org/content/ethiopia/en/home/blog/2020/minalesh-tera--how-addis-ababas-informal-recycling-and-reusing-m.html

Reporter, Staff. "Ethiopia: Involving Community in Recycling Solid Waste." AllAfrica.com, 29 Nov. 2021, https://allafrica.com/stories/202109010341.html

Adugna, Berihun Tefera. (2007). "Solid Waste Recycling in Addis Ababa, Ethiopia: Making a business of waste management". Urban Agriculture Magazine.
https://www.springerprofessional.de/en/municipal-solid-waste-management-in-ethiopia-the-gaps-and-ways-f/18431494

Camilla Louise Bjerkli "The cycle of plastic waste: An analysis on the informal plastic recovery system in Addis Ababa, Ethiopia" July 2005.

https://www.wiego.org/sites/default/files/publications/files/Bjerkli-Cycle-of-Plastic-Waste-Addis-Ethiopia.pdf

Kelly Kneeland & Björn Knutson 2012, Chapter 6." Waste Management for Social and Environmental benefits in Ethiopian cities."
https://web.colby.edu/eastafricaupdate2012/files/2011/12/Chapter-6.-Waste-Management-for-Social-and-Environmental-Benefits-in-Ethiopian-Cities1.pdf.

Interview with experts from the Ministry of Urban Development and Housing

Interview with Chemical and Construction Inputs Industry Development Institute (CCIIDI)



Tax Rights in 2022: What MSEs in Nigeria Need To Know

Ifeanyi Francis-shokoya

Tax Rights in 2022: What MSEs in Nigeria Need To Know

This article does not represent the opinion of any tax authority in Nigeria. While Ifeanyi Francis-Shokoya takes care to ensure accuracy as at the date of publication, this tax information is summarized, based on author's understanding of tax legislations and practices and may be subject to change over time. You should seek professional and personalized tax advice.

SMEs (Small and mid-size enterprises), MSMEs (Micro, Small and Medium Enterprises), SMBs (Small and Medium-Sized Businesses) are the same concepts. These names and associated classification are chosen based on the country's laws, objectives, contributions and financing sources related to their circumstance. SMEs are generally viewed as businesses that maintain revenues, assets or a number of employees below a certain threshold. According to the Finance Act, you are a 'small company'

[8](Liberto and Berry-Johnson) [9](Laws of the Federation of Nigeria) [10](SMEDAN (Small & Medium Enterprises Development Agency of Nigeria))
[11](Federal Inland Revenue Service (FIRS))

when your gross turnover earned is N25,000,000 naira or less, and a medium-sized company, when your gross turnover is greater than N25,000,00 naira but less than N100,000,000 naira. The MSME National Policy 2021 -2025 found that there could be conflict when classifying the SME as seen in varying definitions in its National Policy, FIRS Tax Administration Operations and the Finance Act respectively.

Nevertheless, this article will focus on the 'Tax Rights of the Micro and Small Enterprises (MSEs) that are Limited Liability Companies or Incorporated Trustee, and as classified by the operations of Federal Inland Revenue Service (FIRS). The right of the taxpayer should be same in whichever jurisdiction tax is being paid. But the taxpayer rights referenced in this article, would be in relation to the FIRS - the mother tax revenue agency, with whom the Micro and Small Enterprises (MSEs) that are Limited Liability companies r Incorporated Trustee are to file applicable tax returns with as mandated by the existing laws of Nigeria. Since taxation has become a priority sector for revenue generation, every taxpayer needs to be aware of its fundamental entitlements, when fulfilling their mandatory civic obligation in dealing with the tax authority.

Be aware that, this classification is not a hindrance to your businesses growth; however, it aims to increase awareness, knowledge and aid financial planning in relation to your classification. This article will be free of the tone and character associated with tax laws while focused on sharing simplified and accurate tax information to MSEs 'as easy as can be'.

Micro & Small Enterprises (MSEs): Know your Classification

According to segmentation of tax cases in FIRS Tax Administration Operations, your establishment is a Micro & Small Enterprise, if it is a registered corporate entity/company, Limited Liability company or Incorporated Trustee, with the annual gross turnover in the threshold of below 500million Naira. In Nigeria, a registered corporate entity/company are establishment with a group of subscribers represented by shareholdings of common stock, registered by Corporate Affairs Commission - CAC (under the Company and Allied Matters Act (CAMA), 2020) as a Limited Liability Company or Incorporated Trustee. This company could be registered for the purpose of promoting commerce, art, science, religion, sports, culture, education, research, charity or other similar objects; making profit or not, as with charities.

Your establishment is expected to abide by the institutional, legal and regulatory

framework of the National Policy on Micro, Small and Medium Enterprises (MSME). In it, 'Tax Administration' is instrumental, a key thematic area, with objectives and strategies interlinked with other policy areas, to position MSEs for growth and enjoy the rights to enter into contracts, borrowing and lending of money, to be invested in, hiring of employees, owning assets, payment of taxes and associated incentives.

Micro & Small Enterprises (MSEs): Tax Rights

Tax administration in Nigeria cuts across the three-tiers of Government to raise revenue to finance government spending for national development. This is where taxpayers - citizens and businesses come in. As an MSE, your business is of the 65% contributing to Nigeria's economic growth, ensuring that revenue is available for improving on the provision of social amenities and services. For the tax system to achieve its goal and function effectively, there has to be a delicate, balancing act of increasing awareness about the MSEs tax rights for fulfillment of their corresponding and mandatory tax obligations. This ensures that the MSE knows what to do, if it perceives that the tax authority has not respected its rights. The Taxpayer Rights is the treatment you are entitled to when you deal with the FIRS and it as follows:

Right to be Informed, Assisted and Heard

The FIRS has the mandate under the existing laws of Nigeria to register a corporate entity/taxpayer for taxes within its jurisdiction. Specifically, the MSE can seek and receive clarification on any tax issue, changes in the tax laws, policy, updated tax-related information and FIRS operations from any FIRS tax office in Nigeria and its approved communication channels.

However, the MSE can fulfill its tax obligations and transactions in any Micro & Small Tax Offices (MSTO) close to its business address. The Taxpayer Service (TPS) Unit in your MSTO will receive all your business tax correspondence; attend to any tax enquiry and assistance required. The addresses of the Micro & Small Tax Offices (MSTO) closest to your business can be found at FIRS website (www.firs.gov.ng). The FIRS social media handles (Facebook; Instagram: 'firs_nigeria' and twitter: @FIRSNigeria) and Contact Center (+23494602700, +2349074444441, +2349074444442, +2349072111111, +2349073777777) are other approved channels to obtain accurate information on what your business needs to do to comply. Right to be Issued Taxpayer Identification Number (TIN):

[12](FIRS) [13](Corporate Affairs Commission); (Berkeley Legal Management & Consult International)
[14](SMEDAN (Small & Medium Enterprises Development Agency of Nigeria))

MSEs are to obtain a TIN, to be identified as a registered taxpayer in Nigeria and fulfill civic obligations while executing its tax transactions, which is compulsory. Intending MSEs can obtain TIN at the point of registering the business with CAC. The TIN is now appended on your company registration certificate and is a precondition for continued operations of the business account(s). MSEs must also display TIN on all documents, correspondence and business transactions with other Companies, Individuals, Ministries and Government agencies, MSE can also approach the MSTO associated with its business address, with its CAC Certificate of Incorporation, to apply for its unique TIN. TIN generation is free of charge. Your tax representative may charge you professional fees, if you engage the entity for this purpose and other tax dealings. It can be obtained within 48hours from the tax office and verified at https://apps.firs.gov.ng/tinverification/ . For other taxes associated with the States, MSEs must apply for TIN from Joint Tax Board (www.jtb.gov.ng) or applicable State Board of Internal Revenue.

Right to Confidentiality and Secrecy: Business strategies, personal and financial information must not be shared except the MSE authorizes it or in accordance with the law. It is prohibited and a fine of ₦000,000.00 or 3-year imprisonment or both will be charged of the defaulter. Besides, the Nigeria Data Protection Regulation (NDPR), 2019, binds FIRS to imbibe the best data protection practices that safeguard personal data and enhance its security. FIRS has obtained the International Standard Organisation Certification (ISO 27001:2013) to assure of regular review of its internal processes and the safety of taxpayer information and data exchange on its network. The taxpayer is to provide feedback through FIRS communication channels, if it perceives that confidentiality of its information has been compromised or FIRS has not respected their right to privacy and confidentiality.

Right to Quality Service, Complain and Seek Redress

The FIRS Vision, Service Charter and the Mandate of its Taxpayer Services Department has quality service to taxpayers and 360o communication as the core of these guiding principles. This is why the MSE should expect effective, efficient and professional service when interacting with the tax office and staff.

Ideally, you should be attended to within 15 minutes at the tax office and receive acknowledgment to communication, with a timeline for action and contacts for follow up, within 48hours of receipt of

[15] *(Joint Tax Board - JTB) (FIRS)*
[16] *(Federal Inland Revenue Service (FIRS))*

correspondence and addressed promptly. The Tax Controller (TC) of your MSTO is mandated to receive & investigate your complaints/issues and proffer timely solutions. The contact details of the State Coordinators (supervisors of the TCs) of the tax offices are available on the FIRS website, if you still disagree with the way the TC addressed your concerns and escalation is required. When service received is short of quality, the MSE is advised strongly to communicate and seek redress.

Furthermore, the FIRS SERVICOM department acts as an Ombudsman, ensuring that all departments of FIRS deliver their Service Charters without bias. This is why you must not be weary to channel complaints for fear of reprisal because they are treated in the strictest confidence. Complaints can be channeled physically at any tax office, through the FIRS Contact Center (information provided above) and FIRS Service emails (helpdesk@firs.gov.ng; enquiries@firs.gov.ng; complaints@firs.gov.ng; servicom@firs.gov.ng). The Anti-corruption & Transparency Unit for ethical situations regarding fraud, bribery and corruption practices via 09030009710; 09071666666 and anticorruptionunit@firs.gov.ng. External channels such as independent arbitration & mediation services, the Tax Appeal Tribunal and other courts of law can be explored, if these other channels do not provide satisfactory outcomes.

Right to a Tax Representative; to Pay Only the Correct Amount of Tax; Objection and Appeal

It is expected that FIRS has put measures in place to ensure accuracy and consistency in the administration of the tax laws. If you feel FIRS have not applied the law consistently or correctly in your situation, the MSE has the right to oppose a tax assessment (the amount you are expected to pay as taxes to the government) raised and appeal decision by the FIRS, by responding via written response, sent in-person, through courier, or email/electronic means. Judicial means can be explored, when a satisfactory response is not received from previous correspondence. However, response (by either party) must be given within thirty (30) days or the stipulated time in notice and in line with the law guiding the objection. Which is why the MSE should be aware that their business has the right to Pay only the correct amount of tax legally due based on prevailing circumstance, and also engage a Tax representative/Consultant.The MSE can expect to pay no more and no less than the correct amount required under the law of the federation.

[17] *(Federal Inland Revenue Service (FIRS))*
[18] *(Company Income Tax Act (CITA), Cap C21)*

The MSE is legally responsible for its tax affairs. However, if the MSE struggles to get its tax right or pay on time, consider using a qualified and credible tax consultant to handle and discuss the business' tax dealings with FIRS, to ensure the business understands and abides by the tax laws, guidelines, regulations and implications. MSEs are entitled to be granted tax credits, refund on excess tax paid or tax erroneously paid after proper audit with the option of using it to offset future tax liabilities in accordance with the law. Another benefit is that, the business can carefully take advantage of reliefs, deductibles and tax refunds (where applicable) taking into consideration the prevailing circumstances of the business and the tax laws as counselled by the tax representative. Engaging a tax representative is a deductible business expense that is most times cheaper than penalties or prosecution. These rights mentioned here, go hand in hand because the tax laws and penalties will not be waived or reduced as a result of ignorance.

A single-source repository for all Tax Consultants in Nigeria may not be readily available to the taxpayer. However, any entity your business selects should be accredited and from either of these professional bodies (Chartered Institute of Taxation of Nigeria (CITN), Institute of Chartered Accountants of Nigeria (ICAN) and Association of National Accountants of Nigeria (ANAN)) in Nigeria.

Right to be Informed of a Tax Audit

A physical examination (known as a Tax Audit) of the MSEs financial records and transactions including 3rd party documents, to confirm the extent of tax compliance, raise additional tax assessments to cover any shortfall and educate the Taxpayer on the provisions of the tax laws for voluntary compliance is statutory and can be carried out on your business. However, you have a right to be informed through a notice in-writing, sent through courier/electronic means, not less than 30 days from the date of receipt of FIRS notice. The notice will clearly state the period(s) to be covered, time of the audit and the authorized tax officials, amongst others. You have the right to request to view proper identification from any person claiming to be an FIRS official while at your business on official duties. The Audit cycle should be completed within 60 days (i.e. from the date of commencement of audit exercise to conclusion) and conclusion communicated to the taxpayer accordingly.

Right to be Issued with Tax Clearance Certificate (TCC)

After fulfilling the tax obligation of your business, the MSE can request for the TCC anywhere (from the comfort of your home or office). Application for the Tax Clearance Certificate can only be made electronically and online by visiting https://tcc.firs.gov.ng/ . The TCC will be issued upon approval to cover the three years proceeding the year of application or denied within two weeks of application, with reasons to support the denial. A link to download the electronic-TCC will be instantly sent to the e-mail where the TCC can be printed. The authenticity of an e-TCC can also be verified by visiting https://tcc.firs.gov.ng/ , clicking on the verify e-TCC button and entering the TCC Number and TIN of the Company. You can also use the QR Reader, to scan the QR bar on the top-right-corner of the e-TCC, to verify authenticity of the e-TCC.

Conclusion

Running a MSE in Nigeria and fulfilling your tax obligations can be challenging. However, exploring the tax rights can help the MSE establish processes that:

- Manage its tax properly from the start.
- Encourage keeping good financial records.
- Encourage frequent evaluation and accounting of MSE income and financial position.
- Encourage planning ahead and early separation of tax from cash flow and profits.
- Aid MSE to learn from past/fix mistakes: The MSE owner would be held liable if audited by the FIRS and found wanting. Thus, it is important to ask questions, stay up-to-date on changes occurring and understand what numbers are being reported for your business.
- Improve your communications with the FIRS.
- Reduce exposure to government fines; paying taxes is cheaper than penalties or prosecution.
- Position the MSE to gain access to finance, government incentives and growth opportunities.
- Aid MSE to focus its energy and resources on creating jobs, growth and expansion for the Nigerian economy.

References

Berkeley Legal Management & Consult International. Different Corporate Entities Under the Nigeria Law. 2021.

"Company Income Tax Act (CITA), Cap C21." n.d.

Corporate Affairs Commission. "Companies & Allied Matters Act." 2020.

[19] (CSG, FIRS Compliance Support Group), (CSG, FIRS Compliance Support Group), (Federal Inland Revenue Service (FIRS))
[20] (Federal Inland Revenue Service (FIRS))

CSG, FIRS Compliance Support Group. Approved Tax Audit Process-Realignment of Processes 12,18 & 19. Abuja, 2020.

—. Realignment of Processes 12 & 18 of May 2020 Approved Tax Audit Processes. Abuja, 29 September 2020.

Federal Capital Territory Inland Revenue Service (FCT-IRS). Tax Types. n.d. March 2022. <https://fctirs.gov.ng/tax-types/>.

Federal Inland Revenue Service (FIRS). Federal Inland Revenue Service Establishment Act - FIRS (Establishment Act) 2007. 2007.

—. "Our Charter." n.d. https://firs.gov.ng/our-charter/. April 2022.

FIRS. Circular on Review of Turnover Based Segmentation Threshold. 2020.
—. General Tax Administration. n.d. March 2022. <https://firs.gov.ng/general-tax-administration/>.

—. Tax Laws. n.d. March 2022. <https://firs.gov.ng/tax-laws/#>.
—. Tax Payer Guidelines. n.d. March 2022. <https://firs.gov.ng/tax-payer-guidelines/>.

Joint Tax Board - JTB. Frequently Asked Questions. n.d. March 2022. <https://www.jtb.gov.ng/frequently-asked-questions/>.

JTB. Tax Laws. n.d. March 2022. <https://www.jtb.gov.ng/tax-laws/>.

Laws of the Federation of Nigeria. "Finance Act 2019." n.d.

—. Schedule to the Taxes & Levies (Approved List for Collection) Act (Amendement) Order. 2015.

Liberto, Daniel and Janet Berry-Johnson. Investopedia.com. 8 November 2020. April 2022. <https://www.investopedia.com/terms/s/smallandmidsizeenterprises.asp>.

SMEDAN (Small & Medium Enterprises Development Agency of Nigeria).

National Policy on Micro, Small & Medium Enterprises (2021-2025 Edition). 2021-2025. March 2022.



Doing Business in Zimbabwe: A 2022 Synopsis of the Business, Policy, Legal and Regulatory Landscape

Clayton Hazvinei Vhumbunu

This article seeks to present an analytical overview of the business, policy, legal and regulatory environment as of the year 2022, which has been developed with the objective of providing information that may be relevant to any potential investors, entrepreneurs, tourists or other businesspeople that may have an interest in either establishing a business in Zimbabwe or visiting Zimbabwe for tourist purposes. What may need to be understood, or mentioned beforehand, is that the business, policy, legal and regulatory environment is always shaped by politics, and politics in any polity is fluid and dynamic, responding to local, regional and international needs, forces, trends, opportunities, circumstances and developments. This article utilizes a variety of authentic sources of information that are duly

acknowledged and cited throughout, in conjunction with empirical on-the-ground observations by the author.

Zimbabwe: Country Profile

Zimbabwe is a landlocked (or land-linked in trade facilitation parlance) country that is located in Southern Africa, sharing borders with four countries, namely Mozambique, South Africa, Zambia and Botswana. The country gained independence from Britain in 1980 following a prolonged liberalization struggle against colonial rule that had been established in 1890. Zimbabwe's total area is 390,757 square kilometres. Being a former British colony, the official language of communication is English.

Zimbabwe is a presidential republic, whereby the President is the Head of State and Government. The Government exercises executive power whereas the legislative power is vested in both the Government and Parliament, resulting in separation of powers between the Executive, Judiciary and Legislature. The country was ruled by Robert Mugabe for 37 years from 1980–1987 (as an elected Prime Minister) and from 1987–2017 (as a President). In November 2017, Robert Mugabe—under pressure from a military-facilitated and military-led "Operation Restore Legacy"—resigned from office. He was replaced by President Emmerson Dambudzo Munangagwa, who came in on an interim basis in November 2017, was re-elected as the President of the Republic in July 2018 elections and is still serving as the current President. The next presidential, parliamentary and local government elections are scheduled for 2023.

Demographically, Zimbabwe currently has 15.817 million people (compared to 7.4 million people at independence in 1980) and its population density is 38 per km2. The urban areas account for 38.4 percent of the national population, whilst 61.6 percent of the population resides in rural areas as of 2020. In terms of forecasts, Zimbabwe is expected to have 24 million people by 2050.

The Socioeconomic and Governance Metrics of Zimbabwe

Whilst it is not a sufficient condition for determining whether an environment is safe, sound and conducive for doing business, the general social, economic and governance state of a country substantially contributes towards creating an environment where business enterprise can thrive and optimally perform. Presented in Figure 1 below are some of the key socioeconomic and governance indicators of Zimbabwe as of 2021.

[21] *See https://www.worldometers.info/world-population/zimbabwe-population/#:~:text=Zimbabwe%202020%20population%20is%20estimated,of%20the%20total%20world%20population.*
[22] *Ibid.*

Socioeconomic Development Indicator	**Status**
National population	15.82 million
Gross Domestic Product	US$27.8 billion
Real GDP growth (Annual percent change)	3.1%
General government gross debt (% of GDP)	60.3%
Inflation rate, average consumer prices (Annual % change)	30.7%
Exports and imports of goods and services (% of GDP)	44.1%
Services, value added (% of GDP)	37.4%
Industry (including construction), value added (% of GDP)	12.6%
Agriculture, forestry and fishing, value added (% of GDP)	5.1%
Total Foreign Direct Investments inflows (in 2019, 2020 and 2021)	US$280 million in 2019, US$194 million in 2020[23] and US$91 million in 2021[24]
Literacy rate (15 years and older)	88.7%[25]
Human Capital Index score for 2020 (min 0, max 1)	0.47
Access to electricity (% population)	40% (16% in rural areas, 78% in urban areas)[26]
Population using at least basic drinking water services (%)	64.1%
Population who feel safe walking alone at night in the city or area where they live (%)	45.1%
Quality of trade and transport-related infrastructure (1=low to 5=high)	1.83[27]
Ranking on the 2020 World Bank Doing Business Index (out of 190 countries in the world)	140 out of 190[28]
Ranking on the 2022 Investment Freedom Index (out of 175 countries in the world)	163 out of 175[29]
Ranking on the 2022 Economic Freedom Index (out of 177 countries in the world)	173 out of 177[30]
Ranking on the 2021 Global Peace Index (out of 163 countries in the world)	133 out of 163[31]
Ranking on the 2021 Corruption Perception Index (out of 180 countries in the world)	157 out of 180[32]
Ranking on the 2020 Mo Ibrahim Index of African Governance (out of 54 African countries)	33 out of 54[33]

Figure 1: Socioeconomic and Governance Indicators of Zimbabwe (as of October 2021)

Legal and Regulatory Reforms on Investment, Trade and Doing Business

The post-Mugabe Government (popularly referred to as the 'New Dispensation') substantially reformed the country's investment regimes since late 2017 with a view to strategically reposition the country as investment-friendly, attract new capital and foreign direct investments, and reduce the cost of doing business whilst creating a business environment that promotes a competitive private sector and provides legal protection to all investments.

Following reforms of the legal, regulatory and policy frameworks that govern investments, Zimbabwe's ranking on the World Bank's Doing Business (EoDB) Index has improved as shown in Figure 2 below. The World Bank's EoDB Index ranks countries based on their assessment of the countries' business and investment climate, focusing on the procedures, time, cost and minimum capital required for starting a business; dealing with construction permits; getting electricity; registering property; getting credit; protecting investors; paying taxes; trading across borders; enforcing contracts; and resolving insolvency. In the EoDB Report of 2020, the World Bank reported that Zimbabwe had made substantial improvements in streamlining procedures for starting a business, dealing with construction permits, registering property, getting credit and resolving insolvency.

Figure 2: Zimbabwe's ranking on the World Bank's Doing Business Index (2017-2020)

Year	Ease of Doing Business Index Score	Ranking out of 190 countries
2020	54.50	140
2019	50.44	155
2018	48.47	159
2017	47.10	161

As of 2022, Zimbabwe now has a One Stop Investment Services Center (OSISC) under the Zimbabwe Investment and Development Agency (ZIDA) through the Zimbabwe Investment Development Agency Act [Chapter 14:37] of 2020. The OSISC, which was set up in 2010 but operationalized in August 2016, brings together all key institutions that are involved in the processing and approval of investment proposals and legal and regulatory requirements pertaining to all investments. The key institutions include the ZIDA, the Immigration Department, Zimbabwe Revenue Authority (ZIMRA), Special Economic Zones Authority, Companies Registry Office, Local Government, the Reserve Bank of Zimbabwe (RBZ), Ministry of Mines, Ministry of Labour, Zimbabwe Energy Regulatory Authority (ZERA), National Social Security Authority (NSSA), Zimbabwe Tourism Authority (ZTA) and the Environmental Management Authority (EMA). The OSISC thus facilitate quicker, faster and more efficient handling of investments approvals whilst also enabling convenient inter-agency cooperation in compliance screening, scrutiny and expedited approval of investments, which reduces the cost of doing business in the country.

In law and in principle, there is clarity, predictability and certainty in the protection of investments in Zimbabwe, whilst the ZIDA Act espouses the principles of non-discrimination and Most-Favoured Nation, which allows for equal, equitable and fair treatment of all investors. Specifically, Section 6 of the ZIDA Act protects investors against denial of justices and cases whereby there are substantial procedural delays and changes in the terms and conditions stated in their investment licences. Another merit embodied in the ZIDA Act is the guarantees—expressed under Section 17 of the Act—against possibilities of nationalisation and expropriation of their properties without compensation. The law states that in the event of nationalisation and/or expropriation, property claims should be executed in accordance with due process of the law and adequate compensation should be made promptly. In addition to the ZIDA Act, the Constitution of Zimbabwe under Section 71(3) also provides that the acquisition or deprivation of property is subject to compensation, and such acquisition has to follow stipulated procedures, requirements and processes. Related to this provision is the Government's decision to compensate all farmers who lost their farmlands through the Fast Track Land Reform Programme (FTLRP) of 2000. Through FTLRP, blacks compulsorily acquired land from white owners in order to redress imbalances in

land ownership through equitable land redistribution in the country, and more than 10 million hectares of land ended up being transferred to between 170,000 and 220,000 households in the form of small-scale (A1) and medium-scale (A2) farms. If the Government dutifully and punctually fulfils its commitment, it may go a long way in building investors' trust and confidence in Zimbabwe as an investment destination.

Investments in Zimbabwe are also legally protected by the ZIDA Act's provision relating to dispute settlement under Part VIII of the Act, which provides for domestic arbitration, international arbitration and any other dispute settlement mechanisms espoused in any treaties or agreements that Zimbabwe and the FDI-originating country of the aggrieved party. To this effect, the Government of Zimbabwe has made commitments to respect the existing sacrosanct Bilateral Investment Promotion and Protection Agreements (BIPPAs) whilst correcting previously violated BIPPAs. BIPPAs provide for state parties to protect the rights of investors and obligate them to protect such from expropriation whilst allowing aggrieved investors to seek redress in international courts. Zimbabwe has signed and ratified 12 BIPPAs with different countries. To date, 20 more BIPPAs have been signed but are awaiting ratification, and over 20 BIPPAs are currently under negotiation with countries from Africa, Europe, Asia and Latin America. Over and above existing BIPPAs and property rights provisions enshrined under Section 71(2) of the Constitution, the protection of investments in Zimbabwe is legally guaranteed as the country is a signatory to the following five treaties:

- United Nations Commission on International Trade Law (UNCITRAL)
- International Convention on Settlement of Investment Disputes (ICSID)
- Multilateral Investment Guarantee Agency (MIGA)
- Overseas Private Investment Corporation (OPIC)
- New York Convention on the Enforcement of Foreign Arbitral Awards

As for domestic dispute settlement remedies and litigation relating to investments, Zimbabwe introduced the High Court (Commercial Division) Rules in 2020 as Statutory Instrument 123 of 2020, which are meant to apply to all commercial disputes that may arise due

to formation of businesses, contractual liabilities, enforcement of arbitral awards, intellectual property, competition law cases, et cetera. These assist in strengthening the dispute settlement regimes and give wide legal options to investors whilst ensuring faster, fair, more consistent and more efficient resolution of commercial disputes.

There are special preferences and competitive incentives extended to investments in targeted Special Economic Zones (SEZs) in Zimbabwe. Zimbabwe has a total of five designated SEZs, namely Victoria Falls SEZ, Harare-Sunway City SEZ, Bulawayo SEZ, Beitbridge SEZ and Mutare-Fernhill SEZ, all of which have various cross-sector investment opportunities that include construction, tourism, financial services, ICT services, industrial parks, logistical hubs, manufacturing and textiles, agro-processing, power generation, minerals and precious metals beneficiation, engineering, energy generation and plantation agriculture. For all investments channelled into these SEZs, the Government offers incentives in the form of zero-rated income tax for the first five years and a corporate tax rate of 15% applying thereafter; special initial allowance of 50% of cost from year one and 25% in the subsequent two years; a 15% flat tax rate for all specialized expatriate staff; exemption from non-resident withholding tax on royalties, dividends and fees on services that are not locally available; as well as 100% rebate on customs duty for all imported equipment, machinery and raw materials. Investments into SEZs are welcome as long as they are export-oriented, advance import substitution, promote industrialization, transfer skills and technology, create jobs and promote value addition and beneficiation of local raw materials, which are desirable objectives of Zimbabwe's investment policy thrust. Public private partnerships (PPPs) are welcome in Zimbabwe within and outside the SEZs, and these are regulated by the ZIDA Act.

In terms of foreign participation and local content requirements, foreign investors in Zimbabwe have unrestricted ownership requirements in all sectors except for businesses in the diamond and platinum extraction industry, where the Government reserves 51 percent ownership to local shareholders consistent with Section 3 of the Indigenization and Economic Empowerment Act [Chapter 14:33] of 2008 as amended in 2021. The same Act (under the First Schedule) also prohibit foreigners from establishing businesses in what are specified as "reserved sectors of the economy" as these are exclusively reserved for Zimbabwean citizens. These reserved sectors include transport

(passenger buses, taxi and car hire services), hair salons, retailing, wholesaling, estate agencies, advertising agencies, grain milling, bakeries, tobacco grading and packaging, and artisanal mining. Foreign investments in these reserved sectors are only permissible where firms would substantially fund local production.

Investment Opportunities in Zimbabwe

As an investment destination, Zimbabwe enjoys a comparative advantage in that it is heavily endowed with diverse natural resources whilst it has also enjoyed relative peace and stability since 1980. Its central location as a land-linked country in Southern Africa strategically positions it as a potential logistical regional hub and gateway to key ports, telecommunication links and regional transport corridors for trade. Zimbabwe's economy is diversified (comprising agriculture, manufacturing, mining, tourism and services industries). The human resource base is highly competitive, with a diversified, skilled and trainable labour force. The various sectors of the economy in Zimbabwe therefore present unique and highly rewarding opportunities for investors.

Mining Sector

Zimbabwe's Great Dyke corridor, which measures 550km in length and 4km in width, is a strategic economic resource with the largest concentration of mineral resources in the world (including platinum, chromite, gold, nickel, copper, coal, diamond, silver and asbestos). The country has close to 40 different minerals and has the second-largest platinum deposits and high-grade chromium ores in the world (approximately 2.8 billion tons of platinum and 10 billion tons of chromium ore), 20 trillion cubic feet of coal bed methane, 26 billion tons of coal reserves, and produces over 220,000 cubic meters of raw granite per year (95 percent of this is exported raw annually). As of 2021, the mining sector accounts for around 12 percent of the country's GDP, and the sector has the potential to generate US$12 billion per year. Except in platinum and diamond extraction businesses, foreign investors can own 100 percent of mining concessions or licenses.

For investors in the mining sector, Zimbabwe charges very reasonable mining prospecting license fees, registration fees, licence renewals and

inspections as follows: Exclusive prospective orders (US$1,489); Application for mining lease (US$1,489); Application for a special mining lease (US$3,724); Application for a special grant mine (US$1,489); Special prospecting license (US$559); Ordinary prospecting license (US$74); Registration fee for mine base minerals (ordinary blocks, US$298); Registration fee to deal in precious stones for five years (US$175); Registration fee for a mining lease (US$44); Registration fee for a special mining lease (US$88); and license for exporting raw chrome ore/concentrate for 3 months (US$1 862). As a thriving industry, other areas of potential investment in the sector include mining machinery and other supplies, mining infrastructure and high-end value addition and mineral beneficiation establishments that feed into the Government's Strategic Road to the Achievement of US$12 billion by 2023, such as platinum refineries and chrome ore processing plants; plants for processing lithium into lithium chemicals and lithium batteries; diamond cutting, polishing and jewellery making plants; fertilizer manufacturing plants; steel manufacturing plants; and black granite cutting and polishing plants.

Agriculture Sector

Investments in the agriculture sector are vast given Zimbabwe's favourable climate, water resources and large tracts of arable land suitable for cropping, horticulture and cattle ranching. The total size of agricultural land stands at 162,000 square kilometres and there is abundant labour. At its peak in the mid-1990s, the sector accounted for one-third of the national GDP, employed 70 percent of its labour force and accounted for 60 percent of Zimbabwe's manufacturing sector raw-materials and over 45 percent of national export receipts. Opportunities for investment in the agriculture sector are in production of main crops, exports and outputs (which include maize, tobacco, cotton, wheat, sugar, coffee, horticulture, beef and dairy products), as well as agro-processing and value addition plants.

Manufacturing Sector

The manufacturing sector presents opportunities and options for investments in Zimbabwe. COVID-19 exposed limitations in the absence of basic supplies. Investments and advanced technology in niche industries such as agro-processing, beverage manufacturing, food processing, wood and paper processing, clothing and

textiles, vehicle manufacturing and assembly, electronics and chemical production, metal and minerals processing, and advanced manufacturing sector are a priority as reflected in Zimbabwe's National Industrial Development Policy (2019-2023), National Development Strategy I (2021-2025), National Export Strategy (2019-2023) and the Zimbabwe Trade Policy Vision 2030.

Tourism Sector

The tourism sector, which contributes over 10 percent to national GDP, is awash with opportunities for investment. Whilst tourism was affected by COVID-19 national lockdown measures and restrictions on movement and gatherings, the country is slowly opening up with tourist hubs such as the Victoria Falls Town having already reached a point where the majority of residents are vaccinated against COVID-19. Zimbabwe's tourism market attracts a lot of domestic and international tourists to its main tourist attractions in the Victoria Falls, Kariba, Great Zimbabwe, Hwange/Victoria Falls/Zambezi/Mana Pools/Gonarezhou National Parks, and the Eastern Highlands where they enjoy adventure tourism, leisure tourism, wildlife and nature tourism, cruise and water sports tourism, rural tourism, mountain tourism, cultural heritage tourism, and casino and gambling tourism, among others. Zimbabwe has a relaxed and less stringent tourist visa regime. The country received a total of 2.57 million tourists in 2018, before tourist arrivals were disrupted by COVID-19. There are designated SEZs such as the Victoria Falls, and Tourism Development Zones such as Kariba-Zambezi Valley, Eastern Highlands, Masvingo-Great Zimbabwe and others. Transfrontier Conservation Areas (TFCAs) such as Great Limpopo TF Park, Kavango-Zambezi TFCA and Zimbabwe-Mozambique-Zambia (ZiMoZa) TFCA all have vast opportunities for tourism investments whilst other investment options exist in conference centres, hotels and restaurants, spa and recreational facilities, exhibition parks, shopping malls, presidential villas and the related tourism ancillary industry.

Finance, Capital Markets and Investment Opportunities in other Service Sectors

The financial services sector in Zimbabwe, which includes liberalized banking institutions (retail, internet and commercial banks), insurance firms, mortgage firms, brokerage firms, investment firms, savings and loans associations, and credit unions all have the potential to grow and expand, hence offering opportunities for investments in

financial services innovations, stock exchange listed companies, microfinance establishments and capital markets development. These are regulated by the RBZ, Ministry of Finance and Securities Exchange Commission. Other service industry opportunities exist in the health sector, the infrastructure sector (especially construction in road and rail transport infrastructure, ICT sector, water and sanitation sector) and the education sector.

Integration of Zimbabwe into the Regional and Global Economy

Zimbabwe is a member of the United Nations. It has also been a member of the Commonwealth of Nations since 1980 and withdrew in December 2003. It applied to rejoin the Commonwealth of Nations in May 2018, and the application for readmission is still going through a determination process. The country is also a member of the World Trade Organization (WTO), African Union (AU), African Caribbean and Pacific Nations (ACP), Southern African Development Community (SADC, with a membership of 16 countries), the Common Market for Eastern and Southern Africa (COMESA, with a membership of 19 countries) and the COMESA-East African Community-SADC Tripartite Free Trade Area. The SADC Trade Protocol of 2001 and COMESA Free Trade Area established in 2000 both provide for duty preferences in the importation of goods and services whilst the interim Economic Partnership Agreement (iEPA) signed in 2009 with the European Union (EU) under the Eastern and Southern African (ESA) bloc allows for duty-free access to the EU market on selected products. Zimbabwe has also signed and ratified the African Continental Free Trade Area (AfCFTA)—a configuration of 54 African states that seeks to create a continental market for goods and services that is estimated to increase intra-African trade by 15–25 percent (US$50 to US$70 billion) by 2040. Over and above these multilateral and regional trade agreements and arrangements, Zimbabwe has preferential bilateral trade agreements with Botswana, Malawi, Mozambique and Namibia under which exporters can benefit.

Conclusion

This above synopsis articulates the current state of affairs with respect to the business, policy, legal and regulatory environment of Zimbabwe. Whilst the Zimbabwean political and policy landscape is dynamic, the business, policy, legal and regulatory environment may be reviewed and adjusted from time to time to suit the changing context and address emerging national, regional and global challenges, risks and opportunities. The overall investment

climate and business environment presents several opportunities for both large business operations as well as small and medium-sized enterprises (SMEs) in the form of greenfield investments or brownfield investments.

Refernce

Articles

"Black granite: Meagre revenue from prized stone." Mining Zimbabwe, 10 November 2019, https://miningzimbabwe.com/black-granite-meagre-revenue-from-prized-stone/.

Musarurwa, Tawanda. "Govt rectifies violated BIPPAs." The Herald, 14 October 2019, https://www.herald.co.zw/govt-rectifies-violated-bippas/.

Reuters Staff. "Zimbabwe agrees to pay $3.5 billion compensation to white farmers." Reuters, 29 July 2020, https://www.reuters.com/article/us-zimbabwe-farmers-idUSKCN24U1OM.

Sengere, Leonard. "Zim recorded almost US$10bn forex receipts in 2021, the highest ever." Techzim, 7 February 2022, https://www.techzim.co.zw/2022/02/zim-recorded-almost-us10bn-forex-receipts-in-2021-highest-ever/.

Signe, Landry and Colette van der Ven. "Keys to success for the AfCFTA negotiations." The Brookings Institution, 30 May 2019, https://www.brookings.edu/research/keys-to-success-for-the-afcfta-negotiations/.

Zimbabwe Legal Resources Website. "High Court Commercial Division Rules, 2020." Law.co.zw, 2020, https://www.law.co.zw/download/high-court-commercial-division-rules-2020/.

Data Sources

2022 Index of Economic Freedom. "Country Rankings." The Heritage Foundation, 2022, https://www.heritage.org/index/ranking.

"Corruption Perceptions Index." Transparency International, 2022, https://www.transparency.org/en/cpi/2021.

"Investment Freedom - Country Rankings." TheGlobalEconomy.com, 2022, https://www.theglobaleconomy.com/rankings/herit_investment_freedom/.

SeforALL Africa Hub. "Zimbabwe." Sustainable Energy for All, 2022,

https://www.se4all-africa.org/seforall-in-africa/country-data/zimbabwe/#:~:text=The%20country's%20population%20of%20around,78%25%20in%20urban%20areas.

The World Bank. "Agricultural land (sq. km) - Zimbabwe." The World Bank Group, 2022, https://data.worldbank.org/indicator/AG.LND.AGRI.K2?locations=ZW.

The World Bank. "Logistics performance index: Quality of trade and transport-related infrastructure - Zimbabwe." The World Bank Group, 2022, https://data.worldbank.org/indicator/LP.LPI.INFR.XQ?locations=ZW.

UNESCO Institute for Statistics. "Zimbabwe." UNESCO, 2022, http://uis.unesco.org/en/country/zw.

"Zimbabwe and the IMF." International Monetary Fund, 2022, https://www.imf.org/en/Countries/ZWE#countrydata.

"Zimbabwe Factsheet." FCDO Economics and Evaluation Directorate, October 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036657/Zimbabwe_economic_factsheet_2021.pdf.

"Zimbabwe Population (Live)." Worldometer, 2022, https://www.worldometers.info/world-population/zimbabwe-population/#:~:text=Zimbabwe%202020%20population%20is%20estimated,of%20the%20total%20world%20population.

Government Sources

Government of Zimbabwe. "Indigenisation and Economic Empowerment Act." Veritas, 2021, https://www.veritaszim.net/sites/veritas_d/files/Indigenisation%20%20%26%20Economic%20Empowerment%20Act%20Updated%20Jan%202021.pdf.

Government of Zimbabwe. "List of Ratified BIPPAs." Zimbabwe Ministry of Foreign Affairs and International Trade, 2018, http://www.zimfa.gov.zw/index.php/bippas/list-of-ratified-bippas.

Government of Zimbabwe. "National Development Strategy 1." Zimbabwe Ministry of Finance and Economic Development, 2020, http://www.zimtreasury.gov.zw/index.php?option=com_phocadownload&view=category&id=64&Itemid=789.

Government of Zimbabwe. "Zimbabwe National Industrial Development Policy

(2019-2023).” Zimbabwe Ministry of Industry and Commerce, 2019, http://extwprlegs1.fao.org/docs/pdf/zim203917.pdf.

International Trade Administration. “Zimbabwe - Country Commercial Guide.” U.S. Department of Commerce, 2022, https://www.trade.gov/country-commercial-guides/zimbabwe-mining-and-minerals.

ZIDA. “Special Economic Zones.” Zimbabwe Investment and Development Agency, 2022, https://www.zidainvest.com/sez/.

ZIDA. “Special Economic Zone incentive comparator.” Zimbabwe Investment and Development Agency, 2022, https://www.zidainvest.com/downloads/ZIDA%20SEZ%20INCENTIVE%20COMPARATOR.pdf

Zimbabwe Development and Investment Agency. “Zimbabwe Development and Investment Agency Act.” Veritas, 2019, http://www.veritaszim.net/node/3933 .Zimbabwean Government Gazette. “Statutory Instrument 185 of 2021.” Veritas, 2021, https://www.veritaszim.net/sites/veritas_d/files/SI%202021-185%20Mining%20%28General%29%20%28Amendment%29%20Regulations%2C%202021%20%28No.%2026%29.pdf

Research Reports

“2020 Ibrahim Index of African Governance Index Report.” Mo Ibrahim Foundation, 2020, https://mo.ibrahim.foundation/sites/default/files/2020-11/2020-index-report.pdf.

“Global Peace Index 2021: Measuring Peace in a Complex World.” Institute for Economics & Peace, June 2021, https://www.visionofhumanity.org/wp-content/uploads/2021/06/GPI-2021-web-1.pdf.

The World Bank. “Business Enabling Environment.” The World Bank Group, 2022, https://www.worldbank.org/en/programs/business-enabling-environment.

The World Bank. “Doing Business 2020.” The World Bank Group, 2020, https://documents1.worldbank.org/curated/en/688761571934946384/pdf/D

oing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf.

United Nations. "The United Nations Common Country Analysis: Zimbabwe 2021." UN Resident Coordinator's Office - Zimbabwe, 2021, https://reliefweb.int/sites/reliefweb.int/files/resources/UNCT_ZW_CommonCountryAnalysis_2021Final_0.pdf.

United Nations Conference on Trade and Development. "World Investment Report 2021." UNCTD, 21 June 2021, https://unctad.org/webflyer/world-investment-report-2021.



The Economics of Safety: The Business Case for Zimbabwe

Elingah Magada

This article seeks to present an analytical overview of the business, policy, legal and regulatory environment as of the year 2022, which has been developed with the objective of providing information that may be relevant to any potential investors, entrepreneurs, tourists or other businesspeople that may have an interest in either establishing a business in Zimbabwe or visiting Zimbabwe for tourist purposes. What may need to be understood, or mentioned beforehand, is that the business, policy, legal and regulatory environment is always shaped by politics, and politics in any polity is fluid and dynamic, responding to local, regional and international needs, forces, trends, opportunities, circumstances and developments. This article utilizes a variety of authentic sources of information that are duly acknowledged and cited throughout, in conjunction with empirical on-the-ground observations by the author.

Zimbabwe: Country Profile

Zimbabwe is a landlocked (or land-linked in trade facilitation parlance) country that is located in Southern Africa, sharing borders with four countries, namely Mozambique, South Africa, Zambia and Botswana. The country gained independence from Britain in 1980 following a prolonged liberalization struggle against colonial rule that had been established in 1890. Zimbabwe's total area is 390,757 square kilometres. Being a former British colony, the official language of communication is English.

Zimbabwe is a presidential republic, whereby the President is the Head of State and Government. The Government exercises executive power whereas the legislative power is vested in both the Government and Parliament, resulting in separation of powers between the Executive, Judiciary and Legislature. The country was ruled by Robert Mugabe for 37 years from 1980–1987 (as an elected Prime Minister) and from 1987–2017 (as a President). In November 2017, Robert Mugabe—under pressure from a military-facilitated and military-led "Operation Restore Legacy"—resigned from office. He was replaced by President Emmerson Dambudzo Munangagwa, who came in on an interim basis in November 2017, was re-elected as the President of the Republic in July 2018 elections and is still serving as the current President. The next presidential, parliamentary and local government elections are scheduled for 2023.

Demographically, Zimbabwe currently has 15.817 million people (compared to 7.4 million people at independence in 1980) and its population density is 38 per km2. The urban areas account for 38.4 percent of the national population, whilst 61.6 percent of the population resides in rural areas as of 2020. In terms of forecasts, Zimbabwe is expected to have 24 million people by 2050.

The Socioeconomic and Governance Metrics of Zimbabwe

Whilst it is not a sufficient condition for determining whether an environment is safe, sound and conducive for doing business, the general social, economic and governance state of a country substantially contributes towards creating an environment where business enterprise can thrive and optimally perform. Presented in Figure 1 below are some of the key socioeconomic and governance indicators of Zimbabwe as of 2021.

Figure 1: Socioeconomic and Governance Indicators of Zimbabwe (as of October 2021)[57]

Socioeconomic Development Indicator	**Status**
National population	15.82 million
Gross Domestic Product	US$27.8 billion
Real GDP growth (Annual percent change)	3.1%
General government gross debt (% of GDP)	60.3%
Inflation rate, average consumer prices (Annual % change)	30.7%
Exports and imports of goods and services (% of GDP)	44.1%
Services, value added (% of GDP)	37.4%
Industry (including construction), value added (% of GDP)	12.6%
Agriculture, forestry and fishing, value added (% of GDP)	5.1%
Total Foreign Direct Investments inflows (in 2019, 2020 and 2021)	US$280 million in 2019, US$194 million in 2020[23] and US$91 million in 2021[24]
Literacy rate (15 years and older)	88.7%[25]
Human Capital Index score for 2020 (min 0, max 1)	0.47
Access to electricity (% population)	40% (16% in rural areas, 78% in urban areas)[26]
Population using at least basic drinking water services (%)	64.1%
Population who feel safe walking alone at night in the city or area where they live (%)	45.1%
Quality of trade and transport-related infrastructure (1=low to 5=high)	1.83[27]
Ranking on the 2020 World Bank Doing Business Index (out of 190 countries in the world)	140 out of 190[28]
Ranking on the 2022 Investment Freedom Index (out of 175 countries in the world)	163 out of 175[29]
Ranking on the 2022 Economic Freedom Index (out of 177 countries in the world)	173 out of 177[30]
Ranking on the 2021 Global Peace Index (out of 163 countries in the world)	133 out of 163[31]
Ranking on the 2021 Corruption Perception Index (out of 180 countries in the world)	157 out of 180[32]
Ranking on the 2020 Mo Ibrahim Index of African Governance (out of 54 African countries)	33 out of 54[33]

Legal and Regulatory Reforms on Investment, Trade and Doing Business

The post-Mugabe Government (popularly referred to as the 'New Dispensation') substantially reformed the country's investment regimes since late 2017 with a view to strategically reposition the country as investment-friendly, attract new capital and foreign direct investments, and reduce the cost of doing business whilst creating a business environment that promotes a competitive private sector and provides legal protection to all investments.

Following reforms of the legal, regulatory and policy frameworks that govern investments, Zimbabwe's ranking on the World Bank's Doing Business (EoDB) Index has improved as shown in Figure 2 below. The World Bank's EoDB Index ranks countries based on their assessment of the countries' business and investment climate, focusing on the procedures, time, cost and minimum capital required for starting a business; dealing with construction permits; getting electricity; registering property; getting credit; protecting investors; paying taxes; trading across borders; enforcing contracts; and resolving insolvency. In the EoDB Report of 2020, the World Bank reported that Zimbabwe had made substantial improvements in streamlining procedures for starting a business, dealing with construction permits, registering property, getting credit and resolving insolvency.69

Figure 2: Zimbabwe's ranking on the World Bank's Doing Business Index (2017-2020)[70]

Year	Ease of Doing Business Index Score	Ranking out of 190 countries
2020	54.50	140
2019	50.44	155
2018	48.47	159
2017	47.10	161

As of 2022, Zimbabwe now has a One Stop Investment Services Center (OSISC) under the Zimbabwe Investment and Development Agency (ZIDA) through the Zimbabwe Investment Development Agency Act [Chapter 14:37]71 of 2020. The OSISC, which was set up in 2010 but operationalized in August 2016, brings together all key institutions that are involved in the processing and approval of investment proposals and legal and regulatory requirements pertaining to all investments. The key institutions include the ZIDA, the Immigration Department, Zimbabwe Revenue Authority (ZIMRA), Special Economic Zones Authority, Companies Registry Office, Local Government, the Reserve Bank of Zimbabwe (RBZ), Ministry of Mines, Ministry of Labour, Zimbabwe Energy Regulatory Authority (ZERA), National Social Security Authority (NSSA), Zimbabwe Tourism Authority (ZTA) and the Environmental Management Authority (EMA). The OSISC thus facilitate quicker, faster and more efficient handling of investments approvals whilst also enabling convenient inter-agency cooperation in compliance screening, scrutiny and expedited approval of investments, which reduces the cost of doing business in the country.

In law and in principle, there is clarity, predictability and certainty in the protection of investments in Zimbabwe, whilst the ZIDA Act espouses the principles of non-discrimination and Most-Favoured Nation, which allows for equal, equitable and fair treatment of all investors. Specifically, Section 6 of the ZIDA Act protects investors against denial of justices and cases whereby there are substantial procedural delays and changes in the terms and conditions stated in their investment licences. Another merit embodied in the ZIDA Act is the guarantees—expressed under Section 17 of the Act—against possibilities of nationalisation and expropriation of their properties without compensation. The law states that in the event of nationalisation and/or expropriation, property claims should be executed in accordance with due process of the law and adequate compensation should be made promptly. In addition to the ZIDA Act, the Constitution of Zimbabwe under Section 71(3) also provides that the acquisition or deprivation of property is subject to compensation, and such acquisition has to follow stipulated procedures, requirements and processes. Related to this provision is the Government's decision to compensate all farmers who lost their farmlands through the Fast Track Land Reform Programme (FTLRP) of 2000.72 Through FTLRP, blacks compulsorily acquired land from white

owners in order to redress imbalances in land ownership through equitable land redistribution in the country, and more than 10 million hectares of land ended up being transferred to between 170,000 and 220,000 households in the form of small-scale (A1) and medium-scale (A2) farms.73 If the Government dutifully and punctually fulfils its commitment, it may go a long way in building investors' trust and confidence in Zimbabwe as an investment destination.

Investments in Zimbabwe are also legally protected by the ZIDA Act's provision relating to dispute settlement under Part VIII of the Act, which provides for domestic arbitration, international arbitration and any other dispute settlement mechanisms espoused in any treaties or agreements that Zimbabwe and the FDI-originating country of the aggrieved party. To this effect, the Government of Zimbabwe has made commitments to respect the existing sacrosanct Bilateral Investment Promotion and Protection Agreements (BIPPAs) whilst correcting previously violated BIPPAs.74 BIPPAs provide for state parties to protect the rights of investors and obligate them to protect such from expropriation whilst allowing aggrieved investors to seek redress in international courts. Zimbabwe has signed and ratified 12 BIPPAs with different countries. To date, 20 more BIPPAs have been signed but are awaiting ratification, and over 20 BIPPAs are currently under negotiation with countries from Africa, Europe, Asia and Latin America.75 Over and above existing BIPPAs and property rights provisions enshrined under Section 71(2) of the Constitution, the protection of investments in Zimbabwe is legally guaranteed as the country is a signatory to the following five treaties:

- United Nations Commission on International Trade Law (UNCITRAL)
- International Convention on Settlement of Investment Disputes (ICSID)
- Multilateral Investment Guarantee Agency (MIGA)
- Overseas Private Investment Corporation (OPIC)
- New York Convention on the Enforcement of Foreign Arbitral Awards

As for domestic dispute settlement remedies and litigation relating to investments, Zimbabwe introduced the High Court (Commercial Division) Rules in 2020 as Statutory Instrument 123 of 2020,76 which are meant to apply to all commercial disputes that may arise due to formation of businesses, contractual liabilities, enforcement of arbitral

awards, intellectual property, competition law cases, et cetera. These assist in strengthening the dispute settlement regimes and give wide legal options to investors whilst ensuring faster, fair, more consistent and more efficient resolution of commercial disputes.

There are special preferences and competitive incentives extended to investments in targeted Special Economic Zones (SEZs) in Zimbabwe. Zimbabwe has a total of five designated SEZs,77 namely Victoria Falls SEZ, Harare-Sunway City SEZ, Bulawayo SEZ, Beitbridge SEZ and Mutare-Fernhill SEZ, all of which have various cross-sector investment opportunities that include construction, tourism, financial services, ICT services, industrial parks, logistical hubs, manufacturing and textiles, agro-processing, power generation, minerals and precious metals beneficiation, engineering, energy generation and plantation agriculture. For all investments channelled into these SEZs, the Government offers incentives in the form of zero-rated income tax for the first five years and a corporate tax rate of 15% applying thereafter; special initial allowance of 50% of cost from year one and 25% in the subsequent two years; a 15% flat tax rate for all specialized expatriate staff; exemption from non-resident withholding tax on royalties, dividends and fees on services that are not locally available; as well as 100% rebate on customs duty for all imported equipment, machinery and raw materials.78 Investments into SEZs are welcome as long as they are export-oriented, advance import substitution, promote industrialization, transfer skills and technology, create jobs and promote value addition and beneficiation of local raw materials, which are desirable objectives of Zimbabwe's investment policy thrust. Public private partnerships (PPPs) are welcome in Zimbabwe within and outside the SEZs, and these are regulated by the ZIDA Act.

In terms of foreign participation and local content requirements, foreign investors in Zimbabwe have unrestricted ownership requirements in all sectors except for businesses in the diamond and platinum extraction industry, where the Government reserves 51 percent ownership to local shareholders consistent with Section 3 of the Indigenization and Economic Empowerment Act [Chapter 14:33] of 2008 as amended in 2021.79 The same Act (under the First Schedule) also prohibit foreigners from establishing businesses in what are specified as "reserved sectors of the economy" as these are exclusively reserved for Zimbabwean citizens. These reserved

sectors include transport (passenger buses, taxi and car hire services), hair salons, retailing, wholesaling, estate agencies, advertising agencies, grain milling, bakeries, tobacco grading and packaging, and artisanal mining. Foreign investments in these reserved sectors are only permissible where firms would substantially fund local production.

Investment Opportunities in Zimbabwe

As an investment destination, Zimbabwe enjoys a comparative advantage in that it is heavily endowed with diverse natural resources whilst it has also enjoyed relative peace and stability since 1980. Its central location as a land-linked country in Southern Africa strategically positions it as a potential logistical regional hub and gateway to key ports, telecommunication links and regional transport corridors for trade. Zimbabwe's economy is diversified (comprising agriculture, manufacturing, mining, tourism and services industries). The human resource base is highly competitive, with a diversified, skilled and trainable labour force. The various sectors of the economy in Zimbabwe therefore present unique and highly rewarding opportunities for investors.

Mining Sector

Zimbabwe's Great Dyke corridor, which measures 550km in length and 4km in width, is a strategic economic resource with the largest concentration of mineral resources in the world (including platinum, chromite, gold, nickel, copper, coal, diamond, silver and asbestos). The country has close to 40 different minerals and has the second-largest platinum deposits and high-grade chromium ores in the world (approximately 2.8 billion tons of platinum and 10 billion tons of chromium ore), 20 trillion cubic feet of coal bed methane, 26 billion tons of coal reserves, and produces over 220,000 cubic meters of raw granite per year (95 percent of this is exported raw annually). As of 2021, the mining sector accounts for around 12 percent of the country's GDP, and the sector has the potential to generate US$12 billion per year. Except in platinum and diamond extraction businesses, foreign investors can own 100 percent of mining concessions or licenses.

For investors in the mining sector, Zimbabwe charges very reasonable mining prospecting license fees, registration fees, licence renewals and inspections as follows: Exclusive

prospective orders (US$1,489); Application for mining lease (US$1,489); Application for a special mining lease (US$3,724); Application for a special grant mine (US$1,489); Special prospecting license (US$559); Ordinary prospecting license (US$74); Registration fee for mine base minerals (ordinary blocks, US$298); Registration fee to deal in precious stones for five years (US$175); Registration fee for a mining lease (US$44); Registration fee for a special mining lease (US$88); and license for exporting raw chrome ore/concentrate for 3 months (US$1 862). As a thriving industry, other areas of potential investment in the sector include mining machinery and other supplies, mining infrastructure and high-end value addition and mineral beneficiation establishments that feed into the Government's Strategic Road to the Achievement of US$12 billion by 2023, such as platinum refineries and chrome ore processing plants; plants for processing lithium into lithium chemicals and lithium batteries; diamond cutting, polishing and jewellery making plants; fertilizer manufacturing plants; steel manufacturing plants; and black granite cutting and polishing plants.

Agriculture Sector

Investments in the agriculture sector are vast given Zimbabwe's favourable climate, water resources and large tracts of arable land suitable for cropping, horticulture and cattle ranching. The total size of agricultural land stands at 162,000 square kilometres and there is abundant labour. At its peak in the mid-1990s, the sector accounted for one-third of the national GDP, employed 70 percent of its labour force and accounted for 60 percent of Zimbabwe's manufacturing sector raw-materials and over 45 percent of national export receipts. Opportunities for investment in the agriculture sector are in production of main crops, exports and outputs (which include maize, tobacco, cotton, wheat, sugar, coffee, horticulture, beef and dairy products), as well as agro-processing and value addition plants.

Manufacturing Sector

The manufacturing sector presents opportunities and options for investments in Zimbabwe. COVID-19 exposed limitations in the absence of basic supplies. Investments and advanced technology in niche industries such as agro-processing, beverage manufacturing, food processing, wood and paper processing, clothing and textiles, vehicle manufacturing and assembly, electronics and chemical production, metal and minerals processing, and advanced manufacturing sector are a priority as reflected in Zimbabwe's National

Industrial Development Policy (2019-2023), National Development Strategy I (2021-2025), National Export Strategy (2019-2023) and the Zimbabwe Trade Policy Vision 2030.

Tourism Sector

The tourism sector, which contributes over 10 percent to national GDP, is awash with opportunities for investment. Whilst tourism was affected by COVID-19 national lockdown measures and restrictions on movement and gatherings, the country is slowly opening up with tourist hubs such as the Victoria Falls Town having already reached a point where the majority of residents are vaccinated against COVID-19. Zimbabwe's tourism market attracts a lot of domestic and international tourists to its main tourist attractions in the Victoria Falls, Kariba, Great Zimbabwe, Hwange/Victoria Falls/Zambezi/Mana Pools/Gonarezhou National Parks, and the Eastern Highlands where they enjoy adventure tourism, leisure tourism, wildlife and nature tourism, cruise and water sports tourism, rural tourism, mountain tourism, cultural heritage tourism, and casino and gambling tourism, among others. Zimbabwe has a relaxed and less stringent tourist visa regime. The country received a total of 2.57 million tourists in 2018, before tourist arrivals were disrupted by COVID-19. There are designated SEZs such as the Victoria Falls, and Tourism Development Zones such as Kariba-Zambezi Valley, Eastern Highlands, Masvingo-Great Zimbabwe and others. Transfrontier Conservation Areas (TFCAs) such as Great Limpopo TF Park, Kavango-Zambezi TFCA and Zimbabwe-Mozambique-Zambia (ZiMoZa) TFCA all have vast opportunities for tourism investments whilst other investment options exist in conference centres, hotels and restaurants, spa and recreational facilities, exhibition parks, shopping malls, presidential villas and the related tourism ancillary industry.

Finance, Capital Markets and Investment Opportunities in other Service Sectors

The financial services sector in Zimbabwe, which includes liberalized banking institutions (retail, internet and commercial banks), insurance firms, mortgage firms, brokerage firms, investment firms, savings and loans associations, and credit unions all have the potential to grow and expand, hence offering opportunities for investments in financial services innovations, stock exchange listed companies, microfinance establishments and capital markets development. These are regulated by the RBZ, Ministry of Finance and Securities Exchange Commission. Other service industry opportunities

exist in the health sector, the infrastructure sector (especially construction in road and rail transport infrastructure, ICT sector, water and sanitation sector) and the education sector.

Integration of Zimbabwe into the Regional and Global Economy

Zimbabwe is a member of the United Nations. It has also been a member of the Commonwealth of Nations since 1980 and withdrew in December 2003. It applied to rejoin the Commonwealth of Nations in May 2018, and the application for readmission is still going through a determination process. The country is also a member of the World Trade Organization (WTO), African Union (AU), African Caribbean and Pacific Nations (ACP), Southern African Development Community (SADC, with a membership of 16 countries), the Common Market for Eastern and Southern Africa (COMESA, with a membership of 19 countries) and the COMESA-East African Community-SADC Tripartite Free Trade Area. The SADC Trade Protocol of 2001 and COMESA Free Trade Area established in 2000 both provide for duty preferences in the importation of goods and services whilst the interim Economic Partnership Agreement (iEPA) signed in 2009 with the European Union (EU) under the Eastern and Southern African (ESA) bloc allows for duty-free access to the EU market on selected products. Zimbabwe has also signed and ratified the African Continental Free Trade Area (AfCFTA)—a configuration of 54 African states that seeks to create a continental market for goods and services that is estimated to increase intra-African trade by 15–25 percent (US$50 to US$70 billion) by 2040. Over and above these multilateral and regional trade agreements and arrangements, Zimbabwe has preferential bilateral trade agreements with Botswana, Malawi, Mozambique and Namibia under which exporters can benefit.

Conclusion

This above synopsis articulates the current state of affairs with respect to the business, policy, legal and regulatory environment of Zimbabwe. Whilst the Zimbabwean political and policy landscape is dynamic, the business, policy, legal and regulatory environment may be reviewed and adjusted from time to time to suit the changing context and address emerging national, regional and global challenges, risks and opportunities. The overall investment climate and business environment presents several opportunities for both large business operations as well as small and medium-sized enterprises (SMEs) in the form of greenfield investments or brownfield investments.

References

Articles

"Black granite: Meagre revenue from prized stone." Mining Zimbabwe, 10 November 2019, https://miningzimbabwe.com/black-granite-meagre-revenue-from-prized-stone/.

Musarurwa, Tawanda. "Govt rectifies violated BIPPAs." The Herald, 14 October 2019, https://www.herald.co.zw/govt-rectifies-violated-bippas/.

Reuters Staff. "Zimbabwe agrees to pay $3.5 billion compensation to white farmers." Reuters, 29 July 2020, https://www.reuters.com/article/us-zimbabwe-farmers-idUSKCN24U1OM.

Sengere, Leonard. "Zim recorded almost US$10bn forex receipts in 2021, the highest ever." Techzim, 7 February 2022, https://www.techzim.co.zw/2022/02/zim-recorded-almost-us10bn-forex-receipts-in-2021-highest-ever/.

Signe, Landry and Colette van der Ven. "Keys to success for the AfCFTA negotiations." The Brookings Institution, 30 May 2019, https://www.brookings.edu/research/keys-to-success-for-the-afcfta-negotiations/.

Zimbabwe Legal Resources Website. "High Court Commercial Division Rules, 2020." Law.co.zw, 2020, https://www.law.co.zw/download/high-court-commercial-division-rules-2020/.

Data Sources

2022 Index of Economic Freedom. "Country Rankings." The Heritage Foundation, 2022, https://www.heritage.org/index/ranking.

"Corruption Perceptions Index." Transparency International, 2022, https://www.transparency.org/en/cpi/2021.

"Investment Freedom - Country Rankings." TheGlobalEconomy.com, 2022, https://www.theglobaleconomy.com/rankings/herit_investment_freedom/.

SeforALL Africa Hub. "Zimbabwe." Sustainable Energy for All, 2022, https://www.se4all-africa.org/seforall-in-africa/country-data/zimbabwe/#:~:text=The%20country's%20population%20of%20around,78%25%20in%20urban%20areas.

The World Bank. "Agricultural land (sq. km) - Zimbabwe." The World Bank Group, 2022,

https://data.worldbank.org/indicator/AG.LND.AGRI.K2?locations=ZW.

The World Bank. "Logistics performance index: Quality of trade and transport-related infrastructure - Zimbabwe." The World Bank Group, 2022, https://data.worldbank.org/indicator/LP.LPI.INFR.XQ?locations=ZW.

UNESCO Institute for Statistics. "Zimbabwe." UNESCO, 2022, http://uis.unesco.org/en/country/zw.

"Zimbabwe and the IMF." International Monetary Fund, 2022, https://www.imf.org/en/Countries/ZWE#countrydata.

"Zimbabwe Factsheet." FCDO Economics and Evaluation Directorate, October 2021, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1036657/Zimbabwe_economic_factsheet_2021.pdf.

"Zimbabwe Population (Live)." Worldometer, 2022, https://www.worldometers.info/world-population/zimbabwe-population/#:~:text=Zimbabwe%202020%20population%20is%20estimated,of%20the%20total%20world%20population.

Government Sources

Government of Zimbabwe. "Indigenisation and Economic Empowerment Act." Veritas, 2021, https://www.veritaszim.net/sites/veritas_d/files/Indigenisation%20%20%26%20Economic%20Empowerment%20Act%20Updated%20Jan%202021.pdf.

Government of Zimbabwe. "List of Ratified BIPPAs." Zimbabwe Ministry of Foreign Affairs and International Trade, 2018, http://www.zimfa.gov.zw/index.php/bippas/list-of-ratified-bippas.

Government of Zimbabwe. "National Development Strategy 1." Zimbabwe Ministry of Finance and Economic Development, 2020, http://www.zimtreasury.gov.zw/index.php?option=com_phocadownload&view=category&id=64&Itemid=789.

Government of Zimbabwe. "Zimbabwe National Industrial Development Policy (2019-2023)." Zimbabwe Ministry of Industry and Commerce, 2019, http://extwprlegs1.fao.org/docs/pdf/zim203917.pdf.

International Trade Administration. "Zimbabwe - Country Commercial Guide." U.S. Department of Commerce, 2022, https://www.trade.gov/country-commercial-guides/zimbabwe-mining-and-minerals.

ZIDA. "Special Economic Zones." Zimbabwe Investment and Development Agency, 2022, https://www.zidainvest.com/sez/.

ZIDA. "Special Economic Zone incentive comparator." Zimbabwe Investment and Development Agency, 2022, https://www.zidainvest.com/downloads/ZIDA%20SEZ%20INCENTIVE%20COMPARATOR.pdf

Zimbabwe Development and Investment Agency. "Zimbabwe Development and Investment Agency Act." Veritas, 2019, http://www.veritaszim.net/node/3933.

Zimbabwean Government Gazette. "Statutory Instrument 185 of 2021." Veritas, 2021, https://www.veritaszim.net/sites/veritas_d/files/SI%202021-185%20Mining%20%28General%29%20%28Amendment%29%20Regulations%2C%202021%20%28No.%2026%29.pdf.

Research Reports

"2020 Ibrahim Index of African Governance Index Report." Mo Ibrahim Foundation, 2020, https://mo.ibrahim.foundation/sites/default/files/2020-11/2020-index-report.pdf.

"Global Peace Index 2021: Measuring Peace in a Complex World." Institute for Economics & Peace, June 2021, https://www.visionofhumanity.org/wp-content/uploads/2021/06/GPI-2021-web-1.pdf.

The World Bank. "Business Enabling Environment." The World Bank Group, 2022, https://www.worldbank.org/en/programs/business-enabling-environment.

The World Bank. "Doing Business 2020." The World Bank Group, 2020, https://documents1.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf.

United Nations. "The United Nations Common Country Analysis: Zimbabwe 2021." UN Resident Coordinator's Office - Zimbabwe, 2021, https://reliefweb.int/sites/reliefweb.int/files/resources/UNCT_ZW_CommonCountryAnalysis_2021Final_0.pdf.

United Nations Conference on Trade and Development. "World Investment Report 2021." UNCTD, 21 June 2021, https://unctad.org/webflyer/world-investment-report-2021.



Promoting Agricultural Production in the Republic of Congo: Overview, Challenges and Opportunities

Ebenezer Matey

The Republic of Congo is located in Central Africa and is bordered by the Central African Republic, Cameroon, Gabon, Angola and the Democratic Republic of Congo. Highly endowed with tropical forests, the country also has vast uncultivated arable land, representing about one-third of its total area. Only 2% of the 10 million hectares of Congo's fertile lands are cultivated, vastly insufficient to meet the country's food needs. It is worth mentioning that a third of Congo's population is estimated to live in rural areas while 70% of rural households depend on agriculture. However, the country is heavily dependent on its oil sector as the main driver of economic development, severely hampering the development of other sectors such as agriculture and forestry. Due to this strong reliance on the oil sector, the Republic of Congo spends a lot of money to import food and ensure its food security. In 2016, the country spent an estimated CFAF 727.2 billion (about

US$1.2 billion) to import food products.

Challenges Hampering Agricultural Production in the Republic of Congo

According to the International Fund for Agricultural Development (IFAD), inadequate or inexistent microfinance structures to provide financial support to farmers, most of whom are rural dwellers, is a major factor hampering agricultural production in Congo. Another challenge related to the former is that traditional, subsistence-level agricultural practices/methods involving low levels of mechanization is still very prevalent, leading to low levels of production, which in turn translates into the country having to rely on imports to sufficiently feed its population.

High transport costs arising from poor maintenance of vehicles, roads, crossings and navigation channels is another major challenge. Since agricultural production is generally concentrated in rural areas, construction of and access to high-quality motorable roads and affordable means of transport is a necessary piece of the food production chain to ensure agricultural produce is easily and affordably transported to urban centers to minimize or eliminate post-harvest losses. Ensuring timely and cheaper transportation of produce from the areas of production to the markets would also contribute to supplying more evenly matching demand, leading to a reduction in prices to the benefit of more buyers and households. Again, according to IFAD, marketing difficulties arising from weak collection and distribution organizations, and poor processing equipment and communications between producers, traders and consumers constitute some other major challenges hampering agricultural production, especially in rural areas.

According to the World Food Programme, and corroborated through interactions with locals, the recurrence or fear of social and political conflict has forced people to abandon their land, homes and jobs and discourages long-term investments, including in large-scale agriculture. As a matter of fact, Congo has experienced periods of civil war and heightened levels of political instability and insecurity, dating back as recently as 2015.

Climate change, to which Congo is susceptible, could also be a contributor to low agricultural production. In a paper analyzing the impact of climate change in food production in Congo, Edwige Kamitewoko of the Marien Ngouabi University in Brazzaville analyzed the impact of changes in temperature and

rainfall patterns due to climate change on the production of five food crops—cassava, beans, bananas, peanuts and yams—which are the main food crops cultivated in Congo. The paper refers to Congo as one of the most watered countries in the African continent, with an annual rainfall varying between 1200 and 1500 mm of water per year. However, the country has been experiencing increasing variability in rainfall patterns that could be attributed to climate change and the paper asserts that climatic variability and change have always presented a threat to food security in Congo through their effect on rainfall, soil moisture and production. The paper further states that excessive rainfall could restrict access to water resources, shorten the growing season, alter the agricultural calendar of farmers and even impact soil fertility. It concludes by suggesting policy approaches such as allocating more lands for crop production through public food farms, promoting the dissemination and use of climate information to farmers, and strengthening advisory and technical support for farmers.

Overcoming the Challenges: Opportunities for Growth

As mentioned earlier, one of the challenges to sufficient agricultural production is the lack of funding or inadequate funding for small-scale/rural farmers. This is where strong government support comes in. Government support through the provision of and access to low-interest loans and other flexible and attractive funding opportunities to farmers would go a long way to boost agricultural production. The Government could also support farmers through capacity-building in terms of training on effective financial management and proper bookkeeping, proper use of fertilizers, better soil management and farming practices, as well as conducting research and disseminating the results.

A ripple effect of improved agricultural production is that as crop and animal yields improve, farmers stand to make more money from increased sales, leading to an improvement in their standard of living. As their living conditions improve and they share their success stories, other people are likely to perceive agriculture as a viable area of investment and thus more investors, both rich individuals and corporate entities, would be motivated to invest in agriculture, which would contribute to an overall increase in agricultural output.

As the proverbial saying goes, a problem shared is a problem halved, which conveys the idea of opening up to and collaborating with others to find solutions to problems. In this regard, the Government of the Republic of Congo is

collaborating with several partners to support its campaign to boost agricultural production and deal with the attendant food insecurity and malnutrition. One such partnership is with IFAD, which signed with the Republic of Congo in 2015 a US$17.56 million agreement to finance an inland fisheries and aquaculture project (PD-PAC) in the northern departments of Cuvette, Cuvette-Ouest, Sangha and Plateaux. IFAD has also jointly prepared a Country Strategic Opportunities Programme (COSOP) 2019-2024 with the Government of Congo, the goal of which is "to achieve sustainable and inclusive development of agricultural production and agribusiness while supporting the Government in its effort to achieve Sustainable Development Goals (SDGs) 1, 2, 3 and 8." The three strategic objectives of the COSOP are: strengthening the capacity of small-scale stakeholders and their organizations to create inclusive market linkages and agribusiness models and derive economic benefits from value chains with high economic potential; increasing access by small-scale producers and other value chain stakeholders to financing and financial services; and improving the policy and regulatory environment for micro, small and medium-sized enterprise development in the agriculture and food sector.

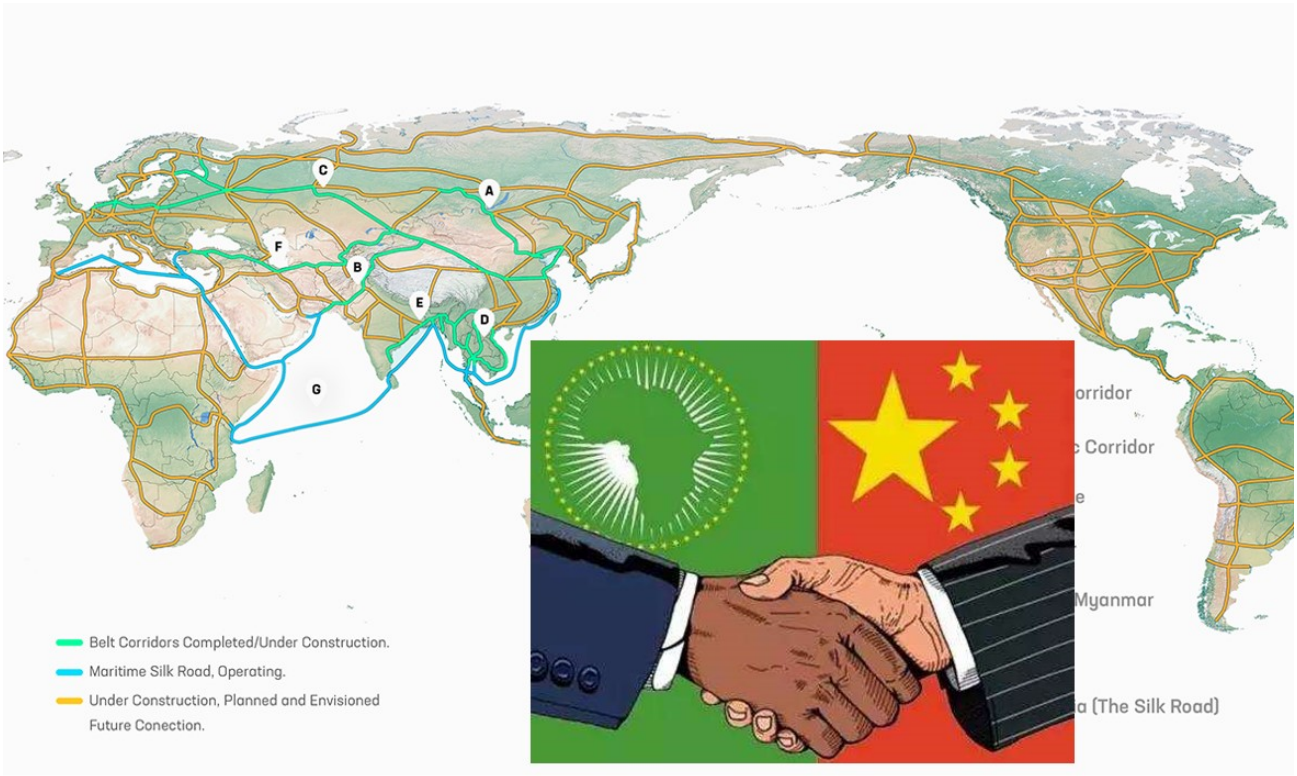
The Government could also run a massive public education campaign to try and change social perceptions about working in the agricultural sector. Most urban dwellers, especially the educated youth, do not find farming an attractive choice of employment but prefer to work in the civil service or public sector in general, or with banks, multinational corporations in the petroleum industry, or international organizations, which are usually well-paid and offer relatively stable jobs. The Congolese Government could make agriculture attractive by providing farmers with inputs for production such as fertilizers and equipment as well as being an available buyer of farm produce so producers do not incur losses due to lack of available markets. The Government could also organize regional and national Farmer's Day celebrations, as done in Ghana, to reward and celebrate successful farmers. Individual farmers and small-scale producers could form cooperatives to boost their productivity. Such cooperatives provide opportunities for knowledge-sharing about best practices, value addition and access to credible and reliable partners, and also increase the likelihood of securing loans and other micro-finance support for their members. Cooperatives may also be considered more credible partners by the Government and other stakeholders

and could also have a stronger influence in negotiations than individual and small-scale farmers and producers.

Finally, immigrants who have the knowledge, interest and means to invest in agriculture should be encouraged to do so while the locals learn from them. Just as the business acumen and investments of West African traders and businesses, referred to locally as WestAf or Warah, contribute massively to the retail sector of the Congolese economy, sometimes in partnership with the locals, so would the success of immigrants in the local agricultural space spur the Congolese to take up farming and other agricultural activity.

Conclusion

The Republic of Congo is naturally endowed with vast arable lands suitable for large-scale agriculture, which should make the country self-sufficient in food production. However, prevalent subsistence agriculture concentrated in rural areas further hampered by lack of funding and access to good transport networks, among other factors, have rendered the country heavily dependent on food imports. Government's efforts in partnership with regional and international partners have started yielding results but have still not quite closed the food supply gap. More needs to be done, while the citizenry should be encouraged to take up agriculture as a viable and patriotic venture to support their country.



Challenges and Opportunities for Moroccan SMEs Based on the "Belt and Road Initiatives" Cooperation

Zhiqi Liao

Morocco's economic status and essential analysis

Since the outbreak of the COVID-19 pandemic, Morocco's domestic economic environment has suffered heavy losses, mainly reflected in the insufficient and unreasonable utilization of the labor, the lack of innovation and derived value in the high-tech field, the high national unemployment rate (especially youth unemployment rate), the insufficient attraction to foreign investment (Lopez-Acevedo). It is clearly shown in the book "Morocco's Jobs Landscape" published in 2021 which is recommended by the World Bank Organization.

However, it is not the core reason for containing Morocco's economic development. Like a fuse, it just exposes the problem. Fundamental problem that restricts Morocco's economy from breaking through the existing shackles and improving its quality and upgrading

is the lack of internal innovation in its economic system. The recession of the overall domestic economic environment has undoubtedly set many obstacles to the innovation and development of local Small and Medium Enterprises (SMEs), mainly reflected in insufficient enterprise competitiveness, the low educational level of the labor force, the excessive risk-taking of SMEs, and practical problems such as not enough of external projects and platform (Alfani).

According to the elements of core competitiveness of SMEs emphasized by International Trade Centre, only by rebuilding the internal reform of the economic system, can we realize the healthy and orderly operation of various industries and integrate into the general situation of economic globalization better than ever before.

Opportunities for cooperation in the context of the Belt and Road Initiative

There are two sides to each coin. The bright side of the misfortune is that it has forced Morocco to face up to its problems that cannot be ignored. At the same time, it has also accelerated Morocco's exploration of seeking diversification of economic cooperation, all-round project cooperation, and integration of industry reforms. "The Belt and Road Initiatives" project proposed and initiated by China has provided a good opportunity for Morocco's economic development. "The Belt and Road Initiatives" project has been carried out so far, based on the actual national conditions of each country, focusing on long-term development cooperation and national interests and constantly expanding the cooperation platform and market of participating countries (Yuan).

In addition, the industrialization development that Morocco attaches the greatest importance is coinciding with China's infrastructure technology and capital reserves perfectly. Also, China and Morocco, on the basement of honest cooperation between both sides, aim to achieve a mutual interest by promoting the economic development of digital modernization to attract more suitable countries to participate in suitable project cooperation. This will bring about the common prosperity of all industries of Morocco in the exploration of multi-subject and multi-mode cooperation (Zhou).

The outlets for SMEs to break through the shackles

Prioritising Industralization

The sustainable development of SMEs is not only related to the survival of the enterprise, but also plays a critical role in coordinating and stabilizing the people's

life and work, social stability and national prosperity. For the future development planning of SMEs, there is a need to seek to achieve a rational development with priority and order. Morocco's development planning, industrialization has always been regarded as top priority. The development of the industrial sector is often accompanied by substantial benefits such as technological innovation and productivity breakthroughs that improve the country's comprehensive national strength. Therefore, the government, entrepreneur associations and overseas investors should consider industrial cooperation seriously.

Seek joint multi-country cooperation

With the increment of cooperation, projects and the expansion of cooperation platforms brought about by "the Belt and Road Initiative", more sparks that are possible will light (Sun). For instance, Morocco and France have been in long-term cooperation, taking oil and gas development projects. China's strong economic strength and the world's leading infrastructure technology not only inject new vitality into Morocco's oil and gas, but also promote China, France and Morocco to realize multinational joint project cooperation. After the number of domestic industrial projects in Morocco increases, the government can assign a certain percentage of the quota to local SMEs in the form of bidding. More so, the government is supposed to encourage and guide SMEs to actively learn advanced industrial technology from foreign partners and cultivate a group of local industrial and technical backbones serve as a talent pool for the domestic industry.

Cultivation of local young talents

In the national core development strategy, the meticulous cultivation of young talents and the integration of economic strategies are essential. The stronger the youth, the more prosperous the country is. The main group for industrialized talent training must be young people, which can increase youth employment rates and the quality of the youth workforce, while this industrial plan can get the perfect return of multiple benefits. On the one hand, it precisely fits the domestic industrialization development framework. At the same time, it shows the competence and vitality of Moroccan young talents to the world and improves the openness of Morocco, which is conducive to opening up many overseas markets opportunities.

Sustainable development of agricultural infrastructure

Attention should be paid to the stable development of local agriculture including animal husbandry in Morocco. Since Russia and Ukraine war started, there has been a series of resource crises. Therefore, it is necessary to ensure the sustainable development of domestic grain storage and other significant resources. SMEs should explore various ways to realize agricultural modernization. In addition to following a series of policies to benefit farmers, innovating agricultural structure and agricultural management is the secret of substantial difference (Ministry of Agriculture of the People's Republic of China). Modern agriculture in China has experienced a transformation from a small economy to people's communes, from the collective contract system to the current diversified agricultural development methods that adapt to local conditions. These valuable experiences can be used as a cornerstone.

Diversification of marketing strategies

A good marketing strategy can achieve goals that far exceed expectations. A handmade product can have the following options: one is private customization, requiring a deposit to be made for VIP; the customer provides elements and requirements, then design and produce, aiming for high-end route. Another alternative is simple DIY (do it yourself: the merchant can just provide semi-finished product while people can finish it according to instruction, it helps to find the joy of crafting and sharing), highlighting Morocco's customs and characteristics, providing manuals or video tutorials in order to attract customers who are interested in handicraft. Again, product-classification for high-quality products equipped with good packaging and sale as boutiques can attract customers who need to buy some souvenirs or holiday gifts. Products with flaws that do not really affect the use or appearance can be sold at a lower price to attract customer groups with limited spending power. This is also an effective method to attract more customers. The government should also help SMEs to promote products with national characteristics by building online cooperation platforms with e-commerce and maintain their relationship with countries with high productivity and great consumption to help SMEs expand their sales channels and markets (Sun).

Maximize the value of product derivation

The derivative value of export products is the key point (Schott). Taking

handmade -products as an example, it can be divided into different parts and form a complete industrial chain, from raw materials, design, handmade products, product packaging and final product transportation, which can not only be linked together but also each link can be disassembled (Malam K). Only through local reprocessing and repackaging can product's economic value be maximized, allowing SMEs to make profits far greater than the product's original value, while also meeting Morocco's realistic needs to reduce the trade deficit, improve trade balance, and promoting multilateral trade cooperation.

Conclusion

Facing the long-term coexistence and blow of the COVID-19 pandemic, in the era of economic globalization, under the cooperation of "The Belt and Road Initiatives" project, aiming at the establishment of the African Continental Free Trade Area, Morocco has great advantages politically and domestically. There is a need to overcome the existing problems, promoting Internet popularization and digital development to realize the overall strategic planning successfully which only innovative Moroccan SMEs can seize the opportunity, not just for Enterprise construction, also for helping Morocco shine on the world stage.

References

Book

Lopez-Acevedo, Gladys; Betcherman, Gordon; Khellaf, Ayache; Molini, Vasco. "Morocco's Jobs Landscape: Identifying Constraints to an Inclusive Labor Market." International Development in Focus (2021); Washington, DC: World Bank. https://openknowledge.worldbank.org/handle/10986/35075.

Alfani, Federica, Fabio Clementi, Michele Fabiani, Vasco Molini, and Enzo Valentini. "Once NEET, Always NEET? A Synthetic Panel Approach to Analyze the Moroccan Labor Market." Policy Research Working Paper 9238. World Bank, Washington, DC.
https://openknowledge.worldbank.org/handle/10986/33747.

Press of Science Citation Index
Salahuddin Malam K. "Information and Communication Technology, electricity consumption and economic growth in OECD countries: A panel data analysis". International Journal of Electrical Power & Energy Systems (2016):185-193.

Andrew, B. Bernard, Stephen J. Redding, and Peter K. Schott. "Multiple-Product Firms and Product Switching". American Economic Review (2010): 70-97.
Donou-Adonsou F. "Technology, education, and economic growth in Sub-

Saharan Africa". Telecommunications Policy, 2018.

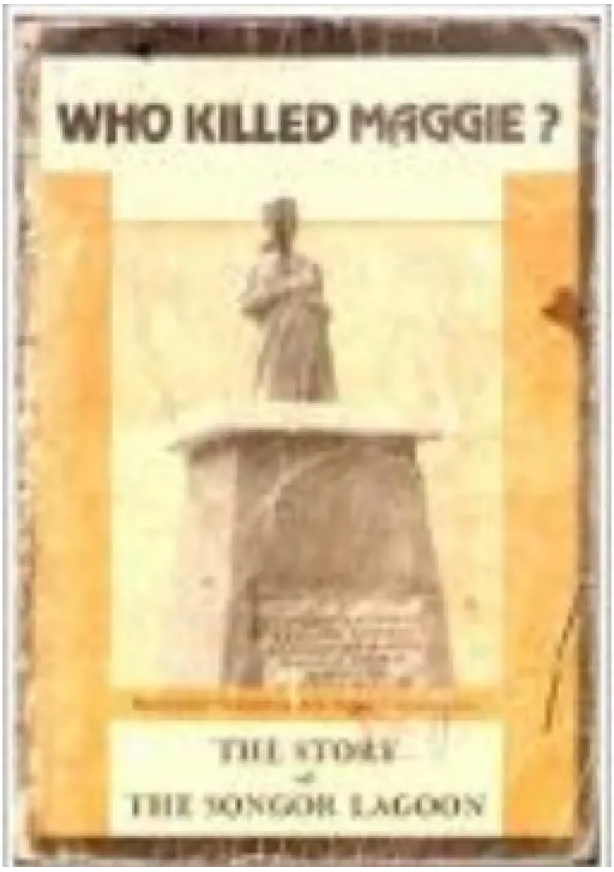
Press of Chinese Social Sciences Citation Index
Jia Yuan. "Research on "One Belt, One Road" Infrastructure Fund Demand and Investment and Financing Models ("一带一路"基础设施资金需求与投融资模式探究)." Social Sciences Academic Press (China) 2016, 52-56.

Churen Sun, Nan Zhang, Yangying Liu. "One Belt One Road Initiatives and the Export Growth of China to the Related Countries ("一带一路"倡议与中国对沿线国家的贸易增长)." Social Sciences Academic Press (China) 2017, 83-96.
"Capacity-building Workshop on Promoting Digital Technologies in Agriculture under the Framework of FAO-China South-South Cooperation Programme (中国—FAO南南合作框架下数字农业能力建设研讨活动在京举办)."
World Agriculture (2019).

Di Zhou, Xiaohui Li. "The Belt and Road Trade-related Network and Its Inclusive Growth Effect ("一带一路"贸易关联网络及其包容性增长效应研究)." Social Sciences Academic Press (China) 2020, 19-31.

Report

International Trade Centre (ITC) SME Competitiveness (2021) flagship. Available online http://www.intracen.org/SMEOutlook/



The Tragedy of Natural Resource Privatisation: *Story of Ada Salt Mining Industry*

AAE

The month of May is bittersweet in the history of the people of Ada, a community in the Dangme East District of the Greater Accra Region of Ghana. It is a month when people remember Margaret 'Maggie' Kuwornu and how her senseless killing helped stop the aggression of a private salt mining company.

On 17 May 1985, Margaret Kuwornu, a young pregnant woman, was gunned down during a police raid at Songor Lagoon, a brackish lagoon on West Africa's Gold Coast. In this article we look at why such a violent act took place and what its impact has been.

Traditional use of Songor Lagoon

The history of the communities around the lagoon is a long one and the Tekpebiawe clan is said to be one of the first settlers in the area.

The weather and geology in and around Songor Lagoon are excellent for the salt industry and the people in Ada have traditionally made their living by 'salt winning', a local term for the collecting and processing of salt.

Conflict in the lagoon

Vacuum Salt Products Ltd obtained a lease to Songor Lagoon in 1971 from the Tepkerbiawe clan of Ada. Many outside

the clan felt the system for decision making on community assets had failed because the lease transaction took place without the consent or understanding of all of the people of Ada. Many believed those who agreed to the transaction were not thinking of the generations to come.

In the years following their purchase of lease, Vacuum Salt Products claimed the local salt miners were stealing its salt and tried to prevented them from harvesting salt anywhere in the Songor area. The community members protested, making it clear the lagoon was their ancestral property and they had rights of access.

On the fateful day, 17 May 1985, local salt miners went to win salt around the lagoon as usual when armed police, enlisted by Vacuum Salt Products, stormed the area. The police subjected the miners to beatings and forced them drink dirty water. Many were taken away in trucks to be locked up for days in police cells in a nearby town.
Amongst the violence and chaos, a shot was fired. It is not known who the intended victim was, but the bullet found Maggie, hitting her in the chest. Her injuries were so severe she tragically died where she fell.

Tragedy brings change

The brutal violence at the lagoon led the government to enact PNDC Law 287. Under this law the government took over the Vacuum Salt Products factory and put Songor Lagoon in trust for the people, including the Ada community. Local people could return to salt winning without fear of another police raid.

Memorial and remembrance

A local cooperative led by its promoter, Aaron Lawerh Hushie, organizes an annual memorial service for Maggie on the day of her 'crucifixion'. The service normally begins in the late morning at the Bornikorpe Main Park, where a statue of Maggie stands. As music is played at top volume, the youth dance to celebrate her life.

The people who gather for the occasion talk of how Maggie's killing helped bring them freedom to practice their traditional livelihood. The memorial service provides a forum for survivors of that fateful day to share their experiences. The service usually attracts primary school children, teachers, pastors, traditional rulers, local salt miners as well as invited government officials



Evaluation of Zimbabwe Disaster Rapid Response Mechanism

Douglas Karugonjo

Globally, there are concerted efforts being directed towards reducing disaster risks particularly in developing countries where the vulnerability of people, their assets and livelihoods are increasing due to natural hazards. The international principle of common but differentiated responsibilities also sees different forms of support being channelled from the more developed countries to those less developed. In the Southern Africa Development Community (SADC) where Zimbabwe is domiciled, there is a rising trend of vulnerabilities to droughts, floods, storms and epidemics among others. These hazards arbitrarily impose a heavy burden on the majority of the poorer population, worsening their food insecurity, exposing many of them to gender-based violence, communicable diseases, reduced access to pertinent health services and compounded socio-economic setbacks. In that respect, a Rapid Response Management Unit (RRMU) implemented is of paramount importance and a comprehensive rapid

response framework for rapid onset emergencies in Zimbabwe. The targeted provinces were Harare, Masvingo, Bulawayo, Midlands, Manicaland, Matabeleland South and Matabeleland North.

Methodology

In order to achieve the set objectives, a concurrent mixed methodology approach was adopted in conducting the study. Qualitative data was gathered using desk review, key informant interviews as well as in-depth interviews. On the other hand, quantitative data were collected using KoBo ToolBox, a real time data collection application. Mixed methods enabled triangulation of the data collected from different sources including participants from the consortium (5), government officials involved in the project (12) and project beneficiaries (399). Data was collected virtually, balancing between the COVID-19 pandemic risk reduction protocols and containment measures, without compromising the data quality.

Summary Findings

The Zimbabwe Disaster Rapid Response Mechanism's (ZDRRM) relevance lies in addressing a critical gap by responding to localised disasters that were ignored or not attended to by existing national response mechanisms. The ZDRRM is fully aligned to the Zimbabwe Humanitarian Response Plan that emphasises the need to cover all the four key sectors namely education, protection, food security and Water, Sanitation & Hygiene (WASH). Overall, the ZDRRM responds well to the needs of the community, and is fully aligned to the Zimbabwe Humanitarian Response Plan and used existing structures, skills and knowledge to respond to the crises.
Effectiveness

Through the ZDRRM project, affected populations were supported with WASH and Non Food Items (NFIs), Cash transfers, and shelter, as applicable. Based on findings from the ZDRRM evaluation, the majority of survey participants (94.3% Bulawayo, 91.8% Harare, 91% Manicaland and 100% from Midlands and Masvingo Province) indicated that they indeed received humanitarian assistance upon having encountered a disaster. In working with existing structures District Civil Protection Committee (DCPC) and Disaster Risk Reduction Committees (DRRC), including with traditional leaders who took a leading role at community level. The rapid response efforts were strengthened particularly in terms of timely, safe and accessible humanitarian assistance. The DCPCs were provided with the needs assessment tool to enable them to identify emergencies and subsequently

allow for response within 72 hours.

Schools in Manicaland were particularly affected by heavy storms that destroyed school blocks and resulted in the discontinuation of learning. The ZDRRM project responded effectively through providing temporary learning spaces such as tents, and learning materials, enabling the school to provide a safe learning environment. Taking cognisance of the "do no harm principle", the ZDRRM action trained communities on prevention of violence, abuse and exploitation. When participants were asked, if they believed that the assistance they received was distributed in a fair and equitable manner, 93.9% in Bulawayo, 82.2% in Harare, 77.4% in Manicaland, 86.9% in Midlands and 89.5% in Masvingo agreed with the statement. However, community members engaged in the end-line evaluation indicated that jealousy and anger fuelled disgruntlement among some community members who did not receive any type of assistance.

The action's strategy was to establish a Rapid Response Mechanism for Zimbabwe that would respond to, and strengthen coordination for rapid onset disasters. Hence, coordination was an important result area for the ZDRRM action at different levels including within the consortium, government structures, and other stakeholders and at community level. There was effective coordination and collaboration among consortium members. Coordination of the strategic and complementary expertise and nationwide operating presence of the consortium members resulted in a seamless approach to the response and a shared vision of the best possible outcome. By midline, the mechanism had benefited 869 children (413 girls and 456 boys) in Chipinge and Buhera districts through the provision of temporary learning shelters, teaching and learning materials as well as dignity kits for adolescent girls.

In all, 820 beneficiaries (166 girls, 196 boys, 248 women and 210 men) were reached by midline, through WASH, hygiene, protection and shelter kits distributions, which were conducted in Chipinge and Chiredzi where household structures were affected by the heavy rains. The ZDRRM project also distributed 280 tapped buckets, 160 soap bars and 170 coveralls to 7 districts of Masvingo province. Through the Provincial Office and the Lean Season Assistance communities in Bulawayo, the project distributed 580 tapped buckets reaching 2,350 (1,260 females; 1,090 males) individuals.

The ZDRRM action made use of the multipurpose Cash transfer (MPCT) system which was an unrestricted cash

transfer modality that people affected by disaster used to cover their basic needs. By its nature, the MPCT offered affected people a maximum degree of choice, flexibility and dignity, as they were free to decide which basic needs they wanted to cover and how they preferred to cover these basic needs. In some areas, affected people had recently harvested and had sufficient food, and so they used the money for other needs including start-up capital and buying construction materials like cement.

Sustainability

There were aspects of some interventions that contributed to sustainability. In Matabeleland and Manicaland provinces, the project drilled boreholes following an outbreak of waterborne diseases. The communities were devastated by water shortages, which resulted in poor hygiene, hence the spread of diseases. In addition to reducing water borne diseases, drilling of boreholes supported agriculture projects and related household needs, presenting a long-term solution to water challenges that goes beyond the life of the project. In Harare, Bulawayo and Chipinge, the project assessed community needs, and resolved to solarise existing boreholes. Solarisation of boreholes presented a more sustainable way of maintaining availability of water in the target areas. The knowledge and skills obtained through the project interventions will be used well into the future. In addition, the project empowered communities on how to respond to disasters, including reporting disasters to Civil Protection Units.

Key Lessons Learnt

Key lessons learnt from the ZDRRM project implementation process include that, coordinated and timely response saves lives, multi-stakeholder collaboration, synergy enhances project impact, and conducting a needs assessment and hot spot mapping enables the project to respond adequately to the needs of affected communities.

Conclusion

Through the ZDRRM project, the RRMU addressed gaps, weaknesses and limitations in emergency response in Zimbabwe, ensuring timely response to rapid onset disasters in a context of widespread ongoing slow-onset food insecurity and deepening financial crises.

Recommendations

- Disaster response partners should adopt an online disaster response system that enables remote risk mapping and coordination to allow reporting of disasters online, action planning and resource tracking in times of disasters in order to achieve more urgent response.
- Government, through the Civil Protection Committees, should enforce constant drainage system clearances throughout the year by Local Authorities in both main cities and other smaller towns throughout the country to avoid cases of flash flooding especially in high-density residential areas.
- The Government, through the Civil Protection Committee, should prioritise continuous review of disaster risk reduction plans at all levels.
- Disaster response partners should provide warehousing facilities in districts for timely disaster responsiveness, while partners assist in prepositioning of stock as a disaster preparedness measure, and to keep these response mechanisms active.
- Project implementers should ensure that more stakeholders are involved from project design stage up to implementation to ensure that communities are involved in a bottom-up approach and their areas of need are fully identified.
- Project partners should train beneficiaries to initiate more resilient livelihood projects whenever they get money during emergencies.
- Disaster response partners should prioritise provision of psychosocial support as an initial response to emergencies.
- Protection of learners is very important and disaster response actors should ensure that schools have disaster strategies as well as response plans and procedures that facilitate a systematic process for child protection after a disaster.

Strengthen/ Accelerate your SME





Legal and Financial Environment for Micro-Enterprises in Tanzania

Francis Nyonzo

The informal sector employs 76% of people in Tanzania, with 47.6% in wholesale and retail trading, repair of vehicles and motorcycles, and 12.9% in accommodation and food services. Micro-businesses are those that have less than five employees and, in most cases, are not registered under any forms of national legislation. According to the Small and Medium Enterprise Policy of 2003, micro-enterprise has a capital investment of less than 5 million TZS, equivalent to $2,160 USD. Additionally, 76.6% of micro-business people do not have permanent premises.

Table 1: Activities in the informal sector

Hawking/mobile	28.3%
Permanent post on the road	1.9%
Improvised post on the road	1.9%
Vehicle (motorcycle/tricycle)	2.1%
Customer home	11.3%
Partner's home without special installation	16.0%
Partner's home with special installation	5.2%
Improvised post in a market	1.9%
Garbage area	0.1%
Construction sites	1.0%
Other	7.1%

Source: Informal Sector Survey, 2019

The National Bureau of Statistics (NBS) of Tanzania shows that 66.9% people in the informal sector have attained only primary education, while 23.2% have attained secondary education. Only 2.7% are of university level.

Poverty is pervasive in rural areas relative to urban areas, and thus people migrate. Dar es Salaam is the leading destination for migrants, followed by Mwanza. 33.76% of migrants move for better services (World Bank, 2019). Migrants are often less educated, with 66.7% of migrants attaining primary education (Muzzini and Lindeboom, 2008). Authorities view migrants as problems that detract from the image of the cities and migrants are often brutalized and oppressed when doing business.

Addressing Parliament on 25 August 2011, the Deputy Minister of Work and Employment said that city councils should observe the Business Licensing Act No. 25 of 1972 and Local Government Regulation of 2008 to remove migrant businesses.

The informal sector seems to be profitable and even graduates are now getting involved in micro-enterprises, as the data shows 2.7% of people in the informal sector have attained university level education. The ability for the government to employ workers is limited and thus, as in other developing countries, the government of Tanzania insists on self-employment and entrepreneurial skills.

Legal Environment

Law is defined as a body of enforceable rules governing relationships among individuals and between individuals and their society (Miller and Cross, 2002). It is expected that legislature or regulations will guide the legal environment rather than just commanding sentences from political leaders.

The Economic Freedom Index of the Heritage Foundation has grouped Tanzania as a mostly unfree country in the economic arena, ranking as the 93rd freest economy in 2022. The Index calls for a strengthening of the rule of law and the business environment to increase economic freedom. Tanzanian land is owned by the government but only 15% is surveyed. This creates more problems when micro-enterprise workers allocate themselves to certain areas that are strategic for business, and the government comes to remove them oppressively and brutally. The removal of micro-business persons from their areas proves a challenge to the laws governing them. When the entrepreneurs establish their businesses, local government authorities charge them levies, and after a while, they remove the businesses. In some dense areas such as marketplaces in the cities, the entrepreneurs pay the levies but their businesses are still removed and sometimes their products are also seized. From 2003 to February 2022, Hansards recorded 39 times in which members of Parliament have spoken out against the oppression and brutality that micro-enterprises experience.



Business booths destroyed during the night in Kawe Bus Stand, Dar es Salaam. Photo by Francis Nyonzo.

Another challenge in Tanzania's legal framework is the multiplicity of taxes, stiff competition from imported goods and pervasive corruption (Anderson, 2017). The problem of competition is particularly difficult as foreigners, especially Chinese nationals, are engaging in business normally done by Tanzanian citizens. This issue has been discussed in Parliament 22 times from 2005 to February 2022.

In 2018, the government issued Entrepreneurs Identities to remove the challenge of multiple taxes. Identities were given at the cost of 20,000 TZS (equivalent to $9 USD) annually to micro-enterprise owners. The Minister of Finance, Basil Mramba, first introduced the issue on 23 April 2004. However, the issue only came to be implemented 14 years later, after which it lasted for four years and seemed to be redundant. Small entrepreneurs are facing the same problems that they used to experience before 2018, in which they are removed from their locations and their booths are destroyed during the night. Thus, the legal framework is not currently favorable for micro-businesses.

Financial Environment

Micro-business people have limited access to finance in Tanzania. Anderson's study (2017) has shown that entrepreneurs prefer to get their loans from relatives and friends. They fear getting loans from the formal financial market lest their collateral be seized when they cannot pay the loan. This study is not different from a similar one by the World Bank, which showed micro-businesses get funds from personal savings or income or from gifts/loans from another micro-business person, especially whole sellers. They then purchase goods by promising to pay after selling the goods.

Credit comes from informal credit channels like savings and credit

cooperative organizations (SACCOs), private moneylenders or informal micro-credit institutions. According to the World Bank in 2019, "about 40% of the household enterprises that borrowed used the micro and informal credit channel; 18% secured loans from a traditional bank."

The government of Tanzania has implemented various funding schemes such as the National Entrepreneurship Development Fund (NEDF), Youth Development Fund (YDF), Youth Development and Sports and the Women Development Fund (WDF). Programs like Small Entrepreneurs Loan Facility (SELF), National Income Generating Programme (NIGP), Presidential Trust Fund (PTF) and Community Development Trust Fund (CDTF) have been established by development partners jointly with the government.

These schemes sought to provide credit access to those who lack access to the formal credit market. However, studies show that beneficiaries did not benefit from them. For example, Kweka and Fox, (2011) observed that PTF, which was established in 2006, did not benefit the targeted people. Similar issues can be found with other funds. Local government authorities are required to give 10% of their revenue to the Youth and Women Development Fund (YWDF). The reports of the Controller and Auditor General (CAG) from the National Audit Office have shown funding amounts that local government authorities (LGAs) did not give to YWDF.

Year	*Funds not given to target groups*	*Funds not given as percentage of LGA revenue*
2012/13	*10,905,858,533.00*	*5%*
2013/14	*38,741,094,214.00*	*12%*
2014/15	*17,690,754,651.00*	*5%*
2015/16	*28,521,878,199.00*	*7%*
2016/17	*53,222,719,138.00*	*10%*
2017/18	*40,377,882,284.00*	*7%*
2018/19	*9,930,902,514.00*	*2%*
2019/20	*5,720,140,159.00*	*1%*

Source: Bank of Tanzania and CAG reports

The funds from local government authorities are not distributed as planned, nonetheless, the authorities follow the Grameen model of letting people in groups be given loans. The model has been inefficient in recent years, although it was successful in Bangladesh and other places that adopted it until the early 2000s (Lesley, 2016).

Limited access to formal financial markets has made many people victims of unfavorable loans, which end up increasing their poverty. The Prevention and Control of Corruption Bureau (PCCB) has helped citizens recover money that was taken in these unfavorable loans by individuals and some credit companies. In some of the reported cases, the loans have interest rates of up to 10,000%".

Mobile financial services have made financial instruments available to poor people. Economists suggested that infrastructure and costs be lowered (Ndung'u 2019; Ndulu 2019). Unluckily in 2021, Tanzania introduced mobile transaction levies, which has raised the cost of mobile financial services on average by 40%



A financial service booth on the road in Goba Kwa Ndambi, Ubungo Municipal, Dar es Salaam. Photo by Francis Nyonzo.

Annual general reports for local government authorities from 2012/13 to 2019/20 (https://www.nao.go.tz/reports). Percentages were calculated by comparing to local government revenues obtained from Index A2 of the Bank of Tanzania annual reports from 2013 to 2020/21.

In conclusion, the business environment for micro-entrepreneurs should be legally and financially improved to allow people employed in the informal sector to develop and compete in regional markets. As long as mobile money is accessible to many people, credits should be issued by network companies, as they have the economic means to getting money back. Considering that network customers are registered biometrically, network companies can collaborate to track anyone who swaps their SIM card to escape paying the loan. Legally, the government should have long-term plans and stick to them, which will help in allocating areas for micro-entrepreneurs. The law and policy should also consider nurturing e-commerce for micro-enterprises as it will reduce their concentration in one physical area.

References

Articles

Anderson, Wineaster. "Factors Affecting Small & Medium Enterprises (SMEs) Start-up and Growth in Tanzania." Pan-African Journal of Business Management 1, no. 1 (2017): 1-26. https://pajbm.out.ac.tz/PAJBM%20Vol%201.pdf

Einstein112. "TAKUKURU Songwe yamrejeshea mkopaji nyumba ya TSh165 milioni." JamiiForums (15 March 2021).

https://www.jamiiforums.com/threads/takukuru-songwe-yamrejeshea-mkopaji-nyumba-ya-tsh165-milioni.1847337/

Malenga, A. "Naibu Waziri Bashe aagiza TAKUKURU kuanza uchunguzi upotevu wa milioni 150 za AMCOS ya Chabuma." JamiiForums (8 January 2021). https://www.jamiiforums.com/threads/naibu-waziri-bashe-aagiza-takukuru-kuanza-uchunguzi-upotevu-wa-milioni-150-za-amcos-ya-chabuma.1826505/

Malenga, A. "Singida: Watu wa mikopo umiza wazidi kubanwa na TAKUKURU."

JamiiForums (22 December 2020). https://www.jamiiforums.com/threads/singida-watu-wa-mikopo-umiza-wazidi-kubanwa-na-takukuru.1821858/

Mhando, M. "Takukuru yarejesha Sh176 milioni za mikopo umiza." Mwananchi (18 February 2021).

https://www.mwananchi.co.tz/mw/habari/kitaifa/takukuru-yarejesha-sh176-milioni-za-mikopo-umiza-3296244

Ndulu, Benno J. "The Role of Financial Innovation and Inclusion in Scaling Up

Growth in Uganda." Bank of Uganda (2019).

https://www.bou.or.ug/bou/bouwebsite/bouwebsitecontent/MediaCenter/speeches/Joseph_Mubiru_lectures/mubirulectures/26th-Joseph-Mubiru-Memorial-Lecture-Feb-20-2019-by-Prof.-Benno-Ndulu-JMML2019.pdf

Ndung'u, Njuguna S. "Taxing Mobile Phone Transactions in Africa: Lessons from Kenya," Brookings (2019).

https://www.brookings.edu/research/taxing-mobile-phone-transactions-in-africa-lessons-from-kenya/

Ng'ingo, Evance. "Mikopo Umiza Kwa Wastaafu Janga." Mwananchi (14 March 2021).

https://www.habarileo.co.tz/habari/2021-03-13604cd6f0ae802.aspx

Books

Miller, Roger LeRoy, and Frank B Cross. The Legal and E-Commerce Environment Today: Business in Its Ethical, Regulatory, and International Setting. South Western Educational Publishing (2002).

Sherratt, Lesley. Can Microfinance Work?: How to Improve Its Ethical Balance and Effectiveness. Oxford University Press (2015).

Policy Papers

United Republic of Tanzania. Small and Medium Enterprise Development Policy 2003. Ministry of Industry and Trade (2002).

https://www.mit.go.tz/uploads/documents/sw/1455890063-SME-Development-Policy.pdf

Research Reports

Kweka, Josaphat, and Louise Fox. "The Household Enterprise Sector in Tanzania: Why It Matters and Who Cares." World Bank Policy Research Working Paper, no. 5882 (2011).

https://openknowledge.worldbank.org/handle/10986/3650

Muzzini, Elisa, and Wietze Lindeboom. "The Urban Transition in Tanzania: Building the Empirical Base for Policy Dialogue." World Bank (2008). https://documents1.worldbank.org/curated/en/439611468312034461/pdf/449720WP0Box327426B0TZ0Urban0transition.pdf

"Tanzania Mainland Poverty Assessment." World Bank (2019). https://openknowledge.worldbank.org/handle/10986/33031.

Research Reports Continued

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2012/13. National Audit Office (March 2014), p. 117.

https://www.nao.go.tz/uploads/Local-Government-Authorities-Annual-General-Report-For-Fy-2012-2013.pdf
National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2013/14. National Audit Office (March 2015), p. 117.
https://www.nao.go.tz/uploads/Local-Government-Authorities-Report-2013-2014.pdf

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2014/15. National Audit Office (March 2016), p. 158.

https://www.nao.go.tz/uploads/Local-Government-Authorities-Report-2014-2015.pdf

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2015/16. National Audit Office (March 2017), p. 85.
https://www.nao.go.tz/uploads/LOCAL-GOVERNMENT-AUTHORITIES-ANNUAL-GENERAL-REPORT-FOR-2015-2016.pdf

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2016/17. National Audit Office (March 2018), p. 65.

https://www.nao.go.tz/uploads/LOCAL-GOVERNMENT-GENERAL-REPORT-2016-2017.pdf

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2017/18. National Audit Office (March 2019), p. 66.

https://www.nao.go.tz/uploads/LOCAL-GOVERNMENT-AUTHORITIES-GENERAL-REPORT-2017-2018.pdf

National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2018/19. National Audit Office (March 2020), p. 74.

https://www.nao.go.tz/uploads/LOCAL_GOVERNMENT_AUTHORITIES_FOR_THE_FINANCIAL_YEAR_2018-2019.pdf
National Audit Office. Annual General Report of the Controller and Auditor General for the Financial Year 2019/20. National Audit Office (March 2021), p. 71.
https://www.nao.go.tz/uploads/Annual_General_Report_for_Local_Govern

ment_Authoritoes_2019_20.pdf

Bank of Tanzania. Annual Report 2020/21. (December 2021). https://www.bot.go.tz/Publications/Regular/Annual%20Report/en/2021122922483700.pdf

The United Republic of Tanzania. Informal Sector Survey, 2019: Key Findings. National Bureau of Statistics (November 2019).

https://www.nbs.go.tz/nbs/takwimu/labour/ISS_Key_Indicators_Report.pdf
The United Republic of Tanzania. Informal Sector Survey, 2019. Analytical Report Dar Es Salaam Region. National Bureau of Statistics (October 2020). https://www.nbs.go.tz/nbs/takwimu/labour/ISS_2019_Report.pdf

The United Republic of Tanzania. Statistical Abstract 2019. National Bureau of Statistics (November 2020). https://www.nbs.go.tz/nbs/takwimu/Abstracts/Statistical_Abstract_2019.pdf

The United Republic of Tanzania. Integrated Labour Force Survey 2020/21: Key Labour Market Indicators for the United Republic of Tanzania. National Bureau of Statistics (September 2021).

https://www.nbs.go.tz/nbs/takwimu/labour/KILM_with_Policy_Brief%202020_21_ILFS%20English.pdf



No Holding Back – A Zambian Fashion Designer's Journey fo Building a Brand In China

Karen Tsang

Serah Sela is a Zambian-born fashion designer who co-founded a fashion enterprise with her brother Enock Sela in Shanghai, China. I met Serah in Kabwe, Zambia while I was on sabbatical, and we made fast friends since I was one of the few Chinese people in the town of 200,000, and Serah was one of the few Zambians I'd met that had experience in China.

In March 2022, I had the pleasure of asking Serah about her career journey and philosophy. The interview below has been edited for clarity and brevity.

K Tsang: *Tell me, how did you start your business, and how did you end up in China?*

Serah Sela: As a child, I remember being obsessed with touching fabrics, and growing up I was always fixing up my own clothes. By the time I was 17, my

friends started paying me to alter their clothes, and sometimes I would completely redesign them! My younger brother is also extremely creative, and we had spent our whole lives bouncing art project ideas off each other.

My journey to China actually started with a desire to study abroad. Instead of North America or Europe, I decided to take a friend's suggestion and study in Asia. My brother joined me the next year to study arts while I studied marketing and economics. While there, we continued our collaborative art projects, becoming increasingly involved in design and creative projects at our school. We eventually had our first exhibition at a Shanghai art gallery Shanghai China-Israel Innovation Hub which gave us great exposure in the Chinese media.

We currently do bespoke pieces for individual clients, with plans to expand our brand through the two continents then a world series of growth and events. We will build through translating the unity and togetherness of everyone around us.

KT: *It sounds like it was going well; what made you decide to come back to Zambia?*

SS: Actually, losing my marketing job in 2021 in China was the catalyst for me to come home. I had only been working on my fashion business part-time up until then, so I decided to take the opportunity to double down my efforts in realizing my vision in fashion, and I knew coming back would yield inspiration. With my brother still in China, we both agreed it could be an opportunity to keep our portfolio in China while scoping out new horizons back home.

KT: *Having left Zambia for several years and coming back now, what have you learnt about yourself and/or the business?*

SS: Before I left for China, I had this idea that I needed to represent "Africa" in some way. In China, I learnt two things. First, that it's not about [me]. The world became much bigger than I had previously thought, and I realized that I needed to find my own voice, to stand in as myself, and it wasn't possible to be a representative for any place or anyone. Second, I acquired a different mindset in pursuing opportunities. In China, the pace is a lot quicker. People run to opportunities there, are ready to embrace shocking ideas and really push boundaries. The more avant-garde and

explosive I went with my work, the better it was received. Each time I brought my colleagues and clients a bold idea and delivered, they would expect it further.
Having been back home since 2021, I've been relearning to work at my people's pace. I've been shifting my brain and creative process and learning to take breaks. Here, I am the one pushing folks' boundaries, conjuring shock and surprise while walking on my clients' paths alongside them. And interestingly I've been finding own voice and strength even more this way.

KT: *What's your advice for those who are interested in starting their own business or even going abroad to do so?*

For me, finding mentors has made all the difference. For example, when I came back to Kabwe, I met a friend through a social gathering that became a client of mine, and she has in fact turned out to be an incredible mentor given her deep connections and expertise in the business community here.

The other thing is to not hold back and keep an open mind. Ideas always seem heavier when they're just in your head, so put it out on the table - someone will be willing to hear it. Our own personal exploration can't end; the world became smaller, people have come together from all over the world because of explorers, so we have to continue the venture.

SS: What's next for you, and how can people get in touch if they're interested in collaborating?
I'll be returning to China in June 2022 to oversee an exhibition we're putting together for Shanghai Fashion Week. We'll be exploring the idea of "what's behind the masks of Africa". And yes I love collaboration! Find me on Instagram @serah.queen.sela.

As of 2020, apparel exports from Zambia to China were negligible to the degree they were not accounted for in trade data (such as in UN Comtrade database). While Zambia—and indeed most countries in the region—may not have a comparative advantage against China or artificial intelligence advancements in manufacturing (Ekekwe, 2019), China's burgeoning fashion industry presents a vast landscape of opportunities for African designers to export creative and cultural capital.

In 2019 China surpassed the US as the world's biggest fashion market (McKinsey, 2019). With a ballooning

middle class that has increasing taste for international goods, individuals such as Serah are pioneers in building international interest for South and East African products, with lots more room for entrepreneurs of all scales.

References

Ekekwe, Ndubuisi. "Why Africa's Industrialization Won't Look Like China's" Harvard Business Review. 04 Sept 2019.

https://hbr.org/2019/09/why-africas-industrialization-wont-look-like-chinas

"The State of Fashion 2019" McKinsey and Company. 2019.

https://www.mckinsey.com/~/media/mckinsey/industries/retail/our%20insights/the%20state%20of%20fashion%202019%20a%20year%20of%20awakening/the-state-of-fashion-2019-final.ashx



Deciphering Socio-economic Challenges to a Sustainable Business Environment in Nigeria

Oduola Oluwaseun

I had my first practical exposure to the challenges of a sustainable business climate in Nigeria in 2014. I had just graduated and was enlisted into the mandatory one-year national youth service. That year, 520,000 unemployed graduates applied for just 4,000 vacancies advertised by the Nigeria Immigration Service, a ratio of one vacancy to about 130 unemployed graduates. Many died during the stampede that occurred at various recruitment centres (Aririahu). For the first time, I saw a future awaiting me in the Nigerian labour market.

Every year, Nigerian universities release about 600,000 graduates. The challenge however is not the absence of human capital but businesses, both large scale and SMEs to employ them. While unemployment constitutes a major problem in the country, the question is why there are insufficient business entities to employ these graduates (Onyekwere 4 – 7). The term business in

itself connotes a cycle of production and distribution of goods and services to ensure profit for the producers on one end, and ameliorate the consumer's need at the other end (Babalola and Tiamiyu 2). All these must occur within a defined geographical contiguity, socio-cultural, and political economy generally termed as the "environment" that influences the actors involved, and vice versa (Ogunro 133). These suggest that the absence of an enabling environment for business will result in unemployment.

A conducive business environment is therefore one that reduce cost of production for the manufacturer, and facilitates the delivery and consumption of such products to and by the final consumer. Nwaeke opined that a business environment can have "political, physical, economic, social and technological" manifestations (2). This is why Anekwe and others observed that an enabling business environment must have quality road network and efficient transportation system, power supply, security, and sound economic policies among others (72 – 80). A business environment can therefore be classified as internal or external; internal if the political actors, generally state actors and government officials, have control over these aforementioned variables. On the contrary, a business environment is external when it is outside their sphere of influence such as within the power of another state or the international community (Onakoya 13 – 20).

Challenges

Nigeria possesses abundance of resources, both human and capital, which gives her a competitive advantage over many African nations and beyond. These natural resources have been the pull factors for investors. As such, pundits anticipate that salient infrastructures are provided to enable business and all other economic activities thrive accordingly. However, Nigeria's business environment is besieged by uncertainty, policy instability and lack of necessary infrastructure such as good road networks, electricity, water supply, among others (Igwe et al 182 – 200). The objective of this work is not to reiterate these lapses, literature abounds on that already. The goal is to state causal factors of these gaps which bedevil the Nigerian business environment.

This study attempts a redefinition of the classifications of business environments: An internal environment is defined as one in which an entrepreneur or group of entrepreneurs can influence to create an enabling environment, while an external environment constitute that which is within the power of the state,

multinational organization or any international body. The author attributes the absence of an enabling business environment to the social construct of most Nigerian entrepreneurs. While indecisive policies by the Nigerian government is emphasized, indigenous entrepreneurs have also shown laxity and irresponsibility in areas where they had resources to influence outcomes but failed to take actions. The result has been a continuous cycle of poor development which has undermined both the manufacturing and service sectors. Some encumbrances to a sustainable business environment are highlighted below:

Internal Environmental Factors

Apathy to Physical Infrastructural Development: The major driver of any economy is the power sector. Nigeria has the potential to generate 12,522 MW from existing infrastructures, power plants, and a natural endowment of hydro, oil and gas, and solar resources. However, the national grid has a low capacity of about 4,000 MW, which is insufficient for a country of over 200 million people (Punch Newspaper). QuartzAfrica stated that Nigeria will need 180,000 MW of electricity if it is to enjoy stable power supply. A World Bank report also noted that Nigeria has the highest number of people without access to electricity (85 million people), or 42 percent of the country's population.

A report shows Nigerian businesses spend about $14 billion (N5 trillion) on generating their own electricity (Nairametrics), and this was about 38 percent of manufacturer's production cost in 2019 (Vanguard). Also, a loss of over $26 billion is attributed to lack of electricity per annum. And yet manufacturers have only invested only N293 billion in the sector since the privatization in 2013. If Nigerian entrepreneurs invest just 50 percent of what they spend in generating their own electricity over a 10-year period between 2012 and 2022, about $70 billion would have been invested in the power sector, culminating in substantial infrastructural development in Nigerian business environment. The same goes for other infrastructures such as road networks (Adekoya, Yusuf, The Guardian).

Moreover, private firms hardly publish data but leave it to the National Bureau of Statistics. Data derived from electronic sellers can help the government determine how many megawatts of electricity is needed in a particular area, while data derived from automobile dealers such as type of vehicle purchased and buyer's address can help the government make better policies on what roads to construct, among others. However, this may be difficult as many

entrepreneurs, in order to avoid paying taxes, may refuse to disclose such information (Consultancy.africa, Ottoabasi).

External Environmental Factors

·Rent System and Politics of Patronage: A 970-passenger train was attacked on the 28th of March, 2022 by terrorists at Katari, a village in Kaduna state (The Guardian). One of the victims was Chinelo Megafu, a 28-year-old medical doctor. In a press conference the following day, Nigeria's Minister of Transportation, Rotimi Amaechi reportedly stated that the ministry requested the purchase of N3 billion high-capacity rail track cameras and sensors to eliminate all blind spots on the train corridors across the country to forestall such incidents. The government however refused (ChannelsTV, Daily Post). While we criticize the rationale behind the government's refusal to take pre-emptive such measures, it is also appalling that the government refused to take into cognizance another notable fact that between two economic centres of Abuja and Kaduna lies an undeveloped people battling poverty and without any capital project to facilitate development. The people in villages such as Katari are therefore prone to terrorist recruitment and attacks.

Some answers can be found in Collier (41-9). In a resource-rich and multi-ethnic state like Nigeria, ethnic loyalty thrives, undermining press freedom. Patronage politics is the norm and politicians are concerned with winning the next elections than investing in capital projects, except perhaps white elephant projects. Second, democracy transcends merely conducting and winning elections. Beyond determining how power is won, it also emphasizes how power is used with concerns on checks and balances on government abuse of power. But the latter can be influenced by resource rents. The more dependent a country is on resource rent; the more likely electoral outcomes can be influenced. A normal circumstance would have seen public services and infrastructures necessary for a conducive business environment delivered, but the reverse has been the case of patronage politics and bribery of voters. The secret ballot system has also not helped matters.

Nigeria's revenue from oil has also weakened political restraints by radically reducing the needs of citizens and businesses to tax (Mark and Nwaiwu 1 – 10). Since over 80 percent of her revenue comes from rent from petroleum, tax laws are often relaxed. In effect, citizens do not scrutinize how taxes and oil revenues are being utilized. This undermines accountability, erodes checks and balances, and promotes

autocratic leaders. Thus, economic policies and basic infrastructures necessary for a thriving business environment are absent.

Recommendation and Conclusion

There is an ongoing paradigm shift in the global business system. Remote work and digital currencies are becoming the norm. With virtual reality and the metaverse emerging as the future of business environments, Nigerian entrepreneurs cannot afford to leave the provision of basic infrastructures to the public sector alone. Capital investments must be made to generate a thriving environment for their businesses (Abolaji 27 – 35). In return, a social contract must be agreed upon with the government via signatory to and implementation of economic policies that will further engender a sustainable business environment. Finally, entrepreneurs must supply government with relevant data crucial to the distribution of resources and provision of basic infrastructures.

REFERENCES

JOURNAL PUBLICATIONS

Abang, Stanley, et al. "Evaluating the Impact of Economic Environment on Entrepreneurship Performance in Nigeria". Arabian Journal of Business and Management Review (Nigerian Chapter)

Abolaji, Joachim Abiodun. "Empirical Evidence of Executives' Perception and Scanning of Business Environment in Nigeria". BULETINUL Universit ii Petrol – Gaze din Ploie tiVol. LXI No. 3/2009 27 - 35 Seria

Adagba, David Teryisa and Shakpande, Comfort. "Effect of Environmental Factors on Business Performance". Nigerian Journal of Management Sciences Vol. 6 No.1, 2017

Anekwe, Rita Ifeoma, et al. "Sustainability in the Nigerian Business Environment: Problems and Prospects". International Journal of Academic Management Science Research (IJAMSR) ISSN: 2000-001X Vol. 3 Issue 3, March – 2019, Pages: 72-80

Babalola, Yisau Abiodun and Tiamiyu Rashidat. "SWOT Analysis of Nigerian Business Environment". Developing Country Studies Vol.3, No.5, 2013, ISSN 2225-0565 (Online)

Essien, Blessing Stephen. "The Nigerian Business Environment and Growth Constraints of Micro and Small-Scale Manufacturing Industries". American International Journal of Social Science Vol. 3, No. 6; November 2014

Igwe, Paul Agu et al; "Factors Affecting

the Investment Climate, SMEs Productivity and Entrepreneurship in Nigeria". European Journal of Sustainable Development (2018), 7, 1, 182-200 ISSN: 2239-5938 Doi: 10.14207/ejsd.2018.v7n1p182

Joseph-Wakama, Josephine, and Onuoha, Chima. "Business Environments and Entrepreneurial Performance: A Case Study of Bottled Water Companies in Rivers State" EPRA International Journal of Environmental Economics, Commerce and Educational Management. DOI: 10.36713/epra0414 |ISI I.F Value: 0.815|SJIF Impact Factor (2020): 7.572 ISSN: 2348 – 814X Volume: 7| Issue: 3| October 2020 https://doi.org/10.36713/epra5353

Mark, John and Nwaiwu, Johnson N. "Impact of Political Environment on Business Performance of Multinational Companies in Nigeria". An International Multidisciplinary Journal, Ethiopia Vol. 9(3), Serial No. 38, July, 2015:1-10 ISSN 2070-0083 (Online)

Nwaeke, I. Lawrence. "Environmental Dynamics, Organizational Adaptation, and Business Effectiveness in Nigeria". An International Journal of Arts and Humanities Bahir Dar, Ethiopia; Vol. 2 (2), S/No 6, May, 2013: 316-338, ISSN 2227-5452 (Online)

Ogunro, Victor Olukayode. "Nigeria's Business Environment: Issues Challenges and Prospects". International Journal of Academic Research in Business and Social Sciences April 2014, Vol. 4, No. 4 ISSN: 2222-6990, DOI: 10.6007/IJARBSS/v4-i4/770 URL: http://dx.doi.org/10.6007/IJARBSS/v4-i4/770

Onakoya, Samuel Adekunle. "Business Environment: Globalization and Small and Medium Scale Enterprises in Nigeria". International Journal of Small Business and Entrepreneurship Research Vol.7, No.1, pp.13-20, January 2019

Onyekwere, Bartholomew A. "Economic Growth and Development in Nigeria". Kuwait Chapter of Arabian Journal of Business and Management Review Vol. 6, No.3, November 2016

ONLINE NEWSPAPERS

"Abuja-Kaduna Train Attack: 'I Warned That Lives Will Be Lost' – Amaechi". ChannelsTV March 29, 2022 https://www.channelstv.com/2022/03/29/weve-lost-more-than-n3bn-to-abuja-kaduna-attack-amaechi/

Adekoya, Femi. 'It is difficult investing in an unpredictable power sector environment' TheGuardian August 5,

2020 https://guardian.ng/energy/it-is-difficult-investing-in-an-unpredictable-power-sector-environment/

"Data & analytics is still not a priority for most businesses in Nigeria". Consultancy.africa August 12, 2019 https://www.consultancy.africa/news/1770/data-analytics-is-still-not-a-priority-for-most-businesses-in-nigeria

"Electricity in Nigeria - Issues, Solutions and Risks". Proshare Intelligent Investing. March 04, 2022 https://www.proshareng.com/news/POWER%20&%20ENERGY/Electricity-in-Nigeria---Issues--Solutions-and-Risks/61683

"Manufacturers spent 38% production cost on power in 2019". Vanguard September 11, 2020 https://www.vanguardngr.com/2020/09/manufacturers-spent-38-production-cost-on-power-in-2019/

"Nigerian Businesses spend N5 trillion yearly on power generation". Nairametrics July 21, 2019 https://nairametrics.com/2019/07/21/nigerian-businesses-spend-n5-trillion-yearly-on-power-generation/

"Nigerians spend N7trn annually on power generation". The Guardian 25 July 2021 https://guardian.ng/news/nigerians-spend-n7trn-annually-on-power-generation-expert/

Omar Mohammed "Nigeria's electricity crisis is so bad that people are spending three times more running back-up generators" QuartzAfrica August 7, 2015 https://qz.com/africa/474526/nigerias-electricity-crisis-is-so-bad-people-spend-three-times-more-running-back-up-generators/

Olowosejeje, Ayokunle S. "What Nigeria's poor power supply really costs and how a hybrid system could work for business". The Conversation September 22, 2020 https://theconversation.com/what-nigerias-poor-power-supply-really-costs-and-how-a-hybrid-system-could-work-for-business-144609

Ottoabasi, Abasiekong "Without Data, Nigeria will Lack Policies to Address Socio-Economic Challenges - Yemi Kale". ProshareNG October 04, 2021 https://www.proshareng.com/news/Nigeria%20Economy/Without-Data--Nigeria-will-Lack-Policies-to-Address-Socio-Economic-Challenges---Yemi-Kale/59302

Oyetunji, Olawale. "Abuja-Kaduna train Attack: El-Rufai, Amaechi's confessions confirm Buhari govt complicity – PDP".

Daily Post March 31, 2022 https://dailypost.ng/2022/03/31/abuja-kaduna-train-attack-el-rufai-amaechis-confessions-confirm-buhari-govt-complicity-pdp/

Yusuf, Kamoru. “Nigeria's power sector and the way forward”. Vanguard September 4, 2021 https://www.vanguardngr.com/2021/09/nigerias-power-sector-and-the-way-forward-2/



Harnessing the Potential of Women Entrepreneurs in South Sudan

Estella Turukoyo

Wherever you go in South Sudan you see women entrepreneurs. They are selling vegetables in the markets, running beauty salons, setting up fashion boutiques, providing tailoring services and using their creativity in craft businesses and restaurants.

In 2010, a group of women who attended entrepreneurship skills and microfinance training formed a private association called “Southern Sudan Women Entrepreneurs Association”. which after the independence of South Sudan became “South Sudan Women Entrepreneurs Association” (The World Bank, 2011). The association is concerned with the empowerment of women through entrepreneurship, capacity building, networking and business development. Since the formation of this association, many women became members and some got training and grants. In the same time, progress has been made by female

entrepreneurs—there are women owned companies and many other women started small scale businesses to support their families.

Encouraging more women entrepreneurs

In South Sudan, like in most African countries, the patriarchal culture has negatively affected women, and many cultural practices are biased against and imposed mostly on women.

Clause 16 of South Sudan's Transitional Constitution 2011 clearly states that women have rights to own property, however cultural practices are contrary to this part of the constitution, affecting women's ability to start or be involved in businesses. For one to become a successful entrepreneur, you need to be self- sufficient and financially stable, but because of traditions that believe women are meant to stay at home to look after children and do only domestic chores, many women are dependent on their spouses. Husbands dictating to their wives on what they can and cannot do is a real challenge especially for ambitious women who want to be self-reliant. Because almost all disputes in South Sudan are dealt with in customary courts, there is need for a review of the formal and customary legal system to protect the rights of women as espoused in international law (The Institute for Justice and Reconciliation, Policy Brief, July 2013).

There is need to talk about the great things that women are doing. Much is done but little is brought into the light for the world to see and learn from. There are women in South Sudan who are already selling in the regional and international level, for instance, Ms. Florence Gordon, the Managing Director of the South Sudan Women Entrepreneurs Association said in one of her interviews that she made it to the regional market and she encourages more women to do the same: "I was able to display South Sudanese products in Rwanda, Tanzania, Egypt, and China". (City Review, 2022) South Sudanese women who live in Kampala and Nairobi also engage in small scale businesses to sustain their families; there could be many other women who have markets in the region or even globally but are not noticed. There is need to identify them and have them share their experiences and challenges.

Support for women entrepreneurs to prosper regionally

South Sudan women entrepreneurs have aspirations to own banks, companies, and industries; to have increased access to credit facilities through Savings and Credit Cooperatives (SACCOs), to see more

women participating in the East African Common Market and other international economic blocks, to be treated in a respectful and dignified manner, and to compete favorably with other women entrepreneurs from the region and the continent (South Sudan National Women's Strategy September, 2016).

There is already some support for women entrepreneurs within the country, both at the national and grassroots levels. Humanitarian and development organizations in South Sudan have programs for women's economic empowerment and entrepreneurship, for example, in Yambio, Masaia market was rehabilitated by UNDP and UN Women so that women entrepreneurs selling fruits and vegetables would have proper and hygienic facilities for their businesses (UNV, 2019). In this intervention more than 88 women beneficiaries were provided with additional entrepreneurial and business skills so they can provide better customer service, save for, invest in, and even expand their businesses.

However, more needs to be done by the government and its development partners in order for women's aspirations of competing in regional and international markets to be realized.

The Revitalized Agreement on the Resolution of Conflict in South Sudan which was signed in 2018 calls for the establishment of a Women's Enterprise Fund to support women-owned businesses and build capacity of women entrepreneurs. This will be a great opportunity for women entrepreneurs if it is implemented.

Support like the Women's Enterprise Fund should not be limited to entrepreneurs working only in South Sudan, we need to support women so they can capitalise on opportunities in the region and beyond. For instance, the Dubai Expo 2020 put emphasis on Small and Medium Sized Enterprises (SMEs) and welcomed participants from 192 countries to showcase their innovations and cultures. South Sudan participated in the Expo 2020 and showcased the country's rich cultural heritage, opportunities and welcomed investors into the country. Displays included crafts made by South Sudanese women (South Sudan Pavilion, Expo 2020 Dubai video). Women's participation in the Dubai Expo was an amazing way to encourage women to establish their own SMEs and have big ambitions.

One woman's story - an inspiration for others

South Sudanese women have potential, and with support they can create and sustain their businesses.

Anna Enosa Lomerika is one of South Sudan's most talented fashion designers. She discovered her talent in 2016: "when my boss saw my sketch she was impressed and encouraged me to improve on my talent". Anna took her boss' advice seriously, "I started to look for a fashion and design school, I landed on Career Gate in Egypt and I enrolled". For three years, Anna learnt professional design and tailoring.

It takes courage, discipline and determination to do what Anna did, but now she is a professional fashion designer, among the very few in the country who can actually do the work herself without having to hire tailors. She is the only fashion designer who specializes in wedding gowns.

Anna wants to see more women to become like her, "I now offer training to people who have a passion for fashion and want to make money out of it". Anna is admired in the country because of the great products, "each year am becoming stronger and more creative" Anna said.

Conclusion

Entrepreneurship is the backbone to every country's economic development, it creates jobs for the youth, men and women and increases the GDP of a country. When women are involved in entrepreneurship, it means they can become financially independent and able to support their families, and their voices will be respected at the family level and in the public spheres. South Sudanese women can be breadwinners in their families—we know they are supportive but they also need support.

If women entrepreneurs are fully supported, the burden on men, who are considered the head of a family and believed to be the sole provider, will be reduced. In South Sudan, empowered women who understand their rights, are working, earning and taking the lead in providing for their families. This shows that if we invest in women's economic empowerment and encourage more women to venture into entrepreneurship, we will have more financially stable families and a bright future for the next generations.

References

·Vellendi, Stella. Supporting the livelihoods of women in South Sudan with UNDP. UNV, 2019.

·The World Bank, 2011. https://www.worldbank.org/en/news/feature/2011/05/25/female-entrepreneurs-in-africa-southern-sudanese-women-make-their-mark-on-the-private-sector

·South Sudan Revitalized Agreement on the Resolution of Conflict in the Republic of South Sudan, 2018. https://www.kas.de/c/document_library/get_file?uuid=78fdebb6-65c1-4185-1a24-c02d25ba5bdb&groupId=252038. SSuDEMOP, 2016.

·Ponnie, Shelia. https://cityreviewss.com/south-sudan-crafts-business-excels-in-regional-market/. April 2022

·Expo 2020 Dubai | South Sudan Pavilion https://www.youtube.com/watch?v=BczpkfmZh_8

·The Institute for Justice and Reconciliation, Opportunities for gender justice and reconciliation in South Sudan, Policy Brief No.10, July 2013

·Chol Gabriel Majer, (2021). "The roles of South Sudanese women Entrepreneurs in Small Business Development and Sustainability".



Lessons on the Basic Skillset Every Entrepreneur Must Seek in Order to Thrive in their Respective Field

Yvan Lionel Ondoa

The basic meaning of entrepreneurship

We usually associate entrepreneur with a "person who sets up business to make financial profits by providing services and products" (online cambridge dictionary). Most entrepreneurs are references in the society and, seen as models that everyone should copy to succeed in entrepreneurship. But if we talk about succeeding, we also must talk about the path from zero to hero. Therefore, what can be the background of an entrepreneur? This article talks about the academic studies, vocational training and all additional training that provide an entrepreneur the needed skills to perform in this domain.

Some entrepreneurs academic backgrounds

Some entrepreneurs have master's degree in business administration while others are not graduate of any

commercial universities. I am about to present various profiles of some entrepreneurs with the purpose of revealing what entrepreneurship career journey could be like. These selected individuals are cameroonians women, because female entrepreneurship is promoted at many levels. These women are working in various domains from edition to cosmetics and have diverse backgrounds. For the purpose of this study, five top cameroon women entrepreneurs profile were selected to show how the entrepreneurship vocation can be born. They were chosen because none of them had a background intended for them to become entrepreneurs. But today, they show the way to younger women who want to create their enterprises.

Paule Diane Tchamako Ngasse is the CEO of "Broad Range Consulting" (BRC). Her enterprise is an approved management centre, which offers to entrepreneurs, all the commodities to create legal enterprises. Their services range from the setup of a business to the tax return, and general support in the running of the business. BRC also do counselling for young entrepreneurs. The training and education that has accounted to her success include high school diploma, a masters diploma in applied taxation from 2012 to 2013 and training at "Groupement Interpatronal du Cameroun" (GICAM) which is deemed as one of the best management of an enterprise. Finally, she got a public accountant certification, from the Kenyan accountants and secretaries national examination board.

Osiera MEBOUNOU is the Founder of the "MIMA" holding. MIMA operates in various sectors such as, MIMA host agency, MIMA Production and MIMA Cosmetics. After her High School Degree, she got a Bachelor Degree at the "Ecole Supérieure des Sciences et Techniques de l'Information et de la Communication" (ESSTIC) and specialised in Communication of Organisations. She hosted the weather report emission at the National television CRTV. She also works at the webzine "Culture ébène" as the chief editor. In 2015, she became the first Miss United Nations for Cameroon. During her mandate she developed the interest for entrepreneurship. Her purposes were to offer innovative services and to become a development actor, by creating jobs for other youth.

Armelle TOUKO is the founder of "Adinkra" editions, which is specialised in the edition of children books. She is a graduate of ESSTIC, and specialised in edition. She also has an MBA in Marketing Management. She did six months internship at the "Editions

CLES", after which, she did another three months internship at "Terroirs Editions". After that, she became the edition department's coordinator of "Afrédit" editions. She founded "Adinkra" Editions in 2018, to offer a new version of editions, through innovations.

Grace Divine MOUGNOK is the founder of "OTAM JUICE", and the Head of "Call Agency", a Subsidiary Company of The Group "Start Up Academy". After her High School Degree, she got a Higher Technician Diploma in Trade. She ventured into goods importation, after which she went to Tele counselling. After two years of working in that domain, she became Executive Assistant in a Construction and Public Works enterprise. That was her initial contact with the Multi-Level Marketing, and Start Up Academy. At Start Up Academy, she created her first enterprise named OTAM JUICE, and founded the Start Up Academy Subsidiary Company Call Agency.

Octavie EDAMA is the Founder of "Uñas", a beauty bar specialised in nails prosthesis. She created it after a little work experience in the civil society domain. After her high school graduation, she got a bachelor degree in enterprises administration and management, earned at the University of Yaoundé 2-Soa. In the same university, she also got masters degree in Competence Management and Human Resources. She did an internship at the MALABO CEMAC Commission. Her history with entrepreneurship began when at Malabo, she saw a woman taking care of other people's nails and benefits. She decided to go for an accelerate training in nail prosthesis. And after two months of essay, she created her enterprise.

Some important skills to create an enterprise

The academic background to become entrepreneur and to perform is not unique. We can see, from the cases shared that any academic orientation can be steered to an entrepreneurial career. Nevertheless, in all these cases, it can be observe that, there is knowledge of one or more domain put together to create an enterprise. For instance, the marketing like Armelle TOUKO, and communication like that of Osiera MEBOUNOU. It's important to know how to give a correct image to the enterprise. It's also important to know how to communicate to the public to be able to bring the products to potential customers. Also, some competencies in trade like that of Grace Divine MOUGNOK are important in order to be able to propose a good product, and how to make it exceptional. Management is very important because it provides the

skills to improve independently in the sector, like Octavie EDAMA. Finally, the other key training every future entrepreneur should seek is on taxation and all the administrative issues around enterprises like Paule Diane TCHAMAKO NGASSE.

In conclusion, every academics training can conduce to entrepreneurship. However, an entrepreneur should follow a vocational training in addition to his chosen domain. He or she has to get more skills, in the purpose to be the best in their chosen domain.

REFERENCES

https://dictionary.cambridge.org/dictionary/english/entrepreneur

Paule Diane HIMSTA. Linkedin Account. accessed from : https://cm.linkedin.com/in/paule-diane-tchamako-ngasse-épouse-himsta-48754123

Gael De. "Osiera MEBOUNOU : Parfum de Miss ". Cameroun Tribune. Accessed from : https://www.cameroon-tribune.cm/article.html/46744/fr.html/osiera-mebounou-parfums

Andrea ABATE. " Osiera MEBOUNOU : Parfum de Miss". 237 Online. Accessed from : https://www.237campus.com/osiera-mebounou-25-annees-de-succes/

Myriam DJEKI, "Osiera MEBOUNOU, ciel clair pour la "miss meteo"". Nyanga. Accessed from : https://www.nyanga.cm/articles/485/fr/osiera-mebounou-ciel-clair-pour-la-miss-météo

Yvan Lionel ONDOA. "Osiera MEBOUNOU, de la Miss à la Cheffe, de la Couronne jusqu'au Trône.". Mboko Magazine. Accessed from : https://mbokomagazine.com/osiera-mebounou-de-la-miss-a-la-cheffe-de-la-couronne-jusquau-trone/

Jeanne Osiera MEBOUNOU, linkedin account accessed from : https://www.linkedin.com/in/jeanne-osiera-mebounou-45245a184

Armelle TOUKO, linkedin account accessed from : https://www.linkedin.com/in/armelle-touko

Unspecified, "Armelle TOUKO, Biographie". Cameroun Web. Accessed from : https://www.camerounweb.com/person/Armelle-Touko-3046

Yvan Lionel ONDOA, "Armelle TOUKO, l'éditrice au service des enfants africains.". Mboko Magazine. Accessed

from : https://mbokomagazine.com/armelle-touko-leditrice-au-service-des-enfants-africains/

Yvan Lionel ONDOA, “Grâce Divine MOUGNOK, un caractère de fer, pour une entrepreneure hors-pair!”. Mboko Mgazine. Accessed from : https://mbokomagazine.com/grace-divine-mougnok-un-caractere-de-fer-pour-une-entrepreneure-hors-pair/

Octavie EDAMA, linkedin account accessed from : https://www.linkedin.com/in/octavie-edama



Today's Woman: Self-Reliance in Nigeria

Esther Paul Mshelbwala

The strength of a woman can be compared to that of a lion and her wisdom and foresight to that of an eagle. In her nature, a woman seeks independence, agency and an enabling environment for effective function. Africa finds most of its successful women outside the walls of the kitchen—they are found everywhere, but most functional when independent. The purpose of this paper is to critically examine the self-reliance of women in Africa, with focus on Nigeria.

The talents of women are silenced by the existence of slavery, closed doors and denial of rights. As a result of the poor economy in some parts of Nigeria, many women do not have properties to their name, largely due to the fear of societal stigma and domestic violence. The few women who do own property are regarded as subjective or societal deviants.

In the Igbo culture in Nigeria, a woman does not have a share in her father's

property, as it is believed that once she gets married she will take up another name and drop her father's name. This has contributed to a cultural unwillingness to train the girl child in school. The girl child is often regarded as a liability. More focus is therefore given to the boy child. Boys grow up to own the family property. At a young age, they start to assume the role of father in the house, and eventually the properties are changed to the boy's name. Over the years, this practice has been planted in every Nigerian subconscious mind. The absence of a male child in the home makes a woman as good as childless; if her husband dies, all his properties are shared among his brothers, and the woman is left with her female children and nothing else. Most times, she ends up in her father's house. Such cruelty often leads to maladaptive behaviour amongst orphaned girls.

Nigeria is blessed with talented women. The role of the woman has shifted from the home to the political arena. She is no longer only fit for the kitchen. On the contrary, the woman is a multi-functional being capable of adopting different roles and being effective. As technology advances, so does the woman. It is important to view the woman as part of the driving force for every societal development.

The need for housing, land and property cannot be overemphasized. As seen in the example above, the story of the late husband is not complete because his children are also deeply affected. The properties he left behind could be used to educate his daughters who will become great contributors to the society and in turn take care of their widowed mother. When this is not the case, the society suffers.

When we provide equal access to property for a woman, she uses it for the benefit of her family and society at large. Housing, land and property are part of the major inheritance in Nigeria. In addition, educating a woman and training her to the peak of her career is an asset to every country.

The following are some ways of empowering the Nigerian woman

1. Train her in technology: There are a number of tech industries currently empowering women with quantitative skills by providing scholarships and free resources. Women can participate in these trainings, learn skills and acquire better employment. One way to support this is to include a higher percentage of women in tech as a basic requirement in our system of employment. In this way, more women will be able to avail themselves of opportunities in the technology sector.

2. Provide start-up grants for businesses and adequate training. Business is one of Nigeria's major economic drivers. When more women are involved in business and provided easier access to grants and financial aid, the business sector will experience a major positive turn. With more women actors in the market system, the rate of overdependence in society will lessen. Currently, girl children grow up to experience few employment opportunities. This can change when more women are allowed to engage in business.

3. Encourage community-based collaborations where women can train each other in simple handcraft and engage in an enabling environment for mutual growth. In the past, humanitarian organizations have introduced a village savings scheme for unemployed women within the same community, in which they contributed money to cater for their needs. However, an extension to this could be to set up a financial system for women to contribute and pay for their basic needs and also provide employment for the community. I once heard of a documentary where a woman built a local savings system in her community as a result of her desire for girls to attend school. The aim of the savings group was to pay school fees for every girl and provide basic school needs. This move encouraged other women to rise up and together they trained over 500 girls in that community. This act of kindness continued and became a big success. Such moves can be encouraged by the elites and government.

4. Implement advocacy training in gender balance and women's access to housing and property. There is no proven reason why a woman should not own property. For displaced women, housing, land and property are critical.

Conclusion

The list on the journey to self-sufficiency is inexhaustible. However, the safe haven for the Nigerian woman when it comes to supporting the home and being relevant in society as a key player is self-reliance. The value and importance of women and the promotion of gender equality in Nigerian society is vital. Government, civil society and other actors can support the advancement of Nigerian women through gender inclusive programmes, education and policies, particularly in regard to property rights.



Mentor, Coach, Expert or Volunteer: What Does my Enterprise Need?

Francis Nyonzo

We all benefit from people lending us a hand or giving us direction in our personal lives and the same is true for our business lives. Mentors, coaches, experts and volunteers call all have different impacts on our enterprises.

A study conducted by Grow Movement (2015) in Uganda showed that enterprises connected with a volunteer consultant increased their sales by 27%. showed that enterprises coached by marketing specialists increased their monthly sales by 51%. The different impacts of different types of support and advice mean entrepreneurs need to know when to choose a mentor, coach, expert or volunteer. And that is, you need to know your strengths, weaknesses, opportunities and threats.

When making any decision, it is important for an entrepreneur to conduct a SWOT analysis; SWOT stands for Strengths, Weaknesses, Opportunities and Threats. The SWOT framework is used to evaluate the internal and

external factors of an enterprise's competitive position and it gives a good grounding for strategic planning and decision making. A SWOT analysis will help you decide whom should engage between a coach, mentor, expert or volunteer. Below we look in more detail at the different roles so you can use the results of your SWOT to make a choice.

Mentors. A mentor is an experienced professional who provides informal guidance and support. The guidance provided by a mentor often helps entrepreneurs discover their hidden competencies. Dilts, (2003) writes that mentoring involves validating positive intentions and shaping or influencing beliefs and values through following the mentor's own example.

As an entrepreneur, sometimes after you start a business you face internal doubts about your competencies and abilities, which is where a mentor can help. Mentorship is usually based on relationships, so when looking for a mentor, think of people you have interacted or connected with, i.e., who knows about you? A mentor can be a family member, a lecturer, a colleague, a friend, or someone in your industry. Mentoring is usually an informal, personal service, it is not a service you can demand and paid for.

When you find a mentor, it is your responsibility to keep up the communication so you can benefit from them and increase your positive intentions. Different from motivational speakers, who do not know you and have no responsibility towards you, a mentor motivates you to discover the potential they see in you. When you have a good mentor, you can turn to him/her for advice before making a move.

***Good for when**: you need see your potential and build your confidence*

Coaches. A coach can help you perform at the peak of your ability. The difference between a coach and a mentor is in the aim and providence. Dilts, (2003) says that coaching is outcome-oriented and promotes new thinking and acting to generate change. Coaching does not depend on pre-existing relationships or connections, for example, the international Grow Movement volunteers could successfully coach entrepreneurs in Uganda to increase their monthly sales.

You can choose a coach for your enterprise if you are already aware of your competencies and are looking to refine them. Szafran (2016) argues that it can be challenging for an expert to be a coach, as coaching requires more than

just subject knowledge. According to Szafran, coaching is a process of learning, motivation, dialogue and support, which is conducive to the development of an enterprise.

***Good for when**: you want to finesse a specific skill*

Experts. An expert is skilful and knowledgeable about a specific issue. Weinstein, (1993) groups expertise into two, "epistemic expertise" which is defined as the capacity to provide strong justifications for a range of propositions and "performative expertise" which is the capacity to perform a skill well according to the rules and virtues of practice.

You will usually choose an expert when you want to start a new project outside your own expertise. An entrepreneur should always do their own learning but in this case, you can save time and money by having an expert deliver reliable epistemic or performative expertise when you need it. You should always take the opportunity to learn from the expert as well as applying their expertise to your new project. When you hire an expert, make sure you get reliable testimonies of their abilities and previous successful projects.

***Good for when**: you need reliable expertise fast*

Volunteer. Cambridge Dictionary defines a volunteer as "a person who does something, especially for other people or for an organization, willingly and without being forced or paid to do it". A volunteer can take on any role in an enterprise, for example, they can be a coach as in the Grow Movement or they can be an expert.

You choose volunteers when you want to decrease your operational costs, as volunteers are not promised a salary or consultancy fees. Volunteers are willing to contribute their skills for free to make a change or impact in an area they are interested in, to showcase their ability or to gain professional experience. You can retain a volunteer after being impressed by his/her ability and talents, which can also reduce recruitment costs and risk.
Good for when: you need to minimise cost and risk

Conclusion

A SWOT analysis will give you clearer idea of your enterprise's needs. With this knowledge you can better choose who to engage in your work. For example, if your enterprise is financially limited but you lack the expertise for your new project, you will choose an expert but find one who is willing to volunteer. Remember, your SWOT will change over time, so

keep updating your framework so you can find the right mentor, coach, expert or volunteer at the right time.

References

Anderson, Stephen J., et al. "Do Marketers Matter for Entrepreneurs? Evidence from a Field Experiment in Uganda." Journal of Marketing, vol. 85, no. 3, 2021, pp. 78–96.

Dilts, Robert. From Coach to Awakener. 2003.

Grow Movement. Results. https://www.growmovement.org/results/.

Szafran, Joanna. "A Coaching Culture–Towards New Organizational Challenges." Lifelong Learning For Labour Market Needs, 2016, pp. 187–187.

Weinstein, Bruce D. "What Is an Expert?" Theoretical Medicine, vol. 14, no. 1, 1993, pp. 57–73.



Supporting the Informal Sector: Connecting Entrepreneurs to Expert Volunteers

AAE

Informal education is a type of vocational and technical education that goes on outside of the formal learning environment of school, a college or a university, however, more can be said by way of providing a definition of the term. Informal education can be seen as "learning that goes on in daily life", and/or "learning projects that we undertake for ourselves" (Smith, 2009). Today, there are many young entrepreneurs with limited or no formal education. They get attached to extablished enterprises by way of apprenticeship in order to arquire skills. Others find solace in trial-and-error aproaches to business startup.

According to a UNESCO survey: of all regions, sub-Saharan Africa has the highest rates of education exclusion. Over one-fifth of children between the ages of about 6 and 11 are out of school, followed by one-third of youth between the ages of about 12 and 14. According to UIS data, almost 60% of youth between

the ages of about 15 and 17 are not in school. (UNESCO, 2020)

With limited or hindered pathways back into the formal education and training systems, they face serious skills gaps that impact their income potential and lower their social mobility. This, in turn, negatively impacts the overall economies in which they operate.

These entrepreneurs constitute the informal sector. They operate on the margins of formal or mainstream activities. Their activities are normally outside the conventional scope of government regulation and assistance and are typically youthful and burdened with unhealthy or unsafe working conditions, lack of social protection arrangements and health facilities at work and little or no formal training.

Mentoring and volunteer support

There is the need to provide mentoring and volunteer services to these entrepreneurs to ensure that they begin on the right footing. Support can play a significant role in improving the skills of most of these people. Volunteer experts can offer tailored support with no additional fees. There is also the need to carefully select the volunteers to ensure they have the right skills, experience and attitude.

AAE offers support to entrepreneurs by connecting them to volunteer experts to offer a range of tailored support, such as translation, graphic design, website design, business planning, copy editing, proofreading and research.



Training Workshops

Aside online mentoring and volunteering services, local training workshops can play a pivotal support role for the not-so-tech-savvy entrepreneurs. On the 22 June 2015, 30 entrepreneurs were trained on "How to prepare your elevator pitch" at the Catholic Institute of Business and Technology in Accra, Ghana, as part of a Ye! Community workshop held byy AAE ,

Ye! Community, is a partner of AAE, and a global platform that supports young and aspiring entrepreneurs to build their businesses and enhance economic development in their countries and communities, and

Lisa Freiburg of MDF Training and Consultancy delivered the workshop and AAE staff, Cornelius Nartey and Betty-Ann Ananeh, facilitated.

Despite steady rain in the morning all participant made it and took part in an interesting, interactive and enjoyable experience.

The topic for the workshop was "How to prepare your elevator pitch". An elevator pitch is a short, pre-prepared speech that explains what your enterprise does, clearly and succinctly.

An elevator pitch is used to introduce yourself to new customers or potential investors in a short time. The name comes from the time it takes to ride in an elevator (lift) a few floors. Your pitch should be intriguing enough to initiate further conversation around your business, where you can then sell your audience on the idea. Preparing this pitch provides you with a powerful and effective tool that you can use anytime and anyplace.

Works Cited

Smith, M. K. (2009). Communities of Practice. The Encyclopedia of Informal Education.

UNESCO (2020) Education in Africa

African Potentials: The Africa of our Dreams





Fishing in the waters of Angola.
Graphic by Khushi Kesari, Base image by Quang Nguyen Vinh (Pixabay).

Exploring the Non-Oil Economy of Angola: Fisheries

Khushi Kesari

Located on Africa's western coast, Angola is a large country with diverse landscapes that includes the semi-desert, the rugged highlands, and a long coastline with plateaus and forests. It borders Zambia to the east, the Democratic Republic of the Congo to the northeast, Namibia to the south, and the South Atlantic Ocean to the west. The capital city of Angola is Luanda (Clarence-Smith 1999).

Angola's past has had a significant impact on the country's economy today. During the colonial period, the Portuguese government considered Angola to be its foreign crown gem. It established the colony as a target for ambitious colonization efforts and encouraged economic investments. As a result of these initiatives, the Angolan economy was rapidly developing by the 1970s, with key exports including sisal, diamonds, coffee, and petroleum. A post-independence civil conflict ravaged the economy, displacing much of the people, destroying physical plants, and disrupting transportation even more

than the earlier guerrilla war had. Only the petroleum sector, which was neither nationalised nor controlled and was not subject to combat, was able to provide consistent income.

It is a well-known fact that Angola is an oil-rich country, where oil accounts for more than one-third of the Angolan economy and more than 90% of Angolan exports (Chawani et al. 2018). Because the oil industry has been open to the public for so long, the economy has been prone to contractions and inflations, as well as worldwide fluctuations in oil prices. This has placed the Angolan economy's stability at the mercy of volatile oil prices, which have destabilised the country (IMF 2018). In such a circumstance, it is critical to investigate non-oil sectors of the economy that might give the much-needed impetus to bring about a shift in economic conditions.

Angola has a significant mid-to-long-term potential for maritime transportation and aquaculture growth, as stressed by the government's 2018-2022 National Development Plan (International Trade Administration 2019). Angola offers some of the richest fishing grounds in Africa due to the positive effects of the cold Benguela Current, particularly along the extreme southern coast. Crabs, lobsters, and prawns are readily available, as are sticklebacks, sardines, mackerel, catfish, mullet, and tuna (Clarence-Smith 1999).

Angola's fisheries reserves are divided into two categories: marine and inland. Marine capture fisheries are classified as industrial or artisanal. Commercial fish species targeted by the industrial sector include sardinella, tuna, horse mackerel, shrimp, lobsters, deep-sea red crab, and other demersal fishes. Approximately 170,000 MT of fish are landed by the sector from 200 fishing boats. Angola has a significant artisanal fishing fleet. In 2005, the fishing sector employed 31,528 individuals, 22,521 of whom worked in the artisanal sector, operating 3,000 to 4,500 vessels (mainly without any engine), which has at least doubled in numbers presently. Angola has no large lakes, but it does have many rivers that flow across its borders and include some high-value freshwater species. Tilapia species along with catfish (Clarias gariepinus) and freshwater prawns (Macrobrachium rosenbergii) are the most significant and prolific freshwater fish. Inland fisheries are mostly for subsistence, although there is significant potential for increasing output, which now amounts to 6,000 tonnes per year. This industry employs over 7,000 full-time fishermen and is the greatest contributor to rural employment. Aquaculture development in Angola is a

poverty-reduction strategy implemented by the Angolan government through the Ministry of Fisheries. In this regard, various aquaculture ponds have been developed around the country (Konda 2008).

According to the most recent Ministry of Fisheries figures, fishing accounted for less than 3.7 percent of Angola's GDP in 2017, with an output of around 532,014 tonnes. According to the Angolan 2018-2022 National Development Plan, the government of Angola expects sectors growth to range between 4.7 and 8.3 percent through 2022 (Códia and Ferreira 2019). With assistance from the AfDB and the UN, the Angolan government is promoting the development of the fisheries industry, including both coastal and aquaculture value-added output. Angola has a substantial artisanal fishing fleet, with over 100,000 individuals making a living from the fisheries sector, including 50,000 artisanal fishermen grouped in organisations that fish in teams and share equipment, such as 9,000 engine-powered boats. The coastlines of Luanda and Benguela provinces have the highest proportion of artisanal fishing. Microcredit and regional assistance centres with facilities for boat and gear maintenance, fish processing, and docks are provided as part of the National Development Plan to maximise production quality and living conditions in artisanal fisher folk by the Angolan government (International Trade Administration 2019).

Although Angola's aquaculture output is now limited to tilapia and catfish, government initiatives to boost production are underway, aided by a loan of 1 million from the International Fund for Agricultural Development of the United Nations (IFAD). Angolan officials aimed to produce more than 700,000 tonnes of fish per year by 2018 through small-scale communal ponds and a limited number of medium to large-scale commercial aquaculture facilities but were unable to accomplish this target. Alternatively, the government's National Development Program anticipates strategic initiatives to boost national output.

The Angolan Ministry of Fisheries is in the midst of creating regional processing and cold storage facilities as well as various technical support and training centres for the artisanal fisheries sector. In addition, some private sector aquaculture farms are being built. Commercial sales prospects exist for US equipment and technology providers in aquaculture production, small-scale fishing devices, fish processing, cold chain machinery, and logistics

operations (International Trade Administration 2019). Another government goal is combating illicit, unreported, and unregulated (IUU) fishing. The Ministry of Fisheries and the Sea tries to combat illicit fishing by operating 15 patrol vessels purchased from China and France (FAO 2022).

Following discussions with interested economic operators, the government has adopted fisheries management measures based on biological facts and economic reasons. The government has also proposed alternative incentive programmes to encourage private investment in key sectors. Priority is given to the following actions: ice production and cold storage networks in areas where this may contribute to increasing the value of artisanal fish products; support for artisanal fleets and marketing of the artisanal catch; industrial fishing of unused resources or on new fishing grounds; renewal and expansion of the semi-industrial fishing fleet; establishment of fish processing facilities; and promotion of marine shrimp culture (FAO 2022).

Many organisations, both corporate and public, are now engaged in this industry. With exports to other nations and trade inputs, this sector not only can develop and support a significant portion of the economy, but it also has the potential to employ a bigger portion of the population. Because of its lengthy coastline and rivers, the local population working in the fishing business has a greater opportunity to contribute to the total GDP. The sector has developed through time and still has a long way to go.

References

Articles

"Angola Marine Technology (Fisheries and Sea Ports)." International Trade Administration, 13 October 2019, https://www.trade.gov/country-commercial-guides/angola-marine-technology-fisheries-and-sea-ports.

"Aquaculture Production (metric tons) - Angola." The World Bank, 2018, https://data.worldbank.org/indicator/ER.FSH.AQUA.MT?end=2018&locations=AO&start=2000&view=chart.

Clarence-Smith, William Gervase. "Angola." Encyclopedia Britannica, 26 July 1999, https://www.britannica.com/place/Angola.

"Fish in home-grown school feeding: Angola, Honduras and Peru." Food and Agriculture Organization of the United Nations, 2021, https://www.fao.org/fishery/en/openasfa/d12e9572-a0b3-42bb-b738-

57d404ef8385.

"Fisheries and Aquaculture Country Profiles: Angola." Food and Agriculture Organization of the United Nations, January 2022, https://www.fao.org/fishery/en/facp/ago.

Konda, Fredy Ditomene Mbala. "Present Status of Fisheries Wealth in Angola." Journal of Marine Bioscience and Biotechnology, vol. 3, no. 1, 2008, p. 1–6.

Research Papers

Chawani, Rodgers, McGregor, Thomas, Sobrinho, Nelson and Visconti, Claudio. "Angola: Selected Issues." IMF Country Report No. 18/157, International Monetary Fund, 25 April 2018, p. 6.

Códia, Nzambi and Ferreira, Vieira. "History and experiences with limited access fisheries (input and output controls): the case of the small pelagic fishery in Angola." Aquatic Sciences and Fisheries Abstracts, Food and Agriculture Organization of the United Nations, vol. 64, October 2019, https://www.fao.org/fishery/en/openasfa/0d83a95b-69f0-457f-9b18-3598a2414b54.



Economic Significance of Sole Proprietorship and it's Sustainability of Business Data

Millicent Asante

The success of businesses in Ghana is largely dependent on their ability to make the most of their business data. This is because business data is a resource that can be used to make informed decisions, which can then be put to good use by the owner of the business. Business data is data that is generated by a business and is, therefore, information about a business. This information can take many different forms, such as financial data, sales data, and location data. to help grow their businesses.

The main objective is to highlight the role sole proprietors play in the economy and how utilizing the appropriate data can help sustain their businesses.

The questions the article seeks to answer are:

- ·What contributions do sole proprietors make to the economic growth of the nation?
- ·What kind of business information are available to them in this digital era?

- ·What are some of the factors limiting Ghanaian Sole Proprietors with regards to data collection and utilization?
- ·What forms of platforms or systems are available to them to utilize the information available to them to build and sustain their businesses?

1. What is Sole Proprietorship

A sole proprietorship is a business that is owned and controlled by an individual. There are no partners in the business. It is not a separate legal entity from the business owner (Twumasi). Minimal documentation and low set-up costs are two significant advantages of having sole ownership.

1.1 Contribution of Sole Proprietorship to the Ghanaian Economy

he majority of the businesses registered in Ghana are sole proprietors. Registering of Sole Proprietorship business in Ghana is genuinely straightforward. The statistical reports released in January 2020 by the Registrar General's department, showed that 66,190 businesses owned by sole proprietors were registered in 2019. The table below shows the number and types of business entities registered in 2019 in Ghana at the Registrar-Generals Department ("News").

Entity Type	2019
Subsidiary Business Name	581
Company Limited Guarantee	7037
Partnership	222
Company Limited by Shares	18139
Sole Proprietor	66190
External Company	96

Source: The Registrar General's Department website, 13th January 2020

It can be deduced from the above table that, out of the 92,265 business entities registered in Ghana, about 71.74% are sole proprietors. This reveals the significance of these types of businesses to the economic growth of the country.

The contribution of sole proprietors to the economy of Ghana can be measured in terms of their output and the size of their businesses. They contribute significantly to the economy of Ghana in terms of the goods and services they produce as well as the income they generate. The majority of sole proprietors in Ghana are into business ranging from manufacturing to trading (wholesale and retail), services to construction, and others.

Moreover, the contribution of sole proprietorship businesses to the Ghanaian economy cannot be overlooked. According to the National Employment Report released by the Ghana Statistical Services in 2015, nearly half (48.2%) of persons are engaged by establishments that are registered as Sole Proprietorship. The report also reveals that 65.9% of persons engaged by establishments that commenced operations between 2005 and 2014 are operating as Sole Proprietorships. The report further shows that Sole Proprietorship establishments engage the largest number of service workers (both permanent and temporary) making up nearly half (47.1%) of the persons employed in this sector. In the wholesale and retail trading sector, Sole Proprietorship establishments employ 70.5% according to the report ("National Employment Report 2015").

The persons employed by these establishments, earn income, which they, in turn, pay direct taxes (personal income tax) and indirect taxes through the purchase of goods and services which increases the revenue base of the country.

2. What Kinds of Business Data are available to Sole Proprietorships In this Digital Era?

The sources of data available to sole proprietorships to help them to grow their business include data about the business itself, such as financial data, sales data, and location data. These data can be used to make informed decisions about the business, which can then be put to good use by the owner of the business.

One of the most important aspects of a sole proprietorship that is often overlooked is the ability to collect data. Data can be collected through surveys, interviews, observation of customers, and social media platforms. One way to gather data by a sole proprietor is

through the use of simple software. For example, one can use spreadsheet software such as Microsoft Excel and Google sheets to collect data about their business, such as sales figures and expenses. This is a simple way for a sole proprietor to gather basic business data. However, more advanced software can also be used to collect more sophisticated data, such as data about the performance of the business.

One important source of data that can be utilized by sole proprietors tremendously is social media data. Most Sole Proprietors in Ghana are seen advertising their products on Facebook. Most are found on Instagram reels showing off what they can offer their potential customers. Social media data mining can help the business to know the demographic nature of their followers, the time and day their followers are active, as well as their preference for videos or images of their product or service (Newberry). It can also give them an indication of the products mostly patronized by their followers and give them a fair idea of what to invest their time and money in.

3. What are some of the factors limiting Ghanaian Sole Proprietors with regards to data collection and utilization?

One major factor that limits the ability of sole proprietors to collect and utilize data is a lack of access to appropriate technology. This is primarily due to the high cost of technology in Ghana. As such, sole proprietors in Ghana are often forced to choose between investing in technology and investing in their business. This often results in sole proprietors choosing to invest in their business and, as a result, they tend to be less well-off than their counterparts in other countries.

Aside from the cost of technology, lack of appropriate education in the use of the software also puts most of these business owners off since a sizable number of them are not highly educated. They also see hiring an expert to teach or assist them to be rather costly. They tend to lose very important data that could have contributed immensely to the growth of their businesses.

However, with some businesses, their problem is not the software or the education, but their poor attitude towards record keeping. Some of those who keep records do so in paper notebooks which makes it difficult for them to turn their data into business insights and take action to increase their profit (Jackson). Access to credit facilities becomes difficult due to inadequate or no data to present to financial institutions.

3. What forms of platforms or systems are available to them to utilize the information available to them to build and sustain their businesses?

There are a few companies locally that have built software or platforms to help sole proprietors and other businesses alike to track their business activities as a means of encouraging them to collect data on their business.

One privately-owned business doing great in such a manner is OZÉ which was established in 2017. OZÉ is a portable application that assists independent companies with recording their business, costs, payables, and receivables (Jackson). The stage then totals that information to give certain explicit suggestions and reports ((Jackson). It also enables financial institutions to source business information on small businesses when assessing their application for credit facilities.

According to recent research (Jackson), so far, over 5,000 businesses have registered on the platform. Of businesses that record a transaction in their first week of using the app, 69 percent are still using it six weeks later. However, more needs to be done because 5,000 businesses on the OZE platform represent only 7.55% of the total number of registered Sole Proprietorship establishments in 2019 (66,190) not to even talk of the ones registered from 2020 to 2021.

Conclusion

Sole proprietorship indeed contributes immensely to the economy of Ghana. However, more can be done by individuals and the government to ensure that data on their business is up to date to ensure their consistent growth and survival. In this digital age, collecting information on a business is not as difficult as it used to be years ago.

More training and support should be given to bring to the center the significance of data and its usage and finally its contribution to economic growth to the sole owner as well as the general public at large.

The government can come in by partnering with Software companies to subsidize the cost of some of this software to encourage small businesses to purchase them.

REFERENCES

Articles

Twumasi, Alexander. “Registering a sole proprietorship business in 2021 - insolvency/bankruptcy/re-structuring - Ghana”. Welcome to Mondaq, 20 July 2021,

https://www.mondaq.com/insolvency bankruptcy/1093318/registering-a-sole-proprietorship-business-in-2021.

"News." Registrar General's Department, Registrar General's Department, 13 Jan. 2020, www.rgd.gov.gh/report.html.

Jackson, Tom. "How Ghana's OZÉ Uses Data to Help Small Businesses Access Finance." Disrupt Africa, 10 Apr. 2019, https://disrupt-africa.com/2019/04/10/how-ghanas-oze-uses-data-to-help-small-businesses-access-finance/

Report

"National Employment Report". Ghana Statistical Services, 24 May. 2016, https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/NATIONAL%20EMPLOYMENT%20REPORT_FINAL%20%2024-5-16.pdf

Blog

Newberry, Christina. "Social Media Data Collection: Why and How You Should Do It." Blog.HootSuite.com, HootSuite, 24 Jan. 2022, https://blog.hootsuite.com/social-media-data-collection/. Accessed 5 Apr. 2022.



The Imperative for Green Economy Transition in African Agriculture

Zhizheng Liu

A green economy aims to reduce environmental risks and ecological scarcities and aims for sustainable development without degrading the environment (UNEP, 2016). The green economy model is a way to effectively solve some of the world's most challenging problems in recent years, such as climate change, food insecurity and waste of natural resources (Ayuk et al., 2016).

More and more countries regard the green economy as a tool of economic transformation to improve food security and environmental friendliness. In Africa, agriculture contributes significantly to economic growth and is also closely linked to the safety and quality of the population's life (Ayuk et al., 2016). African countries that master the mature green economy model sooner will hold the key to future wealth.

This article first describes the current state of agricultural development in Africa and then highlights the necessity of a green transformation of the African agricultural sector from three perspectives: climate vulnerability, international assistance and consumer demand.

African agriculture's current situation

Agriculture was the most fundamental component of modernization in Europe, the Americas, and Asia. However, as productivity increased, the importance of industry and services began a long-term upward trend, while the share of agriculture, in terms of its contribution to the economy, started a downward trend.

In Africa, agriculture remains the mainstay of the economy, with over 60% of the population working in agriculture, far beyond the world average of 13% (FAO, 2017). However, 227 million people (a fifth of the population) in Africa face chronic food security problems. Africa has 15% of the world's population but nearly a third of the world's famine population (Carlos Lopez and Jun Liu, 2015). It is not difficult to speculate that the reasons behind this are closely related to the characteristics of current African agriculture.

According to Carlos Lopez and Jun Liu (2015), Africa is predominantly a smallholder economy with poor agricultural practices, resulting in low food production. For example, maize yields in Africa were 2t/hm2 in 2018 while the Americas and Europe were producing 8t/hm2 and the world average was 6t/hm2. (FAO,2018).

How to find the future direction of agriculture has become an urgent issue for Africa.

The necessity of the green economy

1. Climate vulnerability

Traditional agriculture was seen as the rstevidence of increased greenhouse gas emissions into the atmosphere (Paustian et al., 2016). 50-60% of nitrous oxide (N2O) and methane (CH4) are derived directly from human agricultural activities (Awais et al., 2021). In Africa, the misuse of pesticides and manure leads to excessive nitrous oxide (N2O) emissions, which have a 300 times greater impact on global warming than carbon dioxide (CO2). In addition, farmers often cut down surrounding vegetation to provide more light to their arable land and prevent fertilizer run-off, leading to a reduction in vegetation. These factors further exacerbate global

warming (Wenjiao Shi and Fulu Tao, 2014).

According to statistics, for every 1-degree Celsius increase in global average temperature, the average growth rate of poor African countries will decrease by 2 to 3% (Qiang Li, 2021). The 1-degree Celsius rise in average temperatures has already had severe economic impacts on African countries over the last few decades. Experts expect to experience a 2-degree Celsius rise in average temperatures between 2025 and 2040. This climate change will expose areas where crops are grown to severe droughts and high temperatures, causing crop yields to fall sharply (Ayuk, Elias et al., 2016).

The first drive for green economy transition in African agriculture is the attempt to offset the effects of climate vulnerability on agriculture.

2. International assistance

Most countries in Africa have very limited financial resources at their disposal and rely on development partners for systems and infrastructure strengthening. For example, the United Nations offers a range of international support and assistance measures to help the least developed countries. If a country is recognized as a least developed country, it receives concessions such as resource assistance, preferential market policies and exceptional technical support.

In recent years, projects with themes of sustainable development and environment-friendliness have had a high probability of external aid funding (Qiang Li, 2021). Governments of African countries need to realize that transition to a green economy can attract considerable financial resources for economic development

3 .Consumer demand

The beginning of the twenty- rstentury has been marked by an exponential growth in consumer demand for ecologically-sound agricultural products due to the association of consumption with negative environmental problems, such as global warming and pollution (Leonidou et al., 2010; Svensson and Wagner, 2012). At the global level, 74% consumers said that they would prefer to purchase green products (Rod Newing, 2011).

"Green," "organic," and "natural" have become popular sales terms in the international agricultural market. More and more consumers are willing to buy healthy and high-quality agricultural products (Luzio, 2013). Improving the quality of agricultural products is the necessary basis for agricultural exports and suppliers of green agricultural

products can market them competitively in developed regions. The enhanced profits can then be used to invest in advanced agricultural technology and business activities, leading to African agriculture that is more dynamic than ever.

Conclusion

In short, the smallholder model is destined to be replaced. The transformation of African agriculture should meet the changing needs of consumers, be tailored to access to financial resources and address the problem of climate degradation. The sooner African countries explore the green economy model, the more room for initiative they will have in the future. Although the route might be long and winding, it will be worth the effort. There is no doubt that the green economy model will persist for decades to come.

References

1. Shakoor, Awais, et al. "Effect of animal manure, crop type, climate zone, and soil attributes on greenhouse gas emissions from agricultural soils—A global meta-analysis." Journal of Cleaner Production 278 (2021): 124019.

2. Paustian, Keith, et al. "Climate-Smart Soils." Nature (London), vol. 532, no. 7597, NATURE PORTFOLIO, 2016, pp. 49–57, https://doi.org/10.1038/nature17174.

3. Newing, Rod. "Environment: Long-Term Impact of Green Issues Played Down." FT.com, The Financial Times Limited, 2011.

4. Ayuk, Elias T. (ed) "Promoting Green Economy: Implications for Natural Resources Development, Food Security and Poverty Reduction in Africa.", United Nations University Institute for Natural Resources in Africa, 2016

5. Luzio, João Pedro Pereira, and Fred Lemke. "Exploring green consumers' product demands and consumption processes: The case of Portuguese green consumers." European Business Review (2013).

6. Carlos Lopez and Jun Liu. "The Role of Agriculture in Economic Transformation in Africa". Transformative Development of African Agriculture and South-South Cooperation.Ed. Social Sciences Academic Press (China) 2018, 23-38.

7. Leonidou, Leonidas C., Constantinos N. Leonidou, and Olga Kvasova. "Antecedents and outcomes of consumer environmentally friendly attitudes and behaviour." Journal of Marketing Management 26.13-14 (2010): 1319-1344.

8. Svensson, Göran, and Beverly Wagner. "Business sustainability and

E-footprints on Earth's life and ecosystems: generic models." European Business Review (2012).

9. Wenjiao Shi and Fulu Tao. "Advances in research on agricultural yield response and adaptation to climate change in Africa (非洲农业产量对气候变化响应与适应研究进展）Chinese Agricultural Science 47.16 (2014): 3157-3166.

10. Qiang Li and Hanwen Wu. "Greening Rwanda: history, drivers and experiences (绿色卢旺达：历程、动因与经验)." Regional and Global Development 5.04(2021):132-154+160.

11. Yuexian Liu. "Global Trends in Agricultural Carbon Emissions and China's. Response (全球农业碳排放趋势及中国的应对措施)." World Agriculture. 01(2013):81-84. doi:10.13856/j.cn11-1097/s.2013.01.024.

12. Yue Zhang, Li Zhong and Chunhong Qu. "Modernizing agricultural development in Africa: status, challenges and opportunities (非洲农业现代化发展:现状、挑战与机遇)." China Food and Nutrition27.06 (2021):17-22. doi:10.19870/j.cnki.11-3716/ts.2021.06.003.



Rethinking Urbanization as a Key Factor for Business Development in Morocco and Entrepreneurs Mission in it: Why Are Entrepreneurs and the Destruction Economy such Important Aspects in Morocco's Urbanization Planning?

Ines Lambertini

Why are entrepreneurs and the destruction economy such important aspects in Morocco's urbanization planning?

Morocco, the only African country not a member of the African Union, is in the North of Africa and has a land area of 446,550 square kilometers, with water covering about half of it (Elmdari, Youssef 2018). Up to date, only about 19% of its land remains rural and is designated for farming. (AFRICAW 2022) This might be a problem for part of the thirty-nine million people living in Morocco (99% Arab-Berbers), with a rapid growth rate ongoing. From this, more than a half of Morocco's total population lives in urban areas, being the main popular cities:

Casablanca, Rabat, Fes, Marrakech, and Tangier (AFRICAW 2022).

Urbanization problem

Morocco, although having a GDP of $3345 per capita, is on the verge of being classified as a "low-income" country. Because of the substantial number of people in the country and the development process, it is undergoing, fast urbanization has occurred in recent years, and as a result, environmental issues have arisen desertification, deforestation, and soil erosion are just a few instances (AFRICAW 2022).

For instance, Casablanca's urbanization (30%GDP) has lacked integrative urban strategies, despite an obvious environmental issue. For city planning, a good allocation of resources needs to be considered by implementing spatial information. Rapid growth in population, in the case of Casablanca and eventually spacing most of the Morocco led to a demand for infrastructure and basic services, housing in new urban areas and the provision of education, health, transportation, water and sanitation services.

Innovation needed - The role of entrepreneurs

Being an entrepreneur is not just a business status, but a way of life: always innovating, challenging reality, and daring to start new projects with potential fuel, ideas, time, and creativity invested. Thinking big and thinking smart are not the same thing but they can be complementary. This is the kind of challenge every entrepreneur faces when trying to figure out how to differ from its competitors in a market segment. But is it just enough just to be different? Some would suggest that thinking smart is not enough if the environment in which a business develops itself is an obstacle to it. We need to focus on land planning,: where are businesses going to grow? What would that environment be like? Is it nourishing and friendly for start-ups? What could be done so that they are? These are key questions entrepreneurs need to be making and considering while engaging in policymaking by respectfully raising their voices through different institutions.

As basic economics laws establish, there

are few resources that need to be allocated; yet, for a business' objectives to be accomplished with success, the environment must be considered strategically as well. A proper environment is not only made up of geographical considerations, climate factors, political circumstances, social needs and demands, but also a crucial factor that should be considered is how urbanization was thought and conducted, and how it could be urbanized soon for local businesses improvement and opportunities to take place. A good, urbanized city should consider this process as an opportunity for inclusion, for integrity within its citizens, for opportunity jobs to be arriving and, of course, an attraction for entrepreneurs and foreign investors. For this, a proper legal framework is needed. Rural migrations should be considered, as once a city is urbanized, it may become a people's magnet.

Socio economic inclusion & diversification

Sustainable and inclusive (all business sizes) urbanization may be the promise of development, as population rapid growth takes place, Moroccan governments should focus on the need of diversifying the national economy, combat disparities, improve living conditions, and create more jobs due to Morocco young people high rate of unemployment according to Lall, S and its co-authors' book "Leveraging Urbanization to Promote a New Growth Model While Reducing Territorial Disparities in Morocco: Urban and Regional Development Policy Note".

Truth is, every urbanization process has the rapid effect of transforming the economy from an agricultural-based one to a manufacturing-based, so here is where the role of thinking as an entrepreneur comes in. What is being an entrepreneur if not thinking like the model of the "economy of destruction" created by Schumpeter, which is the interactive and dynamic process of always destroying and creating new things: introducing new ideas, new products, new changes in the market. Innovation, creativity, and resilience need to be indeed explored when an economic transformation is taking place or about to.

The opportunity of good Moroccan urbanization means proximity with business' suppliers, customers, market opportunities, lower costs, economies of scale. Assemblage and centralization of citizens with higher incomes due to job creation may be a promise. Diversification is an entrepreneurs'-creativity mission, meaning new services and products into the market. Higher productivity then becomes possible in an industrialized city where investment

is seen with good prospects. Spillover of knowledge is a fact that can happen, and technology may be the key source and trigger of transforming a start-up capital and expanding its production possibility frontier.

Rethinking the economy in this new context of urbanization should be looked like an opportunity for businesses development start-ups, medium-size enterprises or multinationals, rather than a problem. For that, we need creativity and people who are willing to take risks.

Current market opportunities

According to research (Fay 2021), these are the following promising businesses in Morocco that should be considered:

1. Restaurant or café
2. Clothing
3. E-Commerce distribution center for small businesses.
4. Student housing
5. Hotel
6. Daycares (accessible)
7. Exportation of local products
8. Private schools
9. Transport
10. Intracities connectivity

All these service businesses may be an option in Morocco and in a country where its economy is expanding. With a rapidly growing population and a market segment in which low and middle-income families (who have arrived because of rural migration) require more accessible services for their children to receive a good education, the market segment could be attractive; also the effects of globalization such as more tourism is evident. Furthermore, demand for restaurants and hotels comes with it.

Recommendations and Conclusion

Sustainable urbanization should be accompanied by policymaking and legislation. Local thinking is essential, the same model cannot be applied in every city, creating decentralized institutions, and giving more authority to municipalities could be a potential choice. Social characteristics and circumstances can be looked at as limitations or opportunities. Public opinion is also vital for positive transformation support and inclusion. An improved municipal finance framework would allow municipalities to bridge the investment gap without the need of depending on the central government.

Finally, the following challenges are destinated at current entrepreneurs who want to change their business opportunities by addressing the root of the problem, which is a legal issue marked by resource misallocation, lack

of diversification, socio-economic exclusion, and financial incentives, both national and foreign. As the 2009 World Development Bank detected, there are three main drivers for integrated territorial development in Morocco needed: density, distance, and division.

1. building a population and economic density to create economies of scale for firms

2. reducing distances through better connectivity (road and highway infrastructure and information and communication technologies) to improve access to the labor market.

3. reducing territorial divisions by improving sociospatial and socioeconomic divisions and local opportunities.

These are the areas where entrepreneurs may contribute by bringing in new creative ideas, innovative change, and new business culture for inclusiveness, as well as a supportive legal environment for start-ups, allowing for positive diversity.

References

Articles

Africa and the World (AFRICAW). "Major Problems Facing Morocco Today", 2022.

Fay. "Business Opportunities in Morocco in 2022, 10 Investment Ideas" Capetocasa, 2021.

Books

Lall, S et al. "Leveraging Urbanization to Promote a New Growth Model While Reducing Territorial Disparities in Morocco: Urban and Regional Development Policy Note", International Development in Focus, 2019.

Schumpeter, J.A. "The Theory of Economic Development: An Inquiry into Profits, Capital, Credits, Interest, and the Business Cycle", Transaction Publishers, Piscataway, 1934.

Research Paper

Elmdari, Youssef et al. International Journal of Advanced Research (IJAR) "Analysis of urban growth and sprawl and built up density using remote sensing data: case of Casablanca, Morocco", 2018.



The Role of Small and Medium Enterprises (SMEs) in Making Egypt Self-sufficient

Anu Sharma

The role of Small and Medium Enterprises (SMEs) in making Egypt self-sufficient

According to Nicole Snow, Founder and CEO of Darn Good Yarn - "A small business is an amazing way to serve and leave an impact on the world you live in" (Economy). It is indeed mesmerizing to see how the upcoming small and medium scale businesses are bringing a transformation in this ever-evolving world. They provide employment and ensure self-sufficiency of the economy where they exist.

Introduction to SMEs (Small and Medium Enterprises)

Organisation for Economic Co-operation and Development (OECD) defines SMEs as non-subsidiary, independent firms that employ less than a given number of employees and this number varies across

countries (OECD). Egypt, the second-largest economy in Africa with more than 390 billion USD nominal GDP, is expected to register 5% growth in 2023, as announced by International Monetary Fund (IMF) in April 2022 (IMF). In January 2022, IMF had expected Egypt's GDP to go up by 5.6% in the financial year 2021-22 (Communications Department IMF). Nevertheless, in April, this figure was revised to 5.9% (IMF). Gita Gopinath, IMF's Chief Economist, while commenting on the IMF's January report, hailed Egypt for its good management of the COVID-19 pandemic and commented that Egypt was the only country among the oil-importing nations to record a positive growth rate.

These are positive news for Egypt and it does create a charming image of the country across the globe. The figure shows how the country has managed to pull itself through the pandemic. We also cannot deny the fact that every sector of the economy plays a pivotal role in building it. However, to make itself a "resilient" economy, Egypt has to realize the potential of SMEs. SMEs can create objectives for a country and even help fulfill them. They build the confidence of the people and facilitate them to think about "business" and "entrepreneurship". It is a universally accepted fact that more enterprises generate more employment. More employment leads to a further increase in demand and more production of goods. This, in turn, generates even more employment. In addition, when people have the capital, they further build more industries which add more grace to this virtuous cycle of employment, demand, and production. Not to forget, when people generate incomes, their standard of living increases. They also are better able to fight hunger, poverty, malnutrition, and diseases.

In 2020, the total imports constituted 20 percent of the Egypt's GDP, which is the lowest proportion since 1973 and is just over half of that of 2008. Yet despite the substantial decline in imports, a simultaneous drop in exports means that country's trade balance has not improved. In 2020, it was $10 billion more in the red than in 2010 and $5 billion more than in 2016, when Egypt commenced IMF-required reform measures (Springborg).

The theory of interdependence in international relations by Keohane & Nye inclines us towards realizing the importance of each other for our country's goods sufficiency and this fosters maintaining world peace. However, by taking a cue from the recent developments in international politics and the pandemic, it cannot be denied that it is imperative to have a resilient

SMEs infrastructure in Egypt. Supply-side shocks due to pandemics, famines, wars, and modifications in the internal politics of the exporting countries often create deterrence for the survival of countries like Egypt, which import a major share of their goods and food items. In such situations when the government searches for new and secure import sources, small and medium scale enterprises can come out as great supporters and can help overcome the trade deficit.

Relevance of SMEs to Egypt's economy

According to the United States Agency for International Development (USAID), agriculture is a major component of the Egyptian economy, contributing 11.3 percent of the country's GDP. The agricultural sector accounts for 28 percent of all jobs, and over 55 percent of employment in Upper Egypt is agriculture-related (USAID).

Egypt produces only about one-third of the food it consumes and frequently imports more wheat than any other country in the world. In April 2022, Egypt finalized a deal to import 1 million tonnes of wheat from India by the end of this fiscal. Thus, by boosting agriculture and bringing up small and medium-scale food processing industries, the state of a dwindling economy can be averted. The restaurant industry, a part of SMEs, can also utilise its country's own produce and encourage the domestic farmers to produce more as the farmers will now have a sector that can consume their products. Good food also improves health and nutrition levels in society. The primary (agriculture) and the secondary (industries or SMEs) sectors should work in tandem to ensure the supply of holistic nutrition to the working class, women, children, and the elderly.

According to the World Bank, the participation rate of Egypt's labor force is below the global average of 59 percent, the Middle East and North Africa (MENA) average of 46 percent, and the low- and middle-income country average of 58 percent (Springborg). This lacuna can be overcome by the creation of more and more SMEs.

More so, SMEs also play a crucial role in lifting up the status of women in society. Generated incomes make them financially independent and give them better bargaining power in the family as well in society. The work opportunities for them also grow as they can now involve in skill-based jobs or can have their own small or medium scale industry, which will give employment to more women.

Challenges in SMEs operation in Egypt

The biggest challenge that we experienced in recent times for the development of businesses globally was the pandemic. The pandemic shook our supply chains. The whole world went into intermittent lockdowns and it was nearly impossible to get the supplies from the other countries. In situations like these, we feel the need to have our own industries running so that our population does not suffer. However, while most of the businesses in Egypt are small-sized, with 97% employing fewer than 10 workers, the medium-sized enterprises with 10 to 50 employees account for only 2.7% of the total businesses. This data shows that Egypt is lacking greatly in medium-sized businesses and there is a lot of work to do here (Hussein).

The SMEs, which are mostly informal business sectors, serve as a vital labor sponge but they offer little in terms of salaries, benefits like health insurance and pension, and job security (Springborg). The population is growing annually by 2 million in Egypt and the poverty rate nearly doubled between 2000 and 2018, from 16.7 to 32.5 percent (Springborg). To tackle the menace of poverty and hunger, it is essential to have a resilient economic structure that can face such a debilitating food state in the country.

The initial investment is another significant challenge for any SME in Egypt. The Egyptian economy is reliant mostly on foreign support, loans being the major part of it. Furthermore, there is still a dearth of basic goods. Due to this, the state's financial revenues are eaten up in providing these essential items to the public. In addition, Egypt's total national debt, now $370 billion, has quadrupled since 2010. Repayment of domestic and foreign debt consumes over one-third of Egypt's budget, more than double the amount in 2009. This leaves less in the hands of the government to invest in SMEs and steals away their chance to grow (Springborg).

Egypt can become self-resilient with the help of SMEs only if it has gargantuan exports but its exports of all goods and services are chronically insufficient to generate a balance of trade surplus (Springborg).

Positives for Egypt

1. Geographical advantage

Egyptian GDP is the second largest in Africa and the largest in North Africa worth more than $390 billion. Egypt having the Suez Canal is the biggest geographical advantage than possibly any other country in the world. Suez Canal is a man-made waterway that connects Asia with Europe and is controlled by Egypt. Suez Canal carries

12% of global trade, representing 30% of all global container traffic over USD 1 trillion worth of goods per annum. In 2020, approximately 19,000 ships utilised the route. This shows that trade has a lot of scope for Egypt's SMEs. Moreover, The Suez Canal is a significant route for the transfer of energy, commodities, consumer goods, and componentry from Asia and the Middle East to Europe (New Zealand Embassy in Cairo). Therefore, if the trade is so easily accessible by the people and SMEs of Egypt with the help of the Mediterranean Sea, the Suez Canal, and the Red Sea trade route, it opens up the arena for the SMEs to grow because now they have a market to serve, the world.

2. Scope of producing arms within the country

Egypt is also one of the world's top five arms purchasers. Thus, allowing SMEs to produce small and less sophisticated products for developing arms in the country will make Egypt less dependent on countries like Russia, France, and Germany. This will give a participatory leeway to SMEs in arms development.

3.Competition to foreign industries

Another advantage that the homegrown SMEs have is that they create competition for the foreign industries set up in Egypt. This will reduce cartelization by foreign companies and make the price of the products affordable for the public in the local market.

Way forward

Education: Engineering and management colleges can play a pivotal role in building up the business mindset in the students. This grows better and refined human resources.

Government Policy: Government can take some vital steps such as; providing subsidies, low-interest or interest-free loans, and eliminating mediators between the government and the producers. Again, ensuring smooth registration for any new business and convenient operation of the ongoing enterprises, and encouraging women to participate in nation-building will help in boosting the SME sector. Lastly, ensuring proper procurement of goods produced by industries by giving sufficient remuneration, increasing capital expenditure and building resilient supply chains, supplying SMEs with raw material, easing tax reforms, building strong road, storage, and communication network to ease out the process of supplying goods by the government will be an added advantage to SMEs operations.

Conclusion

A resilient economy brings more investors and gives confidence to the

lenders such as World Bank and IMF that the economy can repay the loan. More choices of products make the goods affordable and give better purchasing power to the public. This, in turn, motivates other SMEs to improve the quality of their products through creativity and innovation. Good quality products, when exported, give competition to the domestic products of the importing countries.

We cannot also deny the fact that a self-sufficient economy not only gears up the social and financial status of the population but also helps a country in realizing the Sustainable Development Goals (SDGs). To further enunciate, a self-sufficient economy reduces poverty (SDG 1), zeroes down hunger (SDG 2), improves gender equality (SDG 5), upgrades the quality of decent work and ensures economic growth (SDG 8). In addition, builds up industry, innovation, and infrastructure (SDG 9), reduces inequality (SDG 10), develops sustainable cities and communities (SDG 11), promotes responsible consumption and production (SDG 12), makes way for peace, justice and strong institutions (SDG 16), and binds people together to partner for these goals (SDG 12) (UNDP). Thus, it is wise to say that SMEs are a harbinger of progress for Egypt so the government ought to put the necessary measures in place to create a conducive environment for their operation.

References

Articles

1. Springborg, Robert. "Snapshot - Follow the money to the Truth about Al-Sisi's Egypt". Project On Middle East Democracy (POMED), 2022 https://pomed.org/snapshot-follow-the-money-to-the-truth-about-al-sisis-egypt/?gclid=Cj0KCQjw3v6SBhCsARIsACyrRAIrXUWbe5Km3tewYWFVQJo7THKmZ_YZ0hLCNM7G2uuZDyAukPjDQ8QaAgGNEALw_wcB

2. USAID (United States Agency for International Development). "Agriculture and food security". USAID, 2022 https://www.usaid.gov/egypt/agriculture-and-food-security

3. Hussein, Marwa. "Egypt lacks medium-sized businesses, as analysts blame regulation". Ahram Online, 2014 https://english.ahram.org.eg/NewsContent/3/12/113642/Business/Economy/Egypt-lacks-mediumsized-businesses,-as-analysts-bl.aspx

4. Communications Department, International Monetary Fund (IMF). "World Economic Outlook Briefing Transcript". IMF, Jan 2022

https://www.imf.org/en/News/Articles/2022/01/25/tr01252022-world-economic-outlook-briefing

5. United Nations Development Programme (UNDP). "Sustainable Development Goals". UNDP https://www.undp.org/sustainable-development-goals?utm_source=EN&utm_medium=GSR&utm_content=US_UNDP_PaidSearch_Brand_English&utm_campaign=CENTRAL&c_src=CENTRAL&c_src2=GSR&gclid=CjwKCAjwve2TBhByEiwAaktM1LwsLS_kcIBSFQ1vanpwCxAdgAEa1gJLRHpQsfMj8QZaIu5DNeQszxoCz38QAvD_BwE

Reports

6. OECD. "SME and Entrepreneurship Outlook 2005". Organisation for Economic Co-operation and Development (OECD), 2005, p. 17 https://stats.oecd.org/glossary/detail.asp?ID=3123

7. New Zealand Embassy in Cairo. "The Importance of the Suez Canal to Global Trade - 18 April 2021". New Zealand Foreign Affairs & Trade | Manat Aorere, 2021

https://www.mfat.govt.nz/en/trade/mfat-market-reports/market-reports-middle-east/the-importance-of-the-suez-canal-to-global-trade-18-april-2021/#:~:text=Approximately%2012%25%20of%20global%20trade%20passes%20through%20the%20Suez%20canal,19%2C000%20ships%20utilised%20the%20route.

8. International Monetary Fund (IMF). "World Economic Outlook". IMF, 2022 https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022

Opinion

9. Economy, Peter. "17 Motivational Quotes to Inspire Small-Business Owners". Inc.com, 2018 https://www.inc.com/peter-economy/17-motivational-quotes-to-inspire-small-business-owners.html



Subscriber Acquisition Initiatives in Ghana's Satellite-Television (Pay TV Direct-To-Home Bouquet) Market

Joris Dweben

Gone were the days when Ghana had few television broadcasting stations offering few channels and content to the few television set owners. In recent times, 68.9% of households in Ghana own a television set as stated in the Household Survey on ICT in Ghana published by the National Communication Authority and Ghana Statistical Service in March 2020. The National Communication Authority also stated on its website that a total of "110 television broadcasting stations are on-air as of 20th December 2021", offering television viewers varied channels and content to choose from.

Regarding the National Communication Authority publication on 31st August 2008, one can use the type of service that the broadcasting stations offer to categorize them into Free to air and Pay

TV. Free-to-air stations broadcast their content free of charge to viewers, however, "Pay-Tv viewers have to subscribe to a bundle of content that is broadcasted through a Cable TV, Internet Protocol (IP) TV, or Satellite Dish Network".

Considering the Satellite Television Broadcasting (Pay TV Direct-To-Home Bouquet) option, clients are expected to buy a starter pack (which includes a satellite dish, low-noise block downconverter, wires/cables, and a decoder) and then have it installed at their preferred location. They are then required to subscribe to a bouquet of content that is expected to be renewed periodically according to the terms and conditions of the agreement set out by the broadcaster or service provider.

With the variety of channels and content options available to the television viewers in the country, it is clear then, that the sustainability of any broadcaster that invests in the Satellite TV broadcasting (Pay TV Direct-To-Home Bouquet) business, hinges mostly on its subscriber base. The revenue from their regular subscription payment is what will primarily keep the broadcaster in business. As such, subscriber acquisition and retention are key activities in this business line.

This article seeks to propose some innovative strategies that can facilitate subscriber acquisition and retention in Ghana.

Subscriber Acquisition

Defining the target market that the broadcaster wants to serve in the country enables the service provider to design and package the contents in the right way. It is the first step in customer acquisition and retention. To succeed in driving subscriber acquisition, broadcasting stations must secure the broadcast rights of some much sought-after content and broadcast them exclusively on their decoders.

In Ghana, it is assumed that action movies and sports content (especially football/soccer) appeal to most of the male population, whilst a greater number of women are also very much in love with African Movies and Telenovelas, especially those from Latin American and Asian Countries. Children are equally enthused by animated content. Additionally, including some Ghanian-owned content and channels on the broadcaster's platform is also seen as a way to go as this will serve the dual interest of the viewers which will consequentially draw traffic to the service provider.

In the Satellite TV market in Ghana, broadcasters can drive product availability and accessibility through their route-to-market partners (dealers and installers), their self-operated retail outlets, and their frontline field sales team. Having a competitive trade margin, good trade incentives, and regular trade bonding activities for the trade partners (dealers and installers) will aid them to go the extra mile in recommending the brand to potential clients. They will also be willing to lead market-based activities like roadshows, installer engagement activities, and market storms which will drive sales offtakes in their shops and consequently result in subscriber growth for the service provider.

Having an established frontline field sales team to lead and manage sales initiatives for the broadcasting station will help grow the subscriber base. Some of the sales initiatives that the company's sales team can deploy include market storms, neighborhood sales drives, community sales with social groups, and roadshows on high-traffic routes. They will also be in a good position to undertake Business to Business (B2B) sales presentations to corporate clients like hotels, apartments, restaurants, and other corporate institutions that use the content to drive their business operations. This will impact positively on the subscriber growth and revenue generation for the service provider.

Satellite TV companies in Ghana, are implementing a lot of above-the-line activities to drive brand awareness. However, one media that is least used but quite impactful is the Community Public Address system that is found in our market centers, lorry stations, and peri-urban and rural areas. Even though it is a low-budget media, it has a great listenership as people around its catchment area are always willing to listen to what the announcer has to say.

Subscriber Retention Initiatives

Subscriber retention in this industry is as important as subscriber acquisition and plays a significant role if the business wants to survive in the market. Some of the initiatives currently in place include:

- Placing direct calls to dormant subscribers to renew their subscription.
- Empowering selected Dealers to collect subscription payments on behalf of the service provider.
- Introducing a self-payment option through the use of mobile money platforms
- Displaying notification messages on the television screen and sending SMS messages to subscribers'

phones; and
- Undertaking subscription-based consumer promotions to entice subscribers to reconnect.

However, additional innovative strategies can be implemented to ensure customer retention.
One of such subscriber retention strategies is the display of the client subscription status on the boot screen. This regular update will help inform clients about when their subscription renewal will be due.

Also, aligning subscribers to the installers who fixed their device at the time of purchase is relevant in ensuring customer retention. With this strategy, the installers will be tasked to encourage their assigned subscribers to renew their subscriptions and earn a commission on each successful renewal.

Enhancing the easy and smooth payment of subscriptions is seen as an essential strategy that will help subscribers renew their subscriptions. Broadcasters can develop a self-serving mobile application that will aid subscribers to link their device/account to their mobile wallet to shorten the payment processes they usually go through when using mobile payment platforms.

The payments for the subscription fees by the users could also be structured in a way to increase convenience for the customers. It could be structured along with the 'Susu Model' (daily / weekly payment system) where one can pay his subscription fees in small amounts over a period to build a lump sum that will be used as payment fees when time is due. Satellite TV service providers can develop an application/software that will allow customers to pay their subscription fee in bits from their mobile wallet into an assigned account to build a lump sum that can be used as subscription payment when the renewal day is due.

Conclusion

Even though some Satellite TV service providers prefer to come up with initiatives that drive device sales, a lot more focus should be on getting the device sold installed, before a sale can be declared as complete and the owner classified as an acquired subscriber. The customer retention team must also come up with loads of initiatives to retain the active subscribers as that is the only way to guarantee business survival in this competitive market.

REFERENCES

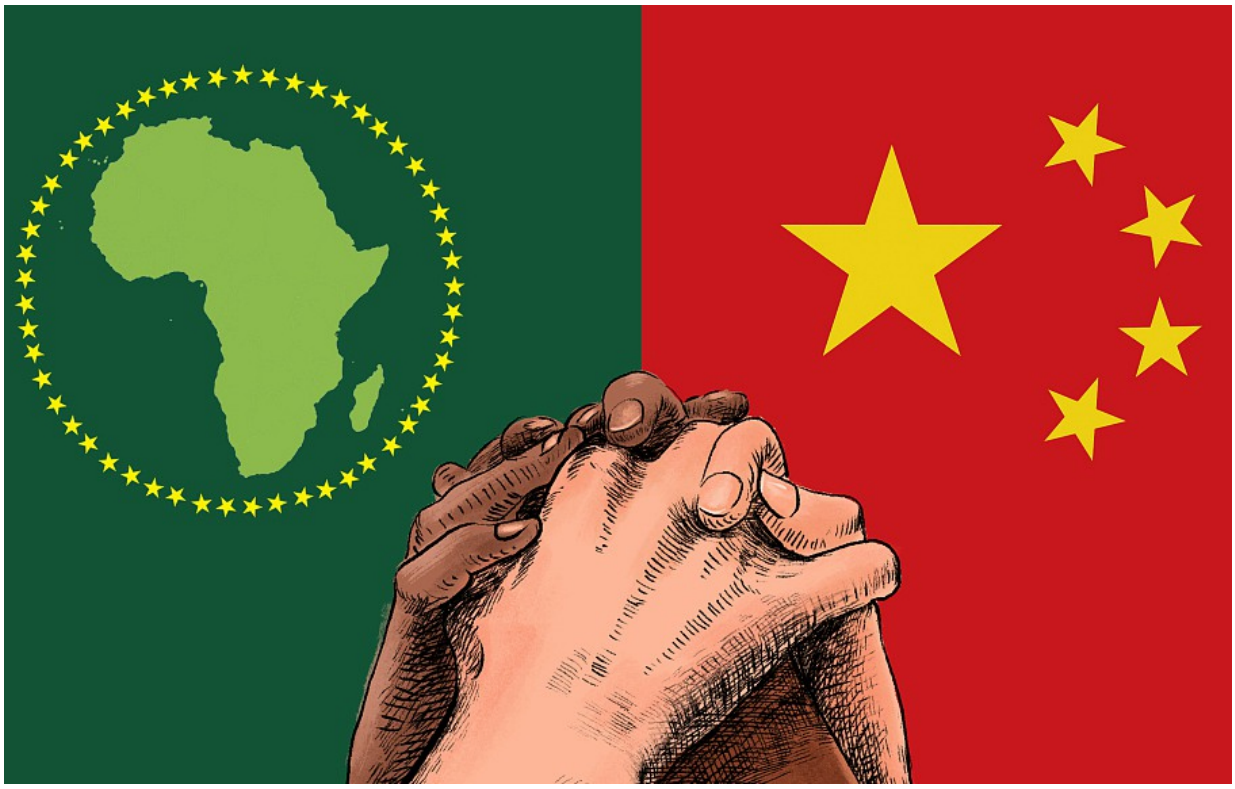
1. National Communication Authority, List of Authorised TV Broadcasting Stations in Ghana As At Second Quarter 2022, Page 3. - https://nca.org.gh/television/

2. National Communication Authority, List of Authorised TV Broadcasting Stations in Ghana As At 31st August 2008, Page 2. - https://nca.org.gh/television/

3. National Communications Authority And Ghana Statistical Services, Household Survey on ICT in Ghana, March 2020, Page 9. -https://statsghana.gov.gh/gssmain/fileUpload/pressrelease/Household%20Survey%20on%20ICT%20in%20Ghana%20(Abridged)%20new%20(1).pdf

4. Research and Markets, PayTV Market: Global Industry Tends, Share, Size, Growth, Opportunity and Forecast 2021 - 2016, Paragraphed 2 - https://www.researchandmarkets.com/reports/5442105/pay-tv-market-global-industry-trends-share?gclid=CjwKCAiAvaGRBhBIEiwAiY-yMIDx4af36k4b8WpxLA-SeYw5mLJHw6q_F-puTMIrGLakMq5OGjEOyxoCBCAQAvD_BwE

5.The Susu Collection System in Ghana and experiences in linking formal and informal financial intermediaries, August 20,2013. Paragraph 1, - https://aaeafrica.org/home/the-susu-collection-system-in-ghana-and-experiences-in-linking-formal-and-informal-financial-intermediaries/



AAE and China

AAE

China is one of the largest trading countries with Africa. According to last year's statistics, total bilateral trade between China and Africa exceeded $250 billion for 2021, hitting a new high since 2014. Especially exciting is that it is not a one-way trade, and more and more African people now regard China as a land of opportunity. Among them, African enterprises are undoubtedly one of the most important driving forces behind the growing economic and trade ties between China and Africa.

The Africa Association of Entrepreneurs (AAE) is a volunteer-run organization founded in 2004 that is passionate about business development and poverty alleviation. AAE supports the sustainable development of small and medium enterprises (SMEs) in Africa through advocacy, education, information and networking support.

With the increase in trade on both sides, contributing to effort to support African and Chinese entrepreneurs is worthwhile.

Although trade between Africa and China is bi-directional, there are some realities we have to address. As China's Commerce Department shows, over 3500 Chinese enterprises have been set up in Africa. On the other hand, there are very few African enterprises getting to access the Chinese market, and the overall relevant data on this is exceedingly rare.

There are very few opportunities for African entrepreneurs to gain access to China. Africans who do enter into the Chinese market usually do so through studying abroad, exchange training projects or some other visit opportunities. As one entrepreneur said, "If I go alone, would they let me visit every corner of the factory?" She explained that she had been to China several times, but never had access to a large Chinese company. Generally speaking, there are few channels to traverse from Africa to the Chinese market for potential ambitious entrepreneurs.

New platforms and virtual spaces where African entrepreneurs and SMEs can display their excellence can bring about further benefits:

1. Campaigns that support and encourage innovation and sustainable entrepreneurship in cooperation with Chinese SMEs.

2. Access to the Chinese market for innovation and sustainable entrepreneurship from Africa.

3. Attract the interest and support of Chinese companies that cooperate and trade with African entrepreneurs.

4. Involve Chinese international volunteers, interns and audiences and encourage them to have an active role in assisting African SMEs in China.

Visit the AAE Chinese language webpages



Can We Achieve Sustainable Africa?

AAE

Africa faces serious environmental challenges right now. To combat climate change, we believe it is important to teach sustainable entrepreneurship and foster creative initiatives.

The African Association of Entrepreneurs asked professional Green Industry Coaches to provide guidance and support to 50 new eco-friendly startups. Future green entrepreneurs will learn best practices in sustainability, get an opportunity to test their ventures in incubators, and finally set up environmentally conscious, beneficial and inventive businesses.

Your contribution can bring us closer toward our goal: it will provide access to counseling, laptops and Internet for our entrepreneurs and pay for a warm meal for our trained volunteers. The African Association of Entrepreneurs counts on you to help bring about the future we all deserve!

Economic growth should not lead to environmental degradation, but inspire hope. Support the continent on its journey towards sustainable development! If you are interested in our project, browse our website or write to us



Help Olawore Transform Fishing Industry

AAE

Fishing industry in Nigeria is ineffective and in desperate need of innovations: environmental pollution destroys fish stocks and reduces the catch, while obsolete methods of fishing and lack of government support negatively impact fishing businesses.

Olawore Abduljelili, a Nigerian environmentalist, came up with an idea to improve the situation, “My aspiration is to develop a model of fish production that is sustainable and to provide a feed formula that will aid fish growth, be economically reasonable and affordable.” Olawore wants to bring positive changes to the agricultural sector and enhance national food security in Nigeria. To achieve his goals, he partnered with us at the African Association of Entrepreneurs. Olawore is going to receive professional guidance from our green coaches. He will test his idea in our incubator and set up his eco-friendly venture. Your smallest

contribution can go a long way and improve the lives of thousands of people.

During his National Youth Service Corps year, a scheme launched in a bid to reconstruct and rebuild the country after the Nigerian Civil war, Olawore built class rooms for school pupils and bore holes. Today, he wants to employ his skills for the benefit of his community.

The African Association of Entrepreneurs launched a project to help young environmentalists, like Olawore, to realize their ideas and promote sustainable practices in Africa. If you are interested in our project, browse our website and see what we do.

We believe every step towards a sustainable and happy life matters!

Contributors





Asmau Kankia

Author's Biography

Asmau sani kankia is a 30 years Nigerian female born in the northern part Nigeria, she is a qualitative and quantitative expert with huge experience working with local and international nongovernmental organization, Also a current social mobilization officer in a nonprofit organization called Centre for communication and social impact which the organization focuses on social and behavioral change.



Hendra Manurung

Hendra Manurung is currently a doctoral candidate in international relations at Padjadjaran University, Bandung, West Java, Indonesia (2019-present). He is concerned about Indonesia's diplomacy for maintaining and pursuing world peace and stability. He is a critical thinker of international political economy, foreign policy analysis, and strategic defense studies. Previously, he has taught international relations subjects, advised students' thesis, and supervised intern students with President University (2007-2020). He believes a good person will never fail as he will always be remembered. He can be reached at @hendram61669724 (Twitter) and Facebook, or manurunghendra6@gmail.com.



Ify Shokoya

Ify is a certified program, project and change management professional with many years of experience in reform of the sector focused on domestic revenue mobilization. She is interested in exploring early adoption of organizational change management strategies for sustainable reforms.

She holds two masters degrees in Project Management (Queen Mary University of London) and Social Change & Development (University of Newcastle, Australia) respectively.

(https://www.linkedin.com/in/ifrancishokoya)



Douglas Karugonjo

Douglas Karugonjo has over 7 years of experience in quality management, conducting hazard, risk and vulnerability assessments and analysis and providing resilience-building advisory services even for politically volatile environments. He has designed natural resources systems and community humanitarian/disaster risk reduction/resilience programs with different governments including the United Arab Emirates Ministry of Food Security and the Ministry of Agriculture in Zimbabwe and the African Union and implemented appropriate crisis/emergency modification activities. He has profound expertise in applying humanitarian standards in project programming and implementation. He conducted the continental Cost of Hunger Studies in Africa for the United Nations World Food Programme as well as coordinating humanitarian response and assistance with the African Union as a Health, Nutrition & Population Associate. Douglas Karugonjo is knowledgeable in fields of Quality Management, Health, Food Security, Nutrition, Service delivery in both Private and Governmental organizations and qualitative and quantitative methodologies including data analysis. He is a motivated executive professional consistently achieving optimal utilization of developing, delivering and managing operations through process improvement, research development, program coordination and cultivation of strong business relationships.



Zhiqi Liao

Zhiqi Liao, currently studying at Zhongnan University of Economics and Law to conquer the Master of Litigation Law, with strong interest in law and other interdisciplinary fields. I have completed excellent internships in local government departments, large educational enterprise and social organizations which allows me to think from a more diverse and objective perspective. Being good at speach and project docking, with curiosity and desire to attempt new areas have not tried. I welcome everyone's criticism and suggestion, you can contact me through the following email (1430680728@qq.com).



Ebenezer Matey

I am an international affairs analyst, a seasoned language service provider (French-to-English translator/reviser, French/English tutor and writer/editor) with about 7 years combined experience in the global health, humanitarian, education and development cooperation spaces. I am fluent in English and French (DELF B2 and DALF C2 certificates' holder) and a certified beginner-level Portuguese learner/user. I studied and worked in Switzerland for over six (6) years and gained multisectoral experience through working with the UN, CSOs, NGOs and the private sector in events organization, donor relations, translation and health communications. International affairs aside, I am passionate about the provision and promotion of quality education, economic development and poverty alleviation in Africa. I have a Bachelor's degree in French and Political Science (First Class) and a Master's degree in International Affairs.

COUNTRY

United States

PHONE NUMBER

+12402917743

MOBILE NUMBER

+12402917743



Ines Lambertini

Ines Lambertini is an advanced International Relations student at Austral University in Argentina. She is interested in working at an international organization that is dedicated to humanitarian help. Issues having to do with social disparities and sustainable public policy are of her interest and studies. She is currently working at her thesis about the Palestine Identity Question during the event known as Black September and is looking forward to specializing in International Humanitarian Law. She can be reached at ineslambertini13@gmail.com.



Joris Dweben

Joris Dweben is a sales and marketing professional with extensive working experience in the Fast-Moving Consumer Goods (FMCG) and Telecommunication Industry in Ghana. With added expertise in Business Development, Project Management, Media Sales, and FinTech, he enjoys working with colleagues to build brands, manage projects, work with startup firms and contribute to knowledge-sharing efforts.

Joris is passionate about The Sustainable Development Goals (SDGs) and he is always willing to support any initiative that will make the world an exciting and better place for all. Joris lives in Ghana and loves making new friends who want to make an impact. He is currently following his passion by writing business-related articles and conducting web research on various business topics.

Linkedin: linkedin.com/in/joris-dweben-53a75a4b



Fenan Kalaty

Fenan Kenan Nkusi has completed her Master of Arts in Sociology and Bachelor of Arts in Psychology both at the University of Ottawa. Her master's thesis examined the identities and experiences of African immigrant youth in Canada through a qualitative literature review. She previously worked for several years at a children's hospital in program and academic coordination as well as in various Federal Government departments conducting policy analysis. She recently volunteered at UNDP supporting their research initiatives from a partnerships angle.

COUNTRY

Canada

EMAIL

fenan.kalaty@gmail.com

Oduola Oluwaseun

Oduola Oluwaseun Joshua is a Nigerian with areas of interest in political economy, diplomacy and development economics. A graduate of Landmark University - Nigeria, he earned a BSc (Hons) in International Relations (2014). Between 2016 – 2019, he headed the Social Science department of a reputable secondary school in Lagos where he taught Economics and Government. He has since contributed to journal publications and dissertations of postgraduate candidates in reputable institutions such as Coventry University (UK), College de Paris (France), and John Hopkins University (USA). He also drafted the communique and conference proceedings of Nigeria's Federal Ministry of Agriculture and Rural Development (FMARD) workshop on "Quantitative and Qualitative Techniques for Effective Monitoring & Evaluation in Project Implementation" held in Abuja in April, 2021.

Habtom

Ify is a certified program, project and change management professional with many years of experience in reform of the sector focused on domestic revenue mobilization. She is interested in exploring early adoption of organizational change management strategies for sustainable reforms.

She holds two masters degrees in Project Management (Queen Mary University of London) and Social Change & Development (University of Newcastle, Australia) respectively.

(https://www.linkedin.com/in/ifrancishokoya)

Zhizheng Liu

Zhizheng Liu is a postgraduate student at the University of Manchester where he is completing a Masters in Development Economics and Policy. His focus is anti-poverty measures, income inequality and the green economy in developing countries. His background in macroeconomics gives him unique insight into solving general social problems. His experience as an intern in investment banking and consulting firms has enabled him to help NGOs and Chinese government agencies from a business perspective. Zhizheng is passionate about sustainable development, economic development, and environmentally friendly policies and he wants to use his theoretical knowledge and business experience to help solve urgent problems in developing regions.

Anu Sharma

My name is Anu Sharma. I hail from India. I am a BTech graduate. I am working in the corporate sector where my key responsibility areas include Human Resources Management, Content Creation, and Social Media Management. I frame policies for my company and ensure healthy and amiable work culture for the employees. Moreover, I am currently studying international relations, political science, society, sustainable living for the people, and much more. I write blogs on WordPress and publish them on my website. I am an optimistic and creative thinker and I always believe that "Now is the Time".

My Linkedin Profile:
https://www.linkedin.com/in/anusharma20031995/
My Website:
https://anusharmawrites.wordpress.com/
My Instagram Account:
https://www.instagram.com/anu._sh/

Clayton Hazvinei Vhumbunu

Clayton Hazvinei Vhumbunu is a Research Fellow in International Relations within the Centre for the Advancement of Scholarship at the University of Pretoria in South Africa. He holds a PhD in International Relations from the University of KwaZulu-Natal (UKZN) and he researches on international relations, regional integration, public policy, public governance, conflict transformation and China-Africa relations. Previously, Clayton Hazvinei Vhumbunu held academic and non-academic appointments at Rhodes University and UKZN. He has been a Research Fellow at the United Nations Economic Commission for Africa (UNECA) in Addis Ababa, Ethiopia and has also been an Asia Global Research Fellow at the University of Hong Kong (HKU) since 2020. Prior to this, Clayton Hazvinei Vhumbunu worked on regional integration and international cooperation policy issues in the Zimbabwean Ministry of Regional Integration and International Cooperation.

Email: cvhumbunu@gmail.com
Facebook:
https://www.facebook.com/cvhumbunu
Twitter: @ClaytonVhumbunu

Aisha Ahmad

Aisha Ahmad is a graduate of Economics with a Master's Degree in Health Economics. She is a contractual writer from Kaduna, Nigeria. She currently chairs the Funding Committee at Carifika, an NGO based in Canada. She is an avid reader and curious by nature and has certifications in Product Management, International Trade, Business Branding and Marketing, and Public Sector Service, to mention a few. She is passionate about sustainable development, health, and humanitarian causes. Her social media profiles are:

LinkedIn:

http://linkedin.com/in/aisha-ahmad-6b879415b

Website:

https://ahmadaisha.blogspot.com/?m=1

Email:

mailto:aishasuleimanahmad01@gmail.

Elingah Magada

Elingah Yeukai Magada is an Occupational Safety and Health specialist with the National Social Security Authority in Zimbabwe. Elingah has 11+ years of experience promoting regulatory compliance in various industries and is adept at conducting compliance surveys, audits, risk profiling and training. She is a passionate proponent of the Decent Work agenda and has written articles and presented papers on safety and health issues for professional bodies such as NEBOSH, ESH Africa and ISSA Vision Zero.

Margarita Wesonga Raila

Margarita Wesonga Raila is a fresh Economics graduate from Masai Mara University in Kenya. A serial entrepreneur, Margarita runs a small shop in rural Kenya and hopes to scale her operations as days go by. She understands and appreciates the importance of small businesses and how far they go in supporting the economy. Currently, Margarita researching microfinance in rural areas and she is compiling the stories shared and hopes to write a book on the same. She is open to criticism as well as collaborations on any exciting projects. Please reach her on wasongarita@gmail.com

Kabeeria Kaume

Kabeeria Kaume is the Team Leader at Petersmine Ltd., a bespoke publishing house in Kenya. He is an MDiv Student and published spiritual leader based in Nairobi, Kenya. Kabeeria is passionate about African solutions to African challenges based on Scripture. You can reach him via @PrinceServitude on Twitter and Facebook or petersmineltd@gmail.com

Benedicta Mensah

Benedicta Mensah (PhD, MSc, BSc) is an Academic Researcher who devotes a large amount of time and expertise to planning research, attending meetings, and contributing to the institute's strategic direction. She is a data scientist with a passion for writing, philanthropy, and non-profit work. She enjoys exploring new locations and taking long walks in her spare time.

Karen Tsang

K(aren) Tsang is a risk and governance professional with experience spanning the financial services, healthcare, and not-for-profit sectors. She is currently Director, Global Enterprise Risk at Manulife Financial Corporation, overseeing its global risk management framework.

Passionate about international affairs, K is also a private investor in land development in Zambia, and is a pro-bono board member at Oikocredit Canada, a social enterprise that provides Canadians impact-investing opportunities globally, in addition to being a governance consultant for the Zambia Tennis Association.

K holds an M.Sc. in International Management from the University of Liverpool and a B.A. Honours in International Development from York University.

Estella Turukoyo

Estella Turukoyo John is an entrepreneur and CEO of TMF Incorporation, a South Sudanese owned private company that deals in prints and logistics. She is a former broadcast journalist, and holds a Bachelor Degree in International Relations and Diplomacy from Cavendish University, Uganda. Interested in documenting women's stories, the former correspondent for TheNiles website can be reached on estellaturukoyo@gmail.com

Esther Paul Mshelbwala

Esther Paul Mshelbwala is a Livelihood and Training Specialist with over six years of experience in the non-profit sector. She earned a Bachelor of Science degree in Library Science. Over the years as a Livelihoods Officer, Esther has provided lifesaving humanitarian assistance to vulnerable people affected by conflict in Nigeria's Northeast. Creating lasting impact through effective humanitarian programming was one of Esther's motivations for joining the aid sector. She trained over 7,000 household heads on livelihood activities to build their resilience, distribute start-up grants and restore their means of livelihood. She also has experience in designing templates, data analysis, creating interactive dashboards through data visualization, and content creation for social media campaigns.

Social media:

Linkedin:

https://www.linkedin.com/in/esther-paul-mshelbwala-855342111/

Khushi Kesari

Khushi Kesari is a history undergraduate student at the University of Delhi in New Delhi, India. She will graduate in June 2022 and has been an excellent student who excels in both academics and extracurricular activities. She is an avid reader who enjoys learning about various cultures and their background. She has interned and volunteered with a variety of organisations, including National Service Scheme (NSS), India Lost and Found (ILF), Tanzania Development Trust (via UN), and others, with the goal of promoting women's empowerment, raising awareness about heritage and culture, and promoting girl child education, among other things. She believes in the power of small acts of kindness and strives to help others whenever and wherever she can.

Francis Nyonzo

Francis Nyonzo is a development researcher with a Master of Science in Economics. He is motivated to conduct research as a way to contribute to the creation of beneficial national policies and the eradication of poverty. He believes development is an outcome of good research. He is resourceful and skillful when conducting and designing research, data analysis and reporting. You can reach him at francisnyonzo@gmail.com.

Francis Nyonzo

Francis Stephen Nyonzo is an economist and a researcher who is interested in bringing positive changes to developing countries. He is motivated to research to reduce the gap of researchers in developing countries. Francis has three papers submitted for peer-review in different journals and one peer-reviewed blog post at AuthorAID arguing against the online survey tool in developing countries. He holds a Master of Science in Economics and he has sharpened his research skills by taking various research courses including “Development Research in Practice” offered by the Development Impact Evaluation (DIME) department of the World Bank Group.

Millicent Asante

Yvan Lionel Ondoa



"Handbook 2023"