



THE GAMBIA



FORMULATING THE NATIONAL ENTREPRENEURSHIP POLICY





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LIST OF ACRONYMS

ADB	African Development Bank
ASSET	Association of Small Scale Enterprises in Tourism
ANRP	Agricultural National Resources Policy 2009-2015
BDS	Business Development Services
CBG	Central Bank Of The Gambia
DWA	Department of State for Women's Affairs
ECOWAS	Economic Community of West African States
EDB	Ease of Doing Business
EDS	Entrepreneurship Development Strategy 2014-2018
FIA	Financial Institution Act
FDI	Foreign Direct Investment
FSQA	Food Safety and Quality Control Authorities
GAFDP	Gambia Artisanal Fisheries Development Programme
GBoS	Gambian Bureau of Statistics
GCP	Growth and Competitiveness Project
GCCI	Gambia Chamber of Commerce and Industry
GDP	Gross Development Product
GEW	Global Entrepreneurship Week
GIEPA	Gambia Investment and Export Promotion Agency
GNIAP	Gambia National Agricultural Investment Plan 2011-2015
GRA	Gambia Revenue Authority
GSB	Gambia Standards Bureau
GTHI	Gambia Tourism and Hospitality Institute
GTMI	Gambia Telecommunication and Multimedia Institute
GTTI	Gambia Technical and Training Institute
HDI	Human Development Index
ICT	Information and Communication Technology
IEC	International Electrotechnical Committee
IFAD	International Fund for Agricultural Development
ILO	International Labor Organization
IPR	Intellectual Property Rights
ISO	The International Organization for Standardization
ITC	International Trade Center
IRENA	The International Renewable Energy Agency
LECRD	Low-Emission Climate Resilient Development
MDI	Management Development Institute

MFI	Microfinance Institutions
MoA	Ministry of Agriculture
MoBSE	Ministry of Basic & Secondary Education
MoHERST	Ministry of Higher Education, Research, Science & Technology
MoYS	Ministry of Youth and Sports
MSME	Micro, Small and Medium Sized Enterprises
NAMA	National Appropriate Mitigation Action
NAQAA	National Accreditation & Quality Assurance Authority
NAWEC	National Water and Electricity Company
NBFI	Non-Bank Financial Institutions
NCAC	National Center for Arts and Culture
NEA	National Environment Agency
NEDI	National Enterprise Development Initiative
NEPS	National Entrepreneurship Promotion Strategy
NES	National Export Strategy 2012 - 2016
NGO	Non-Governmental Organization
NICIP	National Information and Communication Infrastructure Policy
NWC	National Women Council
ODI	Overseas Development Institute
PAGE	Programme for Accelerated Growth and Employment 2012-2015
PIA	President International Award
PSDS	Private Sector Development Strategy
PURA	The Gambia Public Utilities Regulatory Authority
RDI	Rural Development Institute
RE	Renewable Energy
RIA	Regulatory Impact Analysis
SDGs	Sustainable Developments Goals
SIGI	Social Institutions and Gender Index
SPS	Sanitary and Phytosanitary Standards
SMIIC	Standards and Metrology Institute for Islamic Countries
SWR	Single Window Registration
TVET	Technical and Vocational Education Training
TGSB	The Gambia Standards Bureau
UNCTAD	United Nations Conference on Trade and Development
UNDP	United National Development Programme
WTO	World Trade Organization

INTRODUCTION

Micro, small and medium size enterprises (MSMEs) in The Gambia represent an untapped potential. They employ the largest share of the active labour force, but contribute approximately 20% of the GDP (MSME, 2013). The Gambian MSME sector's low productivity stems partly from its structure. 70% of the sector is composed of self-employed people. It is therefore essential to promote the policy environment in which self-employed Gambians can grow sustainable enterprises and raise their productivity.

The formulation of the present document for National Entrepreneurship Policy (NEP) has been developed at the request of the Government of Gambia, adopting UNCTAD's Entrepreneurship Policy Framework (EPF) methodology.

The NEP engaged in a holistic approach, different levels of government, and external stakeholders examined a variety of ways to create and nurture the synergies between the existing national entrepreneurship strategy, and the other pillars defined by the EPF: optimizing the regulatory framework, enhancing education and skills development, facilitating technology exchange and innovation, improving access to finance and promoting awareness and networking. The NEP is the result of a continuous consultation coordinated by UNCTAD and many stakeholders in The Gambia. It is the outcome of a process which comprised several steps. First, a mapping study was conducted to gather preliminary information to assess the current business environment. After the study's completion, the first NEP workshop took place in Banjul in February 2016, providing stakeholders with a diagnostic tool: the Entrepreneurship Scorecard. The objective was to identify the gaps and shortcomings of policies and programmes, and consider ways in which these could be addressed. (Annex 1). During the workshops, five focus groups were formed to represent the business community, composed of entrepreneurs, start-ups, private sector institutions, non-governmental organizations, universities and various government departments.

These groups gathered throughout spring and summer 2016 to discuss a first NEP draft. Stakeholders provided comments, suggestions and feedback during a second workshop organized in October 2016, to validate the NEP and its action plan.

The key constituencies committed to implementation of the NEP. In the action plan, they defined how to

mobilize the initial necessary resources with regular performance assessment exercises and feedback sessions, thereby encouraging greater accountability to stakeholders.

THE STATUS OF MSMEs AND ENTREPRENEURSHIP IN THE GAMBIA

The Gambian economy has steadily performed well, registering a growth rate of 4.7% in Gross Domestic Product (GDP) in 2015 (CBG, 2015), primarily driven by developments in tourism, inflow of remittances and re-exports. Despite this growth, The Gambia remains one of the poorest countries in the world with over 60% of the population living below the poverty line. At a Human Development Index of 0.441, The Gambia's position on the index is 175 out of the 188 countries and territories measured (HDI, 2015). The narrow range of industries able to attract either foreign or domestic investment causes economic and social imbalances.

With limited employment available in the public sector, coupled with weather-related shocks in the productive sectors such as agriculture, a growing number of Gambians are turning to the Micro, Small and Medium Enterprises (MSMEs) sector for employment and livelihood opportunities. For the majority of rural and urban dwellers with no formally paid employment, the drive into self-employment is more a matter of survival than of choice. Increasingly, MSMEs could play a very important role in the economy of The Gambia, not just as a source of gainful employment but also as a major contributor to economic growth, diversification and transformation. Entrepreneurship, harnessed more strategically, can become a powerful driving force of innovation and productive domestic investment over the long term.

The MSME sector in The Gambia contributes approximately 20% to GDP (MSME, 2013) and employs the largest share (60%) of the active labour force (15 to 64 years) of which 70% are self-employed.

In 2014, a mapping study counted 88,940 MSMEs, 70% of which are unregistered and the majority described as *micro* and *small* enterprises operating in the informal sector. This is the main source of income for the urban and rural poor, with typically weak compliance to labour legislation (MSME, 2013).

In terms of spatial distribution, the Brikama Local Government Area (LGA) has the largest share of enterprises, (32,665) accounting for 37% of total firms. Kanifing Municipality (GBA) is the next largest local government area with 29,390 enterprises (33%). Jangjangbureh has the lowest estimated number of enterprises (2%).

By official classification, the size of an enterprise in The Gambia is determined by the number of persons employed and size of investment: *Micro enterprises* have an average investment of less than GMD 75,000 and are typically self-employed. Enterprises classified as *small* employ up to five workers and have an average investment of below GMD 150,000. *Medium-sized* enterprises employ more than five workers, with an average investment of more than GMD 150,000.

The study (MSME, 2013) showed that 70% of operational MSMEs are Gambian-owned. Overall, citizens of Economic Community of West African States (ECOWAS) own 15% of MSMEs, with Guineans playing a relatively prominent role (11%). Enterprises countrywide are predominantly owned by men (66%), whilst female owners account for 34%. Moreover, the largest age distribution of MSME owners (41%) is within the age bracket of 18-35 years, followed by 38% in the middle age population (36-54 years). Yet despite the predominantly youthful and middle-aged segments of population actively engaged in entrepreneurial activity, the study found that only 34.4% of enterprise owners had any formal business training. Of these, only 4 % employed between 5-50 workers, 17.9% had 1-4 paid employees, whilst 12.5% had no employees (MSME, 2013). According to the survey, 93% of enterprises do not belong to any business association. Therefore, the opportunity for learning through participation in business networks is also restrained.

Finally, almost 89% (46,092) of MSMEs are sole proprietorships, a form of ownership which tends to be vulnerable to governance and succession risks. Only 6% of the enterprises mapped in the study are household/family-owned businesses.

ROLE OF THE ENTREPRENEURSHIP POLICY IN THE GAMBIA'S DEVELOPMENT OBJECTIVES

Since 1996, a number of new government policies with a bearing on aspects of private sector development, entrepreneurship and small business development have emerged.

Vision 2020 (1996) recognized that the creative spirit of private individuals is the main drive towards sustainable economic development. It postulates that every individual can contribute to this development and will enjoy the fruit of a free and competitive environment. Vision 2020 therefore places entrepreneurship at the centre of a long-term strategy towards inclusive and sustainable private sector led growth. The Programme for Accelerated Growth and Employment 2012-2015 (PAGE) is the medium term plan that focuses on inclusive growth and employment. The Private Sector Development Strategy (PSDS) proposes concrete measures to enhance the impact of PAGE. The Gambia's Trade Policy (2011) placed emphasis of policy thrust on the creation of employment and reduction of poverty, through the use of trade potential, to enhance The Gambia's integration into the world economy. The Export Strategy 2013-2017 reflected the aspiration of Vision 2020 for export development, identifying target sectors in agriculture, light manufacturing and logistics.

The Government of The Gambia has also sought to increase the contribution of MSMEs to the growth and performance of the economy in critical areas such as job creation, equity and access to markets. The National Employment Policy and Strategies and Action Plan 2010 (NEP/NEAP) elaborated a set of strategies to reverse the unemployment trends by ensuring a policy that increased both employability and self-employment through emphasis on the development of vocational skills and support to sectors that attract increased economic growth and employment.

Small business development has become a key policy focus. The Government has formulated a National Policy for MSMEs 2014-2018 that envisions the role of MSMEs as the key to economic development in the country.

Furthermore, The National MSME policy aims to establish an enabling environment for MSME development and promotion as the main vehicle for poverty reduction for the vulnerable and poor. In particular, it aims to enhance the process of equitable participation of indigenous entrepreneurs in the economy, to put in place efficient regulatory and legal frameworks, enable increased access to microfinance by entrepreneurs, establish an entrepreneurial culture, and to build local capacities to provide Business Development Services (BDS) and training opportunities.

The existence of the private sector development framework and MSMEs policies has been a first step in the formulation of an enabling business environment to tap into the full potential of entrepreneurship.

The National Entrepreneurship Strategy (2014-2018) provided broad guidelines to improve the promotion of entrepreneurship and whose goal was to “lead to the formulation of a coherent National Entrepreneurship Policy Document” (NEP, p.9). The strategy included the following items:

- a. To considerably increase the proportion of independent businesses in the country through a concerted effort for promoting entrepreneurial spirit at the national level.
- b. To improve the overall living standards at the grass roots level. This will be achieved by stimulating the economy to grow by more than 7.5% annually.
- c. Creation of a competitive and dynamic knowledge based economy, which results in bringing “comparative economic and social changes to all parts of the country”.

To achieve these objectives, the strategy recommends implementation of seven different components nationwide from the grass roots level and upwards. These are:

Component 1: Entrepreneurship Awareness and Orientation.

Component 2: Human Resources Development & Entrepreneurial Skills Training

Component 3: Business Initiations/Entry Strategies

Component 4: Business Development Services & Institutions

Component 5: Business Support Services & Institutions

Component 6: Entrepreneurship Coordination Committee and Forums

Component 7: Entrepreneurship Friendly Policy Regime

As mentioned above, according to government estimates, to reduce poverty and for long term economic growth, the Gambian economy needs to grow by more than 7.5%, up from the 4-6% achieved over the last 5 years. Formulating the NEP consolidates the government’s economic policy, providing a new strong orientation for private sector development.

Table A. The Government of The Gambia main economic policies, 2012-2016

Vision 2020	Growth and Employment	
	PAGE 2012-2015	PSDS 2015-2019
		NEP/NEAP 2010-2014
	Trade	
	The Gambia’s Trade Policy 2011	
		National Export Strategy 2013-2017
	MSME and Entrepreneurship	
	National MSMEs Policy 2008	
	NEPS 2014-2018	NEP 2016-2020

MAIN ECONOMIC INSTITUTIONS AND PROGRAMMES

The institutional environment related to private sector development and in particular to the development of MSMEs is constituted of main stakeholders that can be grouped into four kinds of actors: Government, private sector, civil society institutions and programmes. Their roles and functions are summarized in the table B below.

The involvement of these institutions is key to the success of the NEP. These institutions have made progress in delivering a wide range of key support services. These services continue to benefit an

increasing number of small businesses year after year. However, important gaps still remain. Key among these is the need to rapidly improve the integration of support provided by the various governmental departments and institutions.

Partnership between the government, various stakeholders and role players remains a critical success factor. Thus, NEP has further engaged the corporate sector, organized business, private financing institutions, non-governmental organizations, universities as well as media efforts in fostering entrepreneurship and small businesses.

Table B. Role of the institutions providing key support services to entrepreneurs in The Gambia

Governmental institutions	MOTIE facilitates trade and promote labour-intensive employment initiatives by leveraging our resources and forging strong partnerships with the private sector for the transformation of The Gambia into a trading, export-oriented nation
	GIEPA is the national agency responsible for promoting and facilitating investment, business and export development, support to MSMEs and regulation of designated export processing zones in The Gambia.
Private sector institutions	The Gambian Chamber of Commerce, Industry, Agriculture and Employers' Association (GCCI) is a non-governmental voluntary and private sector organization representing Trade and Commerce, Agriculture, Industry, Transport, Telecommunication services, Banking and Finance.
	The American Chamber of Commerce (AmCham) is a non-governmental organization which aims to promote and facilitate trade between The Gambia and the United States of America.
Programmes	The Empretec programme in The Gambia is funded by UNDP and the Government of The Gambia, and is anchored at GIEPA. It has been operational since September 2014 and has trained over 736 entrepreneurs including 164 farmers leading to newfound business success in many cases.
	The National Enterprise Development Initiative (NEDI) was established in 2004 under the Office of the Vice President. It also reports to the Ministry of Youth and Sports (MOYS). The main purpose of its establishment is to empower the Gambian youth and women, through the provision of training in business entrepreneurship, and funding them to operate businesses in the informal sector and includes providing them with business advice to ensure sustainability.
	Nema is an anti-poverty rural project, which assists farmers, through the Capital Investment Stimulation Fund (CISF).
	The Startup Incubator - a private sector led initiative - is designed to support the successful development of young Gambian entrepreneurs through an array of business support services.

NATIONAL ENTREPRENEURSHIP POLICY OF THE GAMBIA

1. MISSION, VISION, OBJECTIVES

MISSION

To build the national entrepreneurship ecosystem in The Gambia, that is conducive to the creation of new start-ups and promotes the formalization and growth of MSMEs, in support of inclusive and sustainable economic growth and development.

VISION

By 2026 The Gambia will have a thriving and sustainable middle-income economy - growing by 7 % at least - driven by self-reliant and innovative local entrepreneurs and an enabling and strengthened ecosystem, embracing all parts of the country. This transformation will have contributed to improved social and equitable conditions in particular for disadvantaged groups such as women and youth, and sustainable solutions to current social and environmental challenges.

OBJECTIVES

1. General objective – To improve the general conditions for enterprise creation and enterprise growth, taking into account the social and environmental challenges in The Gambia that address the legal, social and regulatory barriers for equitable, effective economic participation, with emphasis on women and youth, including groups prone to migration, who represent the main drivers of new enterprise development. To focus on technology and innovation advances, finance and capacity-building, education and skill development, and the promotion of an entrepreneurial spirit at a national level.

SPECIFIC OBJECTIVES

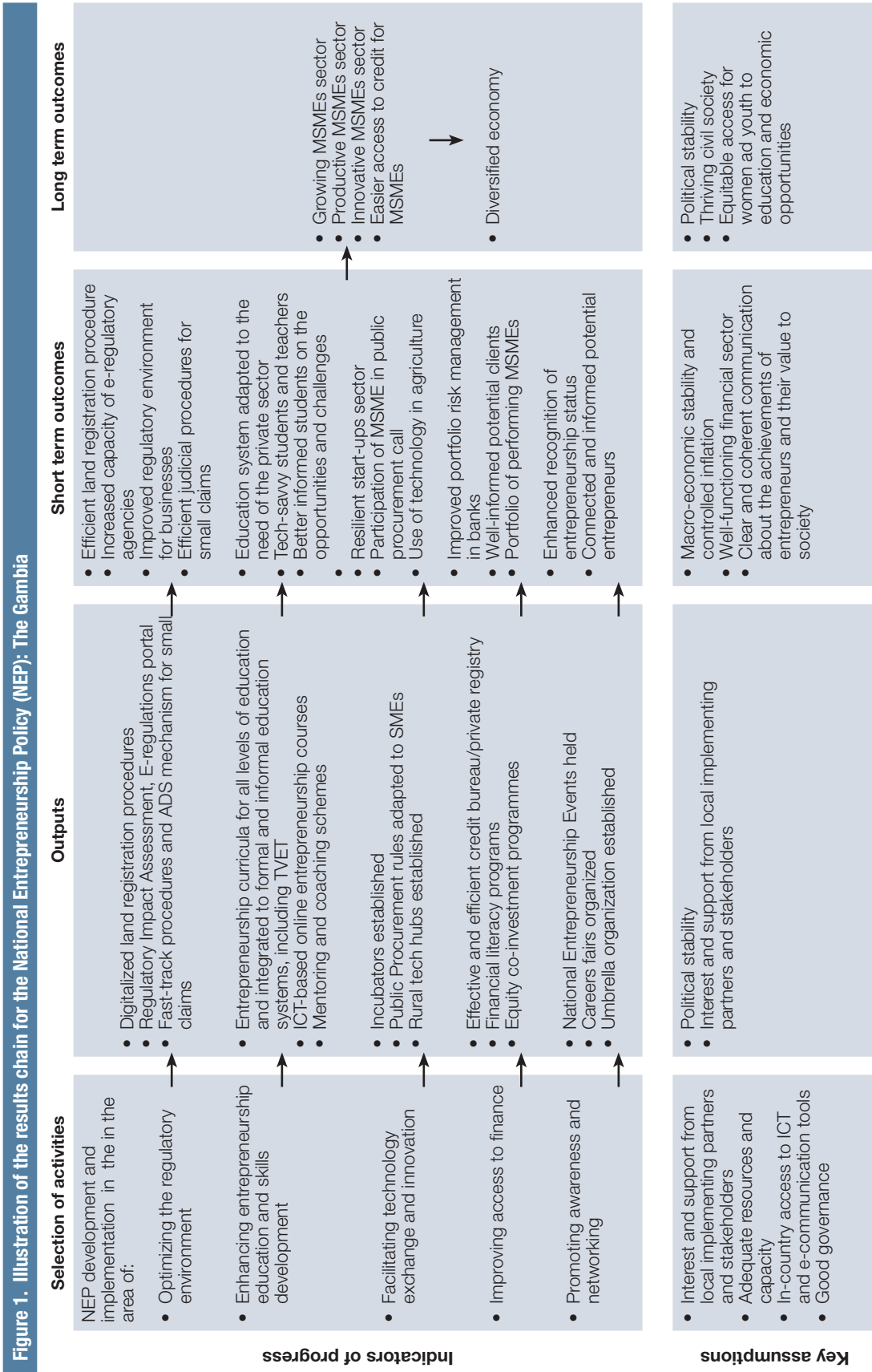
- 2. Optimizing the Regulatory Framework** – Reduce the regulatory and administrative hurdles for business start-ups by streamlining procedures, expanding access to information, reducing costs, increasing the benefits of formalization, facilitating entrepreneurs - with a focus on women and youth - to formalize and improve the predictability and enforcement of contracts.
- 3. Enhancing Entrepreneurship Education** - Recognize entrepreneurship as a subject and

integrate its teaching across other disciplines at all levels of formal education and technical/vocation training. In parallel, strengthen non-formal training and skill development systems by widely promoting learning-by-doing methodologies such as Empretec, MyFarm and ILO programme models. Equitable access for women and youth to such education will be pursued.

- 4. Facilitating Technology Exchange and Innovation** - Support public private partnerships (PPPs) to diffuse knowledge, develop research-industry collaboration and trigger innovation for sustainable, equitable and inclusive development which includes enhanced use of ICT to develop and distribute/deliver new products, services and processes.
- 5. Improving Access to Finance** - Develop targeted financial solutions for entrepreneurs (such as innovative start-ups, green and inclusive businesses, women, differently abled and the youth). In parallel, strengthen the capacity of the financial sector to serve the private sector in general by promoting increased diversity of financial products and services available at affordable cost to all levels of society.
- 6. Promoting Awareness and Networking** - Instill the entrepreneurship mindset, whilst addressing cultural biases including gender in The Gambian society, paying specific attention to the status of women entrepreneurs and other disadvantaged groups. To introduce initiatives in partnership with the private sector to strengthen networking, trust and cooperation among the diverse private sector players in The Gambia.

MONITORING AND EVALUATION

The monitoring and evaluation of the National Entrepreneurship Policy and priority actions implementation will be the responsibility of the institutions and stakeholders participating in the process under the direct coordination of GIEPA and with the support and supervision of MOTIE. This process will require a quantitative and qualitative reporting set-up which will be integrated in an annual report, presenting progress in the implementation, as detailed in the action plan. The following figure 1 summarises the results chain and key indicators of progress. Figure 2 shows the institutional framework for implementation.



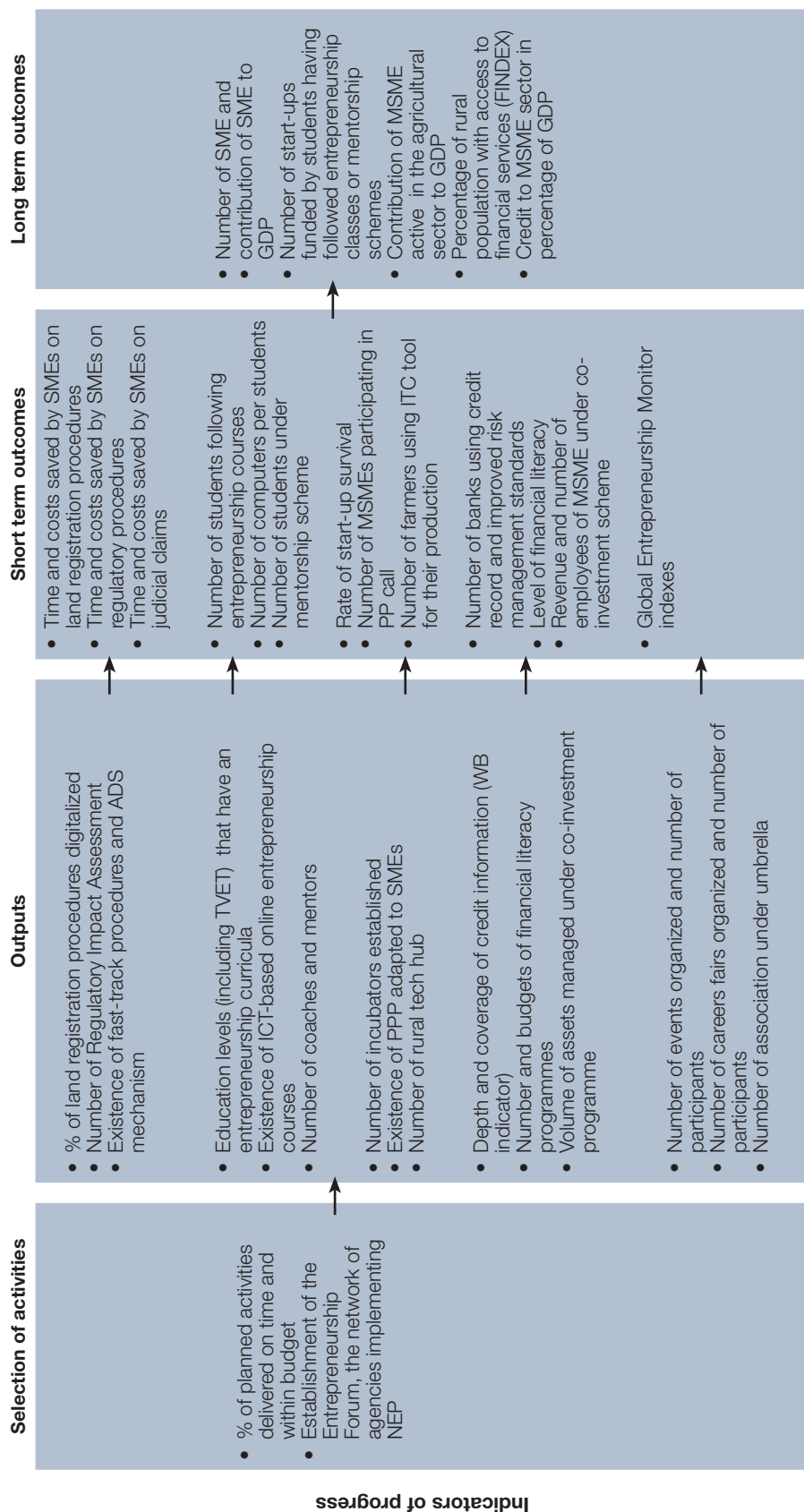


Figure 2. Institutional Coordination Framework- The Entrepreneurship Forum - for the implementation of NEP in The Gambia

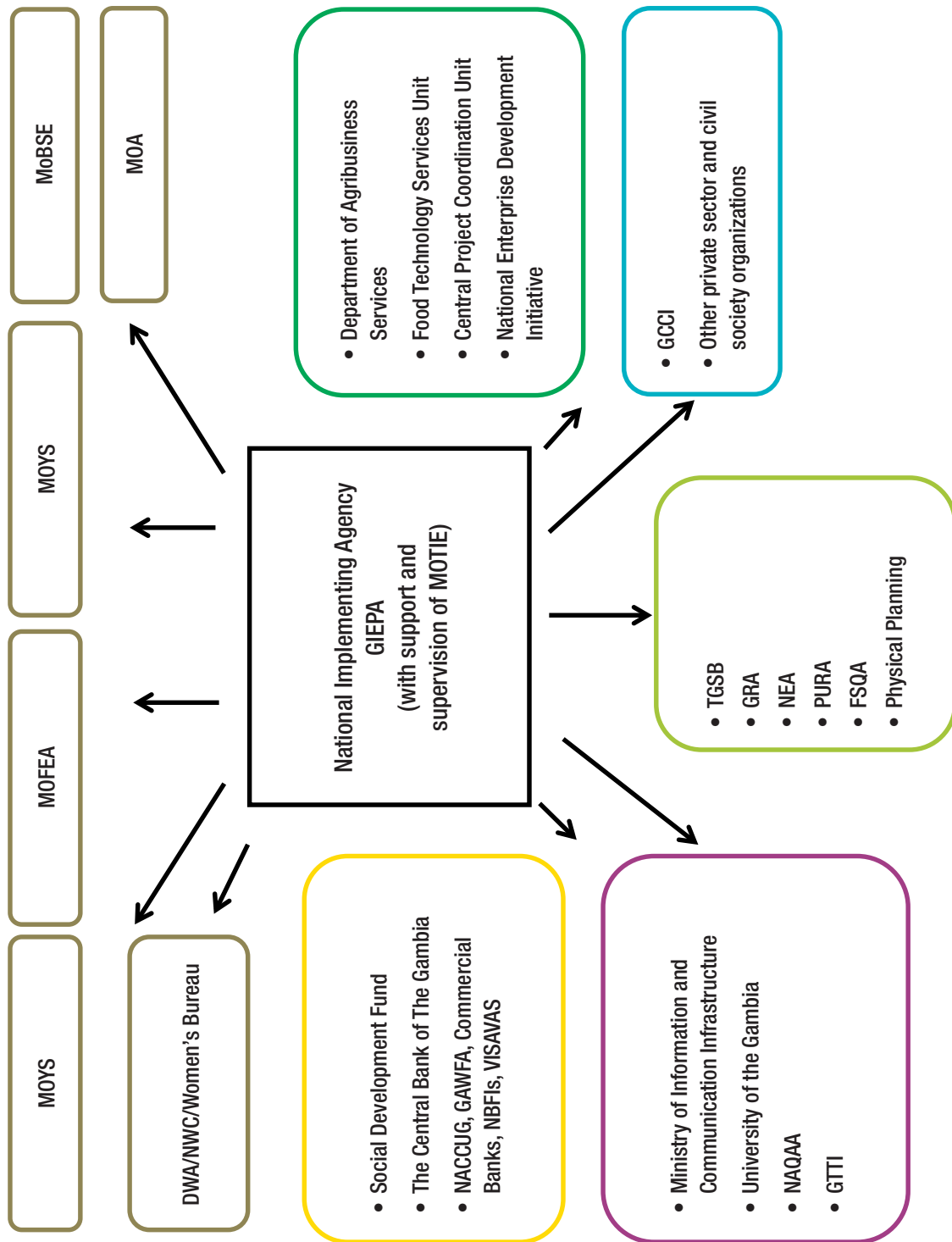


Figure 2 above shows that the NEP cuts across a wide range of policy areas; therefore, by nature, it cuts across departmental boundaries and involves several departments at national, provincial and municipal government levels. It also goes beyond the public sector and its agencies, to encompass the private sector and its organisations, financial and educational institutions and non-governmental organisations. As it was achieved in the policy development, inclusive participation is critical to seeking ways and means to ensure that the implementation is carried out adequately, effectively and in a decentralised manner.

A clear coordination point is critical in the success of any system with different role players and decentralised service approaches. The co-ordination point is identified in GIEPA, tasked with the implementation of NEP, while MOTIE will secure that adequate government support and delivery mechanisms are also in place. GIEPA will be in charge of setting guidelines,

outlining key elements of the institutional framework, and how it will coordinate the conceptualisation and design of programmes, products and services, and delivery mechanisms envisaged by the NEP action plan.

In addition, as already proposed by the entrepreneurship strategy -NEPS- which is already being implemented, GIEPA will lead the establishment of the agencies network – the Entrepreneurship Forum – as an integrator of public private sector initiatives, which will ensure seamless service from one institution to another and eliminate any duplication. With respect to the focus on women and youth which is also stressed in NEPS, the policy outlines the measures that should be in place to ensure that there are adequate provisions to address the requirements of these special entrepreneurship categories, in coordination with the Women’s Bureau and the NEDI.

Table 1: Optimizing the regulatory framework

Policy objectives	Identified constraints	Priority Actions
a. Examine regulatory requirements and make improved services accessible nationwide	<ul style="list-style-type: none"> No information and data regularly collected by government or private sector to assess and benchmark changes in the regulatory environment No transparent process in place for regularly reviewing and streamlining national and municipal regulations (e.g. local licenses and procedures) Lack of customer service guidelines and benchmarks on administrative procedures 	<ol style="list-style-type: none"> 1. Improve statistical data collection on SME 2. Develop National Inventory of technical standard regulations 3. Introduce Customer Service Charters 4. Train and develop local capacities in Regulatory Impact Assessment (RIA) 5. Revise the 2004 Copyright Act
b. Reduce the cost of doing business and increase benefits of formalization	<ul style="list-style-type: none"> Cumbersome bureaucratic procedures persist despite reforms No monitoring of costs and benefits for different categories of business in order to formalize and comply with specific regulations 	<ol style="list-style-type: none"> 1. Reduce the number of procedures legally recognized (company seal) 2. Upgrade the Single Window 3. Enact a Social Enterprise Promotion Act, with special provisions for women and youth 4. Support the efforts to digitalize, automate and integrate post-registration procedures for land 5. Facilitate the fast track introduction of benchmarking and e-government services in business establishment 6. Strengthen the TGSB 7. Introduce preferential measures and special incentives to encourage business formalization with a focus on women and youth
c. Increase the predictability of enforcement	<ul style="list-style-type: none"> Weak capacity of judicial institutions to fast-track adjudication on commercial cases and enforcement of judgements 	<ol style="list-style-type: none"> 1. Strengthen the capacity of judicial institutions 2. Introduce fast-track procedures and alternative dispute mechanisms for small claims
d. Help the private sector to overcome administrative barriers	<ul style="list-style-type: none"> Inadequate public dissemination of information on rules and procedures Fast-track mechanisms such as one-stop shops and automated processing not available nationwide, and not accessible online 	<ol style="list-style-type: none"> 1. Carry out information campaigns on regulatory requirements 2. Assist startups in meeting regulatory requirements nationally 3. Strengthen GIEPA's capacity to deliver its mandate country-wide 4. Strengthen MOTIE's capacity to deliver its mandate country wide

2. OPTIMIZING THE REGULATORY ENVIRONMENT

Rules, standards and regulations are needed to develop an enabling environment to allow businesses to thrive. However, imposing a heavy regulatory burden may deter entrepreneurship development. Reducing the costs and increasing the benefits of the regulatory framework are incentives for businesses to formalize and grow. Rules and regulations should also be transparent and predictable. Table 1 below gives a snapshot of the policy objectives identified in The Gambia and the current constraints to be addressed. In each area, priority policy actions have been identified.

2.1. EXAMINE REGULATORY REQUIREMENTS

The first step in building a conducive regulatory environment is to distinguish essential regulations from the needless red-tape and establish a transparent process for regularly monitoring the existing rules and procedures. The aim is to understand the extent to which they may hold back entrepreneurial activity and to identify appropriate options for making the necessary reforms.

Identified constraints: Lack of information and data; and no process in place for regularly reviewing and streamlining national and municipal regulations

UNCTAD's survey, as part of the policy review process in The Gambia, found that the institutional capacity to measure and benchmark administrative efficiency is weak. This area received the lowest score of 0.14 due to the lack of mechanisms to monitor and assess private sector feedback on the regulatory environment. The full procedures, time and costs incurred by different forms of enterprise registrants to start a business are not assessed regularly and consistently as part of formal policy monitoring and evaluation processes. Stakeholders recognized the good work of the Public Utilities Regulatory Authority (PURA) however its capacity needs strengthening.

Based on best practices, the following instruments, when implemented collaboratively by the public and private sector, could significantly improve the capacity of all stakeholders to transparently and regularly assess the regulatory environment and its soundness in relation to the national vision, entrepreneurship and private sector development strategy.

Priority Actions: Assess regulatory requirements

- **Improve SME data collection:** SME surveys can be conducted every two years in parallel with the Economic Census. This regular information can be useful for both the private sector and the government to monitor the business climate. The Gambian Bureau of Statistics (GBoS) already conducts the economic census regularly and household surveys on an ad-hoc basis. Small and medium-sized enterprises need to be legally and consistently defined to enable the GBoS to gather data by size. Additional information to identify new bottlenecks and to benchmark the national business climate against other countries in the sub-region or to benchmark specific sectors and regions against each other within the country can be collected when necessary by GIEPA.
- **National Inventory of essential regulations and administrative procedures:** Formally maintaining a detailed up-to-date electronic inventory of essential business regulations (e.g. licensing requirements and procedures) is an important tool for enhancing communication and transparently evaluating the overall burden of red-tape as new regulations are introduced. It is also a requirement to decrease the cost of doing of business.
- **Customer Service Charters:** Customer Service Charters can take the form of a statement of commitment describing the level of service a customer can expect from each of the regulatory agencies. It will not only improve information dissemination but also increase compliance.
- **Regulatory Impact Assessment:** This is a process for anticipating the impact of new laws and regulations before they are enacted, to monitor intended and unintended impact during the course of implementation. By determining the winners and losers, regulators are able to determine appropriate modifications and introduce mitigation measures where necessary. Showing the costs and benefits of some regulations could improve their compliance or help in refining implementation.
- **Copyrights:** Stakeholders identified the necessity to revise the Copyright Act, 2004 taking into account the needs of small firms and start ups, and to fully implement it. Further sensitization is needed from the copyright office under the National Center for Arts and Culture

(NCAC) to strengthen this important regulatory framework component.

2.2. REDUCE THE COST OF DOING BUSINESS AND INCREASE BENEFITS OF FORMALIZATION

Burdensome regulations affect business start-ups and prejudice the environment for doing business in The Gambia. These procedures can be very costly, time consuming and may encourage informal economic activity and create opportunities for corruption. The lack of inter-departmental coordination and automation also adds to the costs of registering and licensing business activities.

Identified constraint: Cumbersome bureaucratic procedures

The burdensome regulatory environment, according to many global indicators, is an important barrier to the efficient functioning of enterprises in The Gambia (The World Bank, 2016).

Registering a business: Although company registration in The Gambia has been made simpler, the one-stop automated registry is only available in Banjul and the Kanifing municipality and this fast track service is not accessible to the public online. As a result, registration is still unnecessarily costly and it requires many steps even though The Gambia reduced registration fees and cancelled the tax deposit. According to the World Bank Doing Business 2016, starting a business requires seven procedures, takes 25 days and costs 141% of annual income per capita. This places The Gambia slightly below the regional average (The World Bank 2016).

In 2013, The Gambia repealed and replaced the 1995 Companies Act and the 2005 Business Registration Act with the Companies Act 2013, the Single Window Business Registration Act 2013 and the Single Window Business Registration Regulations 2014. The Single Window Business Registry (SWR) was officially launched in June 2015 but has been operating since February 2014. Access to the Company Registry online could free up resources for registry staff to engage more directly with the informal sector in the regions to bring in more applicants. Without extension of services to the region and to the informal sector at large, the SWR will not use its full potential.

Land registration: Difficulties in registering land may hamper the start-up phase of an enterprise and the competitiveness of The Gambia as an investment

destination. It is estimated that recorded ownership is 100% for the City of Banjul, but it lowers to 57% for the Kanifing municipality and less than 10% for rest of the country. There are complex procedures involved for the registration of individually held land in rural areas. It can take more than 14 different procedures. The legislative framework for mapping, titling, street mapping, street naming and registration needs to be strengthened. The preparation of cadastral maps is too time-consuming and there is a lack of data, coordination and sharing of information. Vacant land without private ownership is not known. There is also a lack of transparency and guidelines regarding the absorption of land by the government and sales of public land (Bensouda 2013). All leasehold land is state-owned land and customary land regulations are even more problematic.

Taxation: According to the World Bank, The Gambia scores below the regional average in the ease of taxation regulations. Companies have to comply with 15 different taxes. Firms have to make 50 payments per year and spend 326 hours processing accounts (The World Bank 2016). A reform process, which consists of establishing a value added tax and reducing the corporate income tax rates is now underway.

One of the biggest problems is the total tax rate, which, according to World Bank data¹ amounts to 51% of commercial profits of Gambian companies. The tax system is a problematic issue for both the public and private sector. Private companies have to comply with one of the highest tax rates among the Economic Community of West African States (ECOWAS), resulting in an unfair playing field for compliant firms. The public sector has legitimate concerns over a number of issues: lack of compliance, including the undervaluation of imports, which leads to reduced government revenues.

Utilities: Electricity and water supply in The Gambia is provided by the National Water and Electricity Company (NAWEC). Distribution and regulation is the responsibility of two different entities. PURA is responsible for transport, water and sewage sector, electricity, broadcasting and telecommunication. It sets different tariffs related to these utilities. It takes five procedures and requires 79 days to get electricity. No compensation is offered to customers in case of outage. By the same token, there are no automated mechanisms to monitor and restore outage. But The Gambia's score is above average for Sub-Saharan Africa according the Ease of Doing Business Indicators for access to electricity. It costs

¹ <http://data.worldbank.org/>

25 US cents per kWh while it costs 25.4 US cents per kWh in Ghana.

The 2013 Renewable Energy Act (REA) has yet to be implemented but it signals the support of The Gambia to introduce green energy. Energy supply will be improved through diversification, which represents an opportunity for the government to promote sustainable entrepreneurship. The REA plans to establish a Renewable Energy Fund and to promote *renewable energy projects especially community based projects, and the production or fabrication of equipment for the development and utilization of renewable energy in the country*" (Ministry of Energy 2013, p.7).

Technical and other standards: The Gambia Trade Policy 2011 notes that the strengthening of quality infrastructure and the enforcement of quality insurance to increase Gambia's export is essential. Increased cooperation with the European Union to address Sanitary and Phytosanitary (SPS) related challenges (particularly for fish and ground nuts) is planned (MOTIE 2011). The establishment of The Gambia Standards Bureau (TGSB) was an important step both towards the development of standards on imports as well as keeping Gambian exporters informed on the standards that they need to meet in order to enter foreign markets. This institution was established in 2011 and it is a member of the International Organization for Standardization (ISO), the International Electrotechnical Committee (IEC) and the Standards and Metrology Institute for Islamic Countries (SMIIC). It is also a member of the technical management committee of the ECOWAS countries. The Food Safety and Quality Authority of The Gambia is responsible for the official control of food safety and quality. It provides indications, although not very detailed, to importers and exporters on its websites. The National Export Strategy 2013-2017 is focused on agriculture. The priority areas are the groundnut sub-sector, cashew, fisheries, horticulture, tourism, manufacturing and re-exports (GIEPA 2013). Indeed, phytosanitary standards and quality control are of particular importance if The Gambia's farmers and fishermen want to increase their export and participation in the value chain.

The Gambia Renewable Readiness Assessment from the International Renewable Energy Agency (IRENA) also recommends that the TGSB establishes standards and labels for renewable energy. This is necessary if the RE fund decided by the 2013 REA is to impact on entrepreneurship.

Priority Actions: Reduce doing business costs and increase benefit of formalization

- Remove the company seal completely from the registration procedures in an amendment of the Company Act. The requirement for company seal is redundant and non-mandatory but still accounts for several lost days, according to the Doing Business methodology. Although the Companies Act of 2013 made Company Seals optional it is not considered far reaching enough by some experts.
- Upgrade Single Window Registration (SWR) by improving the documentation and transparency of procedures related to enterprise registration. This could be the first step leading to a fully functional online registration and reporting platform. with SWR one-stop shops in the regions. In that regard, the UNCTAD Business Facilitation Programme provides solutions, technical assistance, capacity building and helps raise awareness about e-government² systems.
- Enact a Social Enterprise Promotion Act, to institutionalize social enterprises and recognize them as legal entities and review, where necessary, the tax structure.
- Support the effort of ongoing government efforts to digitalize, automate and integrate post-registration procedures for land with the creation of a digital database of registered land as a first step, followed by an automated registration system to link the cadaster with the Deeds Registry.
- Introduce benchmarking, and where possible e-government services, to cut down the time and cost of administrative procedures and induce a focus on customer service, thereby treating the citizen more like a client.
- Strengthen documentation and transparency of tax procedures as a first step to e-filing and e-registration portals such as the one provided by UNCTAD's Business Facilitation Programme. Strengthen TGSB to tackle the lack of information on standards in general and on SPS in particular to reach rural communities. Enable TGSB to implement standards on renewable energy.
- Introduce preferential measures and special incentives to encourage business formalization, with focus on women and youth. Promote the role of women entrepreneurs and strengthen legislation to guarantee land ownership for women.

² UNCTAD eRegistrations is an e-government system. For more see <http://businessfacilitation.org/eregistrations/>

2.3. INCREASE THE PREDICTABILITY OF ENFORCEMENT

Confidence in the regulatory environment stems from legal stability and predictability. The UNCTAD survey indicated that business regulations were unpredictable. The confidence of entrepreneurs' in the regulatory environment is the second lowest score of the regulatory pillars. There are reported expropriation cases and the power of regulators to enforce rules has also been questioned in some governmental agencies.

Identified constraint: Weak capacity of commercial judicial institutions

The efficiency of contract enforcing is crucial. The improvement of the commercial court system is therefore highly recommended. An alternative dispute mechanism has been introduced and the bankruptcy law updated, but they do not function very well in practice.

Priority Actions: increase the efficiency of the commercial judicial system

- Strengthen the capacity of judicial institutions at all levels in commercial justice and contract enforcement to enhance the predictability of regulations and transactions. This may include reinforcing the commercial division by limiting jurisdiction to commercial matters only, increasing the number of judges assigned to commercial cases, introducing training programs for judges and magistrates on commercial adjudications, and establishing a compendium of judicial decisions on commercial cases for guidance.
- Introduce fast-track procedures and alternative dispute mechanisms for small claims with the objective of speeding up commercial cases. 50% of Sub-Saharan countries have a court or procedures for small claims that are designed to be used by ordinary people. They are convenient and accessible, affordable and user friendly. They play an important role in building public trust and confidence in the judicial system and can create an equal level playing field.

2.4. HELP THE PRIVATE SECTOR TO OVERCOME ADMINISTRATIVE BARRIERS

A sound regulatory framework operates on predictability and transparency. Entrepreneurs need to be guided through the various administrative processes. It demonstrates the benefit of formalization and compliance and makes public service more customer-oriented and efficient.

Identified constraint: lack of information and guidelines

There is a lack of systematization and display of information on regulations and administrative procedures on the relevant agencies' websites.

Priority Actions: increase and improve the information on business regulations

- Carry out information campaigns on regulatory requirements. Aspiring and existing entrepreneurs need clear and detailed information to facilitate the implementation of their projects. Information campaigns should be combined with the introduction of the Customer Service Charter. Information campaigns should reach out to women and youth.
- Assist start-ups in meeting regulatory requirements and, where possible, introduce fast-track mechanisms. Establish one-stop-shops in the provinces to bundle procedures related to enterprise registration, but also to obtain export and import permits, operational licences, to file taxes and social security returns. Silence-is-consent principle is an effective way to speed up some of the administrative procedures.
- Strengthen GIEPA's capacity to deliver its entrepreneurship development mandate nationwide with adequate technical, communication and human resources and know-how, to adapt service delivery on local realities.
- Strengthen MOTIE's capacity to support and supervise GIEPA with adequate technical, communication and human resources and know-how to allow the definition of public policies and service delivery on local realities.

3. ENHANCING ENTREPRENEURSHIP EDUCATION AND SKILLS DEVELOPMENT

Entrepreneurship education aims to develop entrepreneurs and an entrepreneurial culture in The Gambia. Entrepreneurship skill development is targeted directly at stimulating the establishment of start-ups or the development of business opportunity-seeking managers within established companies. Soft skills include self-confidence, persistence and the ability to develop a network. Hard skills include among others, financial literacy, business planning and managerial skills.

In The Gambia, there are five main specific groups targeted for entrepreneurship skills development: women, youth, differently abled, rural and low literacy groups which have specific needs for entrepreneurship skills. Equitable access to education for these groups demands specific attention. Environmental sustainability is also emphasized and in particular climate change science. Table 2 below gives a snapshot of the policy objectives identified in The Gambia and the current constraints to be addressed. Priority policy actions have also been identified.

3.1. INTEGRATING ENTREPRENEURSHIP COMPETENCIES AND SKILLS INTO FORMAL AND INFORMAL EDUCATION

PAGE and the National Tertiary and Higher Education Policy 2014 – 2023 and Programmes developed by the Ministry of Basic and Secondary Education (MoBSE; MoHERST 2013) recognized the importance of private sector development and the specific learning needs of some target groups (women, youth, rural, differently abled people). This attention to specific disadvantaged groups is further reinforced by the Youth Policy (MOYS, 2009) and the National Gender and Women Empowerment Policy 2010 – 2020. Although policy measures are in place, embedding entrepreneurship in the formal and informal education system is slow in implementation. The country's Vision 2020 emphasizes the importance of human resources development and in particular in the areas of science, technology, agriculture and industry. It states that the objectives in that regard include a *diversification of institutions to favor vocational and skill based training and encouraged entrepreneurship as a cornerstone of education* ("Vision 2020," 1999).

Table 2: Enhancing entrepreneurship education and skills development

Policy objectives	Identified constraints	Priority Actions
a. Integrate entrepreneurship competencies and skills into formal and informal education	<ul style="list-style-type: none"> Weak implementation of entrepreneurship as an official subject in formal education Limited reach of existing informal entrepreneurship programmes Weak integration of entrepreneurship training into apprenticeship and vocational education 	<ol style="list-style-type: none"> Teach entrepreneurship at all educational levels, including in tertiary institutions Promote academic and policy oriented research on entrepreneurship Scale up and expand access to the current Empretec Programme Integrate entrepreneurship education into TVET programmes Link TVET graduates to post-graduation entrepreneurship skills training
b. Develop effective entrepreneurship curricula	<ul style="list-style-type: none"> Lack of entrepreneurship teaching materials for the different levels of education Absence of customized entrepreneurship training material for women, youth, rural, low literacy and differently abled groups Lack of entrepreneurship curricula in school programmes 	<ol style="list-style-type: none"> Develop curricula for all levels and integrate existing entrepreneurship models into formal and non-formal disciplines (IT, agricultural science, environmental science, etc...) Integrate learning by doing tools in the curricula Develop training materials for women, youth, the differently abled and rural, low literacy target groups
c. Train teachers	<ul style="list-style-type: none"> Limited training of trainers programmes in place 	<ol style="list-style-type: none"> Establish training of trainers programme for teachers Use ICT based online courses for training the trainers Scale up the ILO and Empretec trainings of trainers Encourage the setting up of commercial clubs
d. Strengthen inter-linkages between private sector and The Gambia's education system	<ul style="list-style-type: none"> Weak links between the private sector and the education system in supporting entrepreneurship education and entrepreneurial skills development 	<ol style="list-style-type: none"> Enhance information sharing between education structures and the private sector Establish mentoring and coaching schemes Develop student internship schemes

PAGE, which implements the country's Vision 2020, acknowledged that technical and vocational training needs to be expanded to the regional level. The capacities of key Technical and Vocational Educational and Training (TVET) institutions therefore need to be strengthened (The National Training Authority, Empretec Gambia). PAGE also plans to *design training programmes and activities consistent with the demands of the job market. A reliable and efficient labour market information system* is therefore necessary (Ministry of Finance and Economic Affairs 2011).

The educational pillar of the Entrepreneurship Policy should therefore take into account efforts that have been made in the areas of vocational education and use the existing policy platform to support self-employment and the growth of micro and small enterprises, and to develop their trade capacity.

Identified constraints: weak implementation of entrepreneurship education in formal and non-formal education

Entrepreneurship is not consistently and systematically integrated into the educational policy in The Gambia. Entrepreneurship is more frequently embedded in non-formal, rather than formal education. It is not sufficiently recognized as a subject and not specifically integrated across other disciplines at all levels of schools.

Entrepreneurship is not systematically taught in primary and secondary schools and universities. It is promoted as an extracurricular activity but learning by doing and experience based teaching are not widespread. Non-formal education programmes need to scale up, reach out in remote areas and develop sustainable sources of financing.

Priority actions: Introduce entrepreneurship as an official subject in formal education and strengthen the delivery of non-formal entrepreneurship education programmes

- Teach entrepreneurship at all educational levels as an official subject, including tertiary education, and in TVET. The Ministry of Education should provide guidelines on how to integrate it across disciplines and how to evaluate students. It is also necessary to consider the needs of vulnerable groups.
- Include entrepreneurship as a subject of academic research in the development of the national research policy and establish a research fund to promote academic and policy oriented research (PAGE, p. 86). It will tackle the lack of data on entrepreneurship and enhance the knowledge on private sector development for policy makers and the private sector.

- Scale up and expand access to the current Empretec Programme in The Gambia, developing fee-based cost recovery schemes and sustainable financing options. Empretec Gambia certified 12 trainers in 2016. By the end of the project in 2017, approximately 1,500 entrepreneurs will have been trained and prepared to establish successful enterprises or to grow and expand their businesses. The BDS component has also trained 93 BDS advisers, 61 of whom are actively providing advisory services to 293 businesses. Empretec Gambia has great potential for positive impact throughout the country. Scaling up the programme will facilitate the integration of entrepreneurship training in non-formal education.
- Develop ICT based online entrepreneurship training modules. The introduction and dissemination of the Massive Open Online Course (MOOC) are appropriate ways to scale up entrepreneurship training and education to reach underserved regions at reasonable cost.
- Integrate entrepreneurship education into TVET programmes and support a post-TVET programme. Training youth in entrepreneurial skills in technical vocational education and training will help tackle unemployment which has reached alarming proportions.

3.2. DEVELOP QUALITY AND RELEVANT ENTREPRENEURSHIP CURRICULA

Effective entrepreneurship curricula introduce experiential learning through interactive teaching methods but existing curricula in The Gambia have limited use of these experiential learning methodologies. In addition, the existing curricula do not make use of ICT-based online learning tools. Empretec Gambia and Africa Startup (Gambia), a Norwegian charitable foundation based in The Gambia are contributing to fill this gap through their respective entrepreneurship training and education in agricultural innovation and environmental protection. NEMA and Agribusiness are two other training institutions, albeit with a specific focus on agriculture development. Empretec adopts a methodology based on behavioral change that helps entrepreneurs to put their ideas into action and aids fledgling businesses to grow. The MyFarm project consists of a one hectare farm that serves as an education centre for children, young people and farmers, providing an education journey from seed to business. It adopted a “learning through play” approach.³

³ <http://www.gambiastartup.com/>

Identified constraints: weak state of apprenticeship and vocational education

Vocational schools do not systematically offer entrepreneurship training. Apprenticeship schemes exist in The Gambia, however they are weakly coordinated with entrepreneurship education and informal entrepreneurship training programmes such as Empretec Gambia.

Priority actions: Develop entrepreneurship curricula and strengthen the status of vocational training and apprenticeship, linking them up to entrepreneurship training

- Develop an entrepreneurship curriculum for all levels of education, including tertiary education; integrate it into formal and non-formal disciplines (IT and ICT-based online learning tools, agricultural science, environmental science, climate change science, etc...)
- Integrate learning-by-doing tools into the curriculum. An entrepreneurship curriculum is more effective if based on experiential learning and interactive teaching methods. These curricula are especially effective if tailored to the local environment and involve local roles models.
- Develop customized entrepreneurship training programmes for the five target groups (women, youth, low literacy and rural groups and the differently abled)

3.3. TRAIN TEACHERS

Entrepreneurship training needs the support of a well-trained network of teachers who are able to demonstrate key entrepreneurial skills and serve as models and mentors for students. To date in The Gambia, teachers in formal education do not receive training in entrepreneurship adequate enough to instill the spirit of entrepreneurship in students. Nor do they have platforms to exchange best practice learning and knowledge on entrepreneurship. Programmes for the training of entrepreneurship trainers initiated by Empretec Gambia and ILO will have to be scaled up to meet this need.

Identified constraints: lack of teachers and trainers

There are no specific initiatives devoted to teacher education in entrepreneurship, and no physical or virtual networking platforms exist to support entrepreneurship educators and trainers.

Priority actions: strengthen capacity of institutions in the formal and informal education structure

- Establish training of trainers programmes to upgrade teacher education and skills that will reinforce the delivery capacity of formal educational institutions and non-formal education.
- Use ICT based online courses for training the trainers programmes and set up a knowledge exchange platform.
- Expand the ILO and Empretec training of trainers in all regions. Scaling up Empretec Gambia means also increasing the number of trainers. As stated above, Empretec has certified 12 trainers in 2016, but more are needed if the programme is to have an impact throughout the country and across all layers of society.
- Encourage the setting up of commercial clubs in schools to promote entrepreneurial activities. This will help mobilize business people to participate in entrepreneurship education. It is also an effective way to enhance cooperation between enterprises and schools.

3.4. STRENGTHEN LINKAGES BETWEEN PRIVATE SECTOR AND EDUCATIONAL INSTITUTIONS

Large domestic firms and especially foreign ones must rely on a myriad of smaller partners to interact with along value chains. In fact, the availability of qualified staff, of steady supply and reliable outsourcing possibilities enhance the benefits of foreign direct investment (FDI). Private sector engagement in entrepreneurship education is therefore in the strategic interest of the private sector. The involvement of the private sector in the delivery and financing of TVET programmes is recognized in the PAGE and the National Education Policy (“Education Policy 2004-2015” 2004, p.16). Moreover, with the goal of filling the gap between education and the private sector, PAGE mentions that ICT should be more widely used as a teaching tool and should also be taught more as a subject.

Identified constraints: lack of institutionalized interaction between the private sector and education

Schools in The Gambia engage with business practitioners and local entrepreneurs to share their experience with students. TVET are organized by GTTI, The Gambia College, MDI, GTMI, GTHI, CHM, RDI and PIA in the classrooms and field experience is integrated in the programme through work placement.⁴

⁴ The National Accreditation & Quality Assurance Authority (NAQAA) regulates monitors and supervises all technical and

However, this seems to be the limited extent of interaction between private sector and education. Mentoring and coaching schemes do not exist and academic institutions do not partner with the private sector to provide diagnostic, advisory and counselling services. The lack of interaction between the private sector and education prevents information flow and knowledge sharing and therefore the adaption of education curricula to the needs of the private sector.

Priority actions: establish programmes and schemes allowing collaboration between the private sector and educational institutions

- Expand programmes to bring entrepreneurs to the classroom to share their experience with students to enhance information sharing

vocational education and training institutions.

between educational structures and the private sector. Extra-curricular activities, such as enterprise visits, are an effective way to instill entrepreneurial knowledge and experience to students while fostering linkages between schools and enterprises.

- Establish mentoring and coaching schemes by and for entrepreneurs to improve information sharing between schools and the private sector and give “entrepreneurship” more visibility among students.
 - Develop schemes for students to undertake internships in SMEs. Strong linkages between schools and enterprises, built and maintained through the various above-mentioned mechanisms, can lead to the establishment of internship schemes by students in SMEs.
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4. FACILITATING TECHNOLOGY EXCHANGE AND INNOVATION

The low level of technological development and innovation in The Gambia prevents productivity growth and firms from gaining added value. This negatively impacts the level of competitiveness and reduces export opportunities. In 2013, high-tech exports accounted for 7.3% of total manufactured exports. ICT goods account for 0.2% of the total merchandise exports.⁵ Even if these scores are average on a regional level (compared to Senegal,

Ghana, Guinea, Benin, Togo), they are still very low globally. This is reflected in the low ranking of The Gambia in the various indexes evaluating innovation capacity, technology and knowledge diffusion.⁶

Recognizing the challenges of inadequate public sector expenditure on science, technology and innovation, the policy proposes to create new business opportunities by facilitating the rapid growth of ICT to develop new products, services and processes and improve the existing gaps. When access is facilitated, ICT plays an important role in fostering inclusion. Promoting a market led approach, public private

⁵ World Bank Data

⁶ It ranks 112th out of 141 in the Global Innovation Index 2015, 119th out of 140 in the 2015 Global Competitiveness Index.

Policy objectives	Identified constraints	Priority Actions
a. Support the diffusion of ICT to the private sector	<ul style="list-style-type: none"> Lack of support (including procurement) from the government to innovative enterprises Low absorption level of new technology in the private sector High cost of licencing and internet Limited skilled labour force 	<ol style="list-style-type: none"> Facilitate the diffusion of relevant market information Set up guidelines for local procurement regarding the use of local IT companies Integrate ICT-based online learning tools Review the licencing and regulatory fees for innovative small businesses Improve access to ICT for women Promote and upgrade STEM and ICT curricula to meet the needs of the labour market
b. Promote the diffusion of innovation through inter-firm linkages	<ul style="list-style-type: none"> Lack of a National System of Innovation (NSI) Lack of innovation diffusion and financing opportunities 	<ol style="list-style-type: none"> Strengthen existing institutions and develop a NSI Strengthen existing incubator programmes to focus on innovation Identify and promote twinning/mentoring arrangements with focus on women and youth Mobilize diaspora communities to bridge knowledge gap Reduce licencing and regulatory fees Establish linkages between existing enterprises Set up an innovation park that brings ICT companies together
c. Promote public private partnership to develop and diffuse innovation	<ul style="list-style-type: none"> Unclear guidelines on local procurement Inadequate information and accredited laboratories for certification of technical standards Weak integration of SMEs into well-established value chains and weak linkages between foreign firms and local ones 	<ol style="list-style-type: none"> Disseminate knowledge about international product testing, certification and accreditation systems to meet requirements Upgrade existing and/or set up new product testing and certification laboratories Adapt Public Procurement rules to facilitate the participation of SMEs in government tenders Set up joint capacity building initiatives with lead firms to generate business linkages
d. Support climate-smart agriculture and fishery and link it to tourism	<ul style="list-style-type: none"> Lack of farming as a business Absence of industry-research links Rural population excluded or marginalized 	<ol style="list-style-type: none"> Use entrepreneurship curricula developed for entrepreneurship education and integrate entrepreneurship modules in agriculture and fishery extension services training Support the diffusion of innovation in rural areas by strengthening the use of ICT in extension services Improve access to extension services for women farmers. Strengthen the eco-tourism industry and promote the development of linkages between the tourism and agricultural sector
e. Include small scale firms in renewable energy production	<ul style="list-style-type: none"> High cost of energy and lack of technical know-how of potential local providers of renewable energy 	<ol style="list-style-type: none"> Set up rural tech hubs to promote the role of renewable energy Support the development of electrification programmes based on renewable energy

sector partnerships should diffuse knowledge, develop research-industry collaboration and innovation for sustainable and inclusive development. Because the gender gap in access to ICT is costly to the Gambian economy, equitable access to affordable technology for women is a priority. The challenges of climate change, if turned into opportunities, can be addressed by the private sector, favouring the inclusion of SMEs in the production of renewable energy.

4.1. SUPPORT THE DIFFUSION OF ICT TO THE PRIVATE SECTOR

According to the World Bank, a 10% increase in high speed internet connection affects economic growth positively by 1.3%. Internet and mobile phone networks allow many different economic actors to interact and conclude transactions. Connectivity has the potential to bring market information, financial, education and health services to rural areas. In addition, it raises private sector productivity, building a network for technology exchanges and innovation.

The development of ICT is as important for economic development as physical infrastructure. According to recent data, The Gambia has 83 mobile cellular telephone subscribers and 12 internet users per 100 inhabitants, which is less than in Ghana⁷. Nonetheless, the growth of ICT has improved tremendously over the past few years. There are three mobile operators, six internet service providers, and two medium wave channels. A 3G license was issued in 2008. This is the result of the government's continued ICT liberalization and privatization efforts. A good and efficient ICT infrastructure allows efficient use of connectivity devices for mobile banking and financial services and it also has an impact on other important sectors for development such as education and health.

Identified constraints: lack of framework for diffusion of ICT to the private sector

There is a legal framework for the development of ICT infrastructure, the National Information and Communication Infrastructure Policy, which has been consistently implemented. The ICT sectors opened for investment are listed on the GIEPA website, giving a clear sign of this sector's priority in the national investment promotion strategy. PAGE admits that further development of ICT infrastructure is facing some challenges, namely, the obsolete national telecommunication backbone infrastructure and the lack of optic fibers in the north bank of The Gambia, which constitutes a barrier to extending

communication and internet services there. PAGE plans to tackle the issue and to strengthen the ICT sector (PAGE, p. 75).

However, improved coverage and quality of ICT infrastructure does not translate into the automatic adoption of ICT technology by start-ups and SMEs. On this front, efforts to promote its *diffusion* to rural communities and small scale firms are less visible. The Education Policy 2004-2015 mentions the importance of ICT as a tool for efficient management of the education sector and for the achievement of the Department of Science and Education's main priorities. It is therefore not conceived first and foremost as a discipline to be taught in itself. Yet research on the diffusion of ICT in Africa shows that small firms have limited usage of ICT due to their limited knowledge and skills and high investment costs to acquire ICT. Furthermore, taxation of internet services is another constraint (Ssewanyana and Busler 2007). Global retail E-commerce sales are set to grow to \$2.5 trillion by 2018. This growth is an opportunity for businesses in developed and developing countries alike. Access to ICT is also more problematic for women than men. According to a study conducted by GSMA and the Cherie Blair Foundation for women, the 300 million global gender gap in mobile phone subscription only represents a US\$ 13 billion opportunity.⁸ In accordance with the Gender Policy 2010-2020, equitable access to ICT for women should be a priority. The Gender Policy 2010-2020 considers equitable access to ICT as a specific objective leading to poverty reduction and economic empowerment.

Priority actions: facilitate the adoption of ICT by small scale enterprises and target groups

- Build online platforms to facilitate the diffusion of relevant market information, facilitating the access by Gambian suppliers to existing regional and global virtual market places platforms, with a focus on women and youth. Reinforce the implementation of the e-Government programme, as proposed by PAGE (p. 76).
- Set up guidelines for local procurement regarding the use of local IT companies. The lack of transparent information concerning government procurement in IT was raised by stakeholders during the workshops organized by the government and UNCTAD.

⁷ <http://www.cto.int/country-ict-data/africa/ict-data-for-the-gambia/>

⁸ GSMA, Cherie Blair Foundation for Women: Women & Mobile: A Global Opportunity A study on the mobile phone gender gap in low and middle-income countries, report download: http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/01/GSMA_Women_and_Mobile-A_Global_Opportunity.pdf

- Integrate ICT-based online learning tools into entrepreneurship education and organize training and skills development programmes for small-scale enterprises and target groups such as women and youth.
- Review the licensing and regulatory fees for innovative small businesses in the ICT sector review, if appropriate the tax structure with the aim to provide an equal level playing field for local and foreign investors.
- Improve access to ICT for women. Facilitate access to the SheTrade⁹ platform provided by ITC to connect women-owned businesses with global markets is in that regard an appropriate solution. As the SheTrade platform helps corporations to integrate women entrepreneurs into their supply chain, it will provide Gambian women entrepreneurs with the opportunity of exposure to regional and global value chains.
- Promote and upgrade STEM and ICT curricula to meet the needs of the labour market. This should be led by the Ministry of Education in consultation with other relevant ministries and concerned stakeholders.

⁹ <https://www.shetrades.com/>

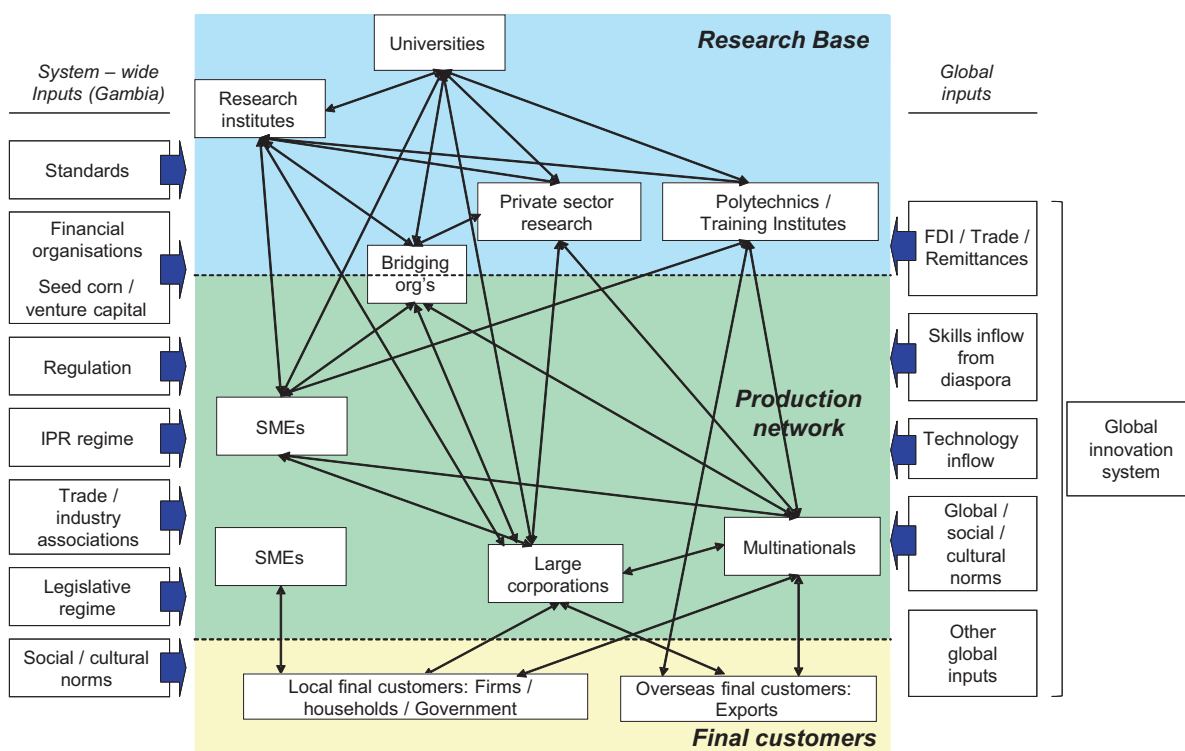
4.2. PROMOTE PUBLIC PRIVATE PARTNERSHIPS TO DEVELOP AND DIFFUSE INNOVATION

Innovation is an interactive process where the results depend not only on the strength of the different economic 'actors' (SMEs, large firms, multinationals, private sector research actors, research institutes, universities, organizations such as standard setting bodies and regulatory bodies, Intellectual Property Rights (IPR) regime, financial institutions, trade and industry associations) but on the type of relations between these actors and the institutional behaviours¹⁰.

It is vital, for the effective diffusion of technology and knowledge between the different parts of the innovation system, to link the research to the rest of the innovation system. Bridging institutions, such as technology transfer centres and business/technology incubators or organizations responsible for administering Intellectual Property Rights, can play an important role in relieving the difficulties facing SMEs to access information and finance for technological upgrading and innovation and

¹⁰ Arocena and Sutz, (2005) "Innovation Systems and Developing Countries",

Figure 3: An innovation system framework for harnessing technology, research and development in support of entrepreneurship development in The Gambia



facilitate access to the global innovation systems and value chains.

Figure 3 presents the National System of Innovation (NSI). The framework is based on the development of systemic relations among the public and private sector; the dynamic interaction of firms and institutions and strong linkages between production and knowledge systems. Innovation capability will be embedded in outputs reaching the consumers.

Identified constraints: lack of a strong links in the National Innovation System

The institutional infrastructure to link universities, research institutes and the private sector is lacking. This component received the lowest score in UNCTAD's survey. The government does not encourage nor support university-industry partnership and does not provide support for applied research and entrepreneurial spin-offs. By the same token, there are no technology transfer offices linked to universities and public research institutions.

The private sector development strategy for Vision 2020 is considering innovation related exclusively to tourism and the need to develop other forms of "sustainable" tourism (eco-tourism, inland, cultural and community-based tourism). The Gambian National Investment Agricultural Plan (2011-2015) is also calling for innovative practices in the agricultural sector. PAGE prioritizes the development of a technology and innovation policy and the establishment of a Science and Technology Council, of the Kanilai Institute of Science and Technology and of a Science, Technology and Innovation Park. (PAGE 2012-2015 p.84). Aligned with PAGE, the National Export Strategy considers the establishment of a national innovation park (GIEPA 2013). There is therefore growing support for the establishment of a national innovation system.

Priority actions: Link entrepreneurs to research, technology and innovation

- Strengthen existing institutions to develop, promote and disseminate marketable technologies and skills for industrial growth in target sectors; with capacities for the upgrading of small and medium firms, replacing inefficient, obsolete technologies with more efficient ones.
- Strengthen existing incubator programmes to focus on innovation. Identify various centres and equipping the selected centre with an innovation hub. In line with PAGE and the National Export Strategy, establish linkages arrangements between NSI institutions and other institutions such the as the Center for Frugal Innovation in Africa and private sector.
- Identify and promote twinning/mentoring arrangement or projects between UTG and the private sector.
- Strengthen the ties between organized diaspora communities (such as the Gambian diaspora in the United States and the United Kingdom) with national economic institutions (such as AmCham and GCCI). This helps to bridge knowledge between two countries eco-systems, opening up access to markets, trainings, and mentoring from host to home country.
- Review the licensing fees and, if necessary, review the tax structure for IT companies to help reduce the cost of internet access for the population.
- Establish linkages between existing enterprises and encourage small IT companies to form partnerships to bid on large e-government projects.
- Setting up an innovation park that brings ICT companies together by allocating land and facilitating companies to relocate to the park.

4.3. PROMOTE INTER-FIRM NETWORKS THAT SPREAD TECHNOLOGY AND INNOVATION

The development of clusters in various sectors can generate opportunities to build competitive firms. Increasing the interaction of firms due to physical proximity builds strong horizontal linkages that facilitate information sharing, generate knowledge spillovers and inter-firm collaboration. Vertical linkages between multinationals and local SMEs are another factor encouraging SMEs to move up the technological ladder and integrate value chains.

Identified constraints: weak value chain integration

UNCTAD's survey indicated that governmental support to promote inter-firm linkages is insufficient in creating a thriving environment for innovative SMEs able to integrate national and global value chains as PAGE 2012-2015 envisages.

Priority actions: Strengthen horizontal and vertical linkages among SMEs and between SMEs and larger national and international firms

- Disseminate knowledge about international product testing, certification and accreditation systems to meet requirements.
- Strengthen TGSB and other relevant institutions to upgrade existing and/or set up new product testing (such as IT) and certification laboratories to fill gaps in critical services by building human capacity and staff retention to ensure continuity.

- Adapt Public Procurement rules to facilitate the participation of local MSMEs in government tenders.¹¹ Develop standards for government as they relate to procurement guidelines.
- Stimulate linkages between large firms, domestic and foreign, via direct lending through an SME development fund and/or crowd funding. Set up joint capacity building in partnership with lead firms in selected value chains to generate business linkages.

4.4. SUPPORT CLIMATE-SMART AGRICULTURE AND FISHERY AND LINK IT TO TOURISM

Economic growth can only be sustainable if The Gambia addresses social and economic disparities and environmental challenges. Windstorms, drought and floods are increasingly putting the four ecosystems of The Gambia (woodland, coastal, aquatic and urban) under pressure (Malanding 2010). Agriculture and fishery are the main economic activities affected. Poverty rates for these two sectors of economic activity is higher than the national average (UNCTAD, 2014). Rural development and electrification programmes should go hand in hand. The production and distribution of renewable forms of energy therefore constitute a good opportunity to address the gap in electricity provision. In addition, the tourism sector in The Gambia provides an adequate opportunity to upgrade agricultural practices and develop value chains. The upgrade of the tourism industry is however constrained by a certain number of factors. Unless these are addressed properly, the objective of Vision 2020 (1996) “*to make The Gambia a tourist paradise and a major tourist destination through product innovation, quality improvement, improvement of investment returns and diversification of The Gambia’s tourism product*” will be met with difficulty.

The adoption of innovation is dependent on agriculture and fishery extension services. Extension is the application of scientific research and knowledge of agricultural practices through the education of farmers. Extension provides the link between the laboratory and the field. By transforming knowledge into innovative practices, it also ensures a return on investment in research.

Identified constraint: weak agriculture and fishery extension services

As the Agriculture and Natural Resources Policy (2009 – 2015) and the Gambia National Agricultural

¹¹ UNCTAD published a report on best practices to do so, see UNCTAD, 2013, “Promoting local IT sector through Public Procurement”. (UNCTAD 2013)

Investment Plan (2011-2015) admit, extension services are weak and the delivery not cost effective. In 2009, the ratio of an extension per farmer was of 1:3’500. Knowledge and information dissemination can be carried out via mobile networks. The Ghana Ministry of Agriculture Extension service portal¹² or the crowdsourcing models of WeFarm¹³ whereby information can be received by SMS are examples of the importance of ICT in innovation diffusion for agricultural development. By the same token, the use of videos has proved successful, as the example of Benin demonstrates.¹⁴ The Global Forum for Rural Advisory Services¹⁵ also provides useful, systematized and easily accessible knowledge to extension agents and managers. Extension services tend to be less accessible to women due to social factors. Extension workers still tend to interact with male farmers, even though practices are evolving. Support for rural women is therefore required.

Identified constraint: high concentration of the tourism sector

The agricultural sector of The Gambia needs to find way to increase productivity and adds more value to the economy of The Gambia. One option is to develop linkages between the eco-tourism sector and the agricultural sector. According to an ODI study, The Gambia captures about one third of the tourism value chain and about 14% of that share flows into poor households (Mitchell and Faal, 2008). This is due to the predominance of a few international all-inclusive operators, four national operators and about 20 hotels located along the coast (WTO, UNWTO, and OECD 2013). Rural population is disorganized and uninformed and is usually left out of tourism development. Similarly, the linkages between tourism and other sectors are underdeveloped.

Priority actions: increase the effectiveness of extension services and strengthen ties between agriculture and the tourism industry

- Use the entrepreneurship curricula developed for entrepreneurship education (educational pillar of this strategy) and integrate an entrepreneurship module in agriculture and fishery extension services training, with focus on women. Set up industry-research partnerships in agriculture and fisheries.

¹² <http://www.e-agriculture.gov.gh/>

¹³ <http://wefarm.org/what-is-wefarm/>

¹⁴ <http://www.accessagriculture.org/sites/default/files/impact/9.Video%20speaks%20for%20itself.pdf>

¹⁵ <http://www.g-fras.org/en/ggp-home.html>

- Support the diffusion of innovation in rural areas by strengthening the use of ICT in extension services. This can be combined and integrated with the establishment of tech hub in rural region of The Gambia, as proposed in the next section.
- Improve women farmers' access to extension services. Providing women on the farms with efficient and effective appropriate technology, training and information can increase agricultural productivity.
- Strengthen the eco-tourism industry and promote development of linkages between the tourism sector and agricultural sector by providing business opportunities to local entrepreneurs to supply hotels and tour-operators.

4.5. PROMOTE THE PARTICIPATION OF SMALL SCALE ENTREPRENEURS IN RENEWABLE ENERGY PRODUCTION AND DISTRIBUTION

The National Energy Policy (2005) focuses on rural electrification, the Renewable Energy Act (2013) establishes a framework for the Renewable Energy (RE) sector, a center for RE and a RE Fund, the Low-Emission Climate Resilient Development Strategy for The Gambia (LECRDS) (2015) proposes a RE mix for electricity production and consumption. It is equally mentioned in the 2015 GIEPA Act.

Identified constraints: lack of technical know-how of the potential local providers and low income of the rural poor population

The Gambia is overly dependent on fossil fuels for the production of its electricity and distribution is not very efficient (IRENA 2013). Per capita electricity consumption in 2013 was 126 kilowatt-hours, one of the lowest in the world (IRENA 2013). The average electrification access rate in rural areas was 12% in 2011 with some areas having an electrification rate as low as 6% (Ministry of Energy 2011 (UNDP 2015)). As the national average was 34.5% in 2012 according to the World Bank, it implies an enormous discrepancy between urban and rural areas. This is also a lower rate than Senegal and Ghana (56% and 64% respectively) which underscores the particular effort that The Gambia needs to make to increase access to electricity throughout the country.

Priority actions: include small scale firms in renewable energy production

- Set up rural tech hubs to promote the role of renewable energy. Tech hubs are springing up across Africa. Banjul has a "jokkolab"¹⁶ like most cities in West Africa. Rural areas are however underserved. These innovation spaces can be viewed as a catalyst for socio-economic development through creation of technology-led entrepreneurs with a focus on renewable energy.
- Support the development of electrification programmes based on renewable energy such as NAMA (UNDP) designed to include small scale entrepreneurs in energy production and include entrepreneurship modules in these programmes.

¹⁶ <http://jokkolabs.net/en/#jokkolabs>

5. IMPROVING ACCESS TO FINANCE

Funding start-ups and MSMEs is difficult everywhere, but is even more so when the national financial system is dysfunctional and unable to perform basic financial intermediation. Tackling the issue of crowding out generated by government borrowing, the provision of a diverse range of financial products and services to the private sector is a pre-condition to improving access to finance for start-up and MSMEs. The main policy objective should therefore be to strengthen the capacity of the financial sector to serve the private sector, increasing the diversity of financial products and services available to all levels of society. This will maximize the positive impact among targeted entrepreneurs. The table below shows a summary of these policy objectives and the existing constraints.

5.1. STRENGTHEN THE CAPACITY OF THE FINANCIAL SECTOR TO SERVE THE PRIVATE SECTOR

The causes of the financial sector's dysfunction are rooted in the macro-economic environment and monetary policy of The Gambia. The inflation target of 5% will be breached in 2016. In order to curb inflationary pressure in 2016, the interest rate of 23% will remain unchanged. Such a high interest rate, however, induces a crowding out effect of banking funds (lending to the government at more than 23% is less risky than lending at 23% to a multitude of entrepreneurs). Treasury bills constitute 69% of the

domestic debt. Unsurprisingly, the loan to deposit ratio was only 33.7%. It provides a cheap source of investment for the banks, but results in prohibitive rates for the private sector. A sectoral analysis of loans provided shows that 40% is for distributive trade. The next category (21%) is other commercial loans. 61% of the loans provided by the banking sector are thus allocated to non-productive activities. The allocation of credit is therefore directed to activities with lower risks. In turn, the priority sectors identified in development plans receive far fewer funds: loans to agriculture are 4% and loans to tourism are 3%. To decrease the risks associated with lending in these sectors, there are a number of suggestions reviewed below.

Identified constraints and challenges: weak legal and informational infrastructure

The weak legal framework for lenders and borrowers is caused by the underdeveloped financial sector, in particular for secured transactions. One of the main issues is the identification of collaterals. In that respect, it is crucial to clarify whether pledges can be taken over movables and how collateral and secured debts (which allow credit lines of a revolving loan to be secured) are defined.

The collection of information concerning loan applications is also weak. Legal systems of secured transactions should include regulations allowing lenders to access the necessary information to evaluate risks. Credit information (of any kind, positive and negative, on individuals or firms) is lacking in The Gambia. The coverage of the newly established public

Table 4: Improving Access to Finance

Policy objectives	Identified constraints	Policy Actions
a. Strengthen the capacity of the financial sector to serve the private sector	<ul style="list-style-type: none"> Gaps in the enforcement of the regulatory regime and insufficient coverage and distribution of credit information 	<ol style="list-style-type: none"> Disseminate the user manual for the new electronic collateral registry Improve the gathering and distribution of credit information Develop public credit guarantee schemes Establish information points on access to finance
b. Build the capacity of the financial sector to serve start ups	<ul style="list-style-type: none"> Low level of competition and product diversification in the financial market Low presence of financial service providers in regions Low level of financial literacy 	<ol style="list-style-type: none"> Identify roadblocks to the introduction of financial sector product diversification Promote financial sector outreach Promote financial inclusion Promote and support initiatives aiming at easing access to finance for women and youth Support the establishment of a national private sector-led business angels network
c. Support the development of financial services for innovation and sustainable development	<ul style="list-style-type: none"> Lack of incentives for investment in innovation and sustainable development 	<ol style="list-style-type: none"> Set up equity co-investment programmes and explore the feasibility of a rural enterprise fund. Channel some of the remittances from diaspora communities to dedicated investment funds Facilitate the set up of a national and/or regional crowdfunding platforms by national private operators

credit registry is very narrow. A collateral registry was established in 2014 by the Security Interest in the Movable Property Act. An electronic system for the registration of securities was also created for movable property. However, these institutions and mechanisms are not fully operational and not much information is exchanged among banks, hence the very low score that the ease of getting credit received in the EDB 2016 (The World Bank 2016). Building the banks' capacity to use this new system is essential.

Priority actions: improve information to facilitate credit

- The stakeholders recognized during the workshops and focused groups that the new electronic system of collateral registry was not fully operational. One of the ways identified to increase its use would be to disseminate the user manual.
- The coverage of the credit bureau and private registry is limited. To improve the gathering and spreading of credit information, the credit bureau and private registries need to be strengthened.
- Develop public credit guarantee schemes. The promotion of financial schemes for start-ups, should be combined with training and workshop for entrepreneurs as much as possible.
- GIEPA should establish an information desk for entrepreneurs on access to finance and other market information.

5.2. BUILD THE CAPACITY OF THE FINANCIAL SECTOR TO SERVE START UPS

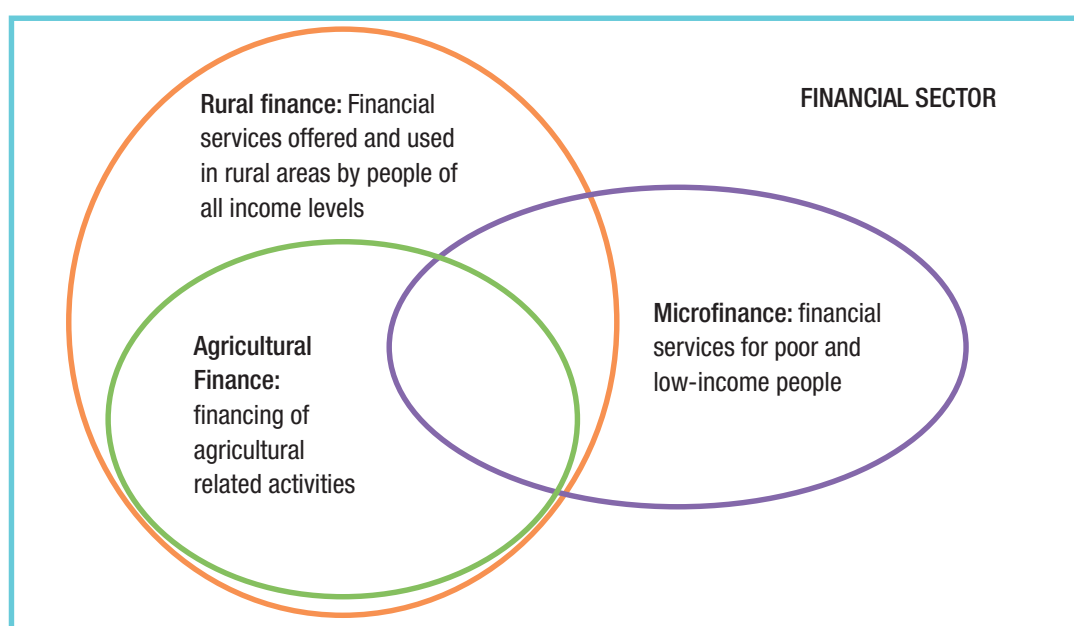
Interest rate spreads have dropped from 16.5% in 2012 to 12% in 2014. Domestic credit by the financial sector, excluding government debt, increased by up to 50% in 2014 from 20% in 2007. These indicators prove that the banking sector is becoming more efficient. But the financial sector has to improve its capacity to serve nascent and existing entrepreneurs everywhere and at all levels of society.

Identified constraints and challenges: Weak competition and product diversification

In this regard, three main characteristics of the banking sector deserve to be noted:

- The banking sector is composed of twelve banks and eleven insurance companies. Eleven of the banks are conventional and one is an Islamic.
- The financial sector is dominated by banks, the majority of which are foreign-owned.
- The banking sector is extremely concentrated: the four largest banks own 68% of the total financial assets. The banking penetration rate for the urban population is of 25% and 5% for the rural population.

Figure 4: Rural finance, agricultural finance and microfinance



Further development and diversification of the financial sector's products and services is therefore essential. Increased competition would undoubtedly benefit the real economic sector. Moreover, the high rate of non-performing loans (16% in 2014) seems to suggest that banks need to make additional efforts to screen their clients and that financial literacy needs to be improved.

Identified constraints and challenges: low presence of financial institutions in the regions

Banks however only make up part of the financial sector. Rural finance comprises the full range of financial services; loans, savings, insurance, and payment and money transfer services, which are needed, offered or used in rural areas by household and enterprises. Agricultural finance refers to financial services ranging from short-, medium- and long-term loans, to leasing or crop and livestock insurance. This covers the entire agricultural value chain: input supply, production and distribution, wholesaling, processing and marketing. Figure 4 gives an overview of these differences.

Rural and agricultural finance has been progressing, with innovative financial services and improved risk management on both the client and institution sides. Flexible credit schemes, value-chain finance, insurance products, promotion of financial literacy and the use of new technologies are being used increasingly. The introduction of index-based weather insurance allows decreasing intermediation and insurance policies costs for farmers.

Microfinance holds the potential to reach the segment of population that conventional banks cannot. In 2012, the microfinance sector in The Gambia had a volume of outstanding loans consisting of USD 2 million with USD 6 million deposits (Mix Market)¹⁷. The Gambia has many players (NGOs, network institutions, direct providers) and there are many approaches based on the target (wholesale, groups, individual), the style of service delivery (informal or formal) or on the service providers (Village-based Approach, Credit Unions Approach, Specialized MFI approach, NGO approach). Depending on all these factors (and the collateral required) interest rates vary between 15 and 30%.

70 % of microfinance clients are women, most of them living in rural areas. In fact, 90 % of microfinance credits are allocated to women entrepreneurs. Repayment rates are about 80 to 90 percent (African Development Bank Group 2011). An overwhelming majority of small loans are managed with non-conventional collateral¹⁸ due to the status of women in The Gambia who

cannot own and control productive assets ("The National Strategic Framework for the Development of Microfinance in The Gambia" 2006). Thus, as women are the targeted clients of Microfinance Institutions (MFI), these cannot use all the usual risk-management instruments for cultural and social reasons.

Priority action: Ensure financial sector deepening and financial instrument diversity

- Identify and provide regulatory and tax incentives for financial sector product diversification with a specific focus on rural and agricultural finance crop insurances, weather insurances and value chain financing.
- Promote financial sector outreach by collaborating with post offices and/or supermarkets to provide information and subscription possibilities; review regulations to facilitate the emergence of mobile banking services; fully implement the recently passed "Non Bank Financial Act" to ensure its positive impact in promoting financial sector deepening and diversification.
- Promote financial inclusion by increasing financial literacy (financial education campaign) and savings culture, introduce financial literacy programmes and training, in particular throughout rural regions. Low levels of financial literacy can certainly be a barrier to increased savings and is a factor of debt.
- Promote and support initiatives aimed at easing access to finance for women.
- Facilitate the establishment of a national business angels' network which can link the diaspora community with local start-ups, building on existing initiatives promoted by GCCI and AmCHAM.

5.3. PROMOTE FUNDING FOR INNOVATION AND SUSTAINABLE DEVELOPMENT

Entrepreneurs running innovative and or high growth companies have distinct financial needs. The design of schemes associated with early stage needs is based on venture capital and may include the encouragement of wealthy individuals (known as business angels) who could be mobilized from the extensive Gambian diaspora. Tax rebates or partial public guarantees may be offered to these funds, in particular to achieve sustainable development goals including activities such as water supply, waste recovery and recycling, sustainable tourism, and renewable energy.

note in 50% 72% and 81% respectively

¹⁷ <http://www.mixmarket.org/mfi/country/Gambia>,

¹⁸ Conventional lease is used in 16.70% of the cases while non-conventional peer pressure, joint group liability and promissory

Priority action: Develop special funds to encourage tailored finance solutions for innovation and sustainable development

- Set up equity co-investment programmes to channel debt and equity finance, Venture Capital (VC), to high potential, young and small enterprises in target priority sectors including water supply, waste recovery and recycling, sustainable tourism, and renewable energy. Support groups such as women and youth in particular. Explore the feasibility of a rural enterprise fund. The promotion of financial schemes for start-ups, should be combined with training and mentoring.
 - Channel some of the remittances from diaspora communities to dedicated start-up funds, also to be combined with knowledge sharing and capacity building.
 - Facilitate the set-up of a private sector-led national and/or regional crowdfunding platform, which could specifically mobilize the youth network coordinated by NEDI.
-

6. PROMOTING AWARENESS AND NETWORKING

Perception of entrepreneurship is shaped by the environment in which entrepreneurs live and work. A positive public mind-set about entrepreneurship and its value to society have been recognized as critical factors in building an enabling environment for entrepreneurs to thrive in. In The Gambia, the positive role of entrepreneurship and its contribution to development has been highlighted and embraced by key policy makers and other stakeholders. By the end of the Empretec project in 2017, the centre anchored at GIEPA will have trained approximately 1500 entrepreneurs. This represents a formidable network, linked regionally and globally. In addition, similar trainings on entrepreneurship skill development for target groups including women, youth and rural groups could also generate further networks. However, there are still cultural biases affecting youth, women and minorities. In addition, there is a need to promote constant dialogue among the different networks that are active in the area of entrepreneurship, in order to raise awareness of existing opportunities, including those presented by climate change, building trust within the private sector. Table 5 below gives a snapshot of the main policy objectives and constraints.

6.1. INSTILL THE ENTREPRENEURSHIP MIND-SET IN SOCIETY

The Government of The Gambia has sought various actions to help develop a positive image of entrepreneurship. The organization of Global Entrepreneurship Week (GEW) is one of the most visible efforts to raise awareness on the benefits of entrepreneurship. More than 2,500 people from across all sections of the country; diplomatic community, civil society, private sector, schools/colleges, public sector and grassroots gathered in various manners, dimensions, purposes and locations for the latest GEW celebrated worldwide. The 2015 GEW was marked in The Gambia with the launching of the first youth-centred startup incubator in the country, under the theme 'Building the next generation of entrepreneurs'. The high-level involvement of policy-makers such as the Minister for Finance and Deputy Governor of the Central Bank of The Gambia may signify growing public policy interest in prioritizing and expanding youth entrepreneurship. The incubator is an initiative of the American Chamber of Commerce and Industry with funding from the United States Embassy in Banjul. It is a Startup Incubator designed to support the successful development of young Gambian entrepreneurs through an array of business support services.

Table 5: Promoting awareness and networking

Policy objectives	Identified constraints	Priority Actions
a. Instill the entrepreneurship mind-set in society	<ul style="list-style-type: none"> Weak capacity to establish long-term awareness raising campaigns and reaching the wider public Cultural biases affecting women, youth and minorities Low percentage of entrepreneurs understanding Intellectual Property Rights (IPR) 	<ol style="list-style-type: none"> 1. Introduce regular National Entrepreneurship Events 2. Gather and disseminate case studies and stories of established Gambian entrepreneurs 3. Increase information on green and social entrepreneurship 4. Raise awareness of IPR and/or design specific information for start-ups
b. Address negative cultural biases	<ul style="list-style-type: none"> Existing cultural biases are unfavourable to vulnerable groups: women, youth, rural populations among others 	<ol style="list-style-type: none"> 1. Sensitize government officials and members of parliament on the need to support disadvantaged groups
c. Raise awareness of entrepreneurship opportunities	<ul style="list-style-type: none"> High social preference for paid employment rather than self-employment Lack of sufficient information on the opportunities The Gambia has to offer 	<ol style="list-style-type: none"> 1. Organize information and career fairs for specific sustainable business models to facilitate business exchange platforms, and fairs dedicated to sustainable development strategies 2. Improve the information on business opportunities in The Gambia for local entrepreneurs 3. Disseminate information on the expected benefits of formalization
d. Stimulate private sector-led initiatives and strengthen networks among entrepreneurs	<ul style="list-style-type: none"> Segmentation of associative organizations 	<ol style="list-style-type: none"> 1. Promote the setting up of "alumni networks" 2. Improve information sharing amongst numerous existing associations of professionals in The Gambia 3. Encourage Gambian diaspora returnees' networks to start and/or support local businesses

Identified constraints: weak capacity to implement long-term awareness raising campaigns and reach the wider public

The Gambia has a weak entrepreneurship culture fostered by society's general attitude towards entrepreneurship. Although over the last two decades, a myriad of entrepreneurship projects and programmes have been designed and initiated by the Government and its development partners, commitment to sustaining implementation has been a challenge. Discreet governmental and non-governmental efforts to raise the level of entrepreneurship in The Gambia have been difficult to sustain, partly because of poor systematic coordination and integration of entrepreneurship into education as well as the low investment in public awareness to reduce cultural barriers and misconceptions.

Better collaboration and coordination is required among all stakeholders in the entrepreneurship development space in order to stimulate the spirit of entrepreneurship more widely in The Gambia, in the long-term and across cultural and language barriers.

Finally, of special importance to this entrepreneurship policy are the high restrictions on women to secure access to, and control of, ownership of resources. Customary law creates an additional barrier to disadvantaged groups.¹⁹

Priority actions: strengthen the capacity of the main actors involved in awareness raising and develop a regional culture of entrepreneurship

Introduce National Entrepreneurship Events such as a Gambia Entrepreneurs Award and a Gambia Entrepreneurs Day with specific attention to women, youth and differently abled people as a way to provide recognition and stimulate entrepreneurship in these segments of the population. Such events provide an opportunity to mobilize organization at both national and local levels. Involving the private sector and NGOs in the financing and delivery of such awareness raising campaigns is a good way to ensure their financial sustainability and to increase their impact.

- Gather and disseminate case studies and stories of established Gambian entrepreneurs to facilitate the diffusion of a Gambian entrepreneurship culture. Perception of the difficulty to start a business, about the ability of individuals to run an enterprise and negative bias

toward entrepreneurship are better addressed by demonstrating the success of *local* entrepreneurs.

- Contribute to the Sustainable Development Goals (SDG) agenda by emphasizing the role of green and social entrepreneurship. Entrepreneurs have a role to play in the successful implementation of the SDGs. New business models proposed by green and social entrepreneurship may help turn environment and social challenges into opportunities. Gambian potential and existing entrepreneurs may benefit by learning from these emerging business models.
- Raise awareness on IPR by preparing information material and/or design specific campaigns. IPR are addressed by the 2010 Industrial Property Regulation and as of 18 December 2015, The Gambia is a member of the Protocol relating to the Madrid Agreement governing International Registration of Marks. There is however a little information and a lack of understanding concerning the importance of IPR in the entrepreneurial community of The Gambia.

6.2. ADDRESS NEGATIVE CULTURAL BIASES

There is a need to sensitize government officials and members of parliament of the need to support women entrepreneurs and other disadvantaged groups. This can be done through policy briefs, networking and special events. Within the implementation of SDGs, development agencies can support these initiatives.

6.3. RAISE AWARENESS OF ENTREPRENEURSHIP OPPORTUNITIES, ENHANCING FORMALIZATION

The relatively low status of entrepreneurs will not change markedly in the Gambian society until awareness is consistently raised about the positive value and contributions of "entrepreneurs" in leading the risk-taking required to bring latent business opportunities to fruition for the benefit of society. Care must be taken by regulators not to unduly criminalize common pitfalls in entrepreneurship risk-taking such as bankruptcy and delays in complying with regulations that can easily be corrected with warnings of sanctions. Efforts to raise awareness of entrepreneurial opportunities must ensure that the benefits of formalization are clear, consistent and well-articulated. This is an important issue for The Gambia, where the informal economy continues to play a significant role as source of two-thirds of total employment (ILO, 2011).

¹⁹ <http://www.genderindex.org/country/gambia>

Priority actions: Use the Sustainable Development Goals (SDGs) as a platform for the promotion of entrepreneurial opportunities

- Organize information and career fairs on specific sustainable business models and facilitate business exchange platforms, fairs dedicated to sustainable development strategies.
- Improve and increase the information about business opportunities in The Gambia. GIEPA produces a lot of interesting material for foreign investors. Similar information can be prepared and disseminated among local entrepreneurs.
- Disseminate information on the expected benefits of formalization for different categories of informal activities. This information material should be prepared by GIEPA in coordination with the Entrepreneurship Forum.

6.4. STIMULATE PRIVATE SECTOR-LED INITIATIVES AND STRENGTHEN NETWORKS AMONG ENTREPRENEURS

Networking promotion efforts should take into account existing social infrastructures and build future actions upon it.

Identified constraints: segmentation of associative organizations

There are numerous professional organizations in The Gambia, all of which represent members with interest in private sector and entrepreneurship development. Besides the two main representatives of the private sector (Gambia Chamber of Commerce and Industry and AmCham), there is also the Association of Small Entrepreneurs (Asset), the Association of Gambia

Entrepreneurs, the Young Entrepreneurs Association, the Association of Arts and Craft Entrepreneurs, the Association of Farmer Educators and Traders, the Gambia Hotel Association, the Gambia's Women Finance Association. Bringing them into an umbrella network or coalition of stakeholders may be an effective way of deriving economies of scale, where there is an appetite for sharing information and prioritizing and pursuing common interests. Whilst this may seem obvious, it is not always the case and sectional interests may be much easier to pursue, depending on the particular political economy of each country.

Priority actions: Strengthen the associative network.

- Use the different programmes as a base to promote the setting up of “alumni networks “(e.g. Empretec Family Forum and others). As stated earlier, by the end of 2017, Empretec will have certified approximately 1,500 entrepreneurs. These entrepreneurs represent a pool of resources, which can contribute to create a critical mass and have a multiplier effect in a country of 1.8 million inhabitants.
- Work with the numerous existing associations of professionals and NGOs in The Gambia to improve information sharing and support initiatives to group them into an umbrella network: the Entrepreneurship Network.
- Engage and support returnee Gambian diaspora networks to start/and or support local businesses, using their international networks. The largest community of Gambians abroad is in the United States. Improving the linkages between Amcham and GCCI and Gambian diaspora in the US would be a first step.

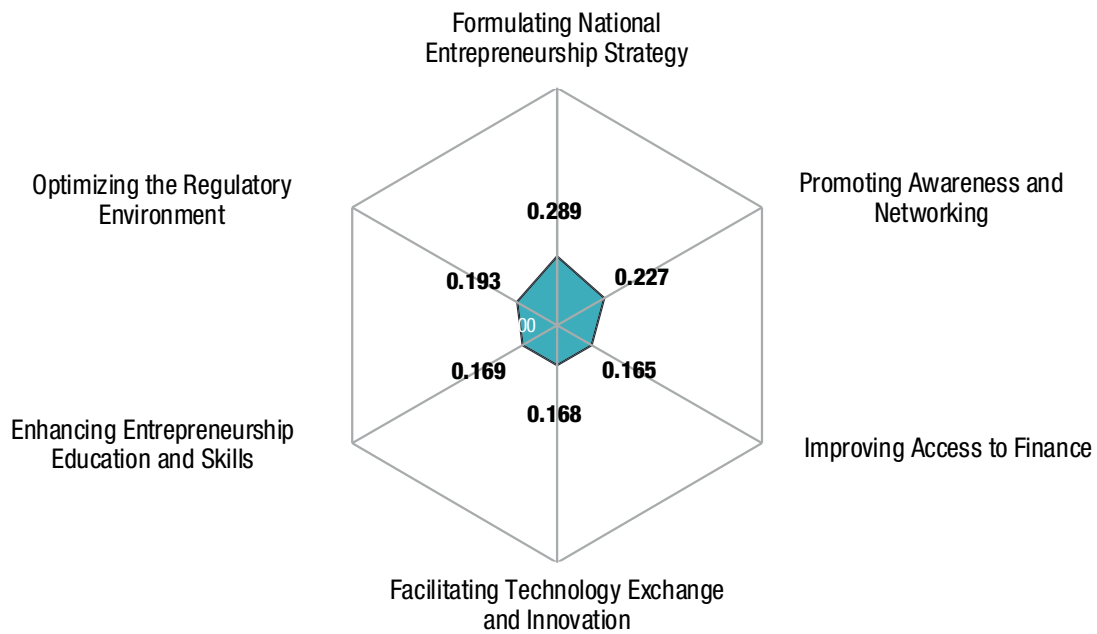
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ANNEXES

Figure 5: UNCTAD's survey results for The Gambia

Entrepreneurial Ecosystem Perception Scorecard



Source: Unctad survey.

UNCTAD survey: The scores of areas, components and indicators range from 0 to 1 with 0 as the least competitive level. Through a simple arithmetic average, the relevant indicators are aggregated to give the score for each component, which in turn are aggregated to give a total score per area.

Figure 6: UNCTAD’s survey results by areas



Source: Unctad survey.

Table 6: Main constraints and assets in The Gambia identified by UNCTAD's survey			
Pillar	Item	Rank	Component
Weakest			
Facilitating technology exchange and access to finance	4C	0.032258	Build bridges between public bodies, research institutions, universities and the private sector
Enhancing entrepreneurship education	3C	0.072413	Train teachers
Improving access to finance	5B	0.088881	Promote funding for innovation
	5A	0.090958	Improve access to relevant financial services on appropriate terms
Enhancing entrepreneurship education	3D	0.133333	Partner with the private sector
Promoting Awareness and Networking	6A	0.267571	Highlight the value of entrepreneurship to society and address negative cultural biases
Facilitating technology exchange and access to finance	4B	0.28172	Promote inter-firm networks that help spread technology and innovation
Formulating National Entrepreneurship Strategy	1D	0.293561	Measure results, ensure policy learning
	1B	0.302273	Ensure coherence of entrepreneurship strategy with other national policies
	1C	0.338807	Strengthen the institutional framework

Source: Unctad survey.

