

**SPEECH BY SECRETARY FOR WOMEN AFFAIRS, COMMUNITY,  
SMALL AND MEDIUM ENTERPRISES DEVELOPMENT, M. MHIKE AT  
THE LAUNCH OF THE PROJECT SUPPORT BY UNDESA:  
MONOMUTAPA HOTEL: 8-10 JUNE 2022**

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Director of Ceremonies;

UN Resident Coordinator for Zimbabwe, Mr. Edward Kallon;

Chief, National Strategies and Capacity Building Branch, Division for Sustainable Development Goals, UNDESA, Mr Amson Sibanda;

Senior Government Officials;

Consultant Developing the MSME Monitoring Framework, Dr Master Mushonga;

Representatives from UN Country Office;

Representatives of MSME Associations;

Ladies and Gentlemen;

It is my pleasure to make these remarks at the launch of the two projects on Strengthening national capacities for enhancing MSME resilience and building forward better to accelerate the implementation of the 2030 Agenda in developing countries participating in the Belt and Road Initiative; and Strengthening Resilience of Micro-, Small and Medium-sized Enterprises (MSMEs) in Africa and Asia.

I would like to express my gratitude and appreciation to the Division for Sustainable Development Goals, United Nations Department of Economic and Social Affairs for accepting our proposals to support micro, small and

medium enterprises (MSMES) in Zimbabwe which culminated in the two projects.

The support to the sector through these projects has come at an opportune time when government is implementing the National Development Strategy One which is aimed at achieving an upper middle-income economy by 2030.

Ladies and gentlemen, our government takes cognizance of the crucial role played by the micro, small and medium enterprises (MSMEs) in the country's socio-economic development. The sector contributes to GDP, provides employment, livelihoods and facilitates industrialization of rural areas, thereby, reducing regional imbalances and assuring more equitable distribution of wealth. The MSMEs also play a huge role in the achievement of Sustainable Development Goals (SDGs).

Despite the huge contributions made the MSME sector, they face various challenges such as low productivity and competitiveness due to: -

- Use of antiquated technologies and aging equipment
- High labour costs
- High costs of utilities and interrupted supplies
- High costs of doing business
- Limited access and high cost of finance
- Weak managerial, technical and entrepreneurial capacities
- Many SMEs have weak corporate governance systems, no succession planning which is required for a sustainable business operation

The challenges faced by MSMEs have been compound by global shocks such as the COVID 19 pandemic which negatively affected many SME businesses.

The government together with other support institutions has put in place various measures to help in the recovery of the sector from the devastating effects of the pandemic. However, more support is required to meet the huge demands of the MSMEs given the magnitude of the shock. The two projects supported by UNDESA have come at an opportune time as they are aimed at enhancing national capacities to strengthen the resilience of MSMEs as well as strengthening the enterprises themselves to respond to the shocks. A number of interventions are lined up as detailed in the workplan aimed to make an impact at firm level as well as capacitating institutions that support MSME development.

I am pleased to note that the project has commenced with the achievement of one of the milestones, the development of an MSME Monitoring Framework. The monitoring framework will help in tracking developments in the sector. This is particularly critical in tracking developments in the sectors as reports will be available on specific outcomes thereby measuring the impact of supportive interventions on the development of the sector Zimbabwe.

Ladies and gentlemen, it has been a huge struggle to get data and information timely making it difficult to report or account for some of the work being done by the Government and various stakeholders. It is my hope that the framework that is being developed will go a long way in alleviating this challenge. It is envisaged that the framework will help in timely tracking and capturing outputs, outcomes and impacts in critical areas of the MSME development such as size of the sector, levels of formalization, contribution to employment, fiscal revenue, access to finance and many other aspects.

The government including various stakeholders need to ventilate the sector and gather evidence which will inform programming and formulation of policy frameworks. Therefore, the Ministry has high expectations on the delivery of this assignment which will enable the availing of appropriate information for the development of the sector.

Let me once again take this opportunity to thank the Division for Sustainable Development Goals under UNDESA for the support.

I would like to thank the UN Resident Coordinator, Mr. Edward Kallon for taking time from your busy schedule to attend the launch of this project. Your attendance is testimony of your great commitment to the development of our country.

I would also like to express my appreciation to the various stakeholders for your inputs towards the development of the MSME monitoring framework over the last two days as well as your attendance at this launch of the project today. Your presence ladies and gentlemen at these workshops shows your unwavering resolve to the development of the MSME sector in our country.

With these few remarks, I wish you fruitful engagements.

I thank you.