Accomplishments of the ICBE Fund, 2006-2013

Generating knowledge, enhancing capacity, building partnerships and influencing policy to promote enterprise development in Africa

By many measures, the ICBE program has accomplished a remarkable amount over the past seven years, from the production of important new research that has influenced policymaking on enterprise development to the creation of key partnerships that have expanded the initiative’s reach and will be instrumental in building on this work in the future. The program has funded 116 policy-related projects. Research was undertaken in more than 30 countries in all sub-regions of Africa. Several capacity-building and networking workshops were organized in collaboration with key partners such as the Global Development Network and the Overseas Development Institute. More than 75 researchers acquired skills in research communication and proposal writing. Two major international conferences brought together key stakeholders in business and investment, including leaders from the private sector and from civil society as well as policymakers and researchers. The first, in October 2012 in Nairobi, convened leaders of investment promotion agencies (IPAs) and business membership organizations (BMOs) to discuss ways to reform the business and investment climate in Africa.¹ The second conference, in April 2013 in Accra, promoted entrepreneurship among women with the specific goal of enhancing the performance of women-owned/managed businesses.² We highlight below some of our significant achievements in three main categories.

a) Knowledge Generation and Publications

A key objective of ICBE has been to generate knowledge on policy issues, gaps and options that can potentially improve the business and investment climate in Africa in terms of both foreign investors and local small to medium-scale businesses. ICBE-produced knowledge has been packaged in different formats.

Research reports Nearly 80 high-quality reports are available online as the ICBE Research Reports Series on TrustAfrica’s website. These reports were externally reviewed twice as were their research proposals.

¹ The Nairobi conference in October 2012 was attended by IPA leaders, heads of BMOs, ICBE researchers as well as representatives of the African Development Bank, the World Bank and UNIDO. Keynote speakers were the Governor of the Kenyan Central Bank and the CEO of the Capital Markets Authority of Kenya.

² The ICBE Women in Entrepreneurship Conference (WE2013) in April 2013 in Accra was attended by businesswomen, policy makers, researchers, civil society and the media. The keynote was given by the Minister of Foreign Affairs in the presence of the Canadian High Commissioner to Ghana.
Policy briefs and case studies For easier dissemination to policy makers whose time is limited, we extracted the research reports’ key messages into Policy Briefs, with more than 50 also available online. All have been professionally edited, designed and illustrated with photos. Some of ICBE’s findings have also been synthesized into short and user-friendly Case Studies.

Books Three edited books have been published from ICBE-funded research, including Environnement d’Affaire et Système Productif en Afrique Centrale, with a foreword by the CEO of the Cameroon Investment Promotion Agency; Public Policy and Enterprise Development Strategies in Kenya, with foreword by the General Manager of the Kenya Investment Authority; and Challenges and Opportunities of the Ugandan Business Environment: A Situational Analysis, with a foreword by the Executive Director of the Ugandan Investment Authority.

Journals ICBE also published a special issue of the journal RASEC (Revue Africaine de Sciences Economique et de Gestion) to promote dissemination of findings on the study on Social Capital and Entrepreneurship in Cameroon that produced six articles. Copies of the journal were freely distributed to policy makers and academic institutions in Cameroon and other French-speaking African countries.

Independent publications More than 20 researchers have published their results in the form of books and pamphlets. Others have published in high-profile peer-reviewed journals such as the Journal of Macroeconomics and Finance in Emerging Market Economies, Journal of Corporate Citizenship, International Journal of Social Economics and the Journal of Enterprising Communities.

Conference presentations As testimony to the quality of ICBE-funded research, some 30 researchers have been invited to share their findings at international conferences in Africa, Europe, North America, and Australia; and even more have presented their findings at locally organized conferences.

b) Uptake of ICBE Research Findings

Research by ICBE partners has been taken up by policy makers, the media as well as scaled up in order to increase its impact by our partners in several parts of the continent. We briefly describe some of such instances here.

Botswana Following the recommendations of the study on Women and Youth Entrepreneurship, the office of the Registrar of Companies in Botswana decentralized its activities by opening three regional offices in Francistown, Serowe and Maun. This has resulted in a significant reduction in the transaction cost of registering a business in Botswana. The Citizen Entrepreneurial Development Agency (CEDA) implemented another recommendation by the same study, which was to defer the requirement for SMEs to obtain trading licenses before applying for loans. The study reported that only

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3 The Citizen Entrepreneurial Development Agency (CEDA) was established by the government of Botswana to assist SMEs.
2% of the sampled women entrepreneurs had ever applied for CEDA loans, despite their dire need for credit for business expansion. The main hindrance identified was the requirement of a trading license, which involves significant transaction costs with no guarantee to receive a loan. SMEs can now apply for loans and seek trading licenses once the loan is approved.

**Mauritania** The Mauritanian Centre for Policy Analysis (CMAP) has added Youth Employment and Entrepreneurship as the fourth pillar of its program, following an ICBE grant to CMAP on youth entrepreneurship in Mauritania. CMAP is a government think tank and will henceforth work to promote youth entrepreneurship in Mauritania. The ICBE study will lay the foundation for such work, as declared by the CEO of CMAP during the stakeholder workshop.

**South Africa** When our partner, Small Business Project (SBP) published its findings entitled, “Headline Report of the SME Growth Index 2011,” it was invited by the Government of South Africa to engage in a series of high-level discussions. Two key recommendations from the research were tabled by the government: (a) raising the turnover exemptions for SMEs in complying with broad-based black economic empowerment from R5 million to R10 million; and (b) implementing a new system for the issuance of tax clearance certificates to reduce compliance costs and procedures by SMEs, based on providing real-time, electronic tax clearance certificates. Also, the SME Growth Index that was part of the output of the study continues to attract huge media interest locally and internationally since its release in 2011 and in mid-2013.

Also, concepts developed by ICBE-funded research on public-private partnerships in South Africa were adopted by **Cape Town Partnership** and the researcher was subsequently invited to join their Board of Trustees, thanks to this research. His concepts have also been adopted by the **Western Cape Economic Development Partnership**.

**Cameroon** The director of a microfinance institution in Cameroon reported that as a result of interactions with a research team funded by ICBE, he discovered that women formed a very small proportion of his clients. He subsequently decided to change his marketing strategy by doubling the amount of loans allocated to female customers.

**Mauritius** Our grantee, South African Trust (SAT) has been informed by the Ministry of Business, Enterprise, and Cooperatives, that a) inclusive business was introduced in the Budget Speech of the Finance Minister last year, and b) that it was agreed to create more awareness on the concept of inclusive business, and that the Ministry has followed up by announcing an award for the best large company in Mauritius doing inclusive business. The Ministry has requested SAT to assist in setting up evaluation criteria for the award. Mauritius was one of the five countries covered by the SAT study on Business for Development funded by ICBE. The other countries were Malawi, Mozambique, South Africa and Zambia. We are still expecting uptake of findings in these countries following the highly attended stakeholder workshops in each of them.
Zimbabwe Researchers at Ruzivo Trust in Zimbabwe (funded by ICBE) were invited by the Ministry of Agriculture, Mechanization and Irrigation Development to carry out a study, building on their work on empowering women through entrepreneurial development in the horticulture sector in Zimbabwe. The new study will be focused on Gender and Agriculture, and is meant to help the ministry re-establish the Gender Desk which was closed more than a decade ago. Ruzivo Trust is also partnering with Olivine (Pvt) Ltd (processing various agricultural products) on the value chain concept developed in their study.

Uganda The Government of Uganda has drawn up a five-year plan worth almost 40 billion Ugandan shillings to implement a policy for an aquaculture park, with research funded by ICBE through a grant to the Uganda Investment Authority. After the release of the policy document, the European Union (EU) funded a feasibility technical study for two pilot aquaculture park projects. The terms of reference for the consultancy clearly acknowledge the support of the ICBE grant in developing the National Investment Policy for aquaculture parks in Uganda. The policy document was discussed in Cabinet in August 2013.

The Uganda Investment Authority (UIA) also increased the dissemination budget of a second ICBE research grant by almost USD 20,000 to scale up the dissemination activities and share the findings of the oil/gas value chain study to SMEs in all major cities in Uganda. This second study sought to identify investment opportunities for SMEs in the emerging oil/gas value chain in Uganda so that the benefits are shared by a larger segment of the population. The findings of the study have been largely quoted during the ongoing debate in Uganda about local content in the oil/gas sector, with commercial production just a few years away. For example, a leading newspaper, the Daily Monitor, carried a story entitled, “Government yet to scale up local content training for oil sector.” The article drew extensively from the ICBE-funded and UIA-implemented study. The three-point “Way Forward” that concludes the article is drawn from the study. Such discussions and especially articles in leading newspapers will potentially influence the way the Ugandan government conducts business in the oil/gas sector.

Sudan Following the hugely successful stakeholders' workshop in Khartoum, organized by the ICBE researcher in collaboration with Sudanese Business Women’s Secretariat (SBS), the Governor of Khartoum State invited the SBS Secretary to discuss the recommendations of the workshop and how they address the situation of businesswomen in the country. He was provided with a copy of the report. This followed the chairing of the event by the Adviser of the President of Sudan on Women Affairs, who showed a lot of interest in the research findings. After the workshop, the SBS contracted the researcher to investigate the difficulties faced by women in accessing finance from microfinance institutions. The researcher’s university (Sudan International University) has designed a program to enhance the managerial capacity of businesswomen and many SBS members have been awarded scholarships to participate in the program. This follows the study’s recommendation that businesswomen be trained in basic business management skills.
**Senegal** The Senegalese Investment and Export Promotion Agency (APIX) kick-started a project to set up an electronic platform for enterprise creation/registration with a grant from ICBE. The event to launch this project took place in Dakar in the presence of the CEO of APIX, other top officials from concerned ministries and the business community.

**Media coverage** ICBE activities and events and those organized by our partners have been widely covered by the media. Most of the stakeholder events organized to share findings are largely covered by the national television station and the local print media. Several articles have appeared in popular media and on websites following such events organized by ICBE researchers to share findings. Some of them include: The *Daily Nation* in Kenya, *AllAfrica* on work in Tanzania, *Kassataya* in Mauritania, *Zambia Daily Mail*, *Daily Graphic* in Ghana, *The Herald* in Zimbabwe, *Le Matin* in Morocco and *IWACU* in Burundi.

c) **Visibility and Partnerships**

One reflection of the ICBE Fund’s growing visibility is the fact that it has regularly been solicited to participate in events that address development in Africa. At the invitation of the Gordon Institute of Business Science (GIBS – University of Pretoria), Global Impact Investing Network (GIIN) and the Rockefeller Foundation, the ICBE Fund joined a delegation of business people, policy makers, and civil society organizations from Africa to meet various Chinese organizations and financiers with the goal of promoting Impact Investment from China on the continent.

The ICBE Research Fund was featured during the annual meeting of the Clinton Global Initiative (CGI) in New York in September 2010. The Executive Director of TrustAfrica presented ICBE’s commitment to strengthening private enterprise and foster pro-poor growth throughout Africa to world dignitaries.

ICBE has twice been shortlisted by *Africa Investor* for the “Investment Climate Initiative of the Year” award. The Annual Investment Climate Summits took place in Washington in 2011 and in Tokyo in 2012. The organizers nominated ICBE because they believe the project strongly shares their goal and approach of promoting investment and more generally private sector activities in Africa.

The Poverty Reduction, Equity and Growth Network (PEGNet) invited ICBE to share its strategy for bridging the gap between knowledge generation and policy during the PEGNet 2012 Conference. ICBE came in second out of eight submissions for the Best Practice Award of €3,000. It was a huge opportunity to showcase the work of ICBE to an international audience of more than 100 academics and development practitioners from around the world.

ICBE was also invited to participate at the Think Tank Conference organized by the Egyptian Cabinet Information and Decision Support Center (IDSC) in 2010. The conference brought together more than 30 speakers from across the continent and
beyond to discuss the role of think tanks in the decision-making process, the challenges faced and how they can work together to increase their effectiveness.

ICBE has consistently worked with like-minded organizations to strengthen the capacities of research teams and disseminate research findings. Our partnership with the Global Development Network (GDNet) led to their partial funding of the research capacity-building workshop in 2011. As part of the collaboration, a Community Group of ICBE researchers was set up on the website of GDN as the GDNet-TrustAfrica Policy Workshop. The GDNet website carries policy briefs prepared by researchers, workshop handouts, presentations and a photo gallery.4

The ICBE has also built solid relationships with many of the continent’s investment promotion agencies (IPAs) and business membership organizations (BMOs). This should be very helpful in the next Phase of the project as we expect IPAs and BMOs to play an important role in helping ICBE achieve policy impact.

In addition, ICBE has created lasting partnerships through its convenings with the following institutions: the Makerere University Business School (Uganda), The Graduate School of Business at the University of Cape Town (South Africa), Southern Africa Trust (South Africa), The Center for Economic and Management Research (Cameroon), Strathmore University (Kenya), the United States International University (Kenya) and the Overseas Development Institute (ODI), etc.

The recently released evaluation of last Phase of the project5 observes that:

Overall, ICBE-RF Phase II was successful in grant-making activities relevant to the investment climate and business space and in carrying out effective capacity building initiatives. The program had high impact on the researchers involved, and it funded 62 research projects across Africa. Certain ICBE-RF projects had high impact on the investment and business space. However, strengthening the impact of the grants will require a clear dissemination and knowledge sharing strategy, as well as broader integration of the ecosystem, from inception to policy-uptake (Dalberg 2013, pp. 10-11).

Phases I and II were designed principally to strengthen the capacity of research teams working on business and investment climate issues in Africa, so as to undertake quality research addressing the constraints to enterprise creation and growth, and their impact on livelihoods, i.e. building the knowledge base to inform the policy-making process. A critical mass of such well-equipped researchers now exists on the continent, and several cases of the policy impact of their research have been recorded. We believe that the ICBE Research Fund, after seven years, is now ready to advance to the next level, where we devote more attention towards the integration of research recommendations into actual policies reform and private business practice, so as to promote inclusive and transformative growth in Africa.

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4 More details about the workshop (background, objectives, and agenda) are also reported by GDNet here.
5 ICBE Phase II has been evaluated by the well-reputed international firm, Dalberg Global Development Advisors.
The next Phase, while aiming to support knowledge generation, due to the fast changing business environment in Africa, will be devote significant attention towards those sectors that have the potential of promoting broad-based growth, creating jobs and impacting poverty. Engaging with policy actors and CSOs and strengthening the capacity of partner organizations for more effective policy influence will be key components of the next phase.