

International Workshop on Strengthening National Capacities for  
Enhancing the Resilience of Micro-, Small, and Medium-Sized  
Enterprises (MSMEs) and Accelerating Sustainable Development in  
Times of Multiple Crises

**SUB TITLE**

**RELEVANCE AND EFFECTIVENESS OF MSME SUPPORTING POLICIES AND  
PROGRAMMES IN DEVELOPING COUNTRIES – FOCUSING ON ZIMBABWE**

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# INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are very vital to economic development, particularly in developing countries. These enterprises contribute significantly to GDP, create employment, promote innovation, and support inclusive growth.

Zimbabwe Chamber of SMEs is Zimbabwe's leading SME association which is committed to helping business owners and entrepreneurs become tomorrow's business legends, thus helping in accelerated attainment of country's Vision 2030 of achieving an upper middle income economy by 2030. Zimbabwe Chamber of SMEs has implemented various programs to empower small businesses, focusing on capacity building, trainings, access to finance among other interventions.

The primary objective of this paper is to present to you the key interventions initiated by Zimbabwe Chamber of SMEs, showcasing their impact on fostering a conducive environment for Micro, Small and Medium Enterprises.

# PARTNERSHIPS

The Zimbabwe Chamber of SMEs recognizes the importance of collaborative synergy, embracing strategic partnerships to amplify impact and drive meaningful outcomes. In alignment with partnership-driven approach, collaborative frameworks are integrated into all aspects of our programming, prioritizing synergistic outcomes.

The Zimbabwean government has established a dedicated department for the development of micro, small, and medium enterprises (MSMEs) within the Ministry of Women Affairs, Community, Small and Medium Enterprises Development (MWACSMED). This department is focused on enhancing the capabilities of MSMEs through various initiatives, including training, funding access, market integration, and workspace development.

As an Associations, we have successfully cultivated a strategic alliance with this department, yielding substantial outcomes in MSME growth and development, underscoring the effectiveness of collaborative initiatives.

# ACCESS TO FINANCE OPPORTUNITIES FOR MSMEs

The Zimbabwean Government launched several financial inclusion initiatives specifically targeting women and youths through its three key financial institutions which are SMEDCO, Women's Bank and Empower Bank. These institutions serve as the Government's financial windows to MSMEs, Empower Bank targeting the youths.

Major and significant funding programs among others being:-

1. The Women Development Fund (WDF) and the Community Development Fund (CDF) which are administered by MWACSMED. These funds provide project-based concessionary loans that have greatly benefited numerous MSMEs and
2. The Small and Medium Enterprises Development Corporation (SMEDCO) offers financial assistance and support to MSMEs across various sectors. The Women Micro-Finance Bank, also established under MWACSMED, specifically focuses on funding women-led MSMEs, promoting gender equity in business.

MSMEs have derived substantial benefits from these portfolios, though there is still more room for further enhancement and expansion in this area.

# ACCESS TO MSMEs TRAINING OPPORTUNITIES

Through strategic partnerships, the Chamber of SMEs and the MWACSMED embarked on MSME comprehensive training support. Collaborations with the Higher and Tertiary institutions made it possible to ensure MSMEs receive comprehensive training and support. MSMEs are able to access cutting-edge knowledge and best practices enabling them to stay competitive by leveraging the expertise of these educational partners. The Chamber of SMEs established strategic partnerships with esteemed institutions, notably Africa University and Bindura University, with plans to expand collaborations to additional universities and technical colleges, thereby broadening the support ecosystem.

The Chamber of SMEs submitted a comprehensive training needs proposal to the Confederation of Zimbabwe Industries, (CZI), aimed at enhancing the capacity of SMEs in manufacturing to bridge the gap with large-scale industries. This proposal was approved and a nationwide training program has been rolled out across all the ten provinces of Zimbabwe, Manicaland serving as the pilot province.

# ACCESS TO MSMEs TRAINING OPPORTUNITIES

In furtherance of our capacity building initiatives, we established a strategic partnership with the ILO, delivering the SIYB training program to equip MSMEs with vital knowledge and expertise necessary for business start up, growth and success. These trainings began and are we are now considering conducting a ToT so as to cascade the model downwards with limited financial challenges.

Strategic partnerships with some NGOs and private organizations whose mission is the same with us, yielded significant outcomes for our organization. Nevertheless, further efforts are required to mobilize resources and scale up training initiatives for MSMEs, which is a critical factor in their growth and development.

Objective of the SIYB Game

① Training tool that provides a practical Experience of running a business inside the four rooms walls of a training room.

- It is used in the training of:
  - (a) to learn what is business is about
  - (b) people who want to start a business
  - (c) People who want to improve their businesses



# **BUSINESS OPPORTUNITIES FOR MSMEs DEVELOPMENT & GROWTH**





The Chamber of SMEs in collaboration with ZimTrade and the Ministry of SMEs organized and led a three-day outward mission to Tete Province in Mozambique, comprising a diverse delegation of SMEs representatives from various sectors. The primary objective of this strategic expedition was to explore and identify potential business opportunities, foster partnerships, and engage with prominent companies such as Cahora Bassa, among others. The outcomes of the mission included the successful creation of strategic synergies and business partnerships, laying the groundwork for sustained economic cooperation and mutual business engagements. The Government of Mozambique represented by the Minister of Industry and Commerce welcomed the delegation, fostering bilateral trade partnerships between the two counties. .

Zimbabwean SMEs and Mozambican captains of industry during the tour





UNLOCKING MSMEs' BUSINESS OPPORTUNITIES THROUGH EXPOS ORGANIZED BY THE ASSOCIATION IN COLLABORATION WITH THE GOVERNMENT THROUGH THE MINISTRY OF MSMEs

NB. In green Blazer is the Minister of Women Affairs, Community Small and Medium Enterprise Development touring exhibition stands



# WOMEN MSMEs RECOGNITION AND CONSIDERATION IN BUSINESS

The Ministry, in collaboration with Business Associations, periodically hosts prestigious awards ceremonies to recognize and celebrate exceptional women entrepreneurs who have made significant contributions to the business sector so as to support women's economic empowerment



# MSMEs GRADUATION CEREMONY

The Chamber of SMEs and the Ministry of SMEs periodically hosts graduation ceremonies to incentivize MSMEs. This event showcase the enterprises that will be progressing and we achieve that through assessments, benchmarked against previous evaluations, validating their growth and development. This includes those that would have formalized as well, they are also rewarded.

The objectives being:-

1. Encourage growth through rewarding enterprises that achieve significant milestones.
2. To inspire other MSMEs to strive for excellence.
3. Promote economic development.
4. To reaffirms our dedication as the business association and the government to supporting MSMEs, driving innovation and stimulating economic growth in Zimbabwe.



# MSMEs CAPACITATION THROUGH WORKSPACE PROVISION

# BEFORE CONSTRUCTION OF NEW WORKSPACE



MWACSMED has made tremendous strides in creating women-friendly workspaces. This progress is further amplified by the collaborations The Government is having with MSME Associations and the Private sector, to provide MSME workspaces. Additionally, the Built Operate and Transfer (BOT) model has emerged as a great approach and solution to establishment of safe and supportive work environments in the MSME sector. One very good and most recent example is the workspace that the association in collaboration with the Ministry and the Private sector constructed in one Masvingo Province using the Build Operate and Transfer model. This collaborative approach is crucial for fostering a conducive environment for businesses to grow and create jobs.



RECENTLY COMPLETED MSMEs WORKSPACE, WHICH ACCOMMODATES 350 MSMEs, CONSTRUCTED THROUGH THE SUPPORT OF THE MWACSMED, THE PRIVATE SECTOR, LOCAL AUTHORITIES AND CHAMBER OF MSMEs USING THE “B.O.T” MODEL.



# RECOMMENDATIONS

## **Strengthen Access to Finance.**

Governments should work with financial institutions to expand credit facilities for MSMEs, with a focus on lowering interest rates and reducing collateral requirements especially for women and youths. Targeted financial instruments, such as grants for innovation and sector-specific funds, could further empower MSMEs.

## **Encourage Digital Transformation**

Digital transformation is essential for MSMEs to remain competitive in a global economy. Governments should incentivize MSMEs to adopt digital tools by offering subsidies for technology acquisition, like Ghana's approach. Access to affordable internet and digital training should also be prioritized.

## **Promote Capacity Building and Skills Development**

Industry-specific training programs, especially in high-growth sectors, is key in equipping MSMEs with the skills needed for sustainable growth.

## **Enhance Institutional Support**

Regulatory costs for MSMEs should be differentiated and aligned with their distinct operational capacities and limitations, rather than uniform application of costs applicable to large enterprises.

Institutions responsible for MSME support should be strengthened with more resources and technical expertise. Regular monitoring, transparent evaluation, and targeted advocacy can further improve policy implementation and accountability

## **Facilitate Regional Collaboration**

Developing countries can benefit by sharing best practices, resources, and market access through regional collaborations. Such alliances can amplify MSME growth by opening up new markets and enhancing resource sharing.

# THE END