



THE TONY ELUMELU
FOUNDATION

2020 ANNUAL LETTER

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THE POWER OF
ENTREPRENEURSHIP
AMIDST UNCERTAINTY

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Letter from the Founder

In 2020, the world stopped, but we did not.

When we launched the Tony Elumelu Foundation in 2010, we did something new in Africa – we “democratised” luck. In my own entrepreneurial journey, I knew luck had played an important role, and I was determined that others, many others, would get those same chances.

We created an institution with a single focus: young African entrepreneurs. Ten years ago, we knew that if we equipped young people with the tools and the opportunities to succeed, this was the only sustainable, dignified way to create a path to prosperity for all; substituting hand-outs for self-reliance and pioneering a 21st century philanthropy.

We wanted to change how Africa is perceived and how Africa grows – creating something transformative, scalable, inclusive, youth-focused and African-led. Aid has a role, it has saved many lives, but it does not challenge the status quo. Entrepreneurship, not charity, gives us control and allows us to grow our talents, harness our drive and our resilience, as Africans.

As we celebrated 10 years, we looked back on initiatives that created independence and self-sustenance: The Elumelu Professionals Programme brought MBA students from leading global business schools to African businesses, demonstrating the opportunities on our continent; the Tony & Awele Elumelu Prize, recognising hundreds of top-performing students from universities across Africa; an Entrepreneurship Fund of \$100,000 for seed funding 20 leading African tech businesses; the Impact Economy Innovations Fund (IEIF) - a joint, US\$650,000 initiative with the Rockefeller Foundation to identify and fund catalytic start-ups across Africa; and in 2015, partnering with the US Government to launch the SPARK Initiative, a private sector platform to foster greater global cooperation and collaboration for entrepreneurship.

Most importantly, we celebrate our Entrepreneurship Programme, that has funded and mentored over 9,000 young entrepreneurs, in less than seven years, and with the help of our TEFConnect hub, reached millions in Africa. Many global partner institutions such as the European Commission, the United Nations Development Programme, the Red Cross and the African Development Bank have now joined the movement.

What we do became ever more important in 2020.

THE CHALLENGE OF COVID

It was imperative that we responded immediately. We were among the first to catalyse pan-African Covid-19 recovery efforts, with a donation of US\$14 million through our United Bank for Africa Foundation, to governments across Africa. Africa needed to quickly galvanise its own resources and ensure that we continue to protect people and businesses, lives and livelihoods.

TEFConnect, – the largest digital community for African entrepreneurs, cutting across borders, culture, language, and sectors, also played a critical role. The platform helps to ensure the competitiveness, growth, and scale of the African private sector. We rapidly deployed TEFConnect to address the needs of an entrepreneurial community, significantly challenged by the pandemic. While the world shut down, we offered expert-led masterclasses to encourage the African SME ecosystem, covering insightful topics around business growth and innovation that contributed to how businesses can adapt to the new normal.



We curated world class training, with institutions such as Yale University, and brought project management skills and mental health coping mechanism to African entrepreneurs, taking care of their mind and spirit, as we assisted them to restructure their business for the new normal. TEFConnect helped to ensure a stronger network of African entrepreneurs. Our rationale is simple: use African natural resources to power Africa, create African-based value chains and ensure Africa-based value creation. We trained and equipped thousands of entrepreneurs through TEFConnect throughout the shutdown, and will continue to reach even more.

It was a year of extraordinary challenge, whose economic impact will be with us for years to come, and we were relentless in pushing forward.

THE POWER OF PARTNERSHIP

With our partnerships, we leverage our robust platform and process, and extend our reach. The pandemic has disrupted business and SMEs are shrinking, enterprises need to do more with fewer resources and there is volatility in consumer spend.

Now more than ever before, we invite you to join us on this journey, to work hand in hand to scale our Entrepreneurship Programme, across all 54 African countries, to give more young entrepreneurs a chance to succeed, a lifeline.

€20m European Union Partnership – Championing the Female Entrepreneur

We were delighted to announce our €20 million partnership with the European Commission and the Organisation of African, Caribbean and

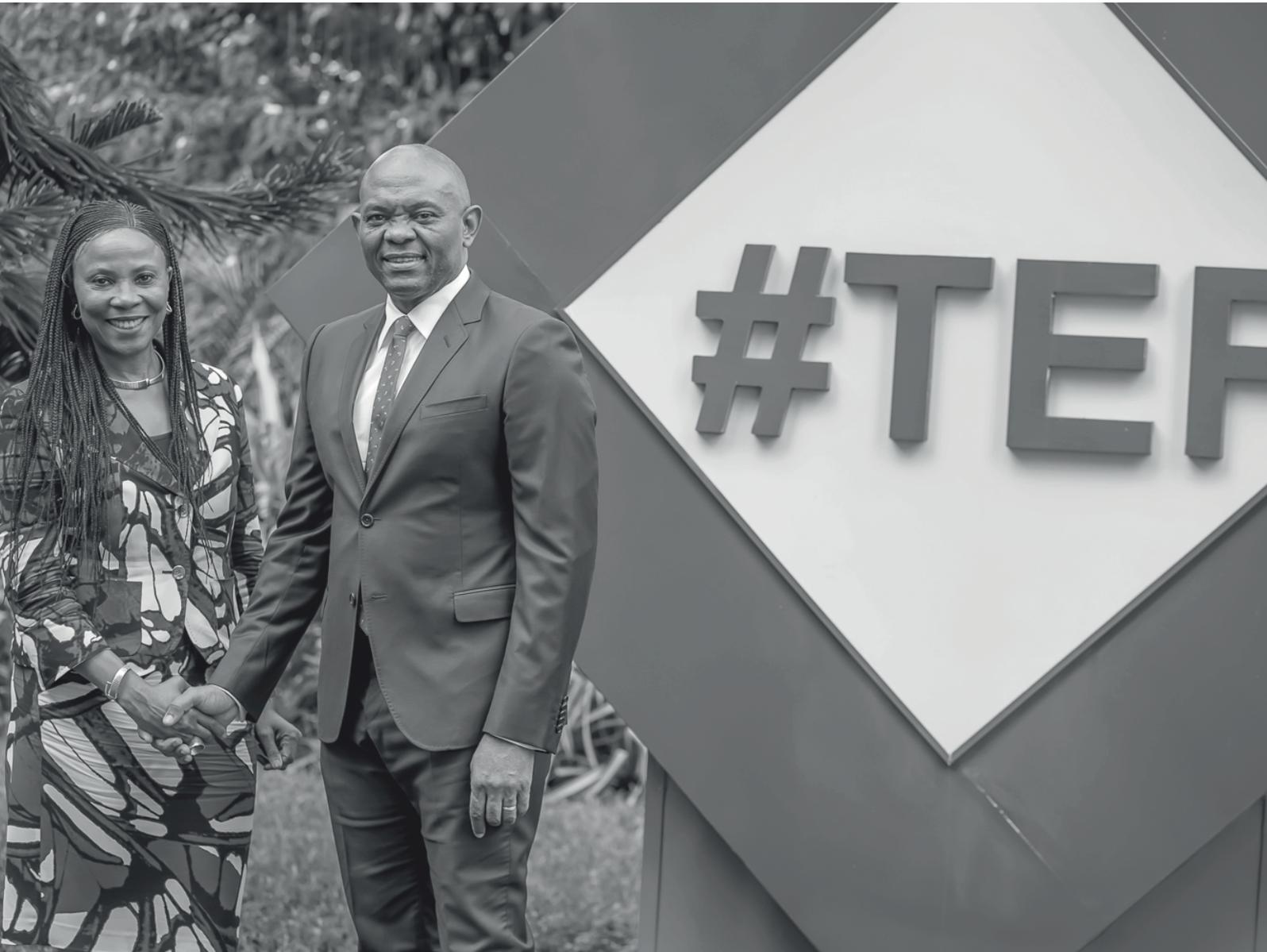
Pacific States (OACPS), to support more than 2,500 women entrepreneurs, provide gender sensitive entrepreneurship training, as well as seed capital for African female businesses to navigate through the start-up and early growth phases.

The statistics on female entrepreneurship in Africa are chastening – women make up 58% of the continent's self-employed population but earn 34% less profits on average, with an estimated \$20B financing gap for African women. Our goal is for more women to participate in economic development, realise their full potential and accelerate economic inclusion. For too long, African women have endured systemic obstacles to starting, growing and sustaining their businesses. We are alleviating the funding, knowledge and market constraints threatening the livelihoods of these female entrepreneurs on the continent, and foster an environment that will create more income, jobs, growth and scale for women-owned businesses.

TEF-UNDP Mali Entrepreneurship Programme

We see entrepreneurship as the solution to the very visible challenges that we see in Africa: forced migration, extremism, and political instability.

With the United Nations Development Programme (UNDP), we launched the TEF-UNDP Mali Entrepreneurship Programme to train, mentor and fund 10,000 young Malian entrepreneurs, over a 3-year period. Over 1.7 million people have been displaced by violence in Mali since 2012, part of the broader Sahel crisis. With the political disruptions in the country, youth unrest, widespread violence and insecurity, the TEF-UNDP Mali Entrepreneurship Programme addresses the economic factors that perpetuate conflict and unrest. Our Entrepreneurship Programme demonstrates that entrepreneurship is the singular most effective tool to creating jobs, opportunity, economic hope, while fostering sustained growth, poverty reduction, and ultimately peace and



stability. We delivered this programme within a timeline of 8 weeks, mentoring, training and disbursing funding to 1,860 young Malian entrepreneurs before December 30.

TONY ELUMELU ENTREPRENEURSHIP PROGRAMME

Now in our 7th year of running the largest entrepreneurship programme on the continent, we are particularly focused on gender equality as a critical pathway to increasing and expanding the positive effects of the work we do at the Foundation. Most of our entrepreneurs are familiar with this emphasis on inclusivity. Our Entrepreneurship Programme targets all sectors, and all stages of business, right from the concept stage, for a reason: sustainable development must be inclusive. It is the only channel to true and tangible change. When we think about socio-economic transformation, who are we leaving behind and at what cost? Women, who often hold the dual role of breadwinners and care givers, are amongst the hardest hit by the COVID-19 pandemic. Women earn less, save less, hold less secure jobs, and are more likely to be employed in the informal economy, with less access to social protection.

LISTENING

When we talk about the work that we do, we need to be sure that we are listening as well.

It was in this listening that we refined our business training content for entrepreneurs – to a bespoke curricular for beginner, intermediate and advanced entrepreneurs – so that we can appropriately assist them within their own knowledge pathway. We know that achieving our goals require periodic reviews in how we operate.

We are also taking stock of the data we have gathered over the past ten years, analysing the lessons learned by our entrepreneurs on their

journeys, understanding better our impact and the outcomes of our interventions in Africa. This work is essential for us to be able to reflect on how best to continue to empower, serve and support start-ups in Africa.

LOOKING FORWARD

We know that a stable and competitive private sector is a prerequisite to economic prosperity, and will solve some of our most pressing needs as a continent. We must all proactively promote the philosophy of Africapitalism which positions the private sector, and most importantly entrepreneurs, as the catalyst for the social and economic development of the African continent. I champion this advocacy effort with policymakers, governments and Heads of States at every opportunity that arises both at home in Africa and globally.

It was by staying true to our philosophy on Africapitalism and our role as African private sector leaders, that our Trustee at the Foundation and Founder and Chief Executive Officer of Avon Medical, Dr Awele Elumelu, was appointed to the Yale Institute for Global Health Advisory Board.

At the African-European online hackathon with the President of Estonia last December, (EU: AFRICA THE POST CRISIS JOURNEY), I spoke about the need for an enabling environment for African start-ups, and how innovations and businesses will not succeed otherwise. I remain inspired by the possibilities that can be grown out of Africa's rich fertile ground, where access, innovation and discipline meet and overlap. I get so excited about our entrepreneurs, who now have capacity to create more jobs, who extend the message of collective effort, that allows more and more people to be less and less bound to poverty.

For the next 10 years as the Foundation reaches its goal of empowering 10,000 entrepreneurs ahead of time, our focus is to accelerate the reach and impact to yet thousands more. We speak to the need for transformation, yes, but no true transformation is possible without everyone of us. The magic of philanthropy is that one changed life impacts many more people. Our primary reason for advocacy is to promote value and self-appreciation in our identities as Africans. That



we can truly advance our own communities. We are humbled by the spirit of entrepreneurship in Africa.

On behalf of the Board of Trustees, staff, friends and entrepreneurs of the Tony Elumelu Foundation, I want to salute our resilience and express full confidence in our ability to do significant, measurable and sustainable good.

A handwritten signature in green ink, consisting of the letters 'TOS' in a stylized, cursive font.

Tony O Elumelu, CON.
Founder, The Tony Elumelu Foundation.

