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BREAKOUT REPORTS

ANDE PAN AFRICA CONFERENCE 2025

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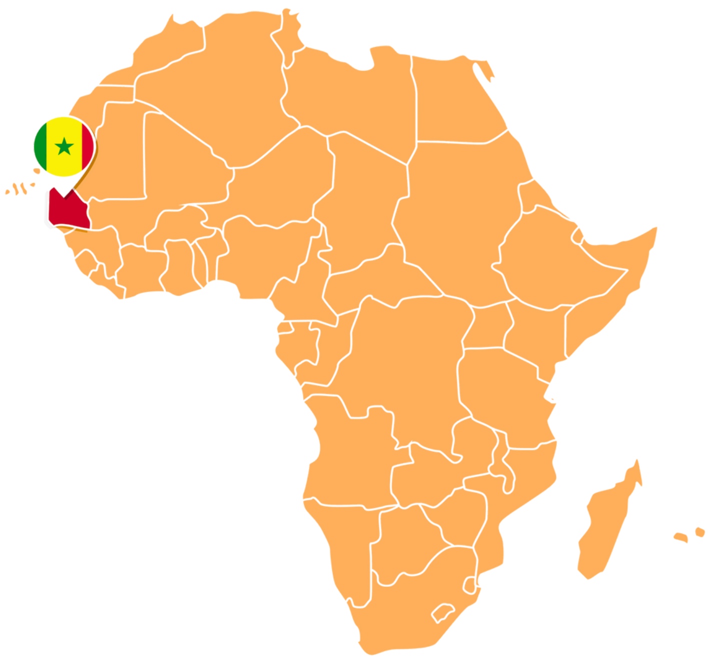
ANDE PAN AFRICA CONFERENCE 2025

DAKAR | FEB. 11 - 13

From **February 11-13, 2025**, ANDE hosted the groundbreaking **Pan Africa Conference** in **Dakar, Senegal**. This event brought together passionate individuals, organizations, and entrepreneurs from across the continent to tackle some of Africa's most pressing challenges and explore collaborative solutions.



Here are some of the key highlights and takeaways from this transformative conference:

- **Collective Action**
- **Focus on the Future of Work & Youth**
- **Building Pan-African Collaborations**
- **The Power of Collaboration**
- **Storytelling for Impact**
- **Creative Entrepreneurship on Display**
- **A Collaborative Space for Growth**

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Breakout 1

HARNESSING THE POWER OF DATA FOR INCLUSIVE SGB FINANCING/DIGITIZATION

Somo Africa, Youth Business International and ADA

Facilitators:

- Aurélie Soetens - MEAL Officer and Gender lead at ADA (Appui au Développement Autonome)
- Cleon Ngoya - Technology & Impact manager Somo Africa
- Neelam Dave - Head of Development and Programmes Youth Business International (YBI)

This session explored how data and technology can transform access to finance for Small and Growing Businesses (SGBs). The discussion highlighted that many SGBs across Africa struggle with securing funding due to traditional financial institutions' reliance on conventional credit assessment models, which often exclude businesses that lack formal financial histories. However, by leveraging data analytics, alternative credit scoring, and digital financial services, the financial ecosystem can unlock new funding opportunities for these businesses, fostering economic growth and inclusion.

A key challenge is the fragmented business support and financial services, especially in rural areas, where SMEs lack proper documentation and financial records, making them high-risk borrowers.

Panelists emphasized the need for a data-driven financing approach using digital payments and supply chain transactions while addressing gaps in harmonizing financial data across stakeholders.

Why Data and Digital Tools Matter

A key theme emerging from the discussion was the critical role that data—particularly from digital payments, mobile money, and supply chain transactions—can play in revolutionizing SGB financing. When used effectively, these data points enable more accurate risk assessments and allow financial institutions to look beyond collateral-based lending. Instead of relying on legacy credit scoring models, lenders can use transaction histories, inventory flows, and digital financial records to evaluate the business potential of informal or early-stage ventures.

For instance, data-driven financing models make it possible to tailor financial products to cash flow patterns. This is especially relevant for sectors like agriculture, where seasonal income flows call for more flexible lending terms. Similarly, digital enterprises can benefit from working capital loans structured around real-time revenue data.

Yet, the session also underscored a persistent issue: many SGBs are unaware of how to fully leverage these digital tools or maintain useful financial records. The lack of financial literacy, limited digital skills, and gaps in understanding data's value continue to hinder adoption and impact.

Bridging the Literacy and Usability Gap

To address these barriers, the session emphasized the importance of financial and digital literacy training, as well as the need for user-friendly, low-bandwidth tools that cater to the realities of African entrepreneurs—especially those in rural and underserved areas. Platforms like Oze and DigiKua were showcased as examples of mobile-friendly digital accounting tools that support entrepreneurs in record-keeping, inventory tracking, and accessing financial reports. These tools also serve as operational coordinators, helping automate repetitive tasks and reduce administrative burdens.

Entrepreneurs participating in the roundtables pointed out the value of tools that go beyond financing—such as those offering inventory management, cash flow analysis, and peer-learning features. They expressed interest in digital platforms that foster marketplace linkages, provide customer behavior insights, and help optimize pricing strategies based on real-time data. This integrated approach can not only improve financial management but also drive revenue growth.

Despite the clear benefits, affordability and support services remain essential. Many entrepreneurs are willing to pay modest fees if tools provide immediate, tangible value. Wraparound services, such as mentoring, tech support, and business advisory, were seen as vital to increasing the effectiveness and adoption of these tools.

Challenges Hindering Inclusive SGB Financing

1. Fragmented Financial Ecosystem and Rural Access Barriers

In many rural areas, financial services and business support are fragmented or entirely absent. Entrepreneurs often lack access to formal advisory services, consistent digital connectivity, and affordable training. This leads to poor record-keeping and limited understanding of financing requirements, making them high-risk borrowers in the eyes of lenders.

A study conducted across 13 African countries, surveying over 100 BDSPs, 140 entrepreneurs, and 40 financial institutions, found that:

70% of BDSP revenue comes from donor funds, creating dependency cycles that affect long-term sustainability.

70% of entrepreneurs felt that the support they received from BDSPs did not add significant value to their businesses.

75% of entrepreneurs stated they would not return to the same BDSPs due to a lack of meaningful impact and business growth.

70% of financial institutions expressed concerns about the lack of visibility and transparency in BDSP activities, making it difficult to track real business impact.

This urban-rural financing gap not only limits economic inclusion but also prevents many promising businesses from reaching their full potential. Expanding financial access beyond urban centers through digital platforms, mobile banking solutions, and decentralized financial services is crucial to ensuring that entrepreneurs in remote areas have equal opportunities to secure funding and scale their businesses.

2. Mismatch Between SGB Needs and Financial Institutions' Lending Models

The lending models used by most banks and microfinance institutions are often inflexible and not tailored to the realities of SGBs. Collateral-based requirements exclude many businesses that operate informally or have limited physical assets. Additionally, loan products are rarely aligned with the cyclical nature of sectors like agriculture, tourism, or retail.

The panel recommended shifting towards more inclusive financing models such as revenue-based financing, microloans tied to digital cash flows, and invoice factoring. Achieving this, however, requires a fundamental change in how financial institutions evaluate risk—moving toward data-rich, behavior-based assessments that draw on real-time business activities.

3. Lack of Sustainable Funding Models for Business Development Service Providers.

Business Development Service Providers (BDSPs) are central to the entrepreneur support ecosystem. They train, mentor, and help SGBs navigate growth and financing. However, many BDSPs are heavily reliant on donor funding, limiting their ability to scale or provide long-term support. Short project cycles and limited budgets mean programs often fail to produce lasting impact.

To become sustainable, BDSPs must explore revenue-generating models such as offering paid advisory services, partnering with corporates, or integrating digital learning to reduce delivery costs. They also play a key role in training entrepreneurs on record-keeping, digital tools, and strategic planning—elements critical to long-term financial inclusion.

Key Takeaways & Action Points

- Stronger collaboration needed between financial institutions, investors, BDSPs, and policymakers for data-driven decision-making into SGB financing and to scale digital financial solutions Data-driven financing models are key to financial inclusion. By leveraging alternative credit scoring, digital transaction data, and mobile payment analytics, financial institutions can expand access to capital for millions of SGBs.

- Financial services should be customized to business needs with industry-specific financing solutions instead of rigid, one-size-fits-all loan structures.

- BDSPs to achieve financial sustainability by reducing donor dependency and adopting fee-based mentorship, digital coaching, and corporate-backed funding models.

- Bridging the urban-rural financing gap requires decentralized business support, mobile banking, and tailored financial literacy programs for true financial inclusion.

- Collaboration among financial institutions, BDSPs, and policymakers is essential to creating a transparent, inclusive, and efficient financing ecosystem for small businesses in Africa.

Breakout 2

STANDARDIZING SME SUPPORT - A KEY TO UNLOCKING AFRICA'S ENTREPRENEURIAL POTENTIAL?

African Management Institute (AMI), Argidius Foundation

Facilitators:

- Panelist: Gloria Uwera, Partnerships Manager at AMI
- Panelist: Camille Linquier, Country Growth Lead at AMI

The discussion was highly interactive, focusing on redefining collaboration, addressing systemic inefficiencies in SME support, and developing concrete solutions to harmonize the entrepreneurial ecosystem across Africa.

SMEs play a critical role in Africa's economic development, contributing significantly to employment and GDP. However, the fragmented nature of support structures, inconsistencies in service delivery, and lack of coordination among ecosystem players hinder their growth and scalability.

The session explored why standardizing SME support is crucial, the barriers preventing effective collaboration, and practical steps to build a cohesive, demand-driven, and results-oriented SME support system.

Key Challenges in Standardizing SME Support in Africa

1. **Fragmentation and Lack of Coordination Among Stakeholders**

One of the biggest barriers to effective SME support is the absence of a standardized and coordinated approach among key players which creates a fragmented ecosystem, leading to duplication, inefficiencies, and wasted resources. Research done by organisations often overlap without data sharing, while limited public-sector involvement hinders policy alignment.

A unified approach is essential to streamline efforts, optimize resources, and ensure SMEs receive consistent, high-quality support.

Power Imbalances and Asymmetry in Collaboration
Power imbalance among different ecosystem players was discussed. Misaligned priorities by Funders, BDS providers, and startups, create difficulty for equitable and sustainable partnerships. Funders often dominate collaboration, limiting BDS providers and startups in decision-making. Short-term financial interests take priority over long-term impact, leaving startups as passive recipients rather than active contributors to SME programs. Without a shift towards equity, transparency, and shared accountability, many collaboration efforts fail to produce tangible results.

2. **The Disconnect Between SME Needs and Support Programs**

Many existing programs are designed based on donor priorities rather than actual market demands, leading to low adoption and limited impact.
Entrepreneurs struggle to access funding, not necessarily due to a lack of capital, but because of impractical eligibility criteria and bureaucratic hurdles. Most business development training programs focus on theoretical knowledge rather than practical, real-world solutions.

Key Takeaways

- Redefine Collaboration, Moving Beyond Buzzwords. The session challenged participants to think critically about the meaning of collaboration in practice and how to ensure it delivers real value, rather than used loosely without addressing critical issues such as roles, responsibilities, and mutual benefits

- Effective collaboration should be intentional, mutually beneficial, and built on long-term commitments with clear objectives and measurable outcomes. It should not be forced if it does not create tangible value.

- Balancing Competition and Collaboration - healthy competition and collaboration can coexist, but overcoming silo mentalities, distrust, fear of losing competitive advantage and short-term financial interests requires a mindset of abundance and transparency rather than scarcity.

- Cultural and Mindset Barriers Impacting Collaboration - The session explored how cultural attitudes, including ego, status, and individual success over collective growth, hinder collaboration, making a shift from an individualistic mindset to a community-driven approach crucial for meaningful and sustainable partnerships.

Action Points

- Develop a shared vision for SME Support - Align public and private sector efforts through a clear roadmap for SME support, proactive government policies that promote collaboration, and defined long-term impact goals.
- Foster transparency and accountability in collaboration - Enhance coordination and reduce duplication through open data-sharing, joint public-private decision-making, and ecosystem-wide accountability measures to track effectiveness of programs.
- Ensure demand-driven SME support - Customize programs to SME realities through regular assessments, industry-specific training, practical skill-building initiatives and inclusive, SME-friendly financing models.
- Encourage specialization and differentiation - foster sector-specific collaborations, adapt global best practices to local contexts and strengthen SME support by having BDS providers focus on their core expertise.
- Address cultural and mindset barriers - Promote entrepreneurial education, knowledge sharing, leadership training, and a culture of trust that views collaboration as a pathway to scaling rather than as a threat.

Breakout 3

FROM GARBAGE TO GROWTH: CIRCULAR ECONOMY OPPORTUNITIES IN AFRICA

TechnoServe and MEDA




Facilitators:

- Zakaria Issahaku - Senior Technical Specialist for Market Systems Development MEDA
- Shingi Nyamwanza Bimha - Head of Programmes and Partnerships Anglo American Foundation
- Bayella Thiam - Regional Director Technoserve

The session focused on the growing importance of the circular economy in Africa, highlighting opportunities for innovation, economic growth, and climate resilience and introduced participants to a report by TechnoServe, IKEA Social Entrepreneurship, and the World Economic Forum's Global Alliance for Social Entrepreneurship. The report looked at challenges and opportunities for social enterprises within the circular economy showcasing how these models could contribute to inclusive economic growth while addressing pressing environmental issues.

The session featured an interactive AfriCafé that spotlighted small and medium enterprises (SMEs) from Tanzania, Ghana, and Senegal who shared their experiences in implementing circular economy practices. They demonstrated how their models have driven job creation, strengthened local economies, and enhanced climate resilience. Some businesses displayed products developed through circular economic models, giving participants a firsthand experience of the tangible outcomes of circular economy practices.

Challenges and Opportunities in Circular Economy Models

Barriers that SMEs face in adopting circular economy practices were discussed. A recurring theme was the lack of access to funding and technical capacity.

For SMEs to adopt sustainable practices like waste recycling and renewable energy, High upfront costs remain a barrier, highlighting the need for tailored financial solutions, capacity-building, and technical support to facilitate the transition to circular models.

Building Climate Resilience for African SMEs

Climate events such as floods and droughts pose significant risks to SMEs, especially in agriculture-based industries. Panelists highlighted how adopting circular economy models—such as agroforestry, organic fertilizers, and biofuels—can mitigate these risks and enhance business resilience. The discussion also explored strategies for integrating climate risk management into business operations, ensuring that SMEs are better prepared for inevitable climate disruptions.

Financing and Investment for Circular Solutions

Difficulty in securing financing for circular economy projects was identified. Although several funding opportunities exist, most SMEs lack the technical knowledge or capacity to develop investment-ready proposals that quantify the impact of their circular solutions. Speakers advocated for simplified financing mechanisms and better access to climate finance that aligns with the realities of African entrepreneurs.

Collaboration and Knowledge Sharing

The session stressed the importance of collaboration between governments, private sector actors, and development partners. Partnerships can help bridge gaps in financing, technical expertise, and market access. Programs like the Circular Economy Accelerator were highlighted as critical platforms for fostering innovation and knowledge exchange in the circular economy sector.

Lessons from Circular Economy Entrepreneurs

Entrepreneurs from Tanzania, Ghana, and Senegal shared real-life examples of how circular economy practices have transformed their businesses. From turning organic waste into biofuels to developing renewable energy-powered irrigation systems, these stories illustrated the potential for circular models to create sustainable and scalable businesses and underscored how these practices not only improve profitability but also contribute to environmental conservation and job creation.

Key Takeaways

- Circular Economy as a Driver for Growth: Circular models offer immense potential for job creation, economic development, and environmental sustainability in Africa.
- Climate Resilience is Crucial: Building resilience into SME operations is essential, given the increasing frequency and intensity of climate events.
- Access to Finance: Tailored financial products and technical support are necessary to help SMEs adopt circular economy practices.
- Collaboration is Key: Partnerships between the public sector, private sector, and development organizations are essential for scaling circular solutions across the region.
- Data and Metrics: Quantifying the impact of circular economy practices—such as carbon sequestration and waste reduction—can help SMEs attract more investment and support.

Action Points

- Create Investment-Ready Support for SMEs: Provide technical assistance to help SMEs develop business proposals that clearly quantify the impact of circular models.
- Promote Climate Resilience Strategies: Encourage SMEs to adopt agroforestry, biofuels, and sustainable waste management practices to reduce vulnerability to climate risks.
- Foster Cross-Sector Collaboration: Build stronger networks among entrepreneurs, policymakers, and investors to facilitate knowledge sharing and resource mobilization.
- Develop Simple and Accessible Financing Models: Ensure that financing for circular economy projects is accessible to SMEs, especially in underserved markets.
- Expand Awareness and Capacity Building: Raise awareness of the economic benefits of circular models and offer training programs for SMEs on circular economy best practices.

Breakout 4

MEETING WOMEN'S DEMAND FOR FINANCE WITH THE APPROPRIATE SUPPLY OF CAPITAL

Open Capital Advisors






Moderator:

- Nathalie Gogue Ebo, Partner, Open Capital Advisors

Panelists:

- Nathalie Akon, Global Director, Gender and Economic Inclusion, IFC
- Awa Sarr, Country Director, EtriLabs
- Mame Aby Seye, General Delegate for Entrepreneurship, Women and Youth, DER/FJ
- Aissatou Gaye, Investment Manager, I&P
- Marietou Seck, Program Lead, Agrifood Systems, Mastercard Foundation

The session focused on addressing the gender finance gap and ensuring that women entrepreneurs have access to appropriate capital. Panelists from financial institutions, investment firms, and international organizations shared insights on the systemic barriers that limit women's access to finance and explored innovative financial models that can bridge this gap. A key feature of the session was audience participation through live polling, where attendees identified the most pressing financial challenges for women entrepreneurs. The discussion covered the role of government policies, financial institutions, and private investors in creating a more inclusive financial ecosystem.

Challenges Women Face in Accessing Capital

During the live poll, participants highlighted three key barriers that women entrepreneurs face in securing finance: inadequate investment readiness, high collateral requirements, and investor bias. Women-led businesses often operate on a smaller scale and struggle to secure large investments. High-interest rates and a lack of tailored financial products further hinder their ability to access funding.

Additionally, women in rural areas face limited access to formal banking services, while cultural norms discourage them from seeking external investments due to fears of losing control over their businesses. These structural and societal challenges continue to create financial inequalities, despite the growing presence of women entrepreneurs across Africa.

Innovative Financial Solutions for Women Entrepreneurs

Various financial innovations that could better serve women entrepreneurs was also discussed. Blended finance solutions, which combine concessional capital with private investment, were highlighted as a key tool for reducing financial risk. Other emerging instruments, such as gender bonds and revenue-based financing, were also identified as effective means of unlocking capital for women-led businesses.

Accelerator and grant programs were recognized as important stepping stones to investment readiness, offering technical assistance, mentorship, and early-stage funding. Matching grants for loan guarantees were also explored as a solution to the collateral issue, allowing financial institutions to lend to women entrepreneurs without requiring traditional forms of security.

The Role of Government in Supporting Women Entrepreneurs

Governments have a crucial role to play in fostering an enabling financial environment for women. The panel highlighted successful public-private partnerships (PPPs), such as Senegal's DER/FJ (General Delegation for Entrepreneurship of Women and Youth), which have developed financial support mechanisms for women entrepreneurs. Regulatory reforms that facilitate lower collateral requirements and fairer lending terms were discussed as necessary steps toward a more inclusive financial system. Additionally, financial literacy and digital inclusion initiatives were emphasized as critical elements in equipping women with the skills needed to manage their businesses effectively.

Moving from Training to Capital Deployment

A recurring theme in the discussion was the overemphasis on training without sufficient follow-up investment. Many women entrepreneurs have undergone extensive training but still struggle to access capital. The panelists emphasized the need to shift focus from training programs to direct capital deployment, ensuring that well-prepared women entrepreneurs can actually secure funding to grow their businesses. There was also a need to move beyond dependency on grants by introducing more sustainable financial models, seek external funding and overcome the cultural reluctance to take on investment partners.

The Importance of Women in Investment Decision-Making

Aissatou Gaye emphasized that one of the most effective ways to increase financing for women entrepreneurs is to have more women in decision-making roles within investment firms. Currently, only 3% of venture capital funding goes to women-led businesses, and only 10% of fund managers globally are female. Increasing the number of women who allocate capital would lead to a more equitable distribution of funds and better support for women-led enterprises.

Organizations like I&P are working to support female fund managers and increase capital allocation to women-owned businesses. Through initiatives such as the 2X Challenge, investors are committing to raising $20 billion for gender-lens investments over the next three years.

Future Strategies for Gender-Focused Finance

Looking ahead, panelists discussed the need for innovative financial instruments that are co-designed with women entrepreneurs to ensure they meet real needs and sector-specific financing solutions tailored to industries such as agriculture and agribusiness.

A major shift in investment approaches was also recommended, with a move towards risk-tolerant investment frameworks that better accommodate women-led businesses.

Key Takeaways & Action Points

- Shift from Training to Capital Deployment: Women entrepreneurs are often well-trained but still struggle to access financing. More direct funding opportunities should be made available.
- Increase Female Capital Allocators: More women should be in fund management and investment decision-making to address the gender financing gap.
- Create Innovative Financial Products: Financial institutions should develop gender-responsive loan products, revenue-based financing, and blended finance solutions.
- Strengthen Public-Private Partnerships: Governments, financial institutions, and development organizations must collaborate to increase funding for women entrepreneurs.
- Encourage Women to Seek External Investment: Cultural norms that discourage women from taking external funding must be addressed through awareness campaigns and role model storytelling.

Credits & Acknowledgments

This report was compiled with contributions from key experts, rapporteurs, and speakers who played a significant role in shaping its content.

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