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## FACT SHEET

# STRENGTHENING ENTREPRENEURSHIP AND ENTERPRISE DEVELOPMENT

Through its project to Support Entrepreneurship and Enterprise Development (SEED), USAID supports the development of entrepreneurship among youth and promotes the growth and competitiveness of micro, small, and medium-sized enterprises (MSMEs) by improving access to high-quality public and private services. The project is nationwide and focuses on select value chains including ready-made garments, plastics, automotive accessories, dairy, and fisheries. An emphasis is placed on MSMEs that are woman-owned or have the potential to hire significant numbers of women and youth.

The project strengthens the ability of incubators and business development service providers to support the formation, growth, and expansion of MSMEs in Egypt. It supports the ability of financial service providers to facilitate access to finance for MSMEs; it also strengthens the capacity of service providers to offer trainings and technical assistance needed by MSMEs. The project supports entrepreneurship education, mentorship, and business plan competitions; connects MSMEs with buyers; and works with business associations on improving the ease of doing business in Egypt. This project leverages private sector finance by encouraging corporate social responsibility (CSR) among private firms.

In addition to working with the private sector, USAID improves Egypt's business environment through working with the public sector on evidence-based analyses and policy implementation. The project also facilitates public-private sector dialogue on major laws and regulations impacting entrepreneurs and MSMEs.

## MAIN ACTIVITIES

- Improve the quality, availability, and accessibility of business development services, including financial services – and connect entrepreneurs and MSMEs with these services.

- Introduce entrepreneurship education in high schools and universities.
- Encourage formalization of private enterprises – and link these formal enterprises with established firms to assist in their integration into international value chains.
- Provide demand-driven assistance, allowing Government of Egypt (GOE) counterparts and business associations to prioritize areas in which they would most benefit from technical assistance; emphasize technical assistance on conducting policy analysis and participating in public-private dialogue.
- Promote the concept of corporate social responsibility among the private sector as a means of sustainable finance for development programs.

## RESULTS

**ENTREPRENEURSHIP:** Through 11 startups and business plan competitions, connected nearly 2,140 young entrepreneurs with a network of accomplished mentors to help translate their ideas into business models. Helped an additional 651 entrepreneurs connect with incubators to further refine their business models and launch viable business ventures, which resulted in the creation of 172 jobs. Since 2015, 143 USAID-supported startups have introduced new products to the market.

Through 15 startup weekends and business plan competitions, this project connected nearly 2,793 young entrepreneurs with a network of accomplished mentors to help translate their ideas into business models. Helped an additional 1,413 entrepreneurs connect with and benefit from incubators. Additionally, the project supported 1,152 entrepreneurs to further refine their business models and launch viable business ventures. The project has managed to support 3,105 persons to receive new or better employment. Over the past three years of the project, 143 USAID-supported startups have introduced new products to the market.

**FINANCIAL SERVICES:** Through training on product development and social performance management, supported 27 financial service institutions to finance over 8,700 aspiring entrepreneurs, including women and youth.

**BUSINESS DEVELOPMENT SERVICES:** Trained 47 business development centers and 11 incubators in business development services that have helped 454 microenterprises and 97 small and medium-sized enterprises (SMEs) improve their management methods based on international best practices. Developed two mobile applications to increase accessibility of these services.

**BUSINESS-TO-BUSINESS CONNECTIONS:** Supported the integration of 45 MSMEs into larger supply chains and the participation of more than 65 MSMEs in national and international exhibitions, at which they concluded deals totaling approximately \$318,845 in initial orders.

**EASE OF DOING BUSINESS:** Through a public-private dialogue, drafted proposed regulations for incubators and accelerators to be included in the new MSME law. In collaboration with the Egyptian Franchise Development Association (EFDA) and the Egyptian Regulatory Reform and Development Activity (ERRADA), identified key policy issues and supported the drafting process of the new Franchising Law through a dialogue with private companies and investors.

**GENDER NETWORK:** Established the Women's Entrepreneurship Network (WEN) in partnership with women-focused organizations such as the National Council for Women (NCW), the Alexandria Businesswomen's Association (ABWA), FEI, and the Business Women of Egypt 21. Helped the WEN formulate its vision to better serve women in starting and managing their own businesses.

## OVERVIEW

Implementing Partner: AECOM; Life of Project: November 1, 2015-April 30, 2020; Total USAID Funding: \$18.03 million; Bilateral Agreement: Trade and Investment Promotion in Egypt (TIPE) and Financial System Modernization Program / Competitive Environment for Investment (FSMP/CEI); Governorates: Alexandria, Assiut, Cairo, Dakahlia, Gharbia, Giza, Menoufia, Minya, Port Said, Qalyoubia, Qena, Sohag.