



OPENING SPEECH

National Capacity Building Workshop on Strengthening Entrepreneurship and Business Digitization among Micro, Small and Medium sized Enterprises for Accelerating Progress towards Sustainable Development Goals in Ethiopia

19 June 2023,

Distinguished Guests and Participants,

Ladies and Gentlemen,

On behalf of the Ministry of Industry, and indeed on my own behalf, I have the honor and great pleasure to extend to you all a warm welcome for today's event-National Capacity Building Workshop on Strengthening Entrepreneurship and Business Digitization among Micro, Small and Medium sized Enterprises for Accelerating Progress towards Sustainable Development Goals in Ethiopia. I would like to congratulate the development partner who have taken part in the supporting SME which will have immense significance and contribution for job creation and economic development.

Ladies and Gentlemen,

Ethiopia's economy is mainly based on the agriculture sector, which plays an important role in the national economy, accounting for 35% of the national Gross Domestic Product (GDP) and the livelihood of its people. The sector is also the leading foreign exchange earner and drives aggregate employment for more than 72% of the population.

We know all too well that there is no country in history which has managed to transform its economy without creating a strong manufacturing sector, since growth in the manufacturing sector is fast and much higher than other sectors & its contribution; such as

- To poverty Reduction through Employment & Income generation is immense
- Have positive correlation with economic growth and job creation
- Extensive linkage to the other sectors particularly with Agriculture & service sector

- Proven tool for technological Advancement

 **Manufacturing is in general an engine of structural transformation.**

Ladies and Gentlemen,

Small and medium manufacturing industries are the bases of large industries and have significant role for industrialization. As long as appropriate policies, strategies and incentives formulated and provided for SMEs, the manufacturing sector will achieve sustainable growth and development.

Thus, small and medium enterprises (SMEs) have a key role in economic growth and equitable development in developing countries. Their contribution to employment generation, poverty reduction and wider distribution of wealth and opportunities represents a major window of opportunity for most developing countries. However, the potential role of SMEs is often not realized because of a set of problems commonly related to size.

The Ministry of Industry (MOI) and Ethiopian Enterprise Development have been formulated different programs and strategies and delivered business development services and capacity building programmes to expand MSME (Micro, Small and Medium Enterprises) resilience towards uncertainties and elevate their contributions to SDGs, especially in the area of decent job creation. Currently over 24 000 (twenty four thousand) small and medium manufacturing enterprises exist and play an important role in job creation and import substitution .But to maximize their potential for the economic growth supply chain management issues, technological constraints and finance and marketing constraints are the bottlenecks .Therefore ,to reduce these constraints and then to create conducive environment for SMEs and to expand regional industrialization throughout the country the government doing various programs and projects with different government institutions' and development partners.

In general the development of manufacturing industries presents Ethiopia with the opportunity to accelerate economic development and achieve its industrial development goals. In line with this we are currently implementing a flagship national program called “**Ethiopia Tamirt**”. Since we started this movement we were able to reestablish and open more than 300 enterprises which were closed due to various problems. We were able to bring the sector in to high attention and focus area of the respective stake holders and bring industrialization to be the prior agenda of the country.

Ladies and Gentlemen,

These five (5) day capacity building workshop is aimed at;

- Build and strengthen business management skills among MSME entrepreneurs, especially women and youth led enterprise
- Improve the capacities of MSME entrepreneurs to make them better competitors in local, regional and global markets and value chains.
- Provide business advisory support, including enhancing e-commerce and digital marketing skills, that facilitate MSME digital transformation
- Sharing experiences with each other.

Ladies and Gentlemen;

Before concluding my remarks, I would like to reassure your Excellences and distinguished participants, Ministry of Industry is always committed to foster and nurture on the development of small and medium manufacturing industries.

I am confident that this training Workshop will tremendously help promote prosperous linkages between SME, suppliers, large industries as well as costumers and help move the mutual development process of forward and backward linkages.

Let me extend my appreciation first of all to UNDA for preparing and supporting this capacity building workshop and the participants for making time out of a busy schedule and to come and join us in the workshop. Once again, I would like to thank the organizers of this workshop who have devoted time and resources during the preparation process.

With these remarks, I declare the training programme is officially opened.

I wish you a successful session.

I thank you!