

Enhancing MSME Resilience in the Context of Regional Integration Mechanism and Digitization

Sylvanus Kwaku Afesorgbor*

Abstract

This policy brief explores the critical role of micro, small, and medium-sized enterprises (MSMEs) in driving economic development across Africa. It highlights their numerous challenges amid recent global crises and rising global competition. MSMEs account for 90% of businesses and over 50% of employment in Africa and thus are considered the main engine driving economic growth, creating jobs, and alleviating poverty. However, they remain vulnerable to external shocks such as the COVID-19 pandemic, global competition, and climate change. These challenges have exacerbated existing vulnerabilities, limiting MSMEs' access to finance, markets, and infrastructure and thus hindering their ability to expand and thrive. The policy brief underscores key opportunities African MSMEs can harness to overcome critical operational challenges. First, the African Continental Free Trade Area (AfCFTA) holds transformative potential to boost intra-African trade and strengthen regional value chains, thereby enhancing MSME resilience. Second is the robust wave of digital transformation sweeping across Africa, where e-commerce and mobile money services create new pathways for MSMEs to access markets and reduce operational costs. Policy recommendations include improving infrastructure, expanding access to finance, fostering regional cooperation, and advancing capacity-building initiatives for youth and women entrepreneurs. By prioritizing these areas, African nations can better empower MSMEs to withstand future crises and drive sustainable, inclusive economic growth.

*Department of Food, Agricultural and Resource Economics, University of Guelph, Guelph, Canada. Email: safe-sorg@uoguelph.ca.

Introduction

Micro, Small, and Medium-Sized Enterprises (MSMEs) are vital to Africa's economies, driving employment, innovation, and inclusive growth (Endris and Kassegn, 2022; Ayadi et al., 2017). Representing around 90% of businesses and over 50% of jobs, they span diverse sectors like agriculture, manufacturing, services, and technology (Madgavkar et al., 2024; Zhan et al., 2021; Nsubuga, 2023). MSMEs also promote poverty reduction, gender equality, and social inclusion by creating opportunities for women, youth, and rural populations (Dasaraju and Tambunan, 2023). However, they remain highly vulnerable to external shocks, particularly amid persistent economic, political, and environmental challenges (World Bank, 2021b; Mugano and Dorasamy, 2023).

The COVID-19 pandemic severely impacted MSMEs by disrupting supply chains, limiting market access, and exacerbating pre-existing financial constraints (WTO, 2020; UNCTAD, 2021; UNDP, 2021; COMESA, 2020). This was followed by rising inflation and volatile fuel prices, which further increased operational costs for MSMEs (UNDP, 2021; Anyanwu and Salami, 2021). In addition, climate change has intensified environmental challenges, with extreme weather events such as droughts, floods, and desertification disproportionately affecting MSMEs in agriculture and natural resources sectors (Crick et al., 2018; WTO, 2021; SEED, 2024). Further complicating the situation, global conflicts such as the Russia-Ukraine war have indirectly but profoundly affected African economies (UNECA, 2023). The war has disrupted global food supply chains, particularly grain exports from Ukraine, causing significant food price hikes across Africa (UNECA, 2023; ODI, 2023). Rising energy prices due to the conflict have also increased transportation and production costs, placing further strain on MSMEs (UNECA, 2023; ODI, 2023; Sun et al., 2024).

Recent political instability in Africa has introduced significant challenges for MSMEs. A wave of military coups in countries such as Mali, Burkina Faso, Niger, Gabon, Guinea, Sudan, and Chad has triggered multilateral sanctions from organizations like the African Union and the Economic Community of West African States (ECOWAS) (Bank, 2023; Raga et al., 2023). These sanctions have disrupted intra-regional trade, cross-border transactions, and regional economic cooperation, creating additional hurdles for MSMEs (Zonda et al., 2024). In conflict-affected areas, escalating terrorist activities have further destabilized local economies and heightened security concerns, making it increasingly challenging for MSMEs to operate effectively (Raga et al., 2023; Ahairwe et al., 2022). The recurrence of civil conflicts on the continent hinders productive entrepreneurship, negatively impacting MSMEs' investments, production processes, and domestic demand for their goods and services (Brück et al., 2011).

The confluence of these crises exposes the fragility of the MSME sector in Africa. Political and economic instability and climate-related disasters diminish the productive and transactional capacities of the economy (Dalyop, 2018). This, in turn, can reduce MSMEs' access to markets, finance, and infrastructure. Multilateral sanctions due to political unrest have strained regional trade (Afesorgbor, 2019a), and these can hinder MSMEs from expanding into broader markets and undermining their growth potentials (Raga et al., 2023; Ahairwe et al., 2022). These factors threaten the competitiveness and the long-term sustainability of MSMEs, with significant implications for African economies (Madgavkar et al., 2024; Zhan et al., 2021; Nsubuga, 2023; Mutisya, 2023).

The relevance of MSMEs in Africa's economic development

Africa stands out with its youthful population, setting it apart from other continents (Seery et al., 2019). According to Camilla and Ines (2020), the median age as of 2023 is estimated at 18.8 years, with approximately 60% of the population under 25. The working-age demographic is expected to expand substantially, with a projected increase of 265.8% across the continent and a notable 306.6% rise in sub-Saharan Africa (SSA) by 2100, sharply contrasting the global growth rate of 28.3% (Bhorat and Oosthuizen, 2020). MSMEs have the potential to absorb this growing workforce and tackle critical challenges arising from Africa's demographic trends, such as unemployment, inequality, low productivity, and limited integration into global value chains (Devine and Kiggundu, 2019).

MSMEs are the cornerstone of Africa's economic framework. There are 44 million MSMEs in SSA, the vast majority being micro-enterprises (Runde et al., 2021). As illustrated in Figure 1, the number of new businesses established on the continent over the past 16 years has surged, with MSMEs accounting for a remarkable 90% of these ventures (Madgavkar et al., 2024). This upward trend underscores the dynamic entrepreneurial spirit across Africa and highlights the growing recognition of these enterprises' critical role in driving economic growth and development.

The increasing pace of globalization and restructuring of labor markets have diminished employment prospects for youth and women in Africa (Langevang and Gough, 2012; Afesorgbor et al., 2023). According to the International Labour Organization¹, over 72 million youths, particularly young women in Africa, are unemployed, undermining the achievement of Sustainable Development Goal 8, which aims to provide decent work for this vulnerable group. Evidence indicates that African women trail men in various economic opportunity metrics, with lower participation in the labor market and earning less than their male counterparts.²

¹<https://ilostat.ilo.org/african-youth-face-pressing-challenges-in-the-transition-from-school-to-work/>

²<https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/@publ/documents/publication/wcms546256.p>

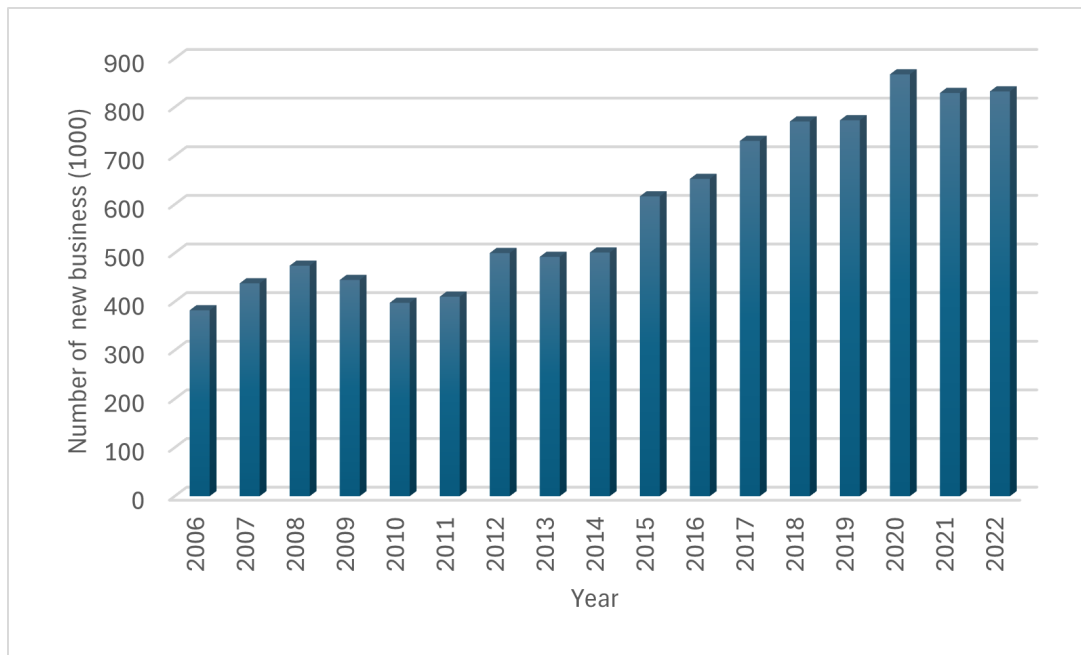


Figure 1: Number of new businesses registered in Africa (Source: World Bank)

This exacerbates unemployment challenges for these vulnerable groups, compelling them to turn to agricultural entrepreneurship (*agripreneurship*³) to address youth and women unemployment on the continent. Agriculture presents a strategic opportunity for Africa to engage women and youth in agripreneurship, thereby addressing elevated unemployment rates among these demographic groups. However, agribusinesses owned by women and the youth face numerous challenges in Africa (Adam et al., 2017). For example, women-led businesses encounter heightened costs and competition, underscoring that women bear the brunt of globalization-related adjustments (Langevang and Gough, 2012). This is further supported by evidence showing that women agripreneurs experience financial constraints, with smaller start-up capital, lack productive assets, and limited access to credit from the formal sector (Adam et al., 2017; Brixiova and Kangoye, 2016).

MSMEs also play a role in alleviating the vulnerability of marginalized people. There has been a significant boom in youth and women-led initiatives in rural areas toward creating MSME (Beleyi, 2022). With the increasing difficulties in finding formal employment, the MSMEs have helped millions of people, especially in rural and underserved areas, gain access to a job (Adeola et al., 2021). This contributes to the economic empowerment and welfare of many households, leading to poverty reduction and promotion of economic inclusion (Adeola et al., 2021; Beleyi, 2022).

The AfCFTA presents an opportunity for women and youth-owned African MSMEs that may struggle to compete in the global agri-food markets. This access to continental markets has the potential to drive

³<https://www.fao.org/3/cc2747en/cc2747en.pdf>

employment. The Food and Agricultural Organization (FAO) stated that investing in young agripreneurs can create job opportunities for over 223 million people in developing and emerging countries.⁴ These MSMEs face non-tariff (NTBs) along major road corridors. Road corridors constitute an essential pillar in intra-African trade, as they account for almost 77% of the total intra-Africa freight transport demand⁵. The United Nations Economic Commission for Africa (UNECA) estimates that reducing NTBs could double intra-African trade under AfCFTA. Thus, reducing NTBs can potentially create market opportunities for women and young businesses, especially along the agri-food value chain, enabling them to leverage the market access facilitated by AfCFTA effectively.

MSMEs are expected to boost regional integration through trade. Many MSMEs are found along the value chain of many products. Reducing trade barriers due to AfCFTA will enable MSMEs to expand beyond their local markets and tap into the continental market (Afreximbank, 2024). MSMEs contribute to diversifying Africa's economies by operating in various sectors, including agriculture, manufacturing, services, and trade (Madgavkar et al., 2024; Zhan et al., 2021). This diversification helps reduce reliance on traditional sectors such as extractive industries, making economies more resilient to external shocks (Madgavkar et al., 2024; Zhan et al., 2021; Nsubuga, 2023). MSMEs are key players in the agricultural sector, which is critical for food security and rural development (Endris and Kassegn, 2022). In countries like Kenya, Nigeria, and South Africa, MSMEs in agriculture contribute significantly to GDP and employ large portions of the population (AGRA, 2024). By encouraging diversification, MSMEs help build more resilient economies that can better withstand global crises.

Additionally, the rise in the number of business incubators or special economic zones on the continent contributes significantly to shaping and strengthening the resilience of MSMEs on the continent (Egbetokun, 2023). They provide essential resources such as office space and equipment, offer training and mentorship programs to develop business skills, and facilitate access to finance through investor connections and loans (Egbetokun, 2023; Lose, 2023). They create networking opportunities, assist in accessing new markets, and promote innovation by providing the latest technologies. Moreover, incubators support women and youth-led enterprises, helping them overcome unique challenges and succeed in business. They are, therefore, instrumental in enhancing the survival and growth rates of MSMEs on the continent (AUDA-NEPAD, 2024).

⁴<https://openknowledge.fao.org/items/36050201-87c5-4eed-9752-ae985c4e50f>

⁵<https://repository.uneca.org/handle/10855/47596>

Challenges faced by MSMEs in Africa

Economic Shocks and Political Instability and Conflict: Since 2011, African MSMEs have faced numerous economic shocks that have severely impacted their development and constrained real GDP growth, with the COVID-19 pandemic being particularly devastating (COMESA, 2020). While MSMEs were already vulnerable due to fluctuating commodity prices, limited access to finance, and political instability, the pandemic magnified these challenges (Albaz et al., 2023). COVID-19 led to widespread business closures, severe disruptions in supply chains, and a dramatic drop in consumer demand, disproportionately affecting MSMEs due to their smaller financial reserves and limited ability to adapt to prolonged disruptions (Albaz et al., 2023; COMESA, 2020). This crisis also exacerbated pre-existing challenges, such as inflation and currency fluctuations, further increasing operational costs and reducing purchasing power (Albaz et al., 2023; Forbes Africa, 2023). As a result, the pandemic severely restricted MSME contributions to employment and economic growth, further slowing real GDP expansion across the continent (Albaz et al., 2023; Forbes Africa, 2023; COMESA, 2020).

Infrastructure Deficiencies: Adequate infrastructure is vital for any business, yet its inadequacy significantly hinders African MSMEs. As highlighted by the AfDB (2014) and Rentschler et al. (2019), challenges such as poor road networks, unreliable electricity supply, and insufficient access to water and sanitation services create substantial operational obstacles. For example, frequent power outages compel businesses to invest in alternative but more expensive power supplies, which drive up operational costs and diminish their competitiveness. Figure 2 illustrates Africa's comparatively low capacity of infrastructure services relative to other regions. This persistent infrastructural deficit presents a significant barrier for MSMEs, restricting their potential to innovate, expand, and compete globally, mainly with peers in other developing regions. The pressing need for greater investment in infrastructure is clear. Although Figure 3 shows an upward trend in energy investments across the continent, the energy supply's high cost and instability are significant issues. In SSA, about 12 percent of firms indicated that access to energy or electricity is a significant obstacle. These infrastructure deficiencies disrupt daily operations and impede MSMEs' ability to scale and access larger markets.

Limited Access to Finance and Regulatory Challenges: Access to finance remains a critical factor for the growth and sustainability of MSMEs (World Bank, 2024; Simba et al., 2023). Despite its importance, many African MSMEs face significant difficulties securing funding, primarily due to stringent lending requirements, high interest rates, and insufficient collateral (Simba et al., 2023). Traditional financial institutions often perceive MSMEs as high-risk, exacerbating the financing gap for this sector (Pranata et al., 2024).

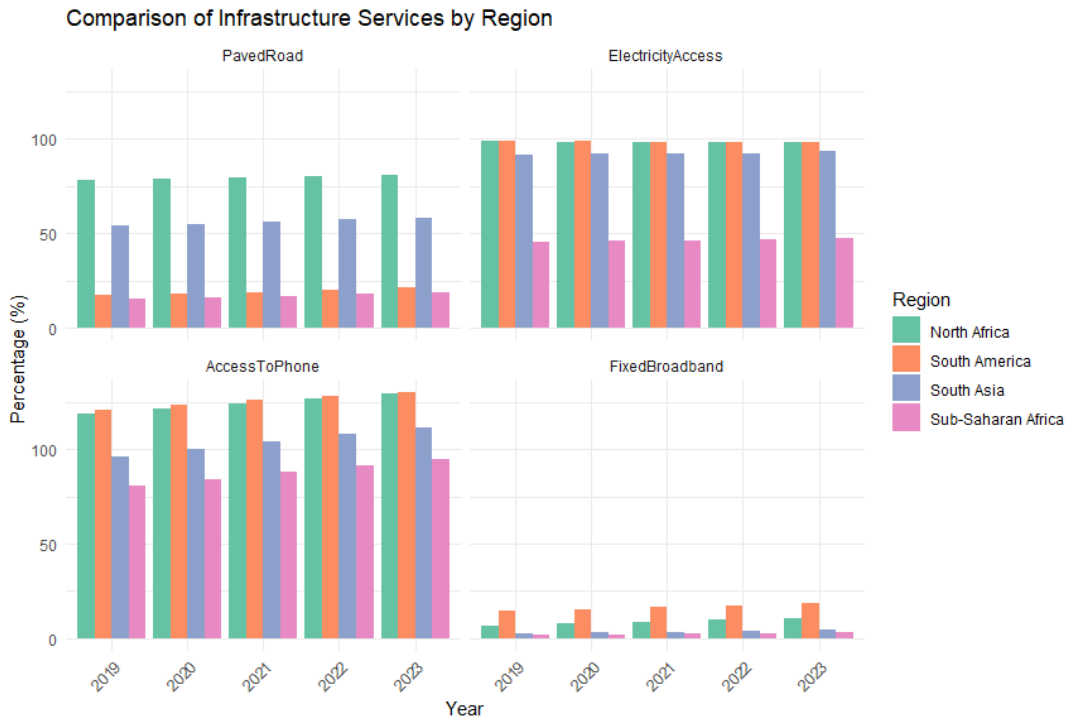


Figure 2: Comparison of Infrastructure Services by Region (Source: World Bank)

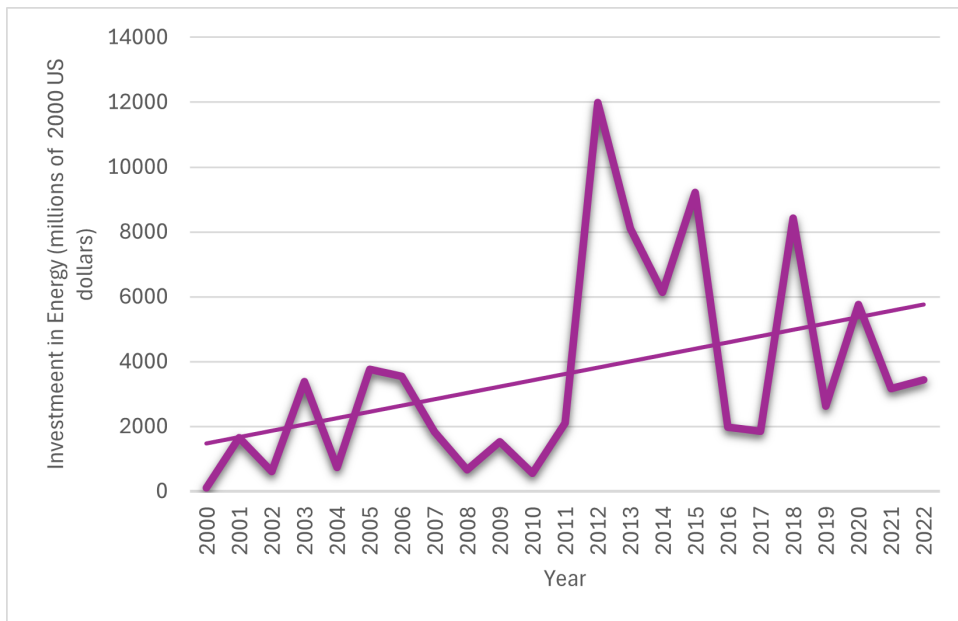


Figure 3: Investment in energy in Africa (Source: World Bank)

As highlighted in Table 1, data from the World Bank Enterprise Surveys (WBES) underscores that access to finance is the most pressing challenge for MSMEs in several African countries as of 2023. Nearly 27% of MSMEs in SSA cite access to finance as a major obstacle, compared to only 25% of larger firms (World Bank, 2019). This disparity highlights the urgent need for targeted financial support to enhance MSME resilience and growth.

Table 1: Firms' Perception of Key Obstacles by Country in Comparison to Other Regions

Indicator	Ghana	Morocco	Rwanda	Tanzania	Togo	Central African Republic	Sub-Saharan Africa	All Economies
Percent of firms choosing access to finance as their biggest obstacle	39.2	2.5	28.8	39.7	36.9	66.4	27.2	15.8
Percent of firms choosing access to land as their biggest obstacle	2.9	4.6	15.2	2.0	1.7	0.1	4.7	3.2
Percent of firms choosing business licensing and permits as their biggest obstacle	1.1	3.3	2.8	7.5	0.0	0.2	1.6	3.0
Percent of firms choosing corruption as their biggest obstacle	5.5	15.7	0.5	0.8	3.9	8.1	7.9	6.5
Percent of firms choosing courts as their biggest obstacle	0.3	1.9	0.5	0.1	0.3	0.0	0.5	0.8
Percent of firms choosing crime, theft, and disorder as their biggest obstacle	2.0	2.1	4.1	4.2	0.4	3.5	4.4	3.5
Percent of firms choosing customs and trade regulations as their biggest obstacle	2.1	5.8	2.5	3.4	8.0	4.5	4.6	3.7
Percent of firms choosing electricity as their biggest obstacle	6.5	1.1	3.3	12.9	12.5	4.9	11.8	7.4
Percent of firms choosing inadequately educated workforce as their biggest obstacle	1.4	8.8	5.2	1.1	3.0	0.8	2.7	11.2
Percent of firms choosing labor regulations as their biggest obstacle	0.7	7.6	3.6	1.1	1.9	0.0	1.6	3.9
Percent of firms choosing political instability as their biggest obstacle	5.4	6.0	2.2	0.0	4.6	9.4	8.5	11.2
Percent of firms choosing practices of the informal sector as their biggest obstacle	4.9	21.7	8.7	3.4	11.6	0.1	9.7	10.3
Percent of firms choosing tax administration as their biggest obstacle	2.4	9.2	4.1	9.4	4.9	0.3	3.9	3.6
Percent of firms choosing tax rates as their biggest obstacle	24.6	5.1	15.5	12.8	8.4	0.1	8.1	12.4
Percent of firms choosing transportation as their biggest obstacle	0.9	4.4	2.8	1.4	1.9	1.5	2.7	3.6

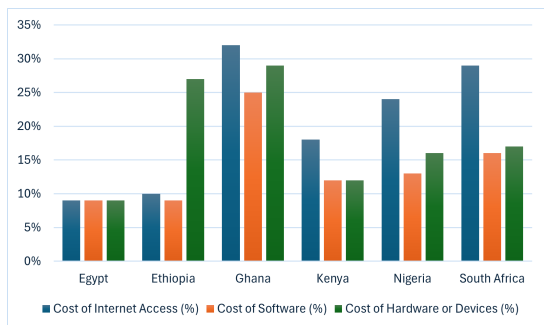
Source: World Bank Enterprise Survey, 2023

The regulatory environment in many African countries poses additional challenges for MSMEs (AfDB, n.d.; World Bank, 2021b). Complex and often opaque regulatory frameworks increase the cost of compliance and create barriers to entry (AfDB, n.d.). Bureaucratic red tape, corruption, and inconsistent enforcement of regulations further complicate the business landscape (World Bank, 2021b).

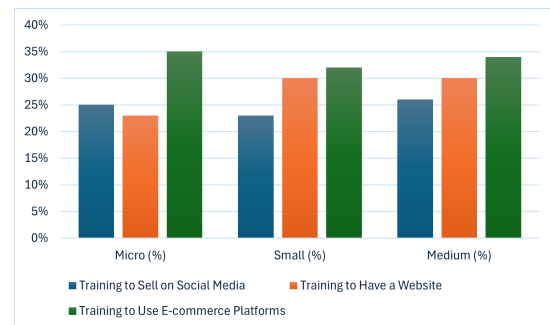
The Global Economic Conditions and Climate Change: Global economic shocks and climate change are major challenges for African MSMEs. The COVID-19 pandemic caused a 7% drop in MSME sales revenue in 2020, followed by a rebound to 12% in 2021 and 29% in 2022 (World Bank, 2021b). The Russia-Ukraine crisis added further strain by disrupting supply chains and inflating costs, impacting

56% of MSMEs (ODI, 2023). Climate change, especially in agriculture-dependent sectors, exacerbates risks with extreme weather events, reducing productivity and increasing financial strain (Runde et al., 2021). With many MSMEs involved in agriculture, they are highly vulnerable to extreme weather events and shifting climate patterns, disrupting supply chains and reducing productivity (WTO, 2021). These challenges require urgent action to bolster MSME resilience through improved financing and sustainable practices.

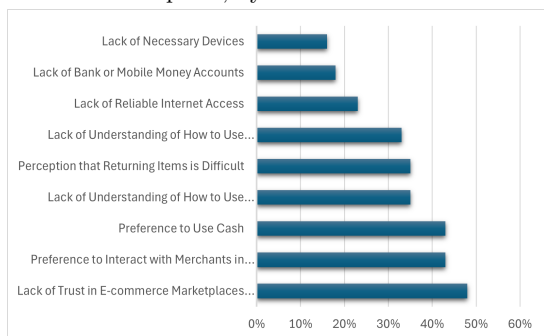
E-Commerce Adoption Among African MSMEs: According to (GSMA, 2023), e-commerce adoption in Africa remains low compared to other regions. They also indicated that African MSMEs risk being left behind if e-commerce is accelerated rapidly on the continent. Their data highlights key barriers African MSMEs face in adopting e-commerce, with affordability and customer trust being significant challenges. High internet, software, and hardware costs, particularly in countries like Ethiopia and South Africa, make digital access financially burdensome for small businesses. Additionally, smartphone prices consume a large portion of average income in some markets, limiting mobile access to e-commerce platforms. Customers prefer in-person transactions and cash payments, and almost half do not trust e-commerce websites, reducing potential market reach for MSMEs.



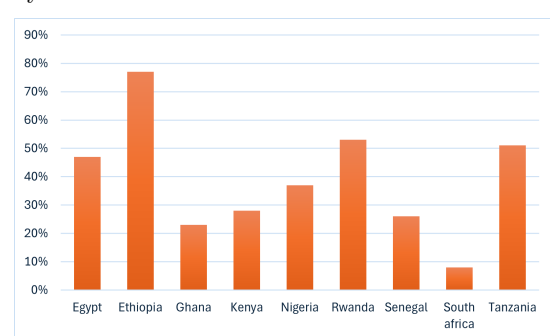
((a)) Affordability as a Key Challenge to E-commerce Adoption, by MSMEs



((b)) MSMEs' Interest in Training for E-commerce, by Business Size



((c)) MSMEs' Perception of Customer Challenges with E-commerce



((d)) Price of a smartphone as a percentage of average monthly income, by market

Figure 4: E-Commerce Adoption Among African MSMEs

Resilience and Opportunities

The African Continental Free Trade Area (AfCFTA), a single, continent-wide market that unites 54 countries, offers significant opportunities on the continent ([Afreximbank, 2024](#)). Its aims are to scale African businesses by integrating regional value chains and increase intra-African trade by 52.3% by 2030 ([World Bank, 2021a](#)).

Intra-African trade remains relatively low compared to trade with countries outside the continent ([Afreximbank, 2024](#)). As of recent data, intra-African trade accounts for about 17% of total African exports, which is significantly lower than intra-regional trade in Europe (69%), Asia (59%), and North America (31%) ([Afreximbank, 2024](#); [Standard Bank, 2024](#)). This low percentage is partly due to historical, infrastructural, and economic factors, including the continent's reliance on exporting raw materials to global markets rather than trading finished goods within Africa ([Afreximbank, 2024](#)).

However, intra-African trade presents a significant opportunity for the resilience and growth of MSMEs on the continent ([Sakyi and Afesorgbor, 2019](#)). In 2023, intra-African trade increased to \$189.3 billion, building on the implementation of the AfCFTA, which is driving economic integration by lowering trade barriers and fostering regional value chains ([Afreximbank, 2024](#)). Southern Africa accounted for 41% of intra-African trade, followed by West Africa at 25.6%, with countries like South Africa, Côte d'Ivoire, and Nigeria being major contributors ([Afreximbank, 2024](#)). This growth highlights the potential of regional trade to serve as a buffer against external shocks, such as global market fluctuations, while creating new avenues for MSMEs to access larger markets, diversify production, and strengthen supply chains ([Sakyi and Afesorgbor, 2019](#); [Afesorgbor, 2019b](#)). The resilience of MSMEs in Africa is significantly linked to the success of AfCFTA in promoting intra-African trade.

E-commerce provides MSMEs with expanded market access, allowing businesses to reach customers beyond their immediate geographic location ([GSMA, 2023](#); [WTO, 2023](#)). Surveys conducted across several African markets, including Nigeria, Kenya, and Egypt, show that over 90% of MSMEs reported an increase in sales after adopting e-commerce ([GSMA, 2023](#); [WTO, 2023](#)). The growing use of social media commerce platforms such as Facebook, Instagram, and WhatsApp and the strong interest in e-commerce training, especially in developing social media, websites, and marketplace skills (Figure 4(b)) have been instrumental in enabling even the smallest enterprises to participate in the digital economy. This digital engagement not only boosts revenue but also reduces operational costs for MSMEs, as about two-thirds of surveyed businesses noted significant cost savings after integrating e-commerce into their operations ([GSMA, 2023](#)).

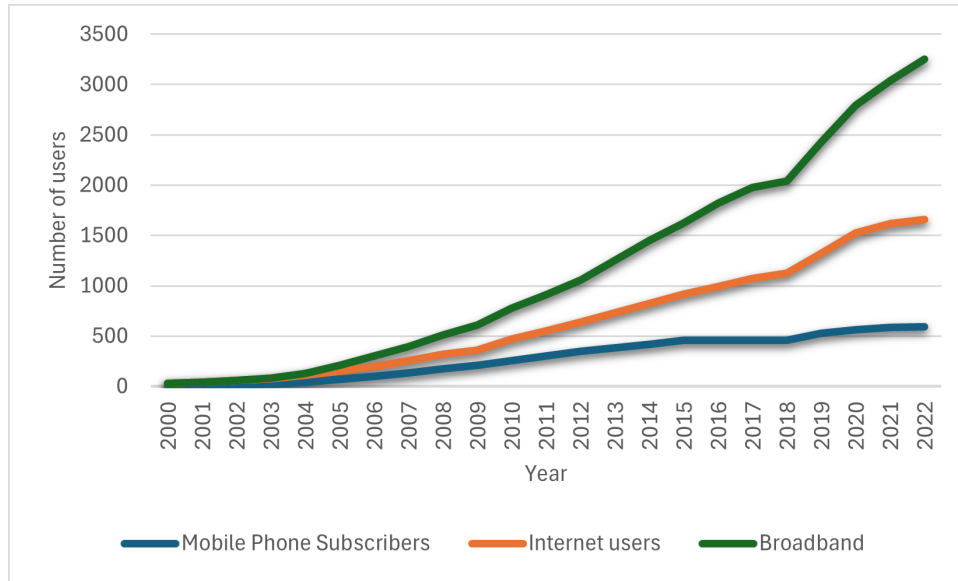


Figure 5: Growth of Mobile Phone, Internet, and Broadband Subscriptions (Source: World Bank)

The increasing penetration of mobile internet, as depicted in Figure 5, has been a critical driver behind the growth of e-commerce among African MSMEs. With mobile phone coverage expanding rapidly across the continent, from 63% in 2013 to 84% in 2015, more businesses can engage in online trade (WTO, 2023). Mobile phones, particularly smartphones, have become the primary business means for many MSMEs, making e-commerce more accessible. The growth of mobile money services, which facilitate electronic payments, has further enhanced the viability of e-commerce, providing MSMEs with convenient and secure payment solutions (WTO, 2023). This digital shift not only boosts the resilience of MSMEs by improving their ability to transact efficiently, but also enables them to adapt to changing market conditions more effectively.

Conclusion and Recommendation

MSMEs are the backbone of Africa’s economy, offering significant contributions to employment, economic diversification, and poverty alleviation. However, their vulnerability to external shocks, such as political instability, climate change, and global market fluctuations, highlights the urgent need for robust resilience-building measures. The findings of this policy brief underscore that while AfCFTA and the rise of e-commerce offer substantial opportunities for MSMEs, addressing infrastructure deficiencies, limited access to finance, and a complex regulatory environment is crucial for their sustained growth. Strengthening MSME resilience is vital for their survival and the overall socio-economic development of Africa.

African governments and international partners should prioritize investments in MSME-centric infras-

structure, such as reliable energy and digital platforms, to improve operational efficiency. Additionally, innovative financing solutions, such as expanding mobile money platforms and creating targeted funding for MSMEs, are essential for bridging the financial gap. Policy harmonization and diplomacy across regions under the AfCFTA should be accelerated to reduce trade barriers and foster cross-border MSME cooperation. Finally, integrating sustainable practices, especially in agriculture, can shield MSMEs from the growing threat of climate change, ensuring their role as engines of economic resilience and inclusive growth across the continent.

References

- Adam, R. I., Osano, P., Birika, J., Ndede Amadi, A. A., and Bwisa, H. 2017. The situation of women in the agribusiness sector in Africa. *Development in Practice*, 27(6), 892–898.
- Adeola, O., Igwe, P. A., and Evans, O. 2021. Women economic empowerment and post-pandemic recovery in Africa: Normalising the “Un-Normal” outcome of Covid-19. *Gendered Perspectives on Covid-19 Recovery in Africa: Towards Sustainable Development*, 305–327.
- AfDB. 2014. *Tracking Africa’s progress in figures*. Retrieved from https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Tracking_Africa%E2%80%99s_Progress_in_Figures_-_Infrastructure_Development.pdf
- AfDB, u. . h., year = 2011. n.d.. *The legal and regulatory environment*.
- Afesorgbor, S. K. 2019a. The impact of economic sanctions on international trade: How do threatened sanctions compare with imposed sanctions? *European Journal of Political Economy*, 56, 11–26.
- Afesorgbor, S. K. 2019b. Regional integration, bilateral diplomacy and African trade: Evidence from the gravity model. *African Development Review*, 31(4), 492–505.
- Afesorgbor, S. K., Acquah, R. E., and Ayele, Y. 2023. Chinese import competition and gendered labor market outcomes: Evidence from Ethiopian firm-level data. *Journal of African Economies*, 32(5), 547–571.
- Afreximbank. 2024. *African trade and economic outlook 2024*. Retrieved from https://media.afreximbank.com/afrexim/Afreximbank-African-Trade-and-Economic-Outlook-2024_compressed-1.pdf (Afreximbank)
- AGRA. 2024. *MSMEs highlighted as a force in building Africa’s food systems in the latest leading agriculture report*. Retrieved from <https://agra.org/news/msmes-highlighted-as-a-force-in-building-africas-food-systems-in-the-latest-leading-agriculture-report/>

- Ahairwe, P. E., Shiferaw, L. T., and Bilal, S. 2022. Financing fragile contexts.
- Albaz, A., et al. 2023. Navigating the storm: the SME way of tackling the pandemic crisis. *Small Business Economics*. Retrieved from <https://link.springer.com/article/10.1007/s11187-023-00810-1>
doi: 10.1007/s11187-023-00810-1
- Anyanwu, J. C., and Salami, A. O. 2021. The impact of COVID-19 on African economies: An introduction. *African Development Review*, 33(Suppl 1), S1.
- AUDA-NEPAD. 2024. *Creating opportunities for youth and women in Africa programme (COYWA): A path to empowerment*. Retrieved from <https://www.nepad.org/news/creating-opportunities-youth-and-women-africa-programme-coywa-path-empowerment>
- Ayadi, R., Sessa, E., El Said, H. H., Ahmed, R. H., Alshyab, N., Sandri, S., . . . others 2017. Micro, Small, and Medium-Sized Enterprises (MSMEs) in Egypt, Jordan, Morocco, & Tunisia. *Emnes Study*(3), 1–88.
- Bank, A. D. 2023. *Political fragility in Africa: Are military coups d'État a never-ending phenomenon?* (Tech. Rep.). Retrieved from https://www.afdb.org/sites/default/files/documents/publications/economic_brief_-_political_fragility_in_africa_are_military_coups_detat_a_never_ending_phenomenon.pdf (Accessed: 2024-10-11)
- Beleyi, F. 2022. Fostering prosperity for African female entrepreneurs: Opportunities for AU–EU cooperation in digital entrepreneurship networks. In *Africa–europe cooperation and digital transformation* (pp. 228–242). Routledge.
- Bhorat, H., and Oosthuizen, M. 2020. *Jobs, economic growth, and capacity development for youth in Africa*. Development Policy Research Unit, University of Cape Town.
- Brixiová, Z., and Kangoye, T. 2016. Gender and constraints to entrepreneurship in Africa: New evidence from Swaziland. *Journal of Business Venturing Insights*, 5, 1–8.
- Brück, T., Naudé, W., and Verwimp, P. 2011. Small business, entrepreneurship and violent conflict in developing countries. *Journal of Small Business & Entrepreneurship*, 24(2), 161–178.
- Camilla, R., and Ines, S. 2020. *International youth day research brief*. Retrieved from <https://mo.ibrahim.foundation/sites/default/files/2020-08/international-youth-day-research-brief.pdf> (Accessed: 2024-10-12)
- COMESA. 2020. *Impact of COVID-19 on MSMEs in Africa* (Tech. Rep.). Retrieved from <https://www.comesa.int/wp-content/uploads/2020/07/Impact-of-COVID-19-on-MSMEs-in-Africa.pdf> (Accessed: 2024-10-11)

- Crick, F., Eskander, S. M., Fankhauser, S., and Diop, M. 2018. How do African SMEs respond to climate risks? Evidence from Kenya and Senegal. *World Development*, 108, 157–168.
- Dalyop, G. T. 2018. Political instability and economic growth in Africa. *International Journal of Economic Policy Studies*, 13, 217–257. Retrieved from <https://link.springer.com/article/10.1007/s42495-018-0008-1> doi: 10.1007/s42495-018-0008-1
- Dasaraju, H., and Tambunan, T. T. 2023. Introduction: Role of MSMEs in achieving SDGs—Perspectives from emerging economies. In *Role of micro, small and medium enterprises in achieving sdgs* (pp. 1–16). Springer. Retrieved from https://link.springer.com/chapter/10.1007/978-981-99-4829-1_1 doi: 10.1007/978-981-99-4829-1_1
- Devine, R. A., and Kiggundu, M. N. 2019. Entrepreneurship in Africa: Identifying the frontier of impactful research. In *Entrepreneurship in africa* (pp. 115–146). Routledge.
- Egbetokun, A. 2023. Business incubators in Africa: a review of the literature. *Innovation and Development*. Retrieved from <https://www.tandfonline.com/doi/pdf/10.1080/2157930X.2023.2295090> doi: 10.1080/2157930X.2023.2295090
- Endris, E., and Kassegn, A. 2022. The role of micro, small and medium enterprises (MSMEs) to the sustainable development of sub-Saharan Africa and its challenges: a systematic review of evidence from Ethiopia. *Journal of Innovation and Entrepreneurship*, 11(1), 20.
- Forbes Africa. 2023. *The Crucial role Of MSMEs in the economic growth And development Of Africa*. Retrieved from <https://www.forbesafrica.com/current-affairs/2023/06/27/the-crucial-role-of-msmes-in-the-economic-growth-and-development-of-africa/>
- GSMA. 2023. *E-Commerce in Africa*. Retrieved from https://www.gsma.com/solutions-and-impact/connectivity-for-good/mobile-for-development/wp-content/uploads/2023/10/E-CommerceInAfrica_R_WebSingles-1.pdf (Accessed: 2024-10-15)
- Langevang, T., and Gough, K. V. 2012. Diverging pathways: young female employment and entrepreneurship in sub-Saharan Africa. *The Geographical Journal*, 178(3), 242–252.
- Lose, T. 2023. Institutionalised business incubation: a frontier for accelerating entrepreneurship in African countries. *Journal of Entrepreneurship*. Retrieved from <https://www.abacademies.org/articles/institutionalised-business-incubation-a-frontier-for-accelerating-entrepreneurship-in-african-countries-9989.html>
- Madgavkar, A., Piccitto, M., White, O., Ramirez, M. J., Mischke, J., and Chockalingam, K. 2024. A microscope on small businesses: Spotting opportunities to boost produc-

- tivity. Retrieved from <https://www.mckinsey.com/mgi/our-research/a-microscope-on-small-businesses-spotting-opportunities-to-boost-productivity> (Accessed: 2024-10-11)
- Mugano, G., and Dorasamy, N. 2023. *SMEs and economic development in Africa*. Taylor & Francis Group.
- Mutisya, P. M. 2023. Contributions of small and medium enterprises (SMEs) toward achievement of sustainable development goals in Kenya: A systematic review of literature. In *International conference on current business issues in african countries* (pp. 175–186).
- Nsubuga, S. M. 2023. Africa’s performance with regard to SDGs and the important role of MSMEs. In *Role of micro, small and medium enterprises in achieving sdgs: Perspectives from emerging economies* (pp. 133–153). Springer.
- ODI. 2023. *Impact of the Russia-Ukraine War on Africa: Synthesis report* (Tech. Rep.). Overseas Development Institute. Retrieved from https://media.odi.org/documents/ODI_Synthesis_Report_-_Impact_of_the_RussiaUkraine_war_on_Africa_.pdf (Accessed: 2024-10-11)
- Pranata, N., Suardi, I., and Suryanto, J. 2024. Digital finance for msme: Issues, challenges, and keys to promote inclusive growth. In *The digitalization of indonesian small and medium enterprises: Human capital, inclusivity and platform capitalism* (pp. 45–65). Springer.
- Raga, S., Lemma, A., and Keane, J. 2023. *The Sahel conflict: economic & security spillovers on West Africa* (Tech. Rep.). ODI Emerging analysis.
- Rentschler, J., Kornejew, M., Hallegatte, S., Braese, J., and Obolensky, M. 2019. *Underutilized potential: The business costs of unreliable infrastructure in developing countries*. Retrieved from <https://documents1.worldbank.org/curated/ar/336371560797230631/pdf/Underutilized-Potential-The-Business-Costs-of-Unreliable-Infrastructure-in-Developing-Countries.pdf>
- Runde, D. F., Savoy, C. M., and Staguhn, J. 2021. Small and Medium-Sized Enterprises, blended finance, and climate change in Sub-Saharan Africa. *JSTOR*.
- Sakyi, D., and Afesorgbor, S. K. 2019. The effects of trade facilitation on trade performance in Africa. *Journal of African Trade*, 6(1), 1–15.
- SEED. 2024. *SMEs as key drivers of climate change adaptation in Southern Africa* (Tech. Rep.). Author. Retrieved from <https://seed.uno/system/files/2024-05/SMEs-as-Key-Drivers-of-Climate-Change-Adaptation-in-Southern-Africa.pdf> (Accessed: 2024-10-11)
- Seery, E., Okanda, J., and Lawson, M. 2019. *A tale of two continents: Fighting inequality in Africa*. Retrieved from https://www-cdn.oxfam.org/s3fs-public/file_attachments/bp-tale-of-two-continents-fighting-inequality-africa-030919-en.pdf

- Simba, A., Tajeddin, M., Dana, L.-P., and Soriano, D. E. R. 2023. Deconstructing involuntary financial exclusion: a focus on African SMEs. *Small Business Economics*, 62, 285–305. Retrieved from <https://link.springer.com/article/10.1007/s11187-023-00767-1> doi: 10.1007/s11187-023-00767-1
- Standard Bank. 2024. *Africa trade barometer 2024*. Retrieved from https://cms.cnbcfrica.com/wp-content/uploads/2024/10/SBG-Africa-Trade-Barometer-2024.Consolidated-Report_Final_Published-161024-1.pdf
- Sun, M., Cao, X., Liu, X., Cao, T., and Zhu, Q. 2024. The Russia-Ukraine conflict, soaring international energy prices, and implications for global economic policies. *Heliyon*, 10(16), e34712. Retrieved from <https://www.sciencedirect.com/science/article/pii/S2405844024107438> doi: <https://doi.org/10.1016/j.heliyon.2024.e34712>
- UNCTAD. 2021. *Competition and consumer protection policies for inclusive development in the digital era* (Tech. Rep.). Retrieved from https://unctad.org/system/files/official-document/ditcclp2021d3_en.pdf (Accessed: 2024-10-11)
- UNDP. 2021. *Compounding crisis: The impact of COVID-19 on the Middle East and North Africa* (Tech. Rep.). Retrieved from https://www.undp.org/sites/g/files/zskgke326/files/migration/arabstates/Compounding_Crisis_UNDP_Feb07-2021_Combined_v3-96-107.pdf (Accessed: 2024-10-11)
- UNECA. 2023. *The role of SMEs in economic development in Africa* (Tech. Rep.). Retrieved from <https://repository.uneca.org/bitstream/handle/10855/50229/b966843.pdf?sequence=1&isAllowed=y> (Accessed: 2024-10-11)
- World Bank. 2019, December. *Micro, small and medium enterprises - economic indicators (msme-ei) analysis note*. Retrieved from <https://documents1.worldbank.org/curated/en/873301627470308867/pdf/Micro-Small-and-Medium-Enterprises-Economic-Indicators-MSME-EI-Analysis-Note.pdf> (Public Disclosure Authorized)
- World Bank. 2021a. *Making the most of the African Continental Free Trade Area*. Retrieved from <https://www.worldbank.org/en/topic/trade/publication/free-trade-deal-boosts-africa-economic-development>
- World Bank. 2021b. *Micro, small, and medium enterprises economic indicators (msme-ei) analysis note* (Tech. Rep.). World Bank Group. Retrieved from <https://documents1.worldbank.org/curated/en/873301627470308867/pdf/Micro-Small-and-Medium-Enterprises-Economic-Indicators-MSME-EI-Analysis-Note.pdf> (Accessed: 2024-10-11)

- World Bank. 2024. *Access to finance: Sub-Saharan Africa*. Retrieved from <https://documents.worldbank.org/curated/en/599611468202144127/pdf/948820WP0Box380e0Sub0Saharan0Africa.pdf>
- WTO. 2020. *The economic impact of covid-19 on micro, small, and medium-sized enterprises* (Tech. Rep.). Retrieved from https://www.wto.org/english/tratop_e/covid19_e/msmes_report_e.pdf (Accessed: 2024-10-11)
- WTO. 2021. *Small business and climate change: The role of micro, small, and medium-sized enterprises in climate action* (Tech. Rep.). Retrieved from https://www.wto.org/english/tratop_e/msmes_e/ersd_research_note3_small_business_and_climate_change.pdf (Accessed: 2024-10-11)
- WTO. 2023. *E-commerce in Africa: issues and challenges*. Retrieved from https://www.wto.org/english/res_e/booksp_e/09_adtera_chapter_05_e.pdf (Accessed: 2024-10-15)
- Zhan, J., Meloni, M., and Planet, P. 2021. *Born green via digital: Increasing msme's competitiveness and sustainability*. UNCTAD.
- Zonda, J. M., Lin, C.-C., and Chang, M.-J. 2024. On the economic costs of political instabilities: a tale of sub-Saharan Africa. *Empirical Economics*, 66, 137–173. Retrieved from <https://link.springer.com/article/10.1007/s00181-023-02452-4> doi: 10.1007/s00181-023-02452-4