



COALITION FOR AFRICAN ENTREPRENEURS AND MSMEs





Potential of Africa

Africa is the continent with the youngest population worldwide.

As of 2022, around 40 percent of the population was aged 15 years and younger, compared to a global average of 25 percent.



Micro Small and Medium Enterprises MSMEs constitute nearly 90% of businesses and generate 80% of jobs and 50% of GDP in Africa.

Africa's digital economy is estimated at \$115 billion today and is expected to grow six-fold to \$712 billion by 2050. Yet, unlike in other regions, African MSMEs are mostly 'non digital' and historically have insufficient access to capital, training, and other tools needed to launch, grow, and scale their business.

Over the past decade, Africa has been the world's second-fastest-growing continental economy, after Asia.

The full power of digital and entrepreneurship capacity has not been unlocked for many individuals, and small businesses – predominantly among women, youth, rural, and other low-income communities in Africa

Coalition Strategic Focus

This coalition will focus on economically and digitally empowering Entrepreneurs and MSMEs, who constitute nearly 90% of businesses and generate 80% of jobs and 50% of GDP in Africa.

We believe that Catalyzing entrepreneurship offers a robust and scalable tool to drive growth and sustainable development in Africa.



Coalition Mission

This coalition is a response to Vice President Kamala Harris' April 1, 2023, Lusaka "Call to Action" and has been designed to support both the U.S. Digital Transformation with Africa (DTA) initiative and the African Union's Digital Transformation Strategy for Africa (DTS).

The coalition brings together global and local private, development, and public sectors to empower African entrepreneurs and micro, small, and medium-sized enterprises (MSMEs) to ensure that millions of individuals and businesses in Africa benefit from expanded access to economic opportunity and digital services to achieve a common goal of a self-reliant and empowered Africa.



Coalition Objectives

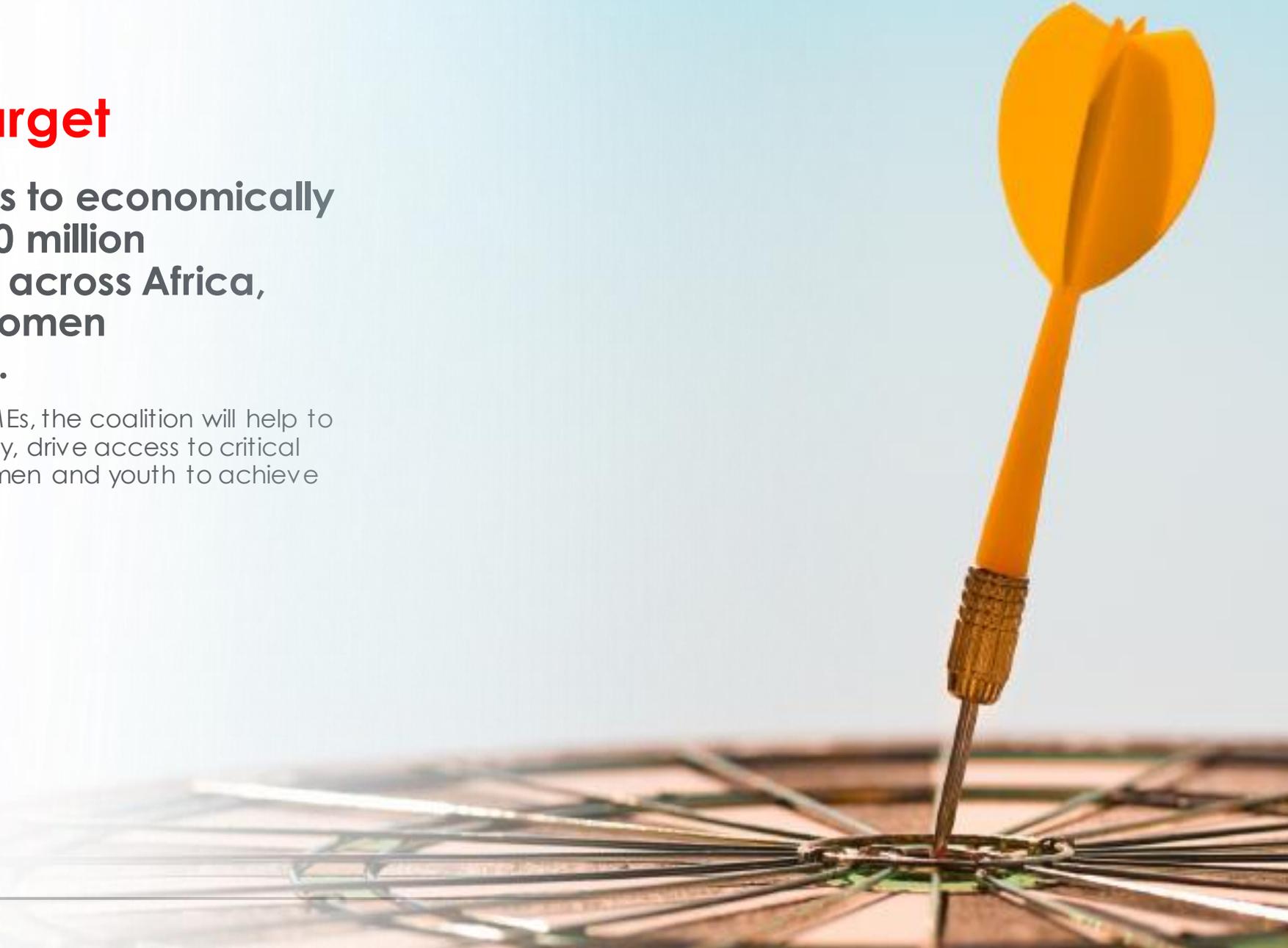
The overarching objective of the coalition, working closely with African partners, is to empower African Entrepreneurs and MSMEs through funding, training, mentorship, and access to digital tools and services including commerce, financing, and marketplaces, to promote economic opportunity, job creation, gender equity, access to critical services, and financial inclusion.



Coalition Overall Target

By 2034, the Coalition aims to economically and digitally empower 100 million entrepreneurs and MSMEs across Africa, focusing particularly on women entrepreneurs and MSMEs.

By empowering entrepreneurs and MSMEs, the coalition will help to create millions of jobs, eradicate poverty, drive access to critical services, and economically support women and youth to achieve gender equity



Strategic Intervention Pillars



Pillar 1: Empower young African Entrepreneurs and MSMEs:

The Coalition will financially empower entrepreneurs through grants, training, mentorship and capacity building. The Coalition will build on the success of TEF and empower millions of additional entrepreneurs with funding, digital and financial literacy, skilling, business management tools, mentorship, and technology training to spur greater innovation. These focused efforts will also lead to more African entrepreneurs creating new platforms/means of digital services through entrepreneurship.

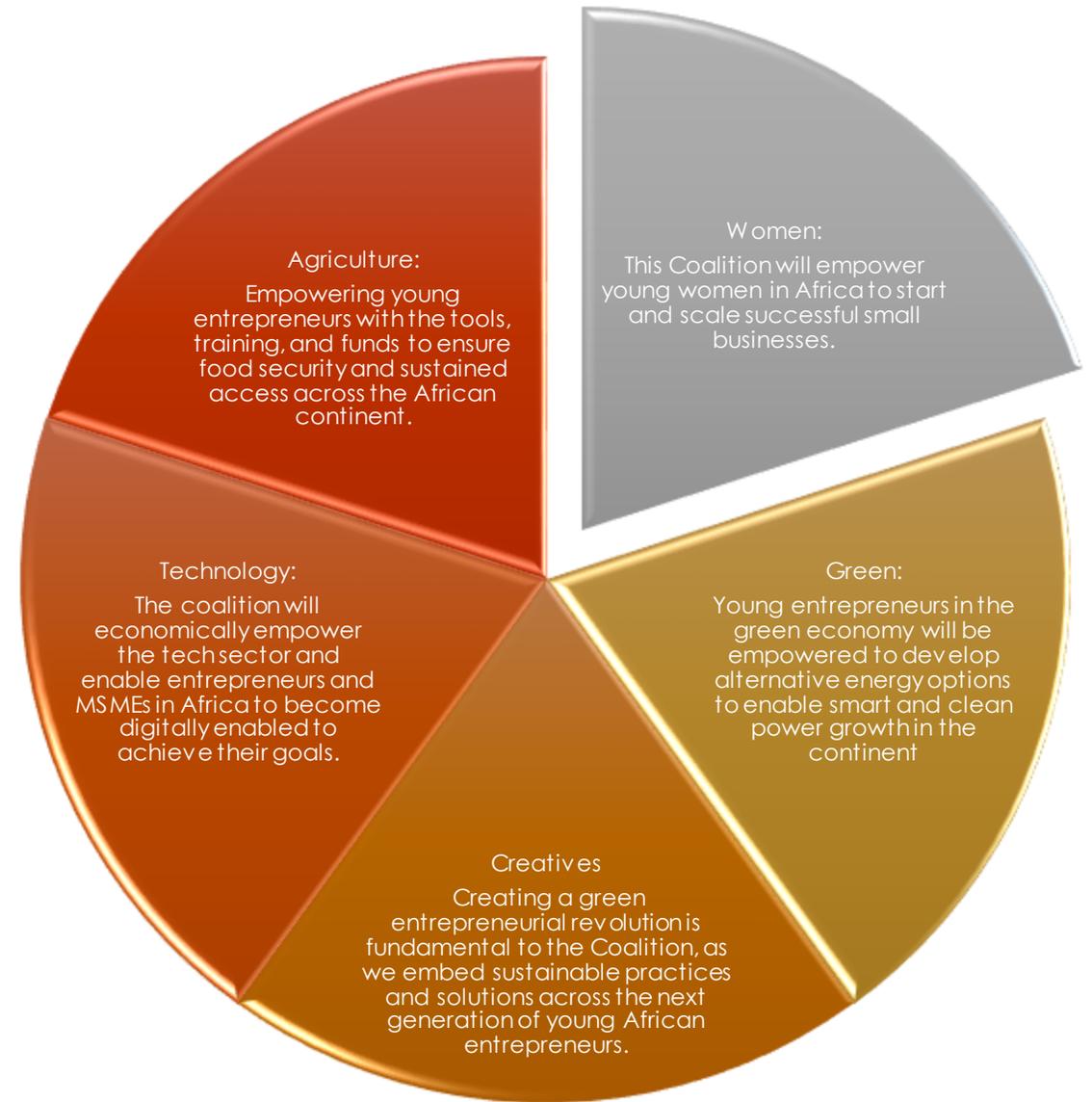
Pillar 2: Drive access to commerce and other digital and financial services for MSMEs:

MSMEs make up the majority of jobs across Africa. To gain access to Africa's rapidly growing digital economy and spur job creation, MSMEs need to access digital services and payment methods, so that they can engage in e-business, e-commerce, and digital banking. The Coalition aims to digitally and financially include MSMEs by driving their access to bank accounts, mobile banking, credit and capital, digital marketplaces, and other digital financial services.



Pillar 1: Empower young African Entrepreneurs and MSMEs

The Coalition will be sector-agnostic, supporting entrepreneurs from all sectors, but will involve a targeted focus on these sectors:





Pillar 2: Drive access to commerce and other digital and financial services for MSMEs

This pillar of the Coalition will also remain sector-agnostic, supporting MSMEs from all sectors, but will involve a targeted focus on these sectors:



Agriculture:

Driving growth in the agricultural sector is more effective than any other sector at lifting people out of poverty. Digitalization of the agricultural sector could organize and bring transparency to Africa's complex and fragmented agricultural ecosystems, driving greater harvest productivity, reducing post-harvest losses and emissions, as well as unlocking trade and much needed financing for Ag MSMEs. Digitally and economically empowering agricultural communities will require addressing infrastructure gaps, enabling access to financing, driving capacity building, as well as enabling Ag MSMEs with locally relevant digital services to establish market, supply chain, and trade linkages.

Women:

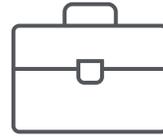
Tend to have smaller businesses than their male counterparts both in revenue/profit and employee base, often because they lack collateral or credit history to secure affordable financing. Digital tools offer a means to overcome gender funding





Coalition Success Metrics

The coalition will measure outcomes achieved for African people and businesses through entrepreneurship and digital transformation.



Increase in jobs created



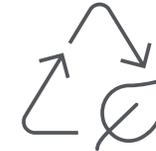
Individuals and MSMEs access to digital services



Individuals and MSMEs financial inclusion



MSME Contributions to Sustainable Development



MSME Contributions to green economy (volume of waste recycled, the volume of water saved, or tons of CO2 averted)



Specific outcomes focus on youth and women



MSME revenue growth

Call To Action

Digital and economic empowerment of 100 million entrepreneurs and MSMEs will require complementary efforts across the public, private, and development sectors. Your commitments are vital to accelerate entrepreneurship and enable MSMEs across Africa to scale.



**The time to massively empower
African entrepreneurs and MSME
is now!**