SPEECH BY SECRETARY FOR WOMEN AFFAIRS, COMMUNITY, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT, M. MHIKE AT THE MSMES TRAINING WORKSHOPS SUPPORTED BY UNDESA: BULAWAYO RAINBOW: 3-7 APRIL 2023

➢ Director of Ceremonies;
➢ Acting Chief Director for Enterprise and Community Development, Eng F. Gondo
➢ Chief, National Strategies and Capacity Building Branch, Division for Sustainable Development Goals, UNDESA, Mr Amson Sibanda and Your Colleague, Mr Clark
➢ Government Officials;
➢ Training Consultancies, EMPRETEC, Ms S. Bango - and Back to Basics, Mr Leroy Dube
➢ Members of the Media
➢ MSMEs

It is my pleasure to make these remarks at the training workshops under the Strengthening Resilience of Micro, Small and Medium-sized Enterprises (MSMEs) in Africa and Asia Project supported through the Division for Sustainable Development Goals, United Nations Department of Economic and Social Affairs.

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 providing this support to capacitate Micro, Small and Medium Enterprises (MSMES) in Zimbabwe. The training programme is the second milestone after the crafting of the MSME Results Monitoring Framework following the launch of the project in Zimbabwe in June 2022. The support is greatly appreciated as it promotes the development and growth of the sector in Zimbabwe.

Ladies and Gentlemen, MSMEs make significant contributions to economic growth and sustainable development worldwide. Globally SMEs represent about 90% of businesses and more than 50% of employment worldwide contributing up to 40% of national income (GDP) in emerging economies (World Bank). In Zimbabwe According to the 2021 MSME Survey, there are 3.4 million MSMEs operating in Zimbabwe employing 4.8 million people
on full time basis. The 2022 Finscope Survey indicated that the sector contributed USD8.6 billion to GDP. These statistics indicate that MSMEs have a central role to play in the achievement of the 2030 Agenda for Sustainable Development and the African Union Agenda 2063.

MSMEs also promote inclusive and sustainable economic growth, increase employment opportunities and decent work especially for women and youth. They also contribute to the transformation of economies from being primary commodities based to sustainable innovation and industrialization led.

The sector also plays a critical role in Zimbabwe under the decentralization and devolution thrust as it significantly contributes to balanced development where MSMEs are found in all the rural and urban areas throughout the country.

Recognizing the potential contribution of the MSME sector to the attainment of Vision 2030 of an upper middle-income economy status as underscored by the National Development Strategy (NDS1), in 2022 Government with support from UNDESA prioritized the development of a results-oriented Monitoring Framework for timely tracking of MSMEs contribution to the economy under the Revised National MSME Policy (2020-2024).

This further support to the sector under the UNDESA project which we are witnessing today has come at an opportune time as it is complementing Government efforts to address the challenges being faced by the sector which include low productivity and competitiveness due to use of antiquated technologies and aging equipment; high costs of utilities; unfavorable regulatory requirements; limited access and high cost of finance; weak managerial, technical and entrepreneurial capacities among others. These challenges have been compounded by global shocks such as the COVID 19 pandemic, geopolitical tensions and climate change which have negatively affected SME businesses.

The COVID pandemic which ravaged the world and induced travel restrictions laid bare the need to operate remotely and heightened the need to capacitate MSMEs to use digital platforms in conducting business. Digital Marketing skills have become an essential skill.
which MSMEs need at a basic level to remain relevant, resilient, and to trade not only in the domestic market but also internationally.

The main objective of this workshops which is to train SMEs with a focus on women and youth including people with disability to manage their business efficiently and become resilient in times of shocks is therefore critical. It is my fervent hope that you will found this business management training useful to your businesses and will transform your business operations when coupled with the upcoming training on digital marketing.

Besides training, the Ministry is implementing a number of programmes to improve access to markets, financing and workspaces to SMEs among other interventions.

To improve market access, MSMEs are being supported through raising awareness of available local, regional and international market opportunities including using digital platforms such as the 50 Million Women Speak. MSMES are being supported to participate at ZITF, Zimbabwe Agricultural Show, provincial and district fairs. Regionally and internationally, the Ministry in collaboration with ZIMTRADE is on a drive to promote exports through participation of MSMEs at expos and exhibitions such as Zambia International Trade Fair, Malawi International Trade Fair, Botswana Global Expo, Maputo International Trade Fair, Dubai World Expo among others. In 2022, Zimbabwean SMEs scooped prizes for being the best and second-best SME exhibitors at the Mozambique and Botswana Expos respectively.

In line with the Second Republic’s thrust to develop backbone infrastructure through promoting partnerships, the Ministry is collaborating with local authorities, development partners and the private sector in development and provision of workspaces for MSMEs under various models.

Under the National Financial Inclusion Strategy, the Ministry in collaboration with RBZ has implemented a number of initiatives aimed at improving MSMEs financial inclusion. This has seen a huge decrease of the financially excluded MSMEs from 43% in 2012 to 3%
in 2022. The recently launched Collateral Registry System is expected to facilitate further easy access to credit and encourage economic activity and stimulate growth in the sector.

The Ministry through its empowerment funding facilities which include SMEDCO, Zimbabwe Women Micro Finance Bank, Women Development Fund and Community Development Fund is also providing funding to MSMEs.

As I conclude, let me take this opportunity to once again thank the Division for Sustainable Development Goals under UNDESA for the support. I would also want to thank UNDP for supporting the project at the local level. This support is testimony of your great commitment to the development of our country.

Much appreciation is also extended to the two consultancies namely EMPRETEC and Back to Basics for delivering the training. To you our valued MSMEs, you are also highly appreciated for taking time from your businesses to attend the training.

With these few remarks, I wish you all the best as you continue with your training programme.

I thank you.

Siyabonga

Tatenda