

Mapping Study of Nigeria's Entrepreneurship Ecosystem

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TABLE OF CONTENTS

Foreword	4
Executive summary:	5
1. Overview of Nigerian Entrepreneurship Landscape	9
2. Defining the Ecosystem	13
Policy & Regulation	20
Capacity Building	26
Access to Finance	30
Access to Markets	33
Access to Resources	35
Business Support	37
Research & Development	39
Entrepreneurs & Culture	41
3. Case Studies: The Technology Ecosystem & Kenya	44
4. Key Takeaways for the Nigerian Entrepreneurship Ecosystem	49

Background

The Nigerian business environment is a dynamic one. Despite having a very strong entrepreneurial culture, we see entrepreneurship in Nigeria expressed in different unique facets across the country each one unique to the key players within the respective regions. This means that any serious attempt to designing and implementing entrepreneurship policies, programmes and initiatives must take into consideration these dynamics in addition to economic growth targets, sector strategy plans and demographics. Despite the obvious challenges in the business environment such as inconsistent policies, difficult business environment, lack of required infrastructure and human capacity issues, data from the Nigerian Bureau of Statistics (2013) show that Nigeria's Micro, Small and Medium Enterprises (MSMEs) have contributed about 48.7% to the Nigerian GDP in nominal terms and also employ 84% of Nigeria's workforce 84% thus indicating a strong potential to be the socio-economic power engine for the country.

As an organisation committed to catalysing entrepreneurship in Nigeria, and with our focus on impacting the entrepreneurship ecosystem, FATE Foundation strongly believes that the answer to improving and scaling the outcomes of various entrepreneurship and MSME focused initiatives across the private, public and development sector lies in structured policy/program design and implementation. This means that design should not just take into consideration expected outcomes but must also have in place a monitoring and evaluation system to review progress against goals/objectives and give opportunities for redesign along the way. Research based information to aid decision making pre, during and post implementation is crucial and this informed our decision to engage in annual research projects that focus on thematic areas within the MSME space in Nigeria; carry out an annual policy dialogue session to deliberate on expert recommendations; and also work on advocacy to drive the recommended implementation steps. Last year, our maiden research and policy dialogue focused on the Nigerian MSME Policy Environment, highlighting the challenges within the space and proffering actionable solutions. During the discussions which had key representatives from institutions that impact MSMEs within the private, public and development space, we realised that there was a huge vacuum with respect to information on key players and activities within the entrepreneurship ecosystem and after identifying this gap, it was clear what our next research would focus on.

This report identifies the major components and elements of the Nigerian entrepreneurship ecosystem looking at their strengths and gaps. It also provides cross-country reviews while identifying key policy levers required to develop a thriving ecosystem. While this mapping study provides a national perspective, plans are underway to develop regional mapping reports for a better understanding of the entrepreneurial dynamics at the subnational levels particularly in key segments such as youth entrepreneurship.

We are thankful for the technical support from KPMG Advisory Services team who carried out the research work for this report. This work would also not have been possible without the financial support from the Ford Foundation and the Bank of Industry. We are really excited about the role this research document will play in aiding MSME and Entrepreneurship policy design and implementation at Federal, State and Local government levels and we are happy to have had institutional support from the Federal Ministry of Industry, Trade and Investment. We the findings from this report will foster synergies and collaboration between stakeholders to enhance the development of a sustainable ecosystem in Nigeria and we will work towards ensuring its contribution to entrepreneurship plans and programmes so that we can deliver the results we all yearn to see.

Adenike Adeyemi
Executive Director, FATE Foundations

Foreword

Knowing the importance of entrepreneurship for sustained economic growth and improved wellbeing, the Federal Government of Nigeria continues to implement policies and programmes to support entrepreneurs in order to foster economic growth, increase job creation and prosperity, reduce poverty, inequality and promote inclusive growth

Globally, Micro, Small and Medium Enterprises (MSMEs) have been identified as catalysts for rapid socio-economic development of nations. Operating optimally, MSMEs can lead to greater utilization of local raw materials, improved employment generation, encourage rural development, and stimulate entrepreneurship and wealth creation.

This report on the Mapping Study of Nigeria's Entrepreneurship Ecosystem is timely, and expected to aid policy review and implementation processes towards creating an enabling environment to drive entrepreneurship and enterprise development in line with the National Enterprise Development Programme (NEDEP). The Federal Ministry of Industry, Trade and Investment (MITI) has sustained the NEDEP to promote consistency in government policy. MITI has finalised a 5- point growth and diversification plan to: Create an enabling environment for industry, trade and investment; Implement the Nigerian Industrial Revolution Plan (NIRP); Attract domestic and foreign investment; Support Micro Small and Medium Enterprises (MSMEs); and, Facilitate market access and integration of Nigerian manufacturers and service providers into regional and global value chains through multilateral negotiations and Free Trade Agreements (FTAs).

Accordingly, some of our immediate strategic priorities include:

- Strict implementation of the expanded National Enterprises Development Programme (NEDEP)
- Strengthening institutional frameworks for the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Bank of Industry (BOI), Industrial Training Fund (ITF) and the Nigeria Export Promotion Council (NEPC), Standard Organisation of Nigeria (SON) towards seamless delivery of MSME's intervention.
- Accelerated skills development for economic development and aligning skills development to market needs
- Creating enabling environment for MSMEs to thrive and also improve our rating on ease of doing business.
- Encouraging the use of technology and e-commerce in entrepreneurship and the creation of technology hubs
- Development of an SME index to improve on monitoring and evaluation towards improving growth rate and survival of MSMEs.
- Promoting Women and Youth Inclusion
- Conversion of some of the Industrial Development Centres to Industrial Clusters/Enterprises Parks to serve as workspace for the MSMEs, incubation centers, production hubs and facilitate access to finance
- Revamping specialized support in access to finance, exports, manufacturing, business development, research and development and innovation.

These interventions are anchored on the basis that entrepreneurs are most successful when they have access to the human, financial and professional resources they need, and operate in an environment in which government policies encourage and safeguard businesses.

With this in mind, it is instructive and appreciable that this report has identified Government as a key driver of change in entrepreneurial culture, playing an important role in stimulating a widespread cultural change in favour of entrepreneurship across the ecosystem.

I strongly align with the objectives and findings of this report, and hope that it will further contribute to a better understanding of identified gaps and opportunities that exist in the ecosystem, and also proffer informed ideas that could strengthen the system to spur dynamic economic changes, create wealth and expand job opportunities to restore sustained growth for the pace of Change we envisage for Nigeria.

Aisha Abubakar
Honourable Minister of State
Federal Ministry of Industry, Trade and Investment



Foreword

From inception, the Bank of Industry (BOI) has focused on the development of Nigerian enterprises to drive national economic growth. As one of its strong pillars to achieving this objective, the Bank continually develops and leverages strategic partnerships with reputable international and local institutions, agencies and objective-based NGOs. Through these partnerships, the Bank has, since its inception, grown to become a major driver of entrepreneurial development in Nigeria.

BOI began operations in 1959 as Investment Company of Nigeria (ICON). In 1964, the organization was re-structured under the guidance of the World Bank with an authorized share capital of £2m and its name was subsequently changed to Nigerian Industrial Development Bank (NIDB). In 2001, and with a revised mandate geared towards supporting projects with potential developmental impact, the Bank of Industry emerged from the merger between Nigeria Industrial Development Bank (NIDB) and Nigerian Bank for Commerce and Industry (NBCI).

To align with the Federal Government's 2014 Nigeria Industrial Revolution Plan, the Bank structured its Large Enterprises Business Groups along the following key sectors: Agro-Processing, Solid Mineral, Gas & Petrochemicals, Creative Industry, Gender Business and Engineering & Technology. That alignment and structural change led to the financing of several businesses that culminated in the creation of 335,000 jobs as at 2015.

BOI also expanded its support for the Small & Medium Enterprises (SME) Ecosystem through the accreditation of 203 Business Development Service Providers (BDSPs), these BDSPs are saddled with the task of assisting potential and existing enterprises to build their capacity for business; develop bankable business plans; support growth initiatives and position their businesses for long term viability. At the same time, the Bank has continued to support SMEs by entering into strategic alliance with 10 SME-friendly banks to provide working capital financing for this business segment.

Focusing on the development of Small and Medium business in Nigeria and improving access to finance, BOI implemented the SME cluster initiative. The cluster model is aimed at targeting SME groups by a planned initiative to direct specific funds to the growth of the sectors. BOI has already identified over 40 sectors and has created varied products for each sector to aid ease of access to bankable loans for their businesses. Some of the cluster mapped groups include Adire (Tie and Dye)/ Aso Oke, Leather/ Footwear, Quick Service Restaurants, Plastics, Solar, Theme Parks and many more.

Further to the above, in 2015, in the continued effort to grow Nigerian MSMEs, BOI launched five digital applications designed to enhance their operational capabilities. The products include SME Mobile App, SME Accounting Application Software, Online Loan Application Portal, Loan Application Tracking System, and SME Customer Portal.

BOI understands the importance of youths to the growth of the Nigerian economy especially as approximately 45% of our country's population is comprised of people between the ages of 15 and 35 years. To address the large unemployment rates in this category and in turn promote inclusive growth, the bank developed 2 special funds specifically for youths. The Graduate Entrepreneurship Fund (GEF) which is a N2bn fund aimed at empowering National Youth Corp members with entrepreneurial potentials with startup financing for their own businesses and the Youth Entrepreneurship Support Programme (YES) which is a N10bn fund targeted at young aspiring entrepreneurs between the ages of 18 and 35 years, and with a minimum education qualification of OND (Ordinary National Diploma).

Still on promoting financial inclusion and most importantly revealing Nigeria's "hidden" economy, the Bank recently set up the Micro Enterprise Directorate with a mandate to provide affordable financing solutions to Nigeria's un-served and underserved citizens. This mandate is in line with the Federal Government's Economic Agenda to impact the bottom of the pyramid. Currently, the Directorate is executing the Government Enterprise & Empowerment Programme (GEEP), a N140bn social intervention fund mandated by the Federal Government. The scheme aims to provide zero interest financing to 1.6million beneficiaries across the following segments: market women, traders, artisans, farmers / agricultural workers and enterprising youths in its first year. It is expected that the programme would have reached 4 million beneficiaries within 4 years and created at least one additional job per beneficiary reached.

As an advocate of promoting an MSME friendly environment in Nigeria, BOI continues to lead the agenda of promoting policy development for Nigerian enterprises through the sponsorship and organization of sector-related seminars, investment summits and capacity building programmes. The Bank's continued effort towards enterprise development in Nigeria is seen in its support in creating an enabling environment for the entrepreneurial ecosystem. BOI has connected various micro enterprise operators with linkages to off takers, access to local retail and international markets. The bank continues to provide avenues for display at various local and international exhibits targeted to promote local talents such as the Lagos International Trade Fair, Agrik Expo, Lagos Fashion week, African Fashion Week and many more. This has helped businesses integrate into the large business hub in Nigeria and provide access to more competitive markets.

Our unwavering determination to grow the Nigerian enterprise ecosystem continue to propel us to engage organization that are as passionate as we are to foster entrepreneurial growth in Nigeria. This is one of the many reasons why we strongly align with the mission and vision of FATE Foundation to see the Nigerian economy advance into an entrepreneurial hub for investors.

Waheed A. Olagunju
Ag. MD/CEO
Bank of Industry Nigeria Limited



Executive Summary

According to the International Monetary Fund (2016), Nigeria is the **largest economy** in Sub-Saharan Africa. With a population of **170 million people**, Nigeria has the **largest consumer market** in Africa making it a **highly attractive market** for prospective business. The large domestic market also provides **opportunities for business growth and expansion** across industries and value chain segments.

Conducting business in Nigeria undoubtedly comes with its set of unique challenges such as **lack of power, poor infrastructure, insufficient funding and a lack of supportive policy frameworks** but Nigerian entrepreneurs continue to prove to the world that with resilience and focus, success is achievable. The Micro, Small and Medium Enterprises sector today accounts for about 37% of the nation's GDP and employs about 84% of the labor force.

While the challenges within the Nigerian business

environment seem to dwarf Africa's giant when compared to other emerging markets in the area of ease of doing business, we are beginning to see considerable effort to develop solutions.

For instance **alternative forms of funding** such as angel investors and accelerators are gradually increasing for startups. There has also been an increased drive to support **early-stage entrepreneurship exposure, education and support structures** in a bid to ensure that youth have the right foundation to start and scale their businesses.

Despite the positive developments springing up across board, there is still significant work to do to enhance business success particularly in areas like access to seed stage funding.

Key Facts about Entrepreneurial Activity in Nigeria

Registered Businesses

72% of registered firms in Nigeria are MSMEs.

Source: Augusto & Co 2015



Job Creation

MSME sector employs **84%** of labour force.

Source: SMEDAN 2013 Survey



Dominant sector

37% of entrepreneurial activities are within the food and beverages, manufacturing, real estate and construction and ICT sectors.

Source: KPMG 2014 MSME Banking Study



ICT

Increased focus on Nigeria's ICT SMEs

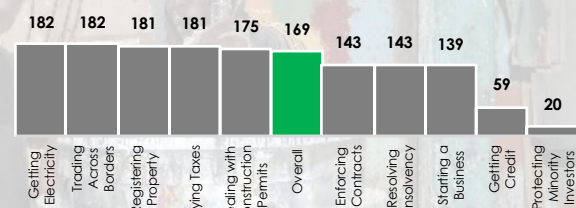
with **55%** of most active start-up clusters located in the South-West

Source: Office for ICT Innovation and Entrepreneurship (OIIE)



Doing business in Nigeria

Nigeria ranked 169th out 189 economies in the World Bank Ease of Doing Business Report 2016.



Source: World Bank Ease of Doing Business Report 2016

Enabling Environment

80% of MSMEs rated Enabling environment as one of their most critical challenges.



Source: KPMG 2014 MSME Banking Study

Opportunity-Driven Entrepreneurship

53% of early stage entrepreneurs are driven by opportunities to improve the socio-economic environment

Source: Global Entrepreneurship Monitor 2012



Research & Development

70% of entrepreneurs do not have patent right.

Source: SMEDAN 2013 Survey

Survival Rate

High failure rate of **80%** within first 5 years of operation.

Source: OECD



Executive Summary

Our Methodology

Businesses thrive better with the right policy framework in place but effective and sustainable policies are best developed with research-based information. To develop effective and sustainable MSME policies in Nigeria, knowledge of the Nigerian entrepreneurial ecosystem is therefore imperative. The mapping of the Nigerian Entrepreneurship Ecosystem would not only aid policy design and review but also guide implementation processes around creating an enabling environment to drive entrepreneurship growth and enterprise development in Nigeria

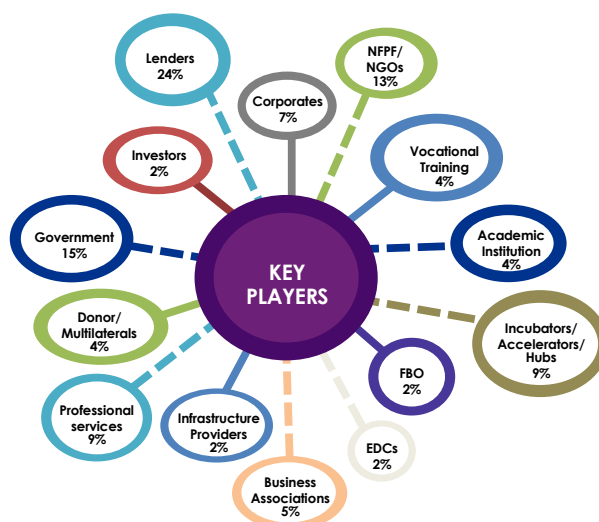
For the purpose of this study, we engaged key stakeholders within the public, private, non-profit and development space involved in developing and implementing initiatives and interventions that

impact entrepreneurs in Nigeria. The overall objective was to gain an understanding of their roles, interventions, participation levels and obtain insights on key challenges and opportunities within the ecosystem.

Entrepreneurs were also interviewed to obtain a balanced perspective on the impact of policies and initiatives on their businesses as well as learning points from their experience in the ecosystem.

This study utilized various tools and techniques such as primary and secondary research, extended depth interviews, focus group discussions and expert sessions to facilitate an in depth understanding of the subject matter, validate our findings as well as create avenue for stakeholder interaction.

Percentage distribution of stakeholders engaged



Snapshot of Work Approach



Identify **key components** of Nigeria's entrepreneurship ecosystem

- Stakeholders type by mandate, orientation and coverage
- Roles and intervention strategy
- Nature and significance of impact on the Nigerian economy
- Relative complementarity of their interactions



Cross-country review with similar demographics to Nigeria

- Highlighted key learnings from Chile, Kenya, India zeroing on the critical policy levers responsible for creating a favorable business environment



Identify **policy & initiatives** required to enhance an effective entrepreneurship system

- Analysed policies based on impact point.
- Reviewed policies at play to identify areas for improvement and synergies opportunities

Executive Summary

A first step to stimulating entrepreneurship is mapping and measuring the existing entrepreneurial ecosystem¹. This will facilitate a better understanding of gaps and opportunities that exist in the ecosystem, at the same time, provide information and deeper insights into the appropriate initiatives that could strengthen the system.

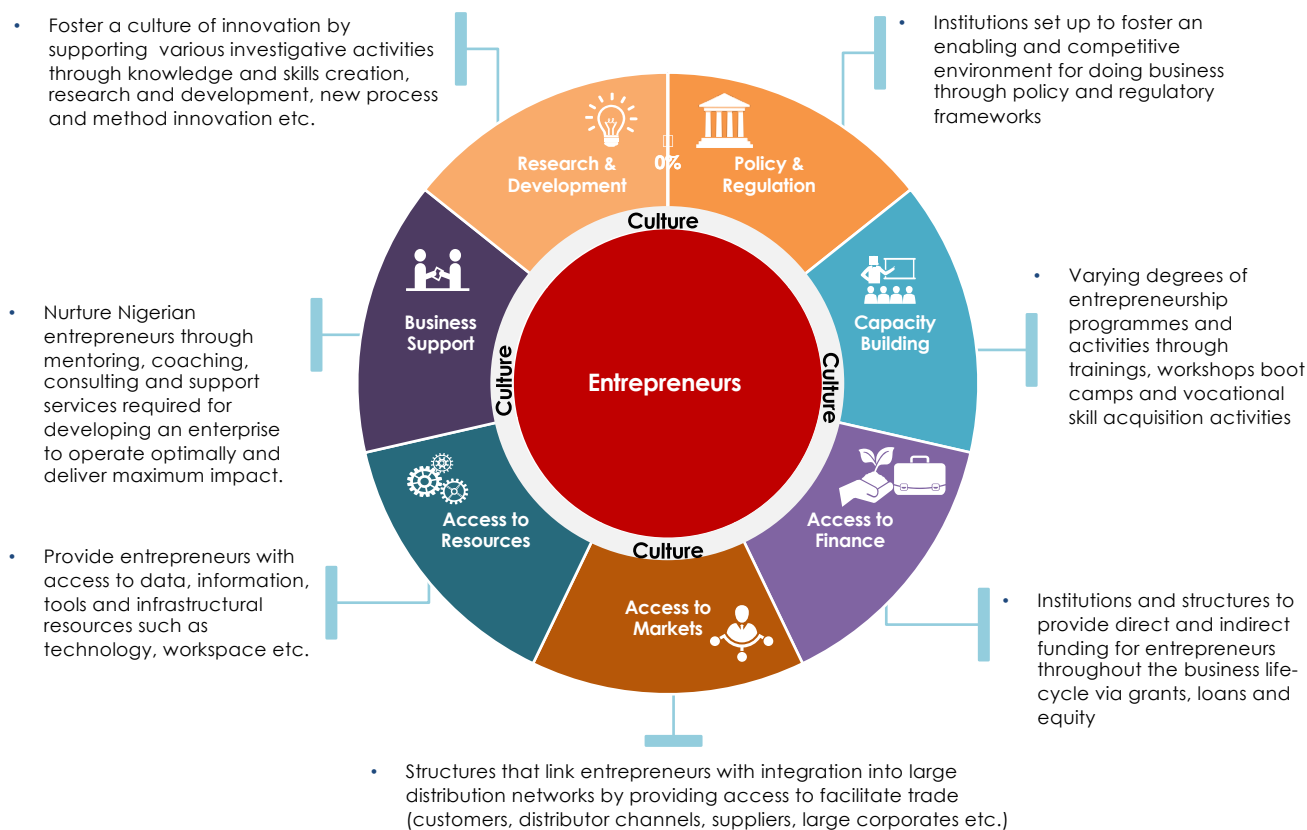
The entrepreneurial ecosystem consists of interconnected determinants and various actors responsible for ensuring that these actors function in a way that is mutually reinforcing. In this study, the framework for identifying the entrepreneurship determinants was adapted from the Aspen Network of

Development Entrepreneurs (ANDE) Entrepreneurial Ecosystem Diagnostic Toolkit.

The Nigerian entrepreneurship ecosystem consists of a diverse pool of actors from the public, private, non-profit and development space carrying out different ecosystem functions that impact and determine entrepreneurship outcomes.

The role of culture was also reviewed as this influences the entrepreneurial activity and perception of entrepreneurship as a career choice.

Entrepreneurship Determinants within the Nigerian Ecosystem



Key Players in the Nigerian Entrepreneurship Ecosystem

Policy & Regulation

- Government Agencies, Parastatals and Institutions (Federal, State & Local)

Access to Finance

- Lenders
- Investors
- Donor Agencies/Multilaterals
- Government
- NGOs/Foundations
- Corporates

Capacity Building

- Entrepreneurship Development Centres
- Government
- NGOs/Foundations
- Business Management Organisations
- Vocational/Education Training Centres
- Incubators/Accelerators
- Faith-based Organisations
- Financial Institutions
- Trade Associations

Access to Markets

- Donor agencies/Multilaterals
- Government
- NGOs/Foundations
- Corporates
- Accelerators
- Industry Clusters

Access to Resources

- Government
- NGOs/Foundations
- Corporates
- Accelerators/Incubators
- Industry Clusters

Business Support

- Business Development Service Providers (BDSPs)
- Entrepreneurship Development Centres
- NGOs/Foundations
- Professional Service Providers
- Mentoring/Coaching Programmes
- Incubators/Accelerators

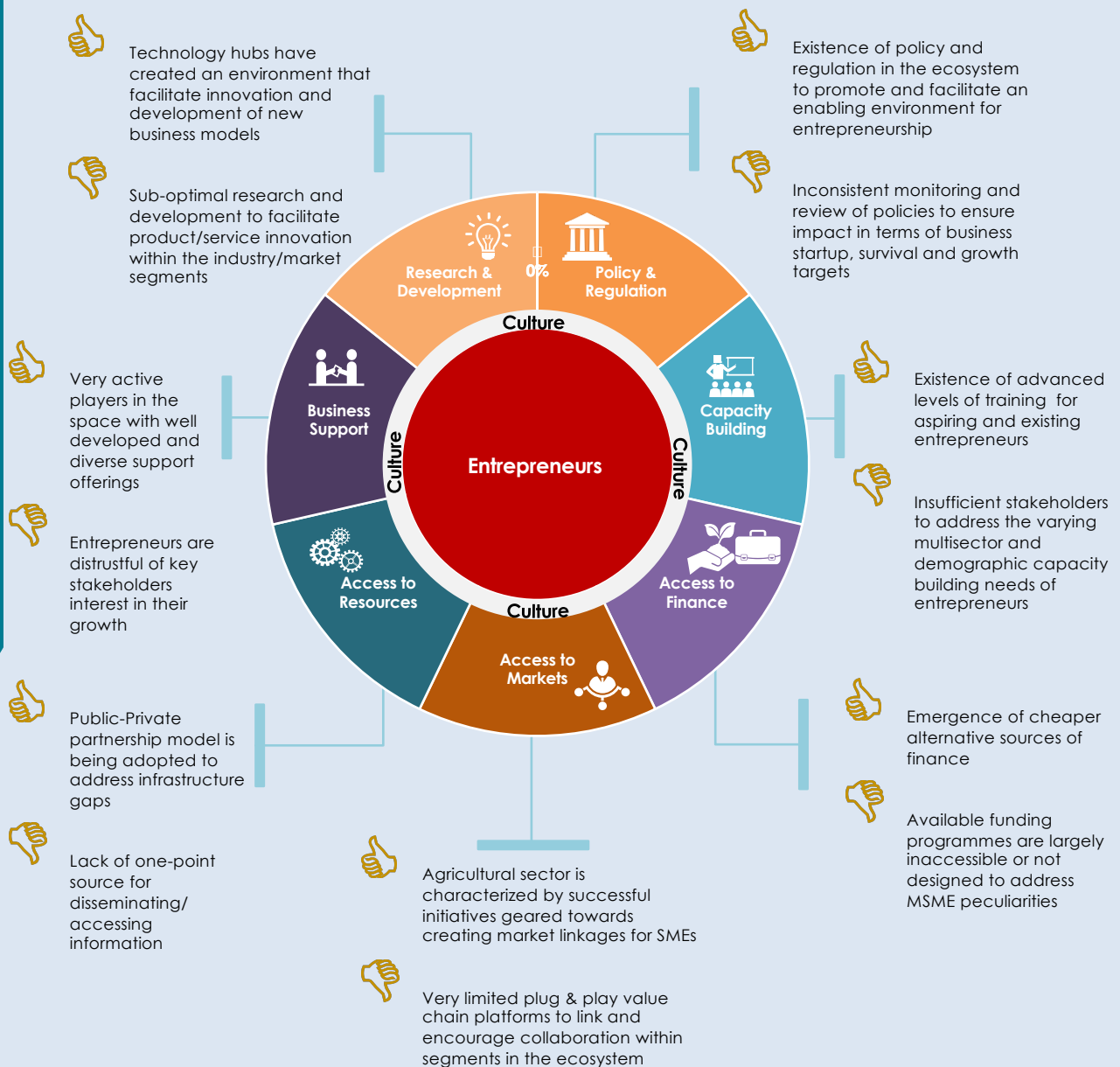
Research & Development

- Government
- Corporate
- Academic Institutions
- Incubators/Accelerators

1. Entrepreneurial Ecosystem Diagnostic Toolkit, ANDE, 2013

Executive Summary

Strengths and Gaps in Nigeria's Entrepreneurship Ecosystem



As with a natural ecosystem, the Nigerian entrepreneurship ecosystem can be balanced only when all of its components are in harmony and efficiently playing their roles

Overview of the Nigerian Entrepreneurship Landscape

1. Overview of Nigerian Entrepreneurship Landscape

1.1 BACKGROUND

Endowed with natural resources, a large labour force (which accounts for 53% of total population), a brimming consumer market and attractive investment opportunities, Nigeria has abundant potential waiting to be explored.

In the past decade, Nigeria enjoyed strong economic growth averaging 7% with the non-oil sector being the major driver of growth (87%) - services (57%), agriculture (21%) and manufacturing (9%). However, strong growth has not translated to improved standards of living given the level of income inequality¹. Recent slow down in global economic growth has adversely affected economies particularly, commodity exporting countries like Nigeria. In 2015, Nigeria's GDP declined by more than half its value (2.79%) and as at 2016 the economy entered into recession with negative growth of 0.36 and 2.06% in Q1 and Q2 respectively². This has reflected in rising inflation; currency pressures; squeeze on micro enterprises; aggravated unemployment in the private sector as organisations are shedding manpower amongst other effects. The government has therefore realized the need to pursue a more diverse economic plan that will stimulate sustainable development in the long-term.

In the same context, entrepreneurship has been recognized as a viable tool in the drive to diversify the Nigerian economy by stimulating industrial development, fostering innovation and generating employment. Efforts to strengthen this segment are a commendable start, but fall short.

Research has shown that even in the absence of major economic reforms, a high impact entrepreneur can generate value that is equal to or greater than what a number of micro, small or medium enterprises could³. Therefore, there is room to support the development of entrepreneurs, particularly high impact ones in sectors that have shown to be recession proof e.g. agriculture, entertainment, healthcare etc. Innovation and opportunity driven entrepreneurship are also likely to succeed during periods of recession⁴.

Therefore, it is important that entrepreneurship is promoted more as a source of expanding economic activity by creating enterprises that will in turn create gainful jobs than a poverty alleviation programme.

1.2 NIGERIAN MARKET

Nigeria is the 2nd largest economy in Sub-Saharan Africa. With a population of 170 million people, Nigeria has the largest consumer market in Africa making it a highly attractive market for entrepreneurs. The large domestic market also provides entrepreneurs with opportunities for business growth and expansion across industries and value chain segments.

In terms of income, national income is concentrated at the top with 20% of the population controlling about 44% of national income. Research reveals that the middle-income segment of the population is growing (Population earning between \$10 to \$20 per day and those earning between \$20 to \$50 per day, grew by 4% and 2% respectively between 2004 to 2014⁵). The search for better economic opportunities has also seen a rise in the urban population which is expected to continue to grow with about 62% of the population living in urban areas by 2030. It is expected that the rise in income and urbanization is driving an increase in taste for consumer goods.

Within the past decade, Nigeria has seen a continual rise in mobile phone penetration from 2.27 million lines in 2002 to 149.1 million as at June 2016⁶. A complementary trend to this is the sustained growth in internet subscription. 61.7% of the active mobile phone lines have internet subscription representing about 92.1 million Nigerians.

The stable growth in internet penetration has given rise to rapid evolution of the e-commerce sector in Nigeria. Mobile is also "the new high street". This has resulted in transformation of traditional business models across various industries including real estate, logistics, hospitality, retail distribution among others.

1. African Development Bank, A focus on Africa's transformation to sustainable growth, May 2015
2. Nigerian Bureau of Statistics 2016 Q2 GDP Report
3. Fernando Fabre, Endeavour Global 2012

4. Devece, C. Entrepreneurship during economic crisis: Success factors and paths to failure, April 2016
5. Pew Research Center, 2014
6. Nigerian Communications Commission, June 2016

1. Overview of Nigerian Entrepreneurship Landscape

1.3 OPERATING ENVIRONMENT

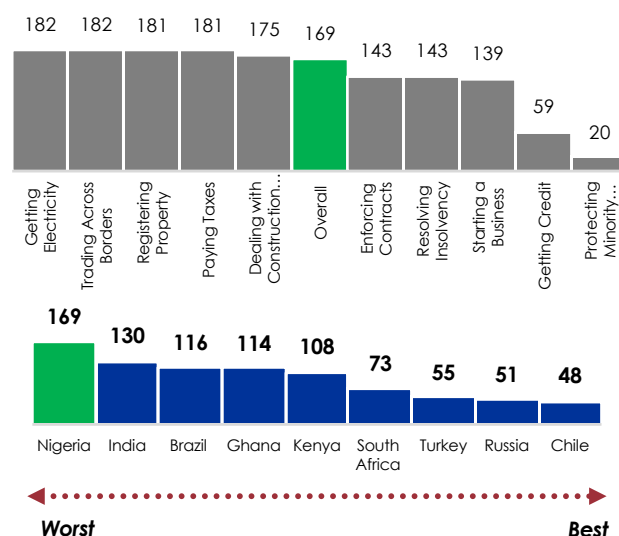
The importance of an enabling environment to the development of the ecosystem and smoothing the path to success for entrepreneurs cannot be overemphasized. Countries have built a thriving entrepreneurship ecosystem by implementing crosscutting strategies that create the right conditions for success, support entrepreneurial performance and optimize the impact of entrepreneurship on the wider economy. It is pertinent to note that entrepreneurs should not just be the outcome of a supportive environment but key actors in generating and maintaining this environment.

Conducting business in Nigeria is quite challenging compared to other emerging countries. In the 2016 World Bank Ease of Doing Business Survey, Nigeria ranked 169th out of 189 economies (see Figure 1); a marginal improvement from the position of 170 and 175 in the previous two years. These rankings are based on various indicators including regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and labor market regulation.

According to the ranking, the most critical challenge is power with electricity generation at only one-tenth of that of South Africa.

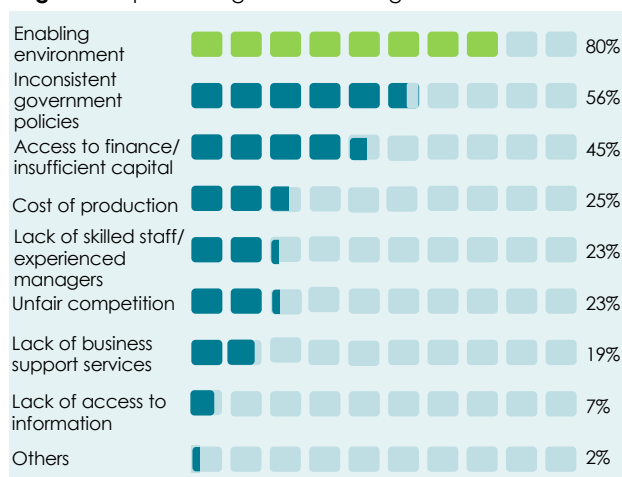
This is also consistent with the feedback from entrepreneurs and stakeholders during the KPMG MSME study who also considered the absence of an enabling environment, inconsistent government policies and access to finance as the most critical challenges impeding the growth of entrepreneurship in Nigeria¹.

Figure 1: Ease of Doing Business Ranking



Source: World Bank Ease of Doing Business Report 2016

Figure 2: Top Challenges MSMEs in Nigeria face



Source: KPMG 2014 MSME Banking Study

1. KPMG2014 MSME Banking Study

1. Overview of Nigerian Entrepreneurship Landscape

In the 2015/2016 World Economic Forum Global Competitiveness Ranking, Nigeria moved up by 3 positions ranking 124th out of 140 economies. The impact of the rebased GDP resulted in significant improvement in the market size ranking. On the other hand, low level of human capital development and inadequate infrastructure continue to undermine Nigeria's competitiveness in comparison with other emerging markets.

The Federal Government is making considerable investment in infrastructure to improve the state of power and transportation such as refurbishing of Jebba Hydro Power Plant and various railway projects.

Likewise, some state governments are identifying ways to improve the business environment. Lagos State has commenced the automation of Land Registry for MSMEs operating in the state which allows businesses to obtain land title documents, and invariably enhances their opportunities for accessing finance. Cross River State is partnering with General Electric to establish a manufacturing assembly plant worth \$1 billion dollars (NGN158 billion).

Many non-government stakeholders in the ecosystem are also working to improve the business environment in the country through various advocacy initiatives including frequent engagement with policy makers and regulators.

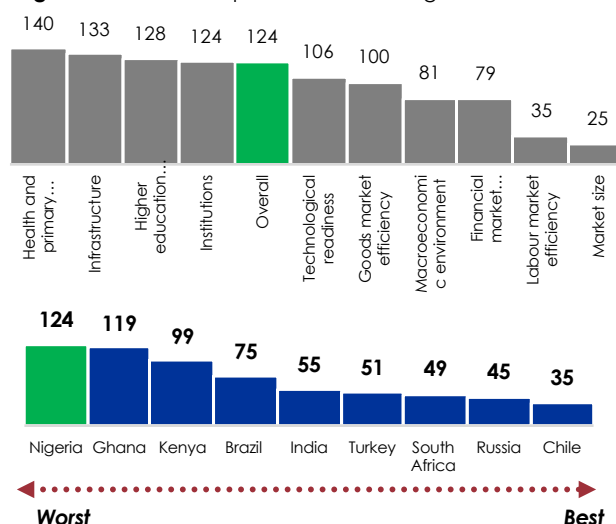
Weak governance institutions are also a major barrier to the competitiveness of Nigerian economy. In the Mo Ibrahim 2015 Governance Index, Nigeria ranked 42nd out of 54 African countries with an overall score of 44.9 which lags behind the African average score of 50.1. However, Nigeria had a significant improvement in the participation and human rights sub-index due to the free and fair elections in 2015 showing that slow but sure reforms holds promise for the economy.

With over 37 million MSMEs i.e. one-third of the adult population, Nigeria can be said to have an entrepreneurial culture. However, entrepreneurial activity has not been met with an enabling environment for MSMEs to thrive. As a result there is an 80%¹ mortality rate of enterprises in this segment and a stunted growth trajectory such that these

businesses hardly formalise their operations or transition from small to large corporations.

To address some of these challenges, the federal and some state governments are implementing a number of initiatives. In August 2016, the Federal Government inaugurated an inter-ministerial committee on Ease of Doing Business. The mandate of the committee is to move the country 20 places up the World Bank rankings by removing regulatory and administrative bottlenecks businesses face in a bid to create an expansive and productive economy.

Figure 3: Global Competitiveness Ranking



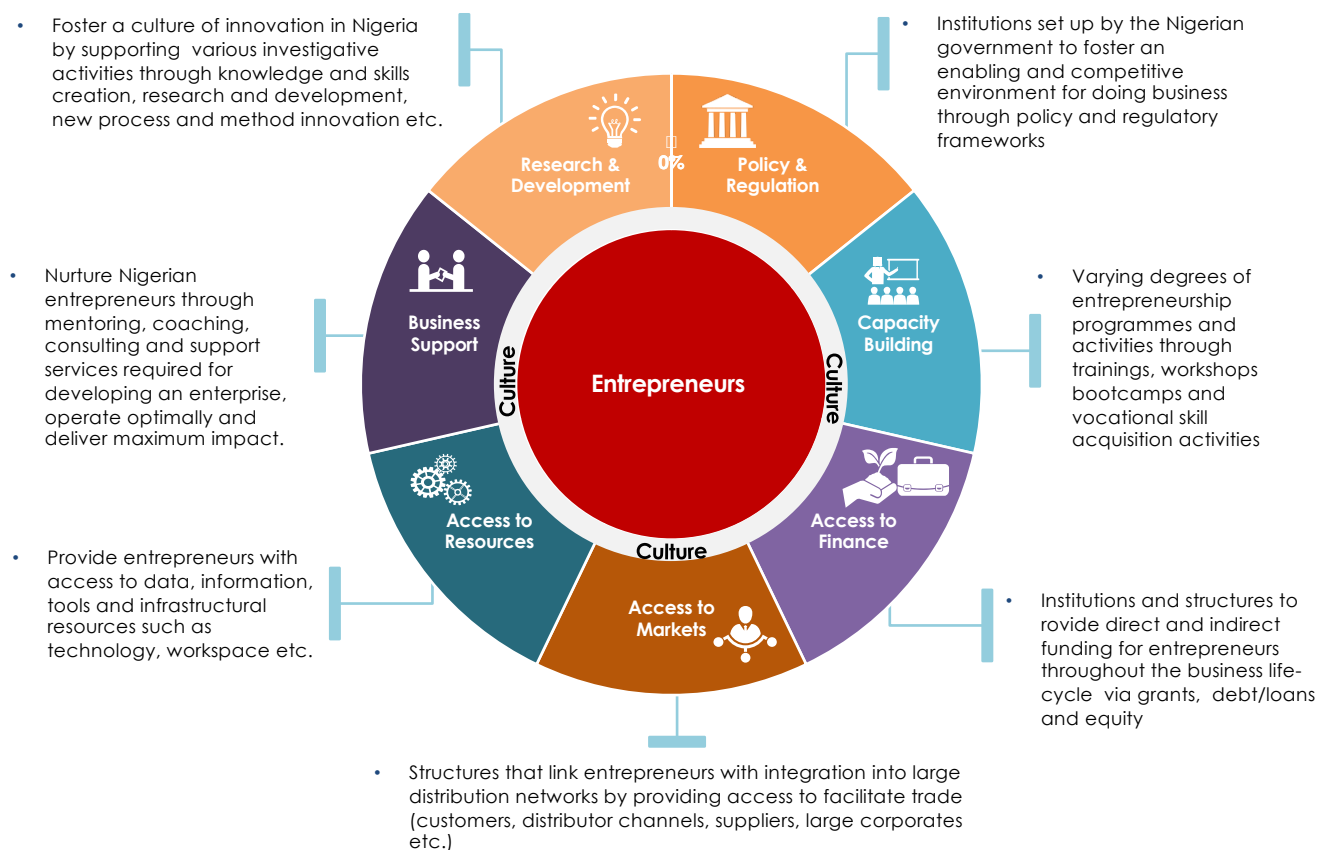
Source: World Economic Forum Global Competitiveness 2015/2016 Report

1. Organisation for Economic Corporation and Development (OECD)

Defining the Ecosystem

2. Defining the Ecosystem

Entrepreneurship Determinants within the Nigerian Ecosystem



Key Players in the Nigerian Entrepreneurship Ecosystem

Policy & Regulation

- Ministries, Departments & Agencies (MDAs)
- Parastatals
- Regulatory Bodies
- State Government
- Local Government

Access to Finance

- Commercial Banks
- Microfinance Banks
- Development Financial Institutions
- Angel Investors
- Venture Capitalist
- Private Equity
- Donor Agencies/Multilaterals
- Government
- NGOs/Foundations
- Corporates
- Leasing Companies
- Faith-based Organisations

Capacity Building

- Entrepreneurship Development Centres
- Government
- NGOs/Foundations
- Business Management Organisations
- Vocational/Education Training Centres
- Incubators /Accelerators
- Faith-based Organisations
- Financial Institutions
- Trade Associations

Access to Markets

- Government
- Donor Agencies/Multilaterals
- Corporates
- NGOs/Foundations
- Accelerators
- Industry Clusters

Access to Resources

- Government
- Corporates
- NGOs/Foundations
- Incubators/ Accelerators
- Industry Clusters
- Media

Business Support












































































































































































- Business Development Service Providers
- Entrepreneurship Development Centres
- NGOs/Foundations
- Professional services
- Incubators/Accelerators
- Mentoring/Coaching Programmes

Research & Development

- Government
- Corporate
- Academic Institutions
- Incubators/Accelerators

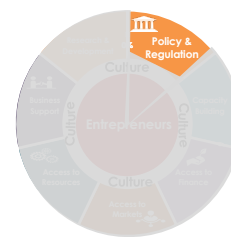
Note: Details of stakeholders/ organisations within the ecosystem can be found in the Appendix (pages 52)

NIGERIAN ENTREPRENEURSHIP ECOSYSTEM – KEY PLAYERS AND ROLES

<div>Roles</div> <div>Players</div>	Policy & Regulation	Capacity Building	Access to Finance	Access to Markets	Access to Resources	Business Support	Research & Development
Lenders		<div></div>	<div><ul style="list-style-type: none">All licensed commercial banks in NigeriaAll Licensed Microfinance banks in Nigeria<div></div></div>	<div></div>	<div></div>		
Investors	<div></div>	<div></div>	<div></div>		<div></div>	<div></div>	<div></div>
Donors/Multilateral Agencies	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Government	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Vocational Trainers		<div></div>	<div></div>	<div></div>		<div></div>	
Academic Institutions		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Incubators/Accelerators/Business Hubs		<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Not-for-profit Foundations/NGOs	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Faith-based organisations		<div></div>	<div></div>			<div></div>	
Enterprise Development Centers		<div></div>					
Professional services		<div></div>	<div></div>		<div></div>	<div></div>	<div></div>
Infrastructure/Technology providers					<div></div>		
Business Associations	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	
Corporates	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>

Note: This classification is not in any way exhaustive; we have only represented the key players engaged/reviewed in the course of this study.

2. Defining the Ecosystem -Policy & Regulation

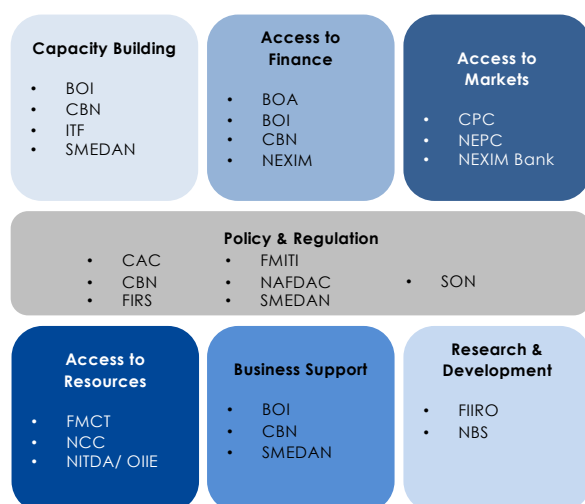


2.1.1 POLICY AND REGULATION

The Nigerian government plays the major role in driving policy formulation and regulation in the entrepreneurship ecosystem.

The Federal Government is responsible for promoting policies, and developing initiatives that create an enabling environment and drive entrepreneurial growth. The Federal government also develops and implements policies that govern and regulate entrepreneurial activities through various agencies.

Figure 4: Key Federal Government Players



State and local governments have also recognized the role entrepreneurs play in driving economic growth and have developed various initiatives to support entrepreneurs.

The Lagos State Government recently introduced the Lagos State Employment Trust Fund (LSETF) to support SMEs and boost job creation while the Kaduna State Government introduced Kaduna Startup & Entrepreneurship Programme (KAD-STEP) to develop innovative enterprises in the State.

In 2013, FMITI developed the National Enterprise Development Programme (NEDEP) led by the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN), Bank of Industry (BOI) and Industrial Training Fund (ITF). NEDEP serves as one of the most

comprehensive MSME programmes to date and covers various factors relevant to enterprise development. The Programme's priority agenda is as follows:

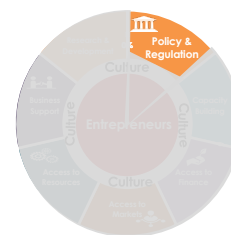
- Strengthening Institutional Framework
- Developing a revised national Policy on MSME
- Implementation of a robust delivery and monitoring structure
- Increasing access to affordable finance
- Increasing access to markets
- Developing business development skills
- Developing technical skills
- Promoting Youth Inclusion
- Reducing High Operating costs

NEDEP Objectives		
1		Create 3.5 direct million jobs in 3 years
2		Increase MSME contribution to GDP to 54% (From 47% in 2012 to 54% in 2015)
3		Increase MSME export by 100% (From 3% in 2012 to 6% in 2015)
4		Reduce the formal – informal sector gap by 50% {Improve MSME distribution: Micro: (from 99.87% to 79.9%), Small:(From 0.12% to 18.6%), Medium: (From 0.01% to 1.5%)}
5		Increase youth participation in enterprise

Source: NEDEP Release 1.0

Through NEDEP, SMEDAN has engineered the formation of about 70,000 cooperatives and in the process, created over 800,000 jobs.

2. Defining the Ecosystem -Policy & Regulation



The ministry has realized the need to include participation from additional stakeholders such as Corporate Affairs Commission (CAC), National Agency for Food and Drug Administration and Control (NAFDAC) and Standards Organisation of Nigeria (SON) to increase the success and effectiveness of the Programme.

National MSME Policy

Created in 2007, the Federal government unveiled the revised National MSME policy in 2015. This policy considers limitations of the previous policy and better articulates the general parameters, benchmarks and directions within which MSME programmes, interventions and initiatives will be designed, implemented, monitored and evaluated¹.

The policy is also based on close partnership between public and private sector. Some of the strategic goals of the policy are to:

- Simplify the business registration process
- Ease the criteria for registering land and simplify access to land for business use
- Reduce the tax regulatory burden on MSMEs
- Incorporate entrepreneurial and industry skills in the curricula of secondary and tertiary institutions
- Increase the linkages between academia and industry
- Enhance access to information and increase the supply of business development services
- Develop effective markets for MSMEs
- Facilitate the development of industry clusters and provide required infrastructure

It is difficult to ascertain the overall impact of the MSME policy to date as entrepreneurs and stakeholders still consider many of the issues the policy seeks to address as challenges. There is also limited monitoring and evaluation data available to measure impact.

However, some traction has been noted. For

instance, the CAC recently announced it has reduced its filing fees by 50% and SMEs no longer a mandatory requirement to go through proxies to file company registration. The Commission is also working to reduce the number of days it takes to register a business to one day. This is a significant challenge faced by a lot of entrepreneurs and the process from name search to business registration can take between 2 to 4 weeks on average.

Challenges

Overlaps in the role and initiatives of public sector players:

There are multiple public sector players performing similar roles or implementing similar intervention programmes. For instance, many entrepreneurs complained that goods registered with NAFDAC, also had to go through similar registration process with SON. There is a need to clearly define the mandate of players to encourage more synergy.

Limited capacity and funding for policy implementation:

The government currently has limited staff strength, and capacity to deploy its programmes across the country. In addition, cross country implementation of programmes often stretches available funding. As such, it is important to adopt a cluster/ regional approach in a sequential and systematic manner for programme implementation.

Limited impact of interventions on the root cause of issues:

Government initiatives tend to serve as a short term palliatives for unemployment as opposed to addressing fundamental issues such as absence of required skills.

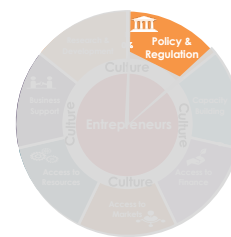
High mortality rate of policies, programmes and initiatives:

There is limited continuity of policies between incoming and previous government administrations, which has led to a high mortality rate of MSME policies and programmes. Often times, the entrance of a new administration also means that many existing policies and programmes lose the required attention as well as the onslaught of new policies and initiatives.

Dearth of credible data: The absence of credible data makes it difficult to measure the impact of government programmes, interventions and initiatives in the ecosystem.

1. Factsheet on the Nigerian MSME Policy Environment, FATE Foundation. 2015

2. Defining the Ecosystem -Policy & Regulation



Opportunities

Enhancing ease of doing business: The government should focus on implementing strategies to enhance ease of doing business rather than subsidized funding interventions e.g. provision of fully equipped state incubators managed by private sector partners.

Bottom-up approach to developing SME interventions: Interventions have been more successful where the private sector works with the government in designing solutions rather than providing prescriptive recommendations. There is also a need to segment and understand the characteristics of the population to facilitate the design of more practical strategies to address the needs of enterprises as well as the unemployed.

Tailored approach to SME intervention programmes: Programmes should be well-defined to cater to the specific needs of various demographics/ intended beneficiary. Funding should be milestone-based,

made available to entrepreneurs who conclude a compulsory programme successfully.

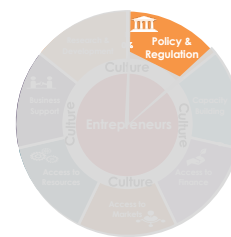
Development of feedback mechanism and representation of entrepreneurs: The government can leverage Business Management Organisations and Associations to better understand the pain-points of entrepreneurs. BMOs can also be used to test run the relevance of various government programmes/ initiatives.

Sector-led approach: Government should explore adopting a sector-led approach and target initiatives on sectors that will generate the highest economic and socio-political impact.



Aderonke Adeyemo, Publisher and CEO, House of Treasures Comics

2. Defining the Ecosystem -Policy & Regulation



Key Lessons from Chile

Chile is one of the economies that has achieved substantial increase in the number of its high impact enterprises within a short period of 6 years and currently among the top five economies in the Latin American region in terms of ease of doing business. This success is attributable to a suite of public-private initiatives launched by the Chilean government, targeted at building a culture of innovation. The most remarkable of these is Start-Up Chile, an initiative targeted at creating one of the largest start-up communities in the world.

Key Success Factors

1. Ease of Doing Business

- **Starting a business:** Chile launched an online platform which enables businesses to launch in one day at no cost, reducing bureaucracy associated with registering and starting a business. In 2012, government commenced immediate issuance of temporary operating license to new companies thus eliminating the need for premises inspection by tax authorities before commencement of operations.
- **Getting Credit:** Chile implemented a unified collateral registry and a new legal framework for non-possessory security interests.
- **Resolving Insolvency:** Before 2005, the only relief available to creditors under the bankruptcy law was a liquidation-only option. However, in 2016, Chile introduced a new law to simplify the process of liquidation and reorganisation and a provision to facilitate the continuation of the debtor's business during insolvency. In addition a public office was set up to handle the general administration of insolvency proceedings and set up specialized insolvency courts.

2. Building an Entrepreneurial Culture

Start-Up Chile programme was intended to position Chile as the innovation and entrepreneurship hub of Latin America. Given that the economy was reliant on the extractive sector, government sought to diversify the source of economic growth. Its approach was to promote a more enterprising, innovative business culture by attracting global entrepreneurial talent to inject an entrepreneurial culture into the economy. Today, Start-Up Chile's portfolio is valued at \$1.3 billion.

The programme attracts talented people from around the world with socially impactful business ideas. The government grants and provides a one year working and equity-free seed capital of \$40,000 to participants who are then Connected to trainers and mentors through incubator programme that

offers business support. Start-Up Chile has a large portfolio, receiving between 200 – 250 companies a year.

The programme supports entrepreneurs at three stages:

- **The S Factory** – A pre-acceleration programme for startups in early concept stage with focus on female start-ups. The selected companies receive \$10 million Chilean Peso (approx. \$15,000) equity-free and 3 months acceleration. This programme runs twice in a year with 20-30 companies in each batch
- **Seed** – An acceleration programme for startups with a functional product and early validation. The selected companies receive \$20 million Chilean Peso (approx. \$30,000) equity-free and 6 months acceleration. This programme runs twice in a year with 250 companies in each batch
- **Scale** – A Follow-on fund for top performing startups that are incorporated in Chile, have traction and are looking to scale in Latin America and globally. The selected companies receive \$60 million Chilean Peso (approx. \$90,000) equity-free with the condition that they incorporate and open operations in Chile. This programme runs twice in a year with 20-30 companies in each batch.

Key Lessons

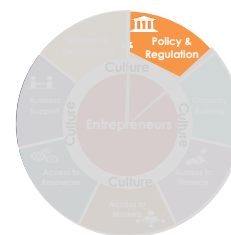
Fostering economic growth and innovation required focus and investment in building high impact entrepreneurs. This also serves as a viable means of diversifying the economy from extractive sectors by creating value added solutions in other industries leveraging technology.

The government in a developing economy plays an important role in stimulating a widespread cultural change in favour of entrepreneurship.

In order to achieve measurable impact in driving entrepreneurship development, it is important for government and other stakeholders to set a number of simple but specific goals to be achieved within a target period.

The government can also play an important role in fostering relationships between corporate organisations/investors and entrepreneurs through networking sessions and appropriate communication platforms. This could go along way in matching entrepreneurs with suitable investment opportunities.

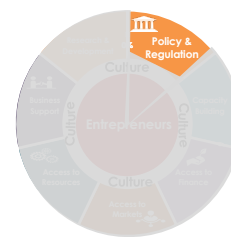
2. Defining the Ecosystem -Policy & Regulation



Impact of MSME Programmes

Determinants Programmes	Capacity Building	Access to Finance	Access to Markets	Access to Resources	Business Support	Research and Development
National Enterprise Development Programme (NEDEP)	✓	✓	✓	✓	✓	✓
Subcontracting and Partnership Exchange (SPX)	✓	✓	✓	✓	✓	
Learning Initiative for Entrepreneurs (LIFE)	✓			✓	✓	
Market Access Nigeria Programme (MAN)		✓	✓			
One Local Government One Product Initiative (OLOP)	✓		✓	✓	✓	✓
Partnership with private sector Business Development Service Providers	✓			✓	✓	
The National Industrial Skills Development Programme (NISDP)	✓			✓		
Train to Work (TRATOW) Initiative	✓			✓		
Rural Enterprise Development Initiative (REDI)	✓	✓		✓	✓	
General Entrepreneurship Development Programme (GEDP)	✓			✓		
Youth Entrepreneurship Development Programme (YEDP)	✓			✓		

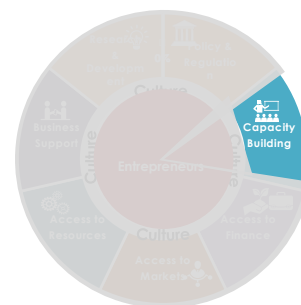
2. Defining the Ecosystem -Policy & Regulation



Determinants Programmes	Capacity Building	Access to Finance	Access to Markets	Access to Resources	Business Support	Research and Development
Youth Entrepreneurship Programme (YEP)	✓	✓			✓	
Women Entrepreneurship Programme Development (WEDP)	✓			✓		
Rural Women Enterprise Development Programme (RUWEDEP)	✓				✓	
University Entrepreneurship Development Programme (UNEDEP)	✓	✓		✓	✓	
Cluster Development	✓	✓	✓	✓	✓	
Supply Chain Programme	✓	✓	✓	✓	✓	
Nigerian Diaspora Export Programme			✓			
SAGE Partnership	✓	✓		✓	✓	
State Councils on MSMEs					✓	✓
National Council on MSMEs					✓	✓

A review of the various programmes and initiatives reveals that there is some level of attention to all entrepreneurship determinants within the Nigerian ecosystem; with NEDEP being the most comprehensive. However, significant gaps exist in the area of research and development. Furthermore, implementation of already existing programmes remains an issue, and effort must be made to ensure that the programmes actually meet the objectives for which they were set out.

2. Defining the Ecosystem -Capacity Building



2.1.2 CAPACITY BUILDING

The role of capacity building providers within the entrepreneurship ecosystem is to identify and train entrepreneurs. While environment and character traits are elements that can motivate entrepreneurial activity, entrepreneurship is a discipline that can be cultivated through education. Key stakeholders engaged during the study emphasized the need to stimulate a business culture among the youth through exposure to entrepreneurship education.

In Nigeria today, few organisations focus on early-stage entrepreneurship education while those who provide this opportunity do so at small scale and at a premium. These programmes typically target specific demographic /segments.

At a national level, there is some exposure to entrepreneurship education at the secondary school level/technical colleges but the opportunity to build skills from hands on practical workshops is limited. In addition, vocational education is usually taught at very rudimentary and low-skilled levels compared to other forms of formal education. Existing formal capacity building programmes tend to focus on more advanced levels of training for aspiring and existing entrepreneurs. In many cases, formal training are a pre-condition for accessing financial interventions.

Figure 5: Categories of Formal Capacity Building Providers*

NGOs/Foundations	Entrepreneurship Development Centres
Government	Business Membership Organisations
Vocational Education/Training Centers	Faith-based Organisations
Incubators/ Accelerators	Financial Institutions
Trade Associations	

*Majority of the capacity building providers listed above also function as Business Development Service Providers (BDSPs)

Organisations in this space cut across public, private and not-for-profit organisations (see **figure 5**) and focus on entrepreneurship education, skill acquisition and vocational training, business development and soft skills training. In Nigeria, most capacity building providers typically render business support services such as mentoring programmes while providing access to finance in some instances.

Stakeholders noted that some participants / alumni of capacity building programmes do not necessarily undertake entrepreneurial training in order to learn the ropes of building an enterprise. Entrepreneurs corroborated this perspective during a Focus Group Discussion indicating that enrollees of entrepreneurship training courses attend training programmes while making job applications simultaneously.

Standardizing Entrepreneurship Education Curriculum

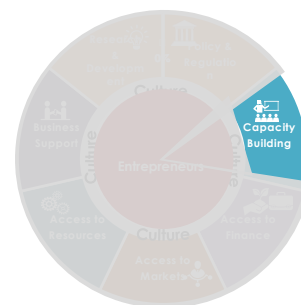
Kaduna Business School

Kaduna Business School (KBS), which was established in the year 2000, offers entrepreneurship and vocational training while also providing capacity programmes for public and private institutions. One of the key areas KBS focuses on is developing an industry relevant curriculum for its entrepreneurship programmes. KBS is actively involved in interventions in the MSME space.

Key Initiatives

- **Entrepreneurship curriculum development:** KBS engages corporate organisations in the process of developing and designing curriculum for its capacity building programmes to ensure alignment with industry needs.
- **Kaduna Startup and Entrepreneurship Programme (KAD-STEP):** KBS is currently in a tripartite arrangement with Kaduna State and Bank of Industry to execute KAD-STEP, which seeks to empower 4,500 entrepreneurs, as a training and mentoring partner.

2. Defining the Ecosystem -Capacity Building



Some of the active players in the space include NGOs/foundations, entrepreneurship development centres and government.

Non-Government Organisations (NGOs)/ Foundations

The NGOs/foundations have the largest volume of enrollees and turnout rates. In order to provide effective capacity building programmes, active players in this space take on additional roles to adequately support capacity building programmes. One of the stakeholders interviewed conducts a thorough screening and evaluation as part of its application process in order to identify people that have specifically chosen entrepreneurship as a career-option and have the potential to build high-impact enterprises.

Our findings also revealed that many NGOs/ Foundations provide mentoring services, business support programmes, access to markets and facilitate access to finance in addition to their role in capacity building.

Entrepreneurship Development Centres – Academic institutions, particularly business schools are very active players in this space. Some universities such as Pan-Atlantic University have set up a completely separate center named the Enterprise Development Center while others such as the University of Ibadan have a centre for entrepreneurship studies responsible for designing capacity building and coordinating training programmes.

Government - Government stakeholders are also active in the space. The key government institutions that play a major role in capacity building include the Industrial training fund (ITF), bank of industry (BOI) and central bank of Nigeria (CBN).

The ITF set up in 1971 is responsible for providing vocational training and skills acquisition programmes across multiple industries in the country.

The CBN has set up EDCs in each of the six geo-political zones, with each one covering the states in that zone. The EDCs have access to N2 billion per state from the CBN SME fund and are mandated to graduate 2,000 a year.

BOI developed partnerships with Business Development Service Providers (BDSPs) to provide pre-requisite training to successful applicants for its

Promoting Entrepreneurship Training

The Lagos State Chamber of Commerce and Industry (LCCI)

SPOTLIGHT

The Lagos State Chamber of Commerce focuses on entrepreneurship training through its Business Education and Training (BEST) Unit. Under the BEST programme, LCCI conducts an average of 53 training programmes annually targeted at SMEs and large corporates in partnership with training consultants.

LCCI recently entered into an agreement with the Delegation of German Industry and Commerce, Nigeria In order to drive trade, investment and knowledge transfer between Germany and Nigeria. Germany has an educational system with a track record of producing high performing graduates. Through this partnership, Nigeria is able to leverage Germany's technical expertise, which has the lowest rate of unemployment in Europe¹ with an education curriculum that actively prepares its students for industry and entrepreneurial activity.

From its interaction with employers, LCCI noted that shortage of skilled labour is a major pain point for Nigerian employers. LCCI recently conducted a survey which unveils factors responsible for the mismatch between curriculum being used in the Nigerian educational system and the needs of the industry with vocational training schools as case study.

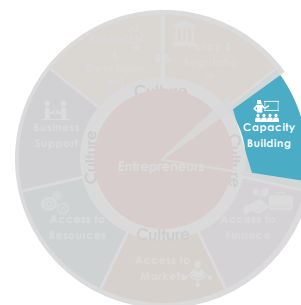
Key Challenges

Retraining: Significant investment is required to upgrade the knowledge of teachers to more modern content and teaching methods.

- **Outdated curriculum:** Training material has not evolved to incorporate topics that are more relevant today.
- **Implementation cost:** Overhauling the system requires significant investment.

1. ec.europa.eu, August 2016

2. Defining the Ecosystem -Capacity Building



Other capacity building providers include:

Business Membership Organisations (BMOs) – BMOs such as the National Association of Small and Medium Scale Enterprises (NASME) offer entrepreneurship training to improve the knowledge and skills of their members while providing resources that build overall understanding of policies business environment. Stakeholders in this segment noted that inadequate managerial skills is a more critical challenge entrepreneurs face in comparison with access to finance.

Vocational Education/Training Centres – Players in this segment focus on empowering unemployed youth through skill acquisition and vocation programmes. However, most of these programmes tend to be short-term in comparison with duration required to achieve a desirable level of expertise. Stakeholders mentioned that they often encounter difficulty in matching trainees with internship opportunities as part of the skill acquisition training.

Faith-based Organisations – Various religious affiliated bodies are increasingly playing a role in empowering entrepreneurs through training seminars and networking sessions. For instance, Daystar Christian Centre (Daystar Leadership Academy) and Covenant Christian Centre (Covenant Capital Business School) and the Nasrul-lahi-li Fathi Society of Nigeria (NASFAT) have established entrepreneurship seminars which attract a large number of participants. These programmes also provide funding and informal support services.

Incubators/Accelerators – Incubators and accelerators provide a platform for entrepreneurs to develop the skills required to successfully launch, grow and sustain a business.

Financial Institutions – A number of financial institutions and commercial banks have taken on the added responsibility of providing entrepreneurship training programmes in order to help businesses develop basic financial management skill required to efficiently utilize funding.

Trade Associations – Entrepreneurs are supported through capacity building in areas related to specific industry skills and business management skills. Other services they provide include business support and access to markets.

Impact

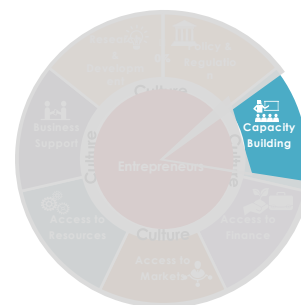
Overall, this is the most active segment with a few strong players. Capacity building programmes have aided access to finance due to the fact that trainings tend to boost confidence that funding will be effectively utilized for business expansion. In addition, trainings have played an important role in shaping and equipping people with entrepreneurial interest but with limited business ideas. Analysis of impact created by a stakeholder showed that 37% of participants in its entrepreneurship training course have established successful businesses most of which have been operating for over 5 years. This is an indication that entrepreneurship training has the potential to reduce the high mortality rate of businesses observed in Nigeria.

However, the extent of capacity building services are still inadequate compared to the needs in the ecosystem. Despite the availability of these players and programmes, the lack of opportunities to develop practical skill sets among the youth has led to an increase in arbitrage in the guise of entrepreneurship. As a result, many entrepreneurs often acquire the barest minimum level of skill required to run a business at the detriment of building deep skills that will empower them to develop innovative solutions.

Challenges

The educational system does not promote a culture of entrepreneurship: From our findings, the system does not leverage on the entrepreneurial culture of Nigerian youth. On one hand, there seems to be insufficient emphasis on entrepreneurship at the primary and secondary school level. On the other hand, schools are not fully equipped with tools, resources and competencies related to creativity and entrepreneurship. Therefore, the educational system does not effectively play its role in influencing students to cultivate problem solving and practical thinking skills. Also, project based learning opportunities for students are limited, which hinders their ability to identify viable enterprising opportunities or view self-employment as a career option. Although tertiary educational institutions fare better, the entrepreneurship courses generally lack a practical experience.

2. Defining the Ecosystem -Capacity Building



Persistent mismatch between graduate skills and industry requirements: In some advanced countries, students are prepared to fit into the work environment even from secondary school level of education. However, stakeholders indicated that the approach to education in Nigeria does not sufficiently transfer attitudes, knowledge and practical skills that prepare the youth for the labour market. For instance, no Nigerian university has expanded its curriculum to include telecommunications engineering making the process of hiring and building the right level skill expensive. As a result, entrepreneurs often face difficulties with attracting and retaining the appropriate level of skill needed to propel their businesses forward.

Capacity building beneficiaries lack the basic foundation required for entrepreneurship training programmes: Capacity building providers noted that enrollees in entrepreneurship training programmes lack the basic foundation required to assimilate learnings from such trainings due to the decline in educational system. As a result, providers undertake additional responsibilities of upgrading skills sets of training beneficiaries to a basic level.

Opportunities

Integrate entrepreneurship education and vocational training into the educational system: Youth require exposure to entrepreneurship and business management skills such as financial literacy and market research through project based learning and hands-on/practical workshops at a very early stage. Junior Achievement was identified as one of the players that offer entrepreneurship education to students in primary and secondary school. Also, Student in Free Enterprise (SIFE) formerly known as ENACTUS is a good example of a programme which promotes project based learning among university students by creating platforms for community empowerment projects. To inspire and create an entrepreneurial way of thinking among students, mentorship platforms with successful entrepreneurs will give students the opportunity, tools, context and motivation to see themselves as future employers of labour through venture creation and at the same time actualize their ideas and ambitions.

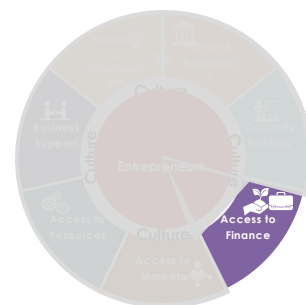
Furthermore, entrepreneurship should not just be introduced as separate curriculum but a method of teaching, which encourages practical approach to problem solving and critical thinking. The Design Thinking approach is a effective way to go about this. Collaboration between schools, government and businesses will therefore be required to engineer impactful changes to the educational system.

Improvement in internship and placement programmes at a national level: To bridge the gap between skills acquired by graduates and skills required to scale small enterprises, integration of mandatory internship programmes into the curriculum of higher institutions will provide youth with opportunities to make the connection between knowledge and theory learned in the classroom and practical application while also developing skills required in the professional environment. In addition, internships will give students the opportunity to cultivate the behavioural attributes such as professionalism, business ethics, customer service etc. that are important in a work environment.

Periodic curriculum review/academic audit at all tiers of education: Most capacity building programmes are usually concentrated in urban areas and cities like Lagos, Abuja, Port Harcourt. Organisations focused on capacity building should design fit for purpose programmes that also go into unreached areas where there are specific entrepreneurial needs and demands but limited learning opportunities.

Collaboration among players to implement capacity building programmes: Opportunities for collaboration exists within this ecosystem. For instance, lending institutions may collaborate with accredited enterprise development centers as a means of equipping businesses with a minimum level of managerial skills to manage loans. Also, players in the ecosystem have the opportunity to contribute to the ongoing development of the accreditation framework for BDSPs.

2. Defining the Ecosystem -Access to Finance



2.1.3 ACCESS TO FINANCE

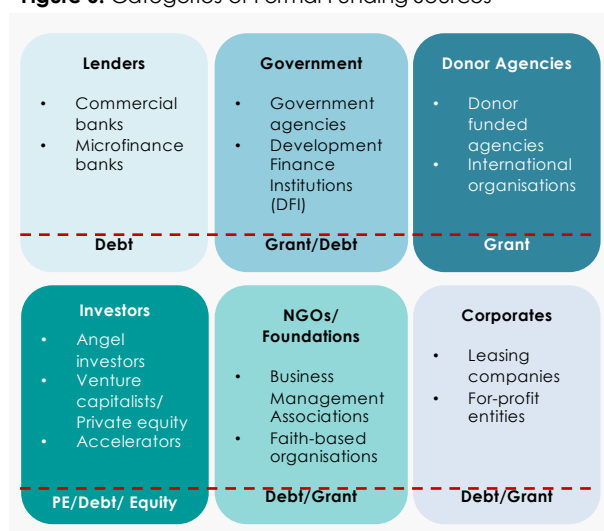
Access to finance is one of the most critical components in the creation, expansion and sustainability of entrepreneurial ventures¹. In Nigeria, entrepreneurs access funding from formal and informal sources. While some organisations provide direct finance, others utilize indirect financing model to provide access to resources/input.

Formal sources include development finance institutions, banks, private equity, angel investors and venture capital. Non-financial institutions such as leasing companies that provide alternative funding options are also active in providing support in this space.

Informal financial service providers such as cooperatives and associations have been noted to be important tools for driving financial access. These organisations have recorded remarkable success in providing financial access to their members with non-performing loans of 5% or less. The success of this system is underpinned by trust built among members of the cooperatives/associations over time. Lenders are increasingly leveraging these platforms as distribution channel products suited to the MSME segment.

Typically, the main types of financial interventions that stakeholders provide include debt, equity and grant. Lenders and government provide debt financing; investors provide equity and donor agencies provide grant.

Figure 6: Categories of Formal Funding Sources



Also, cheaper alternative funding options such as business plan competitions have emerged in the landscape which enable entrepreneurs diversify their sources of capital.

The source of financing available to an entrepreneur depends on the business's stage of development or the industry. For instance, at the ideation stage - where enterprises make significant investment in prototyping without necessarily earning an income - the forms of funding available are family and friends, business plan competitions, business angels, accelerator programmes and in some instances, foreign and local grants and seed funding. Tony Elumelu Foundation is an organisation that has made significant investment in seed funding for startups.

Lessons from investors in India's technology ecosystem shows that risk capital especially seed stage funding is a major driver of the development of start-ups particularly in the ideation and start-up stage.

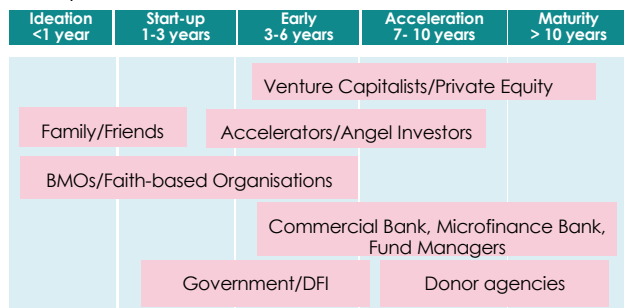
At the start-up stage, grant is the common form of formal funding available. Though a new comer to the space, accelerator model of financing is gaining popularity in Nigeria though with a bias on technology start-ups. The success of this model is linked to the intensive 3-6 month accelerator training programmes which provide entrepreneurs with access to an office space, mentorship and opportunities for funding from investors. Angel investors are becoming more visible but tend to focus on businesses that have a high potential for scalability.

Impact investing is also available to for-profit businesses that have socio-economic impact. The business model of these enterprises are environmentally friendly at the same time target the bottom of the pyramid. CcHub a tech-startup incubator/accelerator has actively supported start-ups through linkages to impact investment. According to CcHUB, it has supported 16 early stage ventures that focus on solving social issues in Nigeria since 2012.

1. KPMG 2014 MSME Banking Survey

2. Defining the Ecosystem -Access to Finance

Figure 7: Formal Funding Sources based on Business Lifecycle



Wider range of funding is available to business from the early stage although the highest level of activity is from the acceleration to maturity phase.

The government plays an important role in creating access to finance for MSMEs through intervention funds. For instance, intervention funds of about N1 trillion to date through partnerships with banks and development agencies have been disbursed to MSMEs via initiatives such as Agricultural Credit Guarantee Scheme Fund (ACGSF), Agricultural Credit Support Scheme (ACSS), Commercial Agricultural Credit Scheme Funds (CACs), Small and Medium Enterprises Credit Guarantee Scheme (SMECGS), Micro Small and Medium Enterprise Development Fund (MSMEDF), Real Sector Support Facility (RSSF) and YouWin Programme¹.

Impact

Despite the availability of diverse funding sources along the entrepreneurship lifecycle, there remains a huge funding gap estimated at N4.2trillion¹. Currently, banks account for about 13% of loans to MSMEs. Hence entrepreneurs rely on other sources of informal funding. Alternative forms of financing are also emerging in the space, which will enable entrepreneurs diversify their sources of capital.

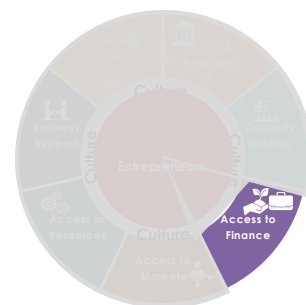
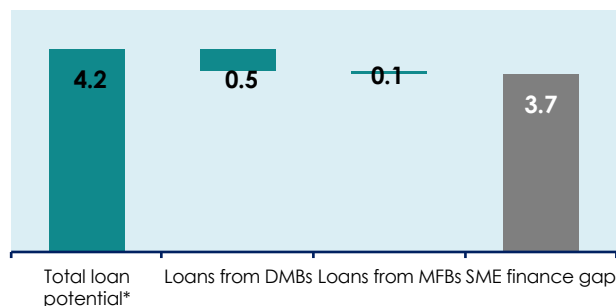


Figure 8: SME Funding Gap (N'Trillion)



*Total loan potential is a product of average loan size and total number of SMEs

Source: KPMG Analysis

Challenges

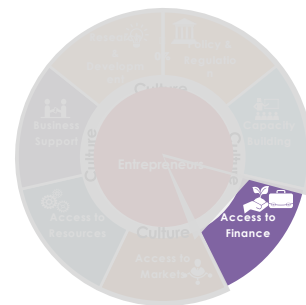
Difficulty in identifying sustainable business ideas to fund:

- Financial institutions noted that despite a genuine interest in serving SMEs, businesses typically fail to provide proof of sustainability of their businesses. This is often mirrored by failure to provide adequate financial projections for loan or grant applications or proof of sustainability, which is a major factor in pre-qualifying businesses for financing. Sustainability entails that an enterprise will be profitable post-investment period.
- Our findings also revealed that a business idea is only as good as its execution. Stakeholders highlighted that financing a "one man show" is a high risk investment. In selling an idea for which investible funds are required, promoting the execution team is part of the pitch. Entrepreneurs do not give adequate consideration to forging a team with the appropriate skill sets required to implement their idea. This is in part attributable to lack of trust.
- The general consensus is that for a business to really gain traction, segmentation of roles/business functions among the executing team is critical. Otherwise, gaps will arise in various areas of the business venture over time thereby increasing the risk of failure and reducing perception of viability.

1. KPMG 2014 MSME Banking Survey

2. Defining the Ecosystem

-Access to Finance



Stringent criteria for assessing loan applications: Due to their informal nature, MSMEs often find it difficult to provide requisite documents such as business plans, cash flow/financial statements etc. to support their loan applications resulting in difficulty in accessing formal sources of finance.

Financial products targeted at entrepreneurs do not adequately meet their financing needs: Entrepreneurs often times are not motivated to access financial products because the products terms such as tenor, pricing and packaging do not address their financing needs.

High cost of capital: The KPMG 2014 MSME Banking survey showed that about 30% of MSMEs did not apply for loans from commercial banks due high interest rates. This not only deters them from applying for loans but also increases the risk of default.

Financial advisory provided as a compliment to funding interventions is not adequate: The utilization level of various intervention funds remains very low till date largely due to the fact that support services are not integral part of financial assistance. More often than not, entrepreneurs do not receive ongoing financial advisory throughout the lifecycle of the loan to enable them deploy capital to expand their business.

Opportunities

Expansion in business angel networks and venture capital in the ecosystem: There is need for increase in the pool of seed funding investors to ensure the availability of more appropriate type of funding for enterprises especially for entrepreneurs who lack the network of friends and family that traditionally provide initial capital injection into businesses. Government therefore needs to play a role in providing seed stage funding to encourage experimentation and increased innovation to increase success rate of ideation.

Tailored guidelines by the Securities Exchange Commission to support crowd funding: Though current guidelines do not accommodate crowd funding, entrepreneurs have raised capital through this funding model in other countries and there is room to develop supportive policy targeted at this segment.

De-risking of SME lending particularly in high priority sectors to encourage participation: Financial institutions noted that regulators can play a role in encouraging more activity by de-risking MSME lending. An example of specific initiatives to incentivize players is the provision of credit guarantee to back non-performing loans due to insolvency of enterprises. Also, regulatory conditions should discourage collateral based lending to startup enterprises.

Investment in building credit relationship with SMEs: Financial institutions must adopt innovative ways of obtaining financial records for SMEs. This can be achieved by training field staff to collect reliable financial information and data sets which will in turn provide banks with more information to conduct credit analysis. Stakeholders are also required to cultivate lending relationship with micro enterprises early in their business lifecycle and then graduate the business to other forms of products as they grow.

Delivery of interventions through cooperative model: Cooperative societies in other countries have played a role in bridging lending and home financing gaps. This model was particularly successful in South Eastern Nigeria and can be duplicated across Nigeria to increase achieve sustainable impact.

Use of moveable collateral registry will facilitate easier access to funding for smaller enterprises: The moveable collateral registry supported by the International Finance Corporation (IFC) will bridge the gap in accessing funding due to lack of suitable collateral.

Information portal to publicize existing funding opportunities: Stakeholders need to look into creating channels for disseminating information regarding funding opportunities taking into cognizance differing needs of businesses based on their lifecycle and industry.

Equity insurance for investors: The deposit insurance scheme for depositors funds can be extended to boost investors confidence by implementing a policy guideline which provides coverage for investors to minimise risk.

2. Defining the Ecosystem -Access to Markets

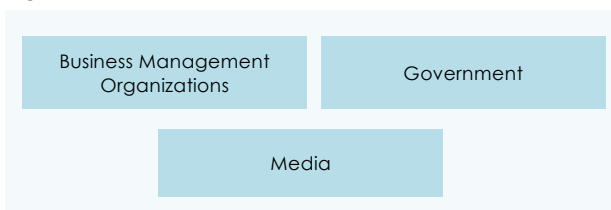


2.1.4 ACCESS TO MARKETS

The stage of development of businesses determines the level at which they seek to access markets. Start-ups tend to rely on creating visibility through their personal networks of family and friends while leveraging technology in form of social media. More established businesses leverage development centers which facilitate connection between MSMEs and suppliers, customer distribution channels. Development centres also organize advocacy initiatives to access to export market.

A number of players across public, private and not-for-profit sectors intervene in the market to enable SMEs integrate into large product distribution networks and access more competitive markets. The key players are government, donor agencies/multilaterals, NGOs/foundations, corporates, accelerators and clusters.

Figure 9: Key Access to Market Players



Some of the Interventions focus on facilitating:

- Access to organised retail chains and value chain of large organisations. This intervention provides SMEs the opportunity to leverage geographical footprint of established retail chains to secure more consumer markets. Initiatives linking SME to retail chains tend to be sector specific owing to the level of resources, expertise and networks involved. There is a lot of attention in the agricultural sector with some level of activity in the wholesale retail trade sector.
- Networking with medium and large corporates including FMCGs (fast moving consumer goods)
- Access to international markets through export promotion initiatives

SPOTLIGHT

Public Private Partnership Africa Exchange Holdings

Africa Exchange Holdings was founded by three private investors, Bergguen Holdings, Heirs Holdings and 50 Ventures. The company is partnering with various government stakeholders to improve access to market with a goal to establish and transform commodities exchange in the continent. Its interventions cut across the agricultural ecosystem and covers various areas required to enable access to markets.

- The Exchange provides farmers with **access to domestic off-takers and international buyers** through an organized commodities trading platform. Farmers and off-takers are linked to electronically through the X-Stream electronic trading platform which is accessible anywhere in the world. This allows for price discovery and enhances trade efficiencies.
- Registered farmers are provided with **access to inputs (indirect financing)** such as fertilizer in collaboration with National Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL). NIRSAL provides credit guarantee of up to 25%.
- With **storage infrastructure**, farmers can store their harvest without worrying about loss of value until market prices are favorable. This initiative is supported by the Federal Ministry of Agriculture.
- Farmers are **trained on agricultural extension best practices** to minimize post-harvest loss and revenue. They also receive training on the use of basic feature phone to advertise their products for sale on the commodities trading platform.

The Exchange has a network of 120,000 farmers with 37 storage facilities all in Northern Nigeria. Partnership with public and private sector players has been instrumental to its success although cost of capital, logistics among others remain a challenge.

2. Defining the Ecosystem -Access to Markets



Another key area where players in this space intervene is in creating an enabling environment. SME participation in supply chains has been limited by lack of access to critical infrastructure (transportation, electricity and communications). Hence, stakeholders have taken the responsibility of reducing the burden of transporting goods from point of production to point of sale.

From the level of impact of SME export promotion initiatives, it appears that key players need additional resources and skills to serve international markets than those needed when serving domestic markets. The Nigerian Export Promotion Council (NEPC) is responsible for creating an enabling environment and working with members of the Organised Private Sector to promote and develop export related industries, and markets in the country. As part of its initiatives, the Council has developed an online registration process to ease the export registration process. NEPC is also working with other stakeholders to make the Nigerian trade hub (under Custom Services), a single platform window for trade.

Impact

Partnerships between private, nonprofit and public sector have proven be successful in driving market access initiatives. Providing SMEs with better access to domestic and international markets means that they can reliably sell more products. This in turn encourages SMEs to expand their business, standardize quality and diversity of the goods they produce. A number of BMOs, Trade Associations and Non-profit Organisations are partnering with government and private sector institutions to drive market access for MSMEs through exhibitions and trade shows/fairs.

However, this is still on a small scale.

Challenges

Limited incentive for private sector players:

Government subsidy incentives on agricultural inputs make it uncompetitive for private sector players.

Poor infrastructure: Scaling up the access to market initiatives is challenging due to inadequate infrastructure which poses logistical challenges.

Inadequate shared services/cluster model: Very limited plug & play value chain platforms to link and encourage collaboration within segments in the ecosystem.

Opportunities

Better understanding of value chain: The lessons learnt in examples in the agricultural ecosystem can be replicated across other ecosystems. This is particularly important now given the drive for "Made in Nigeria" products. Knowledge of key linkage elements across sector value chain all the way to the different market points is very crucial in determining key access to market requirements and success factors for MSMEs.

Use of Technology: Technology is now becoming a critical tool not just in reaching wider markets through virtual platforms but also to limit the risk of operational inefficiencies that entrepreneurs often have.



Sharon Akiinroye, CEO, Juste Lunch

2. Defining the Ecosystem -Access to Resources

2.1.5 ACCESS TO RESOURCES

Extensive and efficient infrastructure is an important factor for ensuring effective functioning of the entrepreneurship ecosystem. Stakeholders in this segment provide access to resources required to facilitate business activities within the ecosystem. These resources include infrastructure such as data and information, physical infrastructure e.g. workspace, energy, telecommunications and Information Communication Technology (ICT), transportation and logistics, etc. The key players are government, NGOs/Foundations, corporates, accelerators, incubators, clusters and the media.

Figure 10: Categories of Access to Resources Providers

Government	NGOs/Foundations
Corporates	Incubators/Accelerators
Industry Clusters	Media

In developed entrepreneurial ecosystems, information is a key enabler for success and often supported by Government. For example, the U.S. Small Business Administration, Start-up Chile, Start-up India etc are responsible for providing relevant information required for entrepreneurs to start and maintain a business.

Lessons from India indicate that government can play a proactive role by setting up a channel to provide access to information to start-ups. Through the Startup India Hub entrepreneurs can make enquiries on various issues by calling a toll free line. Through this platform, entrepreneurs are able to clarify on issues around regulatory policy. There are ongoing plans to provide information on incubators that are recognized by the Indian government.

In Nigeria, the government agency SMEDAN is expected to play a lead role in defining the role of players in the ecosystem and at the same time serve as platform for information sharing on key areas such as funding, intervention programmes, market research etc. Stakeholders noted that information asymmetry poses a challenge to businesses in Nigeria as dissemination of information is fragmented and unreliable.

The level of available access to resources in a country is often a representation of its operating environment



as seen in the Global Competitiveness Ranking i.e. countries with higher rankings typically have better access to resources particularly infrastructure. For example, stakeholders listed access to physical infrastructure such as office workspace as a major impediment to doing business.

SPOTLIGHT

Public Private Partnership to improve Access to Information

Main One Cable Nigeria

MainOne a provider of telecommunication services and network solutions has been instrumental to the development of the technology start-up hub in Yaba, Lagos. It contributed to this development by making an investment of \$1.2 million to build 27km of fibre optic cable infrastructure across Yaba. This infrastructure has attracted a good number of companies, which are

typically heavy consumers of internet data, seeking to reduce the cost of acquiring internet access and enhance business productivity.

Some of these companies include Andela, Paga, L5 Labs, Chara, Hacker space. MainOne is actively supporting activity in the tech space through various sponsored initiatives such as the provision of 90mbps complimentary internet to Co-Creation Hub.

This success was made possible due to partnership with the Lagos State government which subsidised the cost of securing a building rights license. According to MainOne, its investment in Yaba was a pilot project which the company is looking to replicate in other strategic locations.

Impact

In Nigeria, creating access to resources remains a challenge. In some instances however, the government has successfully partnered with the private sector to provide infrastructure. In 2013, the Lagos State granted MainOne Cable the right to lay fibre optic cable in Yaba and subsidise the cost of securing a building rights license. This infrastructure has attracted technology companies to that area, making it a stronger tech community.

2. Defining the Ecosystem -Access to Resources



Challenges

Inadequate understanding of the ecosystem: There is limited information resources that allow entrepreneurs to clearly understand the structure of the ecosystem, available resources such as funding, incubators and where to access various support programmes suited to their needs.

Opportunities

Creation of a portal through which critical information will be disseminated: The Start-Up Hub initiative in India demonstrates that government has a role to

play in bridging information gap in this sector.

Partnership between private and public players to provide and manage critical infrastructure: There is room for public private partnerships in driving the development of critical enabling infrastructure such as stable and affordable electricity and internet, industrial parks to enhance economies of scale as well transport infrastructure which are all factors that will ease conditions for doing business.

Lessons from India

Since 2010, India has witnessed rapid growth in its technology start-up landscape. Today, India is home to the world's third largest technology start-up ecosystem¹ and is also the 2nd fastest growing startup ecosystem. The growth in the technology landscape has been driven by a number of factors large consumer market for digital solutions. The appetite for investment has attracted a large number of foreign and local investors with young entrepreneurs benefitting from a mature market of diverse funding sources. In June 2016, the government demonstrated support for start-ups businesses by establishing Start-Up India.

Key Drivers

1. Government²

- **Access to information:** In 2016, the government operationalized "Startup India Hub" to resolve queries and provide hand holding support to start-ups. Thus far the Hub has resolved 12,290 queries. Through this platform, entrepreneurs can seek clarification on issues around regulatory policy. The Hub plans to implement a system for recognizing incubators.
- **Tax exemption:** The Finance Act, 2016 stipulates that start-ups incorporated between April 2016 and March 2019 can get tax exemption for a 3 year period in a block of 5 years.
- **Relaxed procurement terms:** The government has relaxed its requirements for procurement thereby allowing more MSMEs to place bid for contracts.
- Through its Start-Up Action Plan, the government seeks to spread the trend in its technology sector to a wider array of sectors including agriculture, manufacturing, social sector, healthcare,

education.

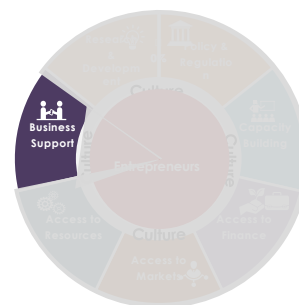
2. **Investors:** In the past 5 years, there have been more than 150 venture capital/ private equity investments in the startup ecosystem worth over \$2 billion. Influx of funding from the a large network of angel network, venture capitalists/private equity have enabled young innovative entrepreneurs experiment and develop diverse digital solutions.
3. **Mentoring:** Majority of India's tech startups founders are 36 or younger with limited industry experience. To bridge this gap, a number of successful entrepreneurs in the technology space voluntarily provide support to other upcoming startups through mentoring programs.

Key Lessons

Investors in India are experimental in nature influencing the willingness to invest risk capital into the technology ecosystem.

Access to resources such as data and information is usually a challenge for businesses especially small enterprises. The Start-Up Hub initiative demonstrates that government has a role to play in bridging information gap and enabling the structures within the private and non-profit space for programmes like these to thrive and create value for entrepreneurs particularly the younger ones who are more technologically and internet savvy and would find a lot of tools, information, insights and knowledge that can significantly impact whether their businesses grow or dies.

2. Defining the Ecosystem -Business Support Services



2.1.6 BUSINESS SUPPORT SERVICES

Business support services plays a critical role in shaping growth and sustainability of MSMEs. In the KPMG MSME Banking study, of lack of adequate business support services ranked as one of the top most challenges MSMEs in Nigeria face. Over 50% of entrepreneurs in Nigeria recognize the role these business support services play in driving their business to full potential, but do not fully utilize these services including consultancy, accounting, and legal services for different reasons.

Government agencies such as BOI, CBN, SMEDAN rely heavily on business development service providers (BDSPs) in delivery of their intervention programmes.

Figure 10: Categories of Business Support Providers

Business Development Service Providers	Entrepreneurship Development Centres
NGOs/Foundations	Mentoring /Coaching Programmes
Incubators/Accelerators	Professional Service Providers

Business Development Service Providers (BDSPs) –

Stakeholders in this space typically assist SMEs with acquiring a minimum level of skills sets and tools required to access financing. Some of these services include developing a bankable business plan, post-funding monitoring, mentorship, handholding support and financial advice.

Entrepreneurship Development Centres - Players in this space are either private sector driven as in the case of Enterprise Development Centre of the Pan Atlantic University or affiliated with the government e.g. CBN EDCs. Services provided revolve around support for business plan development, developing enterprise wide structures and strategy operationalization through advisory and consulting sessions.

NGOs/Foundations – Our findings highlight that business support is the second most important significant service offered by NGOs/foundations and organisations such as FATE foundation and the Growing Business Foundation have developed very strong support service offerings that have contributed to the success stories of entrepreneurs in Nigeria.

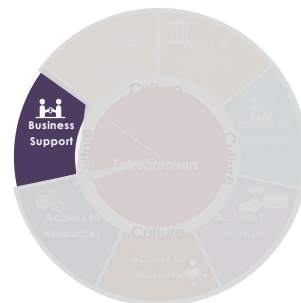
Mentors & Coaches – Stakeholders highlighted the growing need for experienced industry experts to volunteer their time to mentor young entrepreneurs. Though the mentoring system is established on some platforms such as FATE Foundation, Women in Management, Business and Public Service (WIMBIZ), Cherie Blair Foundation resources to scale such initiatives are not sufficient. Lessons from benchmark countries demonstrates that mentors play an important role in supporting the growth of high impact entrepreneurs through the provision of hand holding support thereby enabling budding entrepreneurs reach their potential.

Incubators/ Accelerators - The entrepreneurship ecosystem has seen an increase in the number of incubators and accelerator programmes within the last five years comprising of at least 15 hubs today. As part of our findings, we noted that incubators/ accelerators are automatically associated technology start-ups. It is clear that tech start-ups have especially benefitted from these programmes, however, it is important for stakeholders in this space to create better awareness about the role of these programmes and how the learnings can be extended to other sectors.

Professional Service Providers - According to some of the stakeholders interviewed, entrepreneurs have limited knowledge on how to access such services. To address this, business support service providers are increasingly leveraging technology to create more visibility and access to transparent, relatable and affordable support services to entrepreneurs.

Governments focus on SME has also sensitized professional service firms to begin to target this market. Therefore, business support providers need to develop a catalog of Business support services available to businesses. Current offerings are typically at a fairly small scale and are often concentrated in locations of high economic activities like Lagos State.

2. Defining the Ecosystem -Business Support Services



Impact

Technology start-ups have benefitted from an end to end support system throughout the various stages of their business which has contributed to the success stories in the tech ecosystem. This model can be replicated in other sectors to increase the efficiency of business support provided to entrepreneurs.

Challenges

Difficulty in identifying and accessing competent Business Development Service Providers:

Entrepreneurs do not trust the service of BDSPs because there is currently no measure ascertaining the authenticity of players in the space. However, government has recognised the existence of this

challenge and we have seen partnerships between SMEDAN and the GEMS 3 programme to address this by working with institutions such as the Kaduna Business School (KBS) to develop the Accreditation Framework for Business Development Service Providers in Nigeria.

Opportunities

Collaboration among players to implement robust business support programmes: Linkage models to be developed where funding providers can target recipients of structured capacity and business support providers as a way to improve their success rates. Also, players in the ecosystem should provide input into the recent drive by SMEDAN for a BDSP framework.



Babangida Dauda, CEO, Gemia Leather Works at his workshop

In Nigeria, research and development relates to activities directly linked to discovering and developing new products and innovative processes. Evidence shows that significant investment in research and development is required to foster an innovative economy. There is a huge gap in the research and development space in Nigeria. Currently, only one of the Nigerian academic institutions rank among the top 500 in the world while a few institutions actively foster a culture of research and development by supporting investigative activities. These institutions fall within the public and private sector. Similar to other countries, funding is often a major limitation to launching full scale research endeavors. This is attributable to the fact that research and development requires long-term investment and may not necessarily result in commercially viable innovations. Hence, stakeholders looking to get immediate financial returns may not be willing to invest in investigative research.

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graph TD; RD[Research and Development] --> AI[Academic Institutions]; RD --> C[Corporates];
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Nonetheless, there are few active players in this space such as the Federal Institute of Industrial Research Oshodi (FIRO). The International Institute for Tropical Agriculture (IITA), headquartered in Ibadan, with branches across Africa also conducts extensive research in the agricultural ecosystem. The non-profit organisation has adopted a "research for development" model and focus on long-term development of the African agricultural sector. National Technology Development Agency (NITDA) is another government agency which is actively promoting R & D in the ICT space by creating an enabling environment for the development of commercially viable tech-driven enterprises through its subsidiary, Office for ICT Innovation and Entrepreneurship (OIIE). OIIE organizes networking sessions "Startup Friday" which brings together tech-driven startups, investors, mentors and ecosystem players. 25 startups have secured funding either directly from OIIE or from investors. Furthermore,

A few other companies have also attempted to stimulate research and development through partnership with academic institutions although this is typically done on a small scale e.g. sponsoring science competitions and exhibitions in schools and higher institutions. In addition, some companies have invested in infrastructure such as laboratory facilities in higher institutions to encourage research and development in specific disciplines of interest. Technology hubs are a good example of organisations that support technological innovation by creating access to collaborative workspace, providing hands on skill development and internet connectivity.

SPOTLIGHT

FIRO is a parastatal under the Federal Ministry of Science and Technology set up in 1956 with a mandate of accelerating industrialization in Nigeria through market-driven research and development. Since inception the government agency has made significant contributions to R&D through extensive research in generating solutions around product innovation, food manufacturing processes, food

packaging, pulp and paper processing and fabrication of machinery. Its achievements in its focus areas are:

Development of market driven innovation: FIRO has developed more than 250 technologies from locally available raw materials of which 50 have been scaled up to pilot plant production and packaged ready for commercialization.

Transfer, adaptation and utilization of technologies by local enterprises: FIRO creates impact in the entrepreneurship space through knowledge transfer of innovative solutions. This is achieved by conducting training programmes in collaborations with educational centers and the Bank of Industry. According to Trainings that resulted in breakthrough in the cosmetics industry which spurred local production of soaps.

FIRO has established partnerships with private sector as a means of driving utilization of its innovations in industry as well as promoting job creation.

2. Defining the Ecosystem -Research & Development



Merging Enterprise and Innovation

FATE Institute for Venture Design (IVD)

The IVD project focus was to find entrepreneurs who will drive a culture of production as opposed to service/import focus of enterprises through innovation in the manufacturing and technology sectors in Nigeria. Located in Abeokuta, the institute was launched with a fully equipped modern facility with living and design studios where fellows in the pilot programme went through rigorous design thinking based business training to enable them translate their businesses idea to prototype. The programme was viewed as a platform where potential investors and entrepreneurs can come together to design products with sustainable and profitable businesses models. These businesses are aimed to create a socio-economic impact in their host community as well as in Nigeria.

The IVD programme was divided into two phases:

- **Phase I** was a fellowship, where participants work in teams to develop their ideas into prototype over a six month period. In addition, business development coaching and social work were included at this stage.
- **Phase II** involved hand-holding support in form of mentorship and supervision over a two-year period during which fellows grow their businesses.

Outcome

There were a total of seven businesses at the end of the programme - Aspire Technologies, IthenaLogic, SE Automotive, Asa, Genius Factory, Integrated Building Technologies and Pledge 51. Some of the businesses were new while the programme helped already established businesses build stronger structures.

The programme also faced key challenges largely funding challenges and inability to find other likeminded partners across the private and public space to collaborate in supporting the scale up of the programme and follow on support to the entrepreneurs in Phase II.

Challenges

Little synergy between academia, research and enterprise:

- There is limited focus on research and development across all sectors in Nigeria. For instance, testing and prototyping labs are prominent infrastructure in countries with strong research and development but are significantly lacking in Nigeria.
- Academia conduct research for the purpose of promotion with no specific focus on demand driven research that can be commercialized resulting in a disconnect between research and enterprise development.
- Furthermore, SMEs lack funding to test and develop potential breakthrough technology especially new enterprises that do not have a track record. For instance, there is an absence of a well-functioning venture capital market to fund research and development efforts of entrepreneurs.
- Finally, there is inadequate enforcement of intellectual property and patent rights as well as low patent culture among researchers and entrepreneurs.

Preference for importing proven western technology:

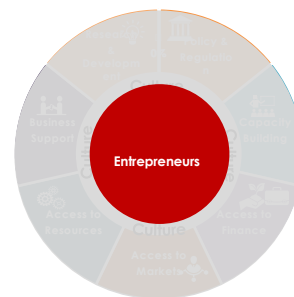
Corporate organisations tend to favour globally popular software solutions instead of home-grown applications. This stifles local software development industry due to stiff competition in the market.

Opportunities

Collaboration between academia and business to develop intellectual capital: Our findings show that there is a need for improved funding and a strong handshake between academia and enterprises. This will facilitate a better interpretation of research findings that universities have to offer and how businesses can help convert intellectual capital into commercial products. Institutions like FIRO can be used as strong pilot programmes for this.

Regeneration of entrepreneurs through successful beneficiaries of training programmes: Entrepreneurs who have benefited from a strong system are more likely to provide support services in differing capacities.

2. Defining the Ecosystem -Entrepreneurs



2.1.8 ENTREPRENEURS

Entrepreneurs are central to the ecosystem and their voices are very critical in mapping the ecosystem. In Nigeria, a greater percentage of adults believe that they have the requisite skills to run their own business with 53% of the total entrepreneurship activities driven by opportunities to improve the socio-economic environment (Global Entrepreneurship Monitor 2012 Report on Nigeria). This is very impressive for a developing country where business enterprises tend to be borne out of necessity.

The table below depicts the spread of entrepreneurs at various phases of the entrepreneurship lifecycle.

Figure 11: Age of Businesses

Start-Up	Early Stage	Acceleration	Maturity
19%	31%	25%	24%

Source: KPMG 2014 MSME Banking Study

Despite the diverse challenges that the operating environment in Nigeria pose to starting and growing businesses, success stories exist of entrepreneurs who have weathered the storm to establish successful enterprises. Some insights on what these entrepreneurs have done right are presented below.

Collaboration with like minded people: Successful entrepreneurs go ahead to approach people with a similar mindset who will support their business. Quick response and flexibility are traits that are important to entrepreneurs when seeking out potential partners.

Utilizing mentorship platforms: Mentoring platforms have helped entrepreneurs reduce the cost of learning in business thereby increasing success rates in the long-term.

The following were also noted about entrepreneurs within the Nigerian ecosystem:

- Entrepreneurs are motivated by the need to address a challenge and most would not opt for a well paid job if presented with such an opportunity.
- Business support service providers have been the most active contributors to building successful enterprises.

- Working in a corporate environment can equip entrepreneurs with tools required in business including practical transferable skills, ability to build formal structures and networks.
- Some factors that will reduce timing required to establish, grow and scale a business are availability of well developed talent pool, early-stage funding and soft infrastructure such as shared workspaces.

Highlights from Entrepreneurs

"The only factors in the ecosystem that have supported me are mentors and a development centre.

At some point I wanted to quit and seek for paid employment because I felt I would at least get managerial skills in such an environment, however, getting to attend motivational sessions by successful entrepreneurs and getting support from my mentor helped me to overcome failures at different points.

I am not wired for the corporate world. There is nothing else for me to do apart from running a business."

"I am an entrepreneur because I want to create a legacy I want to be remembered for.

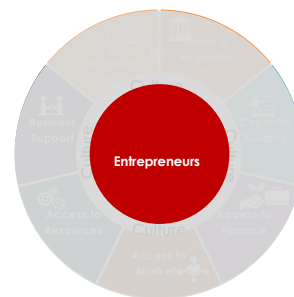
I quit my job in a blue chip firm to focus on entrepreneurship because I knew the business needed my full attention to move past a certain level of success.

I did not realize the importance of having a proper business structure and separating my private finances from my business until I failed to declare profit at the end of the business year."

"I travelled abroad to build skill sets around the present need of my target customers after which I returned to Nigeria to rebrand my business.

The corporate environment did not equip me with skills that have contributed to my success. Rather it has improved my credibility rating. It is easier for me to walk into a bank and get a loan when I say I worked in a well established firm than when I apply for a loan as an entrepreneur. The society does not trust entrepreneurs. "

2. Defining the Ecosystem -Entrepreneurs



2.1.9 Female Entrepreneurs

Women play an interesting role in the Nigerian entrepreneurship ecosystem. In Delta, Rivers and most states of the Southwest, female micro enterprise owners outnumber male. In the South South and South East, male entrepreneurs outnumber females although marginally. However, in the North, male entrepreneurs significantly outnumber female entrepreneurs. This spread may be indicative of the differing cultural nuances of these regions.

It is equally interesting to note that while female entrepreneurs represent 43% of micro enterprise owners, they only represent 22.75% of small and medium enterprises corroborating the trend that women-owned enterprises are more likely to be in the informal sector in most African countries¹. According to the Global Entrepreneurship Monitor 2012 Report on Nigeria, however, women are just entrepreneurial as men if not more especially in the early stages. This disparity may suggest the following:

- Culture and societal values plays a role in influencing women's aspirations and the type of opportunities deemed suitable for women versus male counterparts
- The environment does not support the growth of female owned business as it does for men. For example, women have less access to formal finance and are more likely to be financially excluded²

Our findings also revealed that women were often more likely to be found in nurturing or socially impactful roles compared to men who were more likely to be found in roles and industries that help build entrepreneurial skills. In addition, many of the public funding and schemes available for women are typically geared towards the bottom of the pyramid.

To address this gap, various organisations such as She Leads Africa and Women in Management and Business (WIMBIZ) have developed programmes and initiatives aimed at helping women develop the right skills to become better entrepreneurs and business leaders.

Both organisations focus on middle of the pyramid educated women who have either identified business opportunities and want to grow or want to become better business leaders. These organisations provide training, mentorship, access to markets and some funding.

Other organisations that primarily support female entrepreneurs in the ecosystem include the Cherie Blair Foundation and Quintessential Business Women Association among others.

SPOTLIGHT

Quintessential Business Women Association

The association was set up to empower women by providing access to finance female led start-ups and operates across all 774 local government areas in Nigeria. The association currently has 1250 members in every local government of which 1,000 are from cooperatives with a minimum membership quota of 75% women, 200 - youth, 50 - women professionals.

The key interventions of the programme include:

Access to finance: The major funding sources are CBN, BOI and GEEP. Other partners are GEMS4, Propcom Mai-karfi, and USAID NEXT among others.

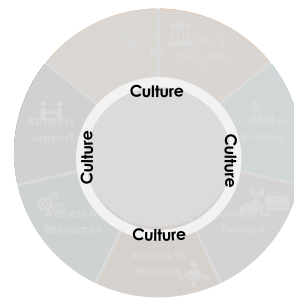
Capacity Building: The association provides financial education training. The emphasis of this training is to give women a basic understanding of financial terms, and also boost their confidence in their ability to handle financial transaction. Some women have been trained and signed up as mobile money and bank agents.

The Association also provides access to markets and support services.

1. Engaging Informal Women Entrepreneurs in East Africa: Approaches to Greater Formality. An ILO-WED Issue Brief

2. EFInA – Women's Financial Inclusion Forum

2. Defining the Ecosystem -Culture



2.1.10 The Role of Culture

Culture is often an influencer of entrepreneurship growth. Perception of entrepreneurship as a good career choice; societal status of entrepreneurs; and the extent to which entrepreneurship is celebrated foster the development of a positive entrepreneurial culture¹.

According to the Global Entrepreneurship Monitor, Nigeria's national culture is a major enabler of entrepreneurship as it emphasizes the responsibility of an individual in managing his or her own life. The effects of culture in driving entrepreneurship is quite interesting and swings on both sides of the pendulum.

Orientation and attributes of an ethnic group – The strong apprenticeship system in South Eastern Nigeria has fostered a culture of entrepreneurship which motivate people to engage in trade in order to achieve financial independence.

The fear of failure – Only 21% of Nigerians consider fear of failure as a reason not to go into business². Yet, most stakeholders, in the ecosystem in the course of this study would disagree with this. In fact, many felt entrepreneurs are stigmatized for failing which limits transparency in the ecosystem.

"Our culture does not allow you declare failure. Rich men don't talk" (Stakeholder)

A lack of trust and partnership- Our study revealed that many entrepreneurs would rather risk failure than have a business partner. This often limits the ability these businesses to scale as investors are more likely to invest in a team than in an individual. Lack of trust also decreases collaboration among entrepreneurs and instead creates a spirit of unhealthy competition.

Lack of focus - Stakeholders highlighted that entrepreneurs often lack the focus to manage a business and have a habit of going into a business because someone else is seemingly successful at it.

Lessons from the Apprenticeship Culture in South Eastern Nigeria

While some may argue that the apprenticeship culture in Eastern Nigeria is not as strong as it used to be, many lessons can be learnt from this model.

Apprenticeship typically operates as a family institution where parents hand over their male children to wealthy relatives or members of their community as for a period of 5 – 7 years. During this period, the apprentice shadows his master helping out with daily administrative or technical tasks and often becomes part of his family for the duration of the apprenticeship training.

From a young age, an apprentice is afforded the opportunity to gain skills required in business e.g. industry knowledge, marketing & sale, logistics & supply handling, customer service etc. He also cultivates good money management practices by handling large sums of money and performing some form of periodic financial reconciliation.

An apprentice does not typically receive a regular income but is catered for as a member of his master's household. Upon successful completion of service, the apprentice receives a lump sum capital to start-up his own trade. On the day when the apprentice receives his "freedom," a mini celebration is organized with family members present demonstrating societal support for entrepreneurs.

Key Lessons

- The apprenticeship training can start as early as from the age of 12 years demonstrating that early exposure to entrepreneurial education fosters an entrepreneurial spirit.
- The master apprentice model shows that mentorship is important in building entrepreneurs.
- The apprenticeship system involves job-shadowing emphasizing the need for a practical hands-on learning approach to entrepreneurship.
- The system of apprenticeship is based on trust and collaboration showing that trust is a key ingredient in building an effective ecosystem.

1. Global Entrepreneurship Monitor, 2012

Case Studies: The Technology Ecosystem & Kenya

3. Case Study: Building the Technology Entrepreneurship Ecosystem

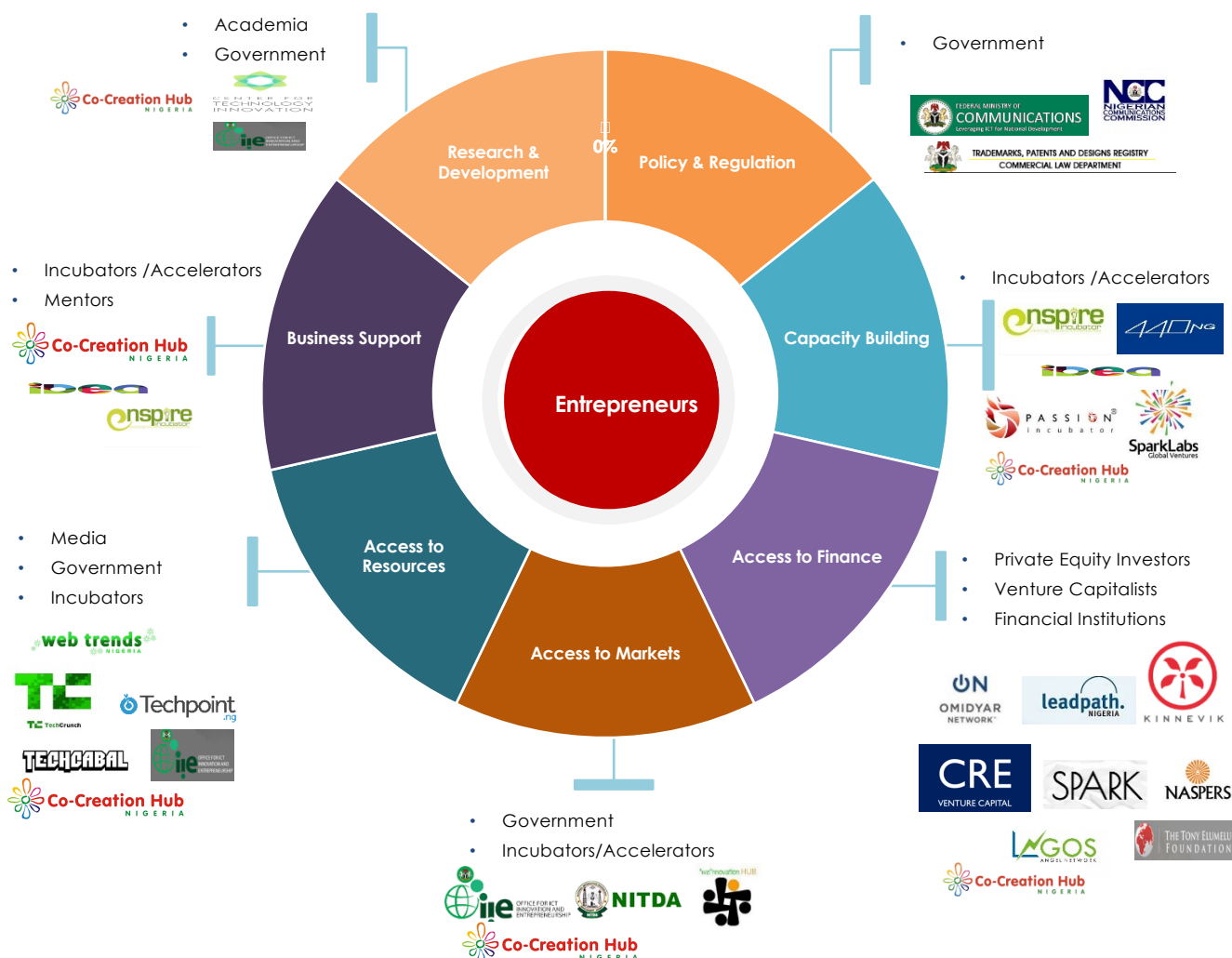
Overview of the Technology Ecosystem

Since 2008, the Nigerian technology ecosystem has witnessed remarkable growth triggered by favourable reception from government, foreign and local investors as well as corporate organisations. Investment in technology infrastructure in different locations, particularly Yaba, Lagos State has birth our very own Silicon valley, "Yabacon Valley," which has attracted over 20 start-ups and incubators e.g. Paga, Andela, Delivery Science, INITS, Hotels.ng, PrivateProperty.ng, CC Hub, iDEA Hub etc. Lessons from the growth of the tech hub in Yaba shows that it is important for stakeholders to understand the assets/clusters that exist as well the key challenges these clusters face in order to provide targeted

intervention.

The Nigerian technology ecosystem is also gaining visibility on a global scale. In August 2016, the founder of Facebook, Mark Zuckerberg visited the Co-Creation Hub, an incubator in Yaba and Andela - a startup initiative that encourages young people to learn coding - where he invested \$24 million through the Chan Zuckerberg initiative. This visit also helped to showcase that despite the inherent challenges embedded in the Nigerian environment, the technology ecosystem is thriving, with significant potential and are lot of global spectators are taking notice.

Figure 12: Key Players in the Technology Ecosystem



Note: These are highlights of some of the key players in the space

3. Case Study: Building the Technology Entrepreneurship Ecosystem

Key Players in Nigeria's Technology Ecosystem

Government: The government acts as a player in terms of **policy and regulation**, as well as providing **access to markets** for technology startups. The Office for ICT Innovation and Entrepreneurship, a special purpose vehicle created under the National Information Technology Development Agency (NITDA) aims to create an enabling technology ecosystem for entrepreneurs as well as drive innovation and has developed a number of programmes to achieve its goals. OIIE also recognizes the importance of public private partnership and has identified a number of key stakeholders including hubs, corporates and investors among others as partners.

The government has also stated that it aims to invest in the industry, recently earmarking \$1 billion into the development of two hubs to be located in Lagos and Abuja and also six regional hubs across the six geopolitical regions in Nigeria.

Incubators/Accelerators: Incubators and accelerators provide virtually most of the key roles in the ecosystem particularly in the areas of **capacity building, business support, access to funding, access to markets and access to resources**. The number of incubators in this ecosystem are growing rapidly. This gives many businesses the opportunity to experiment and refine their ideas. Incubators and accelerators also provide access to mentors, access to mentors, resources, networks, business support and in some cases a few of them organise hackatons to provide the platform for product innovation and development.

Investors: Investors provide **access to finance**. The technology ecosystem has attracted a lot of funding from local and foreign investors, in the form of venture capitalists, private equity investors and financial institutions. Some seed funding companies that provide funding to only technology start-ups are emerging while a lot of seasoned investors are also focusing on the ecosystem. The level of preparation and skill development that goes into developing business ideas, during incubation period has gone a long way in boosting investors confidence in the technology ecosystem. They form partnerships with other players in the technology ecosystem such as government, incubators, academia to promote growth in the space. Different corporations partake in this process as part of their corporate social responsibilities while others engage in a one-off

investment through equity investments and sponsorships in technology focused competitions.

Media: The media plays the important role of providing **access to resources**. Various online blogs and magazines focused on the events and activities in the technology ecosystem have also emerged. Some of these outlets such as webtrendsNG, TechCabal, and Techpoint.ng are solely focused on the ecosystem, while others such as Ventures Africa cover innovation across the continent. Some hubs have also developed blogs to discuss the events in the ecosystem.

Networking sessions and platforms such as Start-Up Friday conducted by OIIE have become a common trend in the industry. Through these platforms founders of start-ups have been connected to investors, mentors, corporate organisations and policy makers as well as national and international networks.

Mentors: Mentorship is a prominent feature in Nigeria's technology ecosystem. Mentors provide **hand-holding support to the entrepreneurs**. As part of the incubation process, incubators match tech start-ups with mentors. Mentors are typically industry experts or consultants with wealth of experience in delivering software, mobile and web based solutions. Access to well-rounded individuals who provide guidance to tech start-ups throughout the various stages research, design, development and go-live has contributed immensely to the success stories in the ecosystem.

Academia: The academia provides key support in the area of **research and development**. Educational institutions have developed an innovative model for delivering technology education in Nigeria. For instance, Centre for Technology Innovation (CTI) provides a 1-year training course in Software Engineering to Nigerian graduates from any discipline. This programme adopts a project based learning approach and upon conclusion of the programme innovative graduates gain access to funding to develop their ideas. According to CTI they have the highest faculty to student ratio in Nigeria. The growth in this trend will afford young people the opportunity to develop innovative solutions in the tech space while honing industry ready skills.

Case Study: Building the Entrepreneurship Ecosystem

Drivers of success in the ecosystem

The success of the technology ecosystem is arguably a case study for other sectors in Nigeria.

The right mix of elements driving growth in this space include-

- **Collaboration** is key to growth and sustainability. A key lesson for the larger entrepreneurship ecosystem in Nigeria is that collaboration particularly with examples such as CCHub is that collaborating to leverage individual strength areas can really drive entrepreneurship scale.
- Strong **mentorship** culture through one-on-one and group mentoring structures have been very helpful for the startups involved.
- **Funding opportunities.** The space has various local and international funding opportunities for various growth stages and level. Although the funds are not sufficient to meet demand, entrepreneurs find it motivating that there are options available out there for them to consider unlike most of the other sectors in Nigeria.
- **Active government support** and incentive - which have created an enabling environment for entrepreneurs.
- **One-stop ecosystem support.** Successful incubation system that provides tech entrepreneurs with office space, access to information, markets, financing linkages and other resources has contributed to flourishing tech ecosystem in Nigeria.

In order to develop the entrepreneurial ecosystem in Nigeria, it is important to understand factors driving the technology ecosystem and how this success can be replicated.

Gaps within the technology ecosystem

Despite the successes of the technology ecosystem, gaps continue to exist within the space which have hampered its further development. They include:

- Lack of stringent and weak enforcement of existing intellectual property laws.
- Dearth of good technical talent; mainly engineering and programming talent.
- Limited number of angel investors – current actors in the space are more institutional venture capitalists than angel investors.
- Limited IT infrastructure to satisfy the need.
- Inability of startups to grow and scale quickly. – due to lack of investment and ability to quickly develop product/market fit.
- Impact less significant outside of key locations such as Yaba (in Lagos) and Abuja.



Ralph Atere, CEO, Raphgate Chemicals Limited

3. Case Study: Kenya's Entrepreneurship Ecosystem

Kenya



Kenya has made significant investments in its startup ecosystem with the most prominent being in digital entrepreneurship. The country has been acclaimed as a leader in technology adoption within the continent due to its success with the mobile payments platform M-PESA launched in 2007 by Safaricom, Kenya's largest mobile-network operator. This platform has since been replicated in parts of Africa, Europe and Asia. As at 2015 there were over 400 million subscribers to the platform globally and about 42% of Kenya's GDP transacted on M-Pesa.

The World Bank Ease of Doing Business 2015/2016 Report showed that Kenya improved its global ranking to 108th moving up by 28 positions making it the third most improved economy. This improvement was triggered by government reforms in business and property registration, electricity connection and access to credit. The Kenyan government has gone a long way in providing an enabling environment for private sector participation through supportive policy and legal frameworks.

Plans are currently underway to build a world-class technology city "Silicon Savannah" to create an environment where sector players can innovate and develop solutions to African and global challenges through technology driven processes. Konza City is expected to emerge as the largest technology city in Sub Saharan Africa. The project is anticipated to contribute 17,000 jobs by 2017 and contribute over KSh 10 billion (US\$ 98.7 million) to the economy by 2018.

Key Initiatives

1. Ease of Doing Business

The government introduced one-stop shops "Huduma Centres" where entrepreneurs can access a wide range of government services. The result has been reduction in time required to process documents required for starting a business.

Starting a business

- The process of starting a business been made easier through the reduction in the time taken to assess and pay stamp duty.
- The government reduced the time taken to stamp memorandum and articles of association.

Also it consolidated the tax and value added tax registration procedures and digitized records at the registrar.

- 110 types of business permits were eliminated and 8 others simplified through a licensing reform programme.

Getting Credit

- In 2008 Kenya's private credit bureau expanded the coverage of its database by adding retailers and utility companies as providers of credit information thus creating easier access to credit.
- In 2010, Kenya improved access to credit information through a new law on credit bureaus providing a framework for a regulated and reliable system of credit information sharing.

Registering Property

- In 2016, Kenya made property transfers faster by improving electronic document management at the land registry and introducing a unified form for registration.
 - Also, private practitioners (in addition to government valuation agencies) were granted permission to carry out land valuations in 2008, this reduced valuation time from one month to one week easing the process of property registration.
- 2. Incubators:** Incubators in Kenya provide support to startups although there appears to be a bias for technology start-ups. There are over 20 incubators in Kenya. These incubators provide living labs where innovative ideas are developed and a culture of team building and trust is established. iHub is the foremost incubator in Kenya and served as host to the CEO and Founder of Facebook, Mark Zuckerberg during his recent visit to Kenya.

Key Lessons

Supportive regulatory policy is critical for the success of businesses. This is demonstrated in the active involvement of the Central Bank of Kenya in the regulation of mobile money services in Kenya. Also, an enabling environment has long run implications on the survival of businesses.

Key Takeaways for the Nigerian Entrepreneurship Ecosystem

4. Key Takeaways for the Nigerian Entrepreneurship Ecosystem

- **Government is a key driver of change in entrepreneurial culture:** Key lessons from our benchmark country studies shows that the government plays a very important role in stimulating a widespread cultural change in favour of entrepreneurship across the ecosystem.
- **Appropriate policy improvements will help improve funding outcomes:** Regulatory policies that help drive enterprise startup and scale up such as business registration, tax code simplification and other regulatory approvals will significantly drive down some of the key funding challenges that businesses face while also improving outcomes.
- **Collaboration is crucial to developing the entrepreneurial ecosystem:** Insights from the technology ecosystem in Nigeria particularly within the Yaba area indicates that collaboration across key ecosystem elements can bring significant development in growing startups and high growth impact driven ventures.
- **Ecosystem support for high impact segments is crucial:** Immediate and long term results can be gotten when key entrepreneurship segments such as women and youth have focused ecosystem support.
- **Data is critical for success:** For all ecosystem elements (not just funding), data should feed into pre-entrepreneurship development programme design, monitoring, evaluation and outcome assessment.



Nigerian Entrepreneurs from Left to Right: Ikechukwu Ugwu, Monisola Ogunleye, Chioma Anorue and Roy Egekwu

Appendix

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Abuja Enterprise Agency (AEA)	Abuja Enterprise Agency (AEA) was commissioned in 2005 in fulfillment of the FCT Economic Empowerment and Development Strategy (FEEDS) to serve as a vehicle for Small and Medium Enterprise (SME) development and poverty reduction in the Federal Capital Territory (FCT).
Abuja Technology Village	Abuja Technology Village Science and Technology Park (STP) and Special Economic Zone (SEZ) was instituted to serve as Africa's preferred destination for technology research, incubation, development and commercialisation across four focus sectors of Information and Communication Technology, Biotechnology, Minerals Technology and Energy Technology. One of the initiatives under the ATV is the Enspire Incubator.
Accounting Hub	Accounting Hub established 2015 is a small business accountant that offers an online and retail shop selling professional accounting services. It provides access to business support services to Nigerian SMEs.
AFEX Holdings	Africa Exchange Holdings, Ltd. (AFEX) was founded in 2012 by three investors: Berggruen Holdings, Heirs Holdings and 50 Ventures. AFEX Holdings explores the agricultural potential of Africa and offers support to African farmers to achieve food security, provide energy security, and improve Africa's overall global trade competitiveness.
Africa Capital Alliance (ACA) Foundation	The ACA Foundation was established in 2012 with a mission to support the creation of an enabling environment, which encourages and supports successful businesses led by ethical business leaders.
African Finance Corporation (AFC)	AFC is a private sector-led Pan African multilateral development finance institution, with a capital base of US\$1.2 billion, established to be a catalyst for private sector infrastructure investment across Africa.
Aspen Network of Development Entrepreneurs (ANDE)	ANDE a global network of organisations was established in 2009 to propel entrepreneurship in emerging markets. Members of ANDE include both for and not-for-profit investment funds, capacity development providers, research and academic institutions, development finance institutions and corporations.
Association of Small Business Owners (ASBON)	ASBON is a forum set up to promote and nurture entrepreneurship amongst Nigerians. The association provides a platform for business minded individuals to share information and create linkages that will facilitate success in their chosen paths.
Bank of Agriculture (BOA)	BOA a Federal Government institution is Nigeria's foremost agricultural and rural development finance institution. It is supervised by Federal Ministry of Agriculture and has an Authorized Share Capital of N50 Billion (Fifty Billion Naira).
Bank of Industry (BOI)	The Bank of Industry Limited (BOI) is a development financing institution reconstructed in 2001 out of the Nigerian Industrial Development Bank (NIDB) Limited, which was incorporated in 1964. the bank with current capitalization to the tune of 250 billion Naira is responsible for providing financial assistance for the establishment of large, medium and small projects as well as the expansion, diversification and modernisation of existing enterprises; and rehabilitation of existing ones.
British Council	The British Council was established in 1934 and has been in Nigeria since 1943. British council foster relations between citizens of the United Kingdom and Nigeria through activities centered on Arts, Education, English and Society business units as well as a thriving exams unit providing opportunities for Nigerians to acquire globally recognised qualifications.
CBN Enterprise Development Centres	The Central Bank of Nigeria started the initiative of the Entrepreneurship Development Centres (EDCs) in 2008 in the South West, North West and South East geopolitical zones located in Lagos, Kano and Onitsha respectively, partnering with Private Sector organisations appointed as Implementing Agencies for the EDCs.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Centre for International Private Enterprise (CIPE)	CIPE is focused on strengthening democracy around the globe through private enterprise and market-oriented reform. The center delivers services in the following areas; democratic governance, Information access, combating corruption, business association development, legal and regulatory reform, women, youth, informal sector and property rights, corporate citizenship (CSR), and entrepreneurship.
Central Bank of Nigeria (CBN)	The CBN is the apex financial regulator in Nigeria and was established under the mandate of the 1958 Act of Parliament, as amended in 1991, 1993, 1997, 1998, 1999 and 2007. The CBN Act of 2007 of the Federal Republic of Nigeria charges the Bank with the overall control and administration of the monetary and financial sector policies of the Federal Government.
Centre for Technology Innovation (CTI)	CTI is a not-for-profit institution established and supported by Circuit Atlantic Ltd. with an objective to develop a viable and scalable model for effective and affordable technology education in Africa.
Cherie Blair Foundation	Cherie Blair Foundation was established with an objective to develop women's micro, small and medium enterprises into growing and sustainable businesses.
Commercial Banks	These are financial institutions providing various financial services in the country.
Consumer Protection Council (CPC)	Consumer Protection Council (CPC) a Parastatal of the Federal Government of Nigeria, supervised by the Federal Ministry of Trade and Investment was established by Act No. 66 of 1992. However, its institutional framework was put in place in 1999 in which it commenced operations. The Consumer Protection Council is mandated to eliminate hazardous products from the market, provide speedy redress to consumers complaints, undertake campaigns to enhance consumer awareness, ensure that consumers interest receive due consideration at the appropriate forum, and encourage trade, industry and professional associations to develop and enforce in their various fields quality standards designed to safeguard the interest of consumers.
Corporate Affairs Commission (CAC)	The Corporate Affairs Commission was established by the Companies and Allied Matters Act, which was promulgated in 1990 to regulate the formation and management of companies in Nigeria.
Covenant Capital Business School	Covenant Capital is an initiative of Covenant Christian Centre to provide financial & advisory assistance to entrepreneurs within the church, empower them to achieve their God-given financial potential, and enable them contribute in meaningful ways to their immediate communities through job creation, financial empowerment and role modelling.
CRC Credit Bureau	CRC Credit Bureau Limited is a private limited liability company which serves as an information repository on credit profiles of corporate entities as well as consumers, thus improving the ability of credit providers to make informed lending decisions.
Dalberg Global Development Advisors	Dalberg is a global strategy advisory firm with focus on international development and challenges.
Dangote Foundation	The Dangote foundation was established in 1993 in fulfillment of Dangote Group's Corporate Social Responsibilities. The Foundation intervenes in the areas of health, education and empowerment. The Foundation is also involved in providing humanitarian aid to victims of natural disasters.
Daystar Leadership Academy	Daystar Leadership Academy is a not-for-profit Leadership and Management Development School. It was established in January 2002 with the vision is to raise exceptional leaders and managers who will transform the world globally.
Developmental Association For Renewable Energies (DARE)	DARE promotes the understanding and use of renewable energy resources as a cleaner source of energy thereby mitigating desertification, climate change and promoting a healthier world.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

DIY Law	DIY Law is a legal firm that provides business support services to business entities and not-for-profit organisations. They offer organisations support in areas of company incorporation, business name registration and other statutory registrations.
Doreo Partners	Doreo Partners is an impact investment firm that invests in profitable, high growth, early stage businesses aimed at improving the livelihoods of Nigerian smallholder farmers. Doreo partners also invests in private sector driven solutions that are focused on solving youth unemployment.
EFinA	Enhancing Financial Innovation and Access (EFinA) was established in 2007 to promote financial inclusion in Nigeria through research, innovation, capacity building and advocacy. EFinA is supported by the UK Government's Department for International Development (DFID) and the Bill and Melinda Gates Foundation.
Enable Nigeria	Enhancing Nigerian Advocacy for a Better Business Environment phase II (ENABLE2) is a 5-year DFID-funded programme implemented by Adam Smith International and the Springfield Centre. It seeks to improve the quality and quantity of business advocacy and Public-Private Dialogue (PPD) in Nigeria.
Enterprise Development Centre (EDC)	EDC is the Entrepreneurship Centre of the Pan-Atlantic University. it was established in 2003 as the Centre for Enterprise Development Services (EDS).
Equipment Leasing Association of Nigeria (ELAN)	The Equipment Leasing Association of Nigeria was established in 1983, primarily to promote the business of leasing in Nigeria.
FATE Foundation	FATE is a not-for-profit organisation established in 2000 with an aim to encourage entrepreneurship. The foundation employs a mix of training, mentoring, loan support and consulting to promote entrepreneurship in Nigeria.
Federal Inland Revenue Service (FIRS)	The Nigerian Federal Inland Revenue Service is an agency under the Ministry of Finance established by the Federal Inland Revenue Service (Establishment) Act 2007. It is charged with power of assessment, collection of and accounting for revenues accruable to the Government of the Federation, and for related matters.
Federal Institute of Industrial Research (FIRO)	The Federal Institute of Industrial Research, Oshodi (FIRO) is a parastatal under the agency of the Federal Ministry of Science and Technology. It was established to promote research activities in Nigeria.
Federal Ministry of Communications technology (FMCT)	FMCT was established in 2011 to foster a knowledge based economy and information society in Nigeria. The ministry facilitates universal, ubiquitous and cost effective access to communications infrastructure throughout the country.
Federal Ministry of Industry, Trade and Investment (FMITI)	The Ministry is the arm of the Federal Government of Nigeria which implements policies and programmes targeted at creating an enabling environment for doing business for both local and international players operating within Nigeria. The ministry facilitates bilateral and multilateral trade relationships and the development of Micro, Small and Medium Enterprises.
Fisher Foundation	Fisher Foundation Nigeria was established as a Not-For-Profit Organisation with a mission to provide a platform for collaborative engagement between people, communities, governments, businesses and development partners. The foundation employs research and the development of innovative projects as strategies to achieving its mission.
Ford Foundation	The Ford Foundation was established by Edsel Ford in 1936 with an aim to reduce poverty and injustice, strengthen democratic values, promote international cooperation and advance human achievement. The Foundation has a strong interest in addressing inequality particularly for key segments such as youth and females.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Freedom Foundation Nigeria	Freedom Foundation is a faith-based not-for-profit organisation which employs research and awareness promotion to address social and economic challenges inherent in a developing society as Nigeria.
Generation Enterprise	Generation Enterprise is a body of young professionals and students with an aim to build businesses in urban centres that will provide employment for the low-income youth.
Giz Nigeria	Giz Nigeria an international cooperation between Germany and Nigeria was initiated in 1974 as an accelerator for international cooperation in enhancing sustainable development.
Global Entrepreneurial Monitor (GEM)	The Global Entrepreneurship Monitor GEM which began in 1999 as a joint project between Babson College (USA) and London Business School (UK) is a research programme aimed at measuring the national level of entrepreneurial activity in selected countries.
Google	Google is an American multinational technology company that is focused on Internet-related services and products.
GroFin	GroFin was established in 2004 with an objective to achieve socioeconomic impact by providing finance for the development of small and growing businesses and integrated business support to underserved entrepreneurs who find it difficult to get the support they need.
Growing Business Foundation (GBF)	GBF was established in 1999 to serve as a platform for providing capacity building, access to markets and access to finance to people at the bottom of the economic pyramid (BOP) as a means to work their way out of poverty.
Growths and Employment in States (GEMS)	GEMS is an employment project which began in 2012. It is supported by Nigeria's Federal Ministry of Trade and Investment (FMTI) and funded by the World Bank and the United Kingdom's Department for International Development (DFID). The project has the objective of job creation and increased non-oil growth in specific high potential value chain sectors.
HT Limited	HT-Limited is a business management consulting firm which offers support in business development, human resources management and administration.
iDEA Hub	Information Technology Developers Entrepreneurship Accelerator (iDEA Hub) was established in 2013 to support Nigerian digital entrepreneurs in developing innovative solutions and business models that drive efficiency in businesses.
Ideation Hub	Ideation Hub Africa is a pan-African social enterprise that is focused on igniting innovation and social prosperity in Africa through innovation labs, mentorship support systems, tailored training as well as conference-style sessions.
Incubators	These are multifunctional living labs that provide work spaces, business support services and/or capacity building programmes to start-ups and early stage enterprises. The various incubators playing in the Nigerian entrepreneurship ecosystem are technology focused and include; CcHub Lagos, Wenovation hub Lagos, Passion Incubator, Enspire Incubator, Start innovation hub, Hub10, nHub, IdeaNigeria, Ventures Platform, Delta State Innovation Hub, Sabi hub Benin, Tangent Hub amongst others.
Industrial Training Fund (ITF)	ITF was instituted by its enabling laws Decree 47 of 1971 and amended by the ITF Act of 2011 to set and regulate standards and offer direct training intervention in industrial and commercial skills training and development.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

International Finance Corporation (IFC)	IFC is a member of the World Bank Group that is focused exclusively on the private sector in developing countries. IFC provides development solutions through the application of financial resources, technical expertise, global experience, and innovative thinking to help their partners overcome financial, operational, and political challenges.
International Fund for Agricultural Development (IFAD)	IFAD was instituted in 1985 and has since financed nine projects and programmes in Nigeria with a total loan commitment of over US\$232.2 million. All its programmes and projects have addressed the livelihood needs of poor rural people, including smallholders, women, small business owners, poor fishing communities, young people and landless people.
International Labour Organisation (ILO)	The ILO was founded in 1919, in the wake of a destructive war, to pursue a vision based on the premise that universal, lasting peace can be established only if it is based on social justice. The ILO became the first specialized agency of the UN in 1946.
Junior Achievement Nigeria (JA)	Junior Achievement is a not-for-profit economic education organisation operating in 112 countries globally. JA in Nigeria was established in 1999 with an aim of bridging the gap between classroom and the workplace skills by encouraging young people to participate in a range of educational programmes designed to help them understand the world of work.
Kaduna Business School (KBS)	KBS was established in 2000 to develop people and strengthen institutions by offering management programmes, consulting services, organisational restructuring and short-term academic programmes to both the public and private sector organisations.
Lagos Angel Network (LAN)	The Lagos Angel Network (LAN) is a not-for-profit entity set up with an objective of organising seed funders otherwise known as business angels to invest in start-up businesses. LAN also provides mentoring support for start-up entrepreneurs.
Lagos Business School (LBS)	Lagos Business School (LBS) began in 1991 as a small institution called the Centre for Professional Communications (CPC), offering management courses relevant to the Nigerian business environment. The school also offers various courses with entrepreneurial focus geared towards strengthening knowledge and entrepreneurial skills of its scholars.
Lagos State Employment Trust Fund (LSETF)	This is an initiative of the Lagos State Government aimed at bridging the employment gap in Lagos State. It seeks to promote creativity and innovativeness of all Lagosians.
Lagos State Internal Revenue (LIRS)	LIRS is the major revenue generating Agency of the Lagos State Government saddled with the responsibility of collecting taxes and other revenues.
Leap Africa	Leadership, Effectiveness, Accountability & Professionalism (LEAP) Africa is a not-for-profit leadership development organisation that was founded in 2002 with a mission to inspire, empower and equip a new cadre of African leaders by providing skills and tool for personal, organisational and community transformation.
MainOne Cable	MainOne which was established in 2010 is a provider of innovative telecoms services and network solutions for businesses in West Africa.
Media	The media which include various means of communication through which information is disseminated promotes entrepreneurship by stimulating a positive perception about entrepreneurship amongst the public. Few examples include; WebtrendsNG, TechCabal, BusinessDay, Agropreneur Nigeria, etc.
Microfinance Banks	These are companies licensed by the central bank of Nigeria to provide microfinance services required by SMEs in developing and administering their businesses.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

MTN Foundation (MTNF)	MTN Foundation was incorporated in 2004 to drive MTN Nigeria's various corporate social responsibility initiatives commissioned in May 2005. The foundation partners with government, private sector and multilateral agencies to achieve its objectives of Alleviation of health challenges, Provision of access to educational opportunities, and Facilitation of economic empowerment of Nigerian citizens.
NAFSAT - Empowerment unit	NASFAT is a faith based organisation set up with a mission of developing an enlightened Muslim society. The organisation in fulfillment of its goal of developing an enlightened Muslim society engages in skills development for its members through trainings in various small business sectors.
National Agency for Food & Drug Administration And Control (NAFDAC)	NAFDAC was established by Decree 15 of 1993 as amended by Decree 19 of 1999 and now the National Agency for Food and Drug Administration and Control Act Cap N1 Laws of the Federation of Nigeria, 2004. This Act mandates NAFDAC to regulate and control the manufacture, importation, exportation, distribution, advertisement, sale and use of food, drugs, cosmetics, chemicals, detergents, medical devices and packaged water (Known as regulated products).
National Association of Small & Medium Enterprises (NASME)	NASME a collaboration between promoters of MSMEs in the private sector and agencies of the federal government of Nigeria including the Bank of Industry was established in 1996 to co-ordinate and promote the growth and development of the MSME sector of the Nigerian economy.
National Bureau of Statistics (NBS)	NBS came into being with the merger of the Federal Office of Statistics (FOS) and the National Data Bank (NDB). NBS provides data to assist and encourage informed decision making, research and discussions within government and the community.
National Information Technology Development Agency (NITDA)	NITDA was established by the National Information Technology Development Act (2007) to develop a framework for the planning, research, development, standardization, application, coordination, monitoring, evaluation and regulation of Information Technology practices, activities and systems in Nigeria.
Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture (NACCIMA)	NACCIMA established in 1960 is a body that comprises of voluntary members which include City, State and Bilateral Chambers, Business/Professional Association and Corporate Bodies. It plays a role in influencing public policies that promote free enterprise in the economy through advocacy.
Nigerian Association of Small Scale Industrialists (NASSI)	NASSI was established in 1978 to cater for the needs of the small scale business industrialist through the provision of socio-political economic support for the members.
Nigerian Communications Commission (NCC)	NCC is the independent National Regulatory Authority for the telecommunications industry in Nigeria. The Commission is responsible for creating an enabling environment for competition among operators in the industry as well as ensuring the provision of qualitative and efficient telecommunications services throughout the country.
Nigerian Economic Summit Group (NESG)	NESG was incorporated in 1996, as an independent, non-partisan, not-for-profit organisation with a mandate to promote and champion the reform of the Nigerian economy into an open private sector-led globally competitive economy.
Nigerian Electricity Regulatory Commission (NERC)	NERC established by the 2005 Electric Power Sector Reform Act is an independent regulatory agency that is charged with providing uninterrupted electricity, Private sector participation, Consumer protection and Fair regulation.
Nigerian Export Promotion Council (NEPC)	NERC was established by the 1976 Nigerian Export Promotion Decree, and has undergone amendments through various government administrations. It statutorily performs the following functions: promoting development and diversification of Nigerian's export trade, formulating and seeing to the efficient implementation of export policies and programmes of the Nigerian Government, facilitating the development of export related industries in Nigeria and inventing appropriate export incentives.
Nigerian Export-Import Bank (NEXIM)	NEXIM was established by Act 38 of 1991 as an Export Credit Agency with a share capital of N50, 000,000,000 (Fifty Billion Naira) held equally by the Federal Ministry of Finance and the Central Bank of Nigeria. NEXIM promotes a diversified export base through the provision of Finance, risk bearing, and advisory services in line with government trade policies.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Nigerian Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL)	NIRSAL was launched by the CBN in 2011 and incorporated in 2013 as a USD500 Million public-private initiative to define, measure, price and share agribusiness related credit risk. NIRSAL has the directive of enabling the flow of affordable financing to all players along entire agricultural value chains.
Nigerian Investment Promotion Council (NIPC)	NIPC was established by the provisions of NIPC Act NO. 16 of 1995 by the Federal Government to encourage, promote and co-ordinate investment in the Nigerian economy.
Nigerian Stock Exchange (NSE)	The NSE founded in 1960 is a registered company limited by guarantee. It is licensed under the Investments and Securities Act (ISA) and is regulated by the Securities and Exchange Commission (SEC) of Nigeria. The Exchange offers listing and trading services, licensing services, market data solutions, ancillary technology services and more.
Nigeria's Employer's Consultative Association (NECA)	NECA is the umbrella organisation of employers in the Organized Private Sector of Nigeria registered under the Company and Allied Matters Act 1990. It was formed in 1957 to provide a forum for the Government to consult with private sector employers on socio-economic and labour policy issues.
Oando Foundation	Oando Foundation is an independent charity established in 2011 by Oando PLC, one of Africa's indigenous energy solutions providers. The Foundation aims to support the Nigerian Government in achieving universal basic education.
Office for ICT Innovation & Entrepreneurship (OIIE)	OIIE is a subsidiary of the National Information Technology Development Agency (NITDA) established with an objective to nurture, cultivate and expand the ICT innovation and entrepreneurship within Nigeria in line with National ICT Policy and NITDA Act 2007.
Omidyar Network	Omidyar Network is a philanthropic impact investment firm that provides financial support and vital human capital management services. They connect promising investees to entrepreneurial visionaries with business know-how.
Pan-Atlantic University	Pan-Atlantic University is a private not-for-profit educational institution carved out of the Lagos Business School.
Private Sector Health Alliance of Nigeria (PHN)	PHN is a private sector driven initiative that seeks to expand access to health services, improve quality of care and complement the public sector's efforts in addressing health system challenges in the country.
Propcom Mai-karfi	Propcom Mai-karfi is an innovative, market-driven programme funded by the United Kingdom's Department for International Development (DFID) that aims to reduce poverty in Nigeria. The initiative involves partnership among the government, the private sector and businesses in fostering development of rural markets for the benefit of the less privileged.
Quintessential Business Women Association (QBWA)	QBWA is a social business enterprise focused on the development of community based businesses by women and youths in the agricultural and solid mineral sector.
She Leads Africa	She Leads Africa is a social entrepreneurship enterprise which promotes African businesses engineered by women.
Small and Medium Enterprises Development agency OF Nigeria (SMEDAN)	SMEDAN was established by the SMEDAN Act of 2003 to promote the development of the MSME sector of the Nigeria Economy.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Standard Organisation of Nigeria (SON)	Standards Organisation of Nigeria was established by Act. No.56 of 1971 which vested it with the authority for: Standards elaboration, specifications, quality assurance system of commodities, manufactured industrial and imported products and services generally as well as metrology services.
StartPreneurs	StartPreneurs is a Nigerian accelerator and seed fund ecosystem for innovative entrepreneurs with disruptive ideas. They seek to speed up all entrepreneurial development through a combination of financial support and hands-on guidance.
Sterling Partnership	Sterling Partnership is a commercial law firm that provides business development support services and legal support to clients in various sectors.
Terra Kulture	Terra Kulture was established in 2009 to promote the richness and diversity of Nigerian Languages, Arts and Culture. It also provides a working space with air conditioning, power, and internet facilities to members.
The International Institute of Tropical Agriculture (IITA)	IITA is a nonprofit organisation founded in 1967 which focuses on finding solutions to hunger, malnutrition, and poverty through research and partnerships.
The Lagos Chamber of Commerce and Industry (LCCI)	LCCI which was established in 1888 is Nigeria's premier chamber of commerce. It was incorporated in 1950 as a non-profit making organisation, Limited by Guarantee under the Companies Act of 1948. The Chamber is focused on promoting, supporting or opposing legislative or other measures affecting trade, industry, commerce and agriculture.
The Manufacturers Association of Nigeria (MAN)	MAN is a national industrial association which serves as an umbrella for coordinating the activities of manufacturers in Nigeria.
ThistlePraxis Consulting Ltd	ThistlePraxis Consulting Ltd was founded in 2011 with focus on assisting not-for-profit institutions position effectively in the tripartite value chain – Government, Corporate and Civil Society – to attain tangible, social impact in the society.
Tony Elumelu Foundation	Tony Elumelu Foundation was established in 2010 by Tony O. Elumelu CON. The foundation is geared towards empowering the younger generation to become successful for-profit entrepreneurs that will drive Africa's economic and social transformation.
United Nations Industrial Development Organisation (UNIDO)	UNIDO is a specialized agency under the United Nations headquartered in Vienna, Austria. The organisation aims to eradicate poverty through inclusive and sustainable industrial development (ISID).
University of Ibadan Centre for Entrepreneurship and Innovation (CEI)	The CEI an arm of the University of Ibadan was set up formally in 2008 to promote university-private sector collaboration and to facilitate teaching and research in entrepreneurship and innovation.
USAID NEXT	The USAID NEXT programme in Nigeria is a four year initiative that is aimed at supporting the Federal Government's efforts to expand trade volume and efficiency domestically and within the ECOWAS region.
Venia Hub	Venia Hub is an enterprise that focuses on building profitable businesses by providing startups with serviced workspaces.

STAKEHOLDERS IDENTIFIED IN THE ENTREPRENEURSHIP ECOSYSTEM

Wave Academy	Wave Academy is firm that utilises a simple training and job placement model to prepare and provide unemployed youths with soft skills that ultimately avails them stable jobs.
W-Holistic Business solutions	W-Holistic Business Solutions is a professional service firm that delivers real impact, value and results through projects supporting economic growth and development.
Wicklow Group	Wicklow is an agricultural platform company established to address the challenge of under utilisation of processing plant capacity resulting from insufficient supply of production crops through a farm management structure.
WIMBIZ	WIMBIZ is a Nigerian based non-profit organisation formed in 2001 with an objective to promote the status and influence of women and their contribution to nation building".

Glossary of Terms

1.	ACGSF	Agricultural Credit Guarantee Scheme Fund
2.	ACSS	Agricultural Credit Support Scheme
3.	ANDE	Aspen Network of Development Entrepreneurs
4.	ASBON	Association of Small Business Owners
5.	BDSP	Business Development Service Providers
6.	BOA	Bank of Agriculture
7.	BOI	Bank of Industry
8.	CAC	Corporate Affairs Commission
9.	CACS	Commercial Agriculture Credit Scheme
10.	CBN	Central Bank of Nigeria
11.	CIPE	Center for International Private Enterprise
12.	CPC	Consumer Protection Council
13.	CTI	Centre for Technology Innovation
14.	DFID	Department For International Development
15.	DMB	Deposit Money Bank
16.	EDC	Enterprise Development Centre
17.	EFInA	Enhancing Financial Innovation & Access
18.	ELAN	Equipment Leasing Association of Nigeria
19.	ENABLE	Enhancing Nigerian Advocacy for a better Business Environment
20.	FBO	Faith-based Organisations
21.	FIRO	Federal Institute of Industrial Research
22.	FIRS	Federal Inland Revenue Service
23.	FMCG	Fast-moving Consumer Goods
24.	FMCT	Federal Ministry of Communications Technology
25.	FMITI	Federal Ministry of Industry, Trade & Investment
26.	GDP	Gross Domestic Product
27.	GEEP	Government Enterprise and Empowerment Programme
28.	GEM	Global Entrepreneurship Monitor
29.	GEMS	Growths and Employment in States
30.	ICT	Information Communication Technology
31.	IFAD	International Fund for Agricultural Development
32.	IFC	International Finance Corporation
33.	IITA	The International Institute of Tropical Agriculture
34.	ILO	International Labour Organisation
35.	IMF	International Monetary Fund
36.	ITF	Industrial Training Fund
37.	JA	Junior Achievement Nigeria
38.	KBS	Kaduna Business School
39.	LAN	Lagos Angel Network
40.	LBS	Lagos Business School
41.	LCCI	Lagos Chamber of Commerce & Industry
42.	LSETF	Lagos State Employment Trust Fund
43.	MAN	Manufacturing Association of Nigeria
44.	MFB	Microfinance Bank
45.	MSME	Micro, Small & Medium Enterprises
46.	MSMEDF	Micro, Small and Medium Enterprises Development Fund
47.	NACCIMA	Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture
48.	NAFDAC	National Agency for Food & Drug Administration And Control
49.	NBS	National Bureau of Statistics
50.	NCC	Nigerian Communications Commission
51.	NEPC	Nigerian Export Promotion Council
52.	NERC	Nigerian Electricity Regulatory Commission
53.	NESG	Nigeria Economic Summit Group
54.	NEXIM	Nigerian Export-Import Bank
55.	NGO	Non-governmental Organisation
56.	NIPC	Nigerian Investment Promotion Council
57.	NIRSAL	Nigerian Incentive Based Risk Sharing System for Agricultural Lending
58.	NITDA	National Information Technology Development Agency
59.	NSE	Nigerian Stock Exchange
60.	OIIIE	Office for ICT Innovation & Entrepreneurship
61.	RSSF	Real Sector Support Fund
62.	SME	Small & Medium Enterprises
63.	SMECGS	Small & Medium Enterprises Credit Guarantee Scheme
64.	SMEDAN	Small & Medium Enterprises Development Agency of Nigeria
65.	SON	Standard Organisation of Nigeria
66.	USAID-NEXTT	United States Agency for International Development-Nigeria Expanded Trade and Transport
67.	WIMBIZ	Women In Management & Business
68.	YouWIN!	Youth Enterprise with Innovation



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