





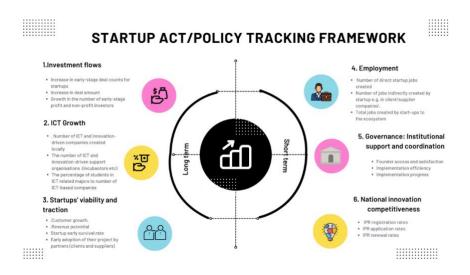
# Policy Taskforce - Roundup Newsletter - Vol. 3

Dear honoured member,

The Pan-African Policy Taskforce had the third session on June 20th, 2023, focused on *implementing and evaluating startup and entrepreneurship policy*.

The session was opened by i4policy who highlighted some of the findings around M&E from their benchmarking study of African Small Business Acts and Startup Act. i4Policy also identified some best practices from their Entrepreneurship policy toolkit. At present, only 9 out of 21 entrepreneurship policies analysed through their work, were identified as having M&E frameworks, with few details on the approach and implementation. Most startup acts only delegate the responsibility for M&E to a implementing agencies, with only five acts on the continent prescribing the publication of a monitoring report.

TBI presented their new work on <u>measuring startup policy success</u>. This piece looks at the six key metrics that should be considered by policymakers while formulating their monitoring and evaluation frameworks. These are summarised in the figure below.



The Taskforce also welcomed Joseph Maliki from Malawi's Department of Economic Planning and Ndeye Diop from Senegal's Digital Ministry. Both provided insights into their experience implementing, measuring and evaluating their respective startup acts, and here are some of the highlights from their presentations:

#### Senegal's Startup Act Journey

Senegal's Startup Act, passed into law in January 2020, has established a specific support and governance framework for startups, along with a suitable legal regime for their registration. This act aims to provide startups with a conducive environment for growth and development. The key components of the Startup Act include:

- 1. Specific Governance Framework: The act creates a dedicated support and governance framework for startups under Senegalese law. It also establishes a startup registration and labeling platform that is easily accessible on a government website.
- 2. Resource Center: A dedicated resource center for Senegalese startups has been established to facilitate labeling procedures, provide training for youth and female entrepreneurs, and offer effective financing support.
- 3. Tax Incentives and Funding: Startups benefit from three tax-free operational years and are granted customs and social benefits. Additionally, a package of incentive measures is provided to support startup growth.

Senegal's efforts have already shown promising results. According to the Global Startup Ecosystem Index 2023, Senegal ranks in the top 1000 and is one of the best countries in Western Africa for setting up a startup. Dakar, the capital city, is specifically recognized for its startup ecosystem.

The Senegalese government has also provided significant support to startups. The Senegalese government as supported 415 startups, with 230 receiving necessary funding for their projects. The state-backed investment and support program has invested over 60 FCFA billion (~\$10 million) in over 400 startups, fostering growth in sectors such as logistics, e-commerce, agri-food, and B2B services.

The Evaluation, Support, and Coordination Commission, comprising public and private stakeholders, ensures the effective implementation of the Startup Act. However, Senegal has faced implementation challenges, including delayed implementation, limited awareness, and resource constraints. Addressing these challenges is crucial to maximizing the impact of the law on promoting startup growth in the country.

### Malawi's approach to monitoring and evaluation

To strengthen the national monitoring and evaluation (M&E) domain, Malawi's M&E Division has embarked on crucial reforms. These reforms aim to address challenges such as fragmented management information systems, weak data quality, and limited government-led evaluations. By developing a coherent framework, implementing a government-wide monitoring and evaluation management information system, and enhancing M&E capacity, Malawi seeks to improve decision-making and resource allocation.

The Malawian government recognizes the importance of monitoring and evaluating policies and strategies related to micro, small, and medium-sized enterprises (MSMEs). The MSME Policy (2019-23) focuses on creating an enabling environment for MSME growth, addressing challenges such as limited access to finance, markets, and information. Support institutions such as MITC, SMEDI, and MBS play crucial roles in providing business development support, promoting exports, and ensuring quality standards.

#### **Discussion**

After hearing from our experts, there was a rich moderated discussion which raised questions around the intrinsic politicisation of monitoring and evaluation, how to ensure it is seamlessly embedded in policy to ensure it robust execution.

#### What happens next?

We are looking forward to hosting the fourth Taskforce session in autumn 2023. We will communicate closer to the date details of how the session will run but feel free to contact the Policy Taskforce team if you have any questions or feedback.

Looking forward to hearing from you.

## The Pan-African Policy Taskforce Team

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