

ANGOLA



Report on the multistakeholder dialogue of the elaboration of the national entrepreneurship policy



UNITED NATIONS
UNCTAD

© 2023, United Nations Conference on Trade and Development

The findings, interpretations and conclusions expressed herein are those of the authors and do not necessarily reflect the views of the United Nations or its officials or Member States.

The designations employed and the presentation of material on any map in this work do not imply the expression of any opinion whatsoever on the part of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

This publication has not been formally edited.

UNCTAD/TCS/DIAE/INF/2023/4

This publication was produced under the EU–UNCTAD Joint Programme for Angola: Train for Trade II with the financial support of the European Union. Its contents are the sole responsibility of the authors and do not necessarily reflect the views of the European Union.

Train for Trade II



EU-UNCTAD joint Programme for **Angola**



Table of Contents

Executive summary	1
Structure of the report.....	2
Opening session and Plenary session (Part 1).....	2
Breakout group sessions	2
Plenary session (Part 2)	3
Breakout Group 1: Optimizing the Regulatory Environment.....	4
Breakout Group 2: Improving Entrepreneurship Education and Skills Development	7
Breakout Group 3: Facilitating Technological Exchange and Innovation.....	10
Breakout Group 4: Improving Access to Finance	13
Breakout Group 5: Promoting Awareness and Networking.....	15
Annex - Workshop agenda	19

Executive summary

The workshop "1st Methodological meeting on the elaboration of the National Entrepreneurship Policy", was held at the National School of Administration and Public Policy in Luanda, Angola, on 24 February 2023.

It was organized by the United Nations Conference on Trade and Development (UNCTAD) and the Angolan National Institute for Support to Micro, Small and Medium Enterprises (INAPEM) in the context of the component of Entrepreneurship Development of the "Train For Trade II" programme funded by the European Union.

The objective was to have a multistakeholder dialogue that would serve as a contribution to the design of a National Strategy on Entrepreneurship (NSE) by the government of Angola. It aimed at identifying the main difficulties that entrepreneurs currently face in the country and proposing measures to alleviate them. The workshop addressed the theme of entrepreneurship and its promotion based on the UNCTAD Entrepreneurship Policy Framework (EPF) methodology and its five pillars:

1. Optimizing the Regulatory Environment
2. Improving Education for Entrepreneurship and Skills Development
3. Facilitating Technological Exchange and Innovation
4. Improving Access to Finance
5. Promoting Awareness and Networking

It brought together officials from various ministries, public institutions, representatives of the private sector and civil society, as well as international organizations such as the European Union, United Nations Development Programme (UNDP), the International Finance Corporation (IFC) and UNCTAD. The meeting was attended by over 50 people (see Annex 1 with the list of participants), of whom 24 were women (48%).

The workshop should be considered in conjunction with the report mapping the entrepreneurial ecosystem in the country that was conducted by UNCTAD in 2019.

Structure of the report

The structure of this report follows the flow of the workshop presenting a summary of the opening and the plenary session, the five breakout group sessions, and the closing (see Annex 2 with the agenda). It ends with the conclusion.

The content of this report, in particular the limitations, actions and measures identified by the experts as the outcomes of the breakout groups, has been shared with INAPEM for clarifications and comments. INAPEM has validated the final version of the report.

Opening session and Plenary session (Part 1)

The workshop was organized by the Ministry of Economy and Planning and INAPEM with substantive and technical support provided by UNCTAD. The opening session was chaired by Dr. Ivan dos Santos, Secretary of State for Economy.

Mr. Richard Bolwijn, Head of the Enterprise Branch at UNCTAD, welcomed the participants to the workshop and thanked the government for the good collaboration in its organization. He emphasized the contribution of entrepreneurship to the economies of countries and its role in sustainable development. He also stressed the importance of the formulation process of a national strategy being an inclusive one, with representation of all actors of the entrepreneurial ecosystem, including from the public and the private sector, and civil society. He highlighted the importance of addressing the needs of all entrepreneurs in a national strategy.

Dr. Ivan Dos Santos, Secretary of State for Economy of Angola, mentioned to be pleased with this timely event that meets the needs of the country. The process of the elaboration of the National Development Plan 2023/2027 is under way in which entrepreneurship will assume the preponderant role in the execution of public policies. There is a need to improve support for business maturation, especially in the start-up and post-start-up phases. The collaboration between INAPEM, the National Vocational Training Institute (INEFOP), the Angolan Youth Institute (IAJ) and the private sector is highly encouraged in order to maximize the impact of an entrepreneurship strategy and its measures implemented in the country.

Mr. Eddy Delaunay Belleville, Project Manager for Trade and Private Sector from the Delegation of the European Union (EU) in Angola, considered the launch of this consultation process for the definition of the National Strategy for Entrepreneurship (ENE) of great importance. The EU supports the country through this project as well as the Envolver and REDFOP projects in the area of business creation and access to finance. He mentioned that through the Train for Trade II project and its EMPRETEC methodology, more than 300 entrepreneurs have been trained so far to create and expand their businesses.

The opening session was followed by a plenary session (1st part) where UNCTAD's methodology for entrepreneurship policy was introduced.

Mr. Jose Antonio Sanchez, Entrepreneurship Development Section at UNCTAD, set the scene for the one-day workshop by presenting the issues for discussion through the five pillars of the UNCTAD EPF methodology, personalized to the context of Angola. He stressed the importance of aligning the national entrepreneurship strategy with the country's overall economic policies, including agricultural and industrial policy and private sector development policy.

Breakout group sessions

Following the first part of the plenary session, five breakout group sessions were created, each covering one pillar of the EPF, and participants were invited to join one of them, in line with their area of expertise or work. Each breakout group was led by a facilitator, knowledgeable on the topic, and supported by a notetaker. The discussions in the breakout groups lasted 1h30min.

On the next pages, a summary of the discussions can be found, mainly focusing on the main constraints (barriers) and the measures (or actions) that can facilitate entrepreneurship in Angola.

The main findings of the breakout group sessions are presented in the following manner:

- I. Vision
- II. Discussion of identified constraints and actions or measures by policy objectives

The questions that the participants in the breakout group sessions could address were prepared in advance by UNCTAD in consultation with INAPEM and adapted as appropriate to the reality of the country.

Plenary session (Part 2)

At the end of the breakout group sessions, the second part of the plenary session took place where the facilitators of each group presented the three main conclusions of the discussions held.

Dr João Nkosi, Chairman of the Board of Directors (PCA) of INAPEM concluded the workshop by thanking all participants for their valuable contributions and mentioned that a nation-wide consultation process will be held to further enrich inputs to the design of the national entrepreneurship strategy.



I. Vision

Unleashing entrepreneurship requires a regulatory environment that encourages entrepreneurs to set up their own businesses, try new business ideas, take on calculated risks and, if necessary, close a business without penalty.

Entrepreneurship development requires rules and regulations and ought to enable the development of a thriving business community.

For example, when firms engage in business transactions with other firms, they need to be sure that contracts are enforceable, which implies that business partners are registered as legal entities. Similarly, a competition policy needs to be in place to ensure that entrepreneurs have an opportunity to compete in the marketplace, or that they are protected from abuse of dominant positions of incumbent companies. Finally, rules are also needed to protect the physical and the intellectual property of firms.

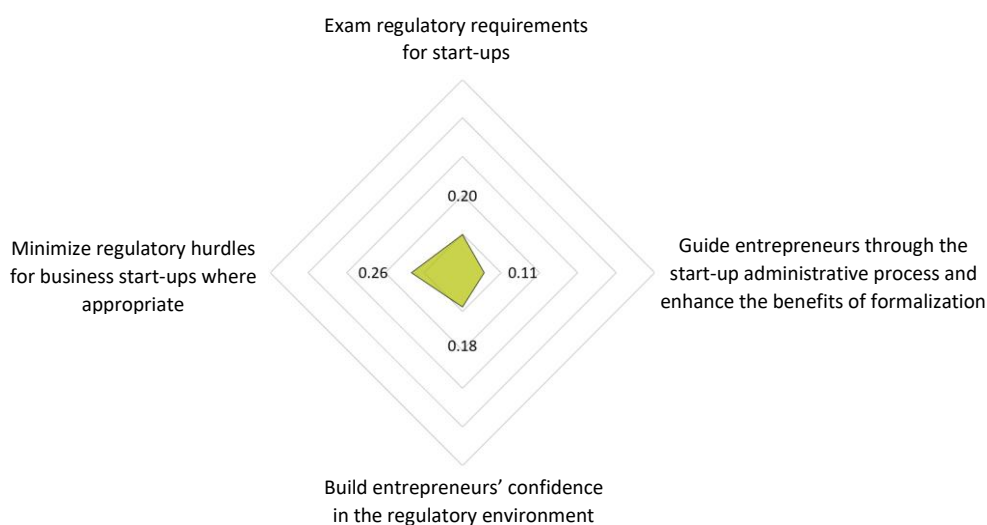
However, imposing a heavy regulatory burden on the private sector can be harmful to entrepreneurship development.

Also, excessive administrative barriers or lack of transparency about the requirements that entrepreneurs need to fulfil can have significant adverse effects for the start-up company.

The regulatory environment should facilitate a level playing field, eradicating any form of discrimination. In particular, it should acknowledge the constraints faced by vulnerable entrepreneurs, address structural inequalities and encourage the creation of business that are environmentally sustainable, that can tackle social and environmental problems in line with inclusive and sustainable development objectives.

Angola's Experience

The government has been conducting assessments on the current state of the regulatory environment and making efforts to improve it, but the survey results for this pillar (reflected in the diagram below) suggest that more efforts are needed in terms of increasing entrepreneurs' confidence in this environment and their knowledge of how to exploit it.



Source: Survey conducted in Angola in 2019

Note: The percentage next to the subtopic is derived from the survey conducted in late 2019. A score of 1 (equivalent to 100%) is the maximum score, indicating the presence of a solid component of the full and efficient business eco-system.

II. Discussion: Constraints identified and actions/measures

Policy objective 1: Examine regulatory requirements for start-ups

1. Identified limitations

- Excessive tax burden on MSMEs, which does not contribute to a conducive environment for entrepreneurship, neither facilitates start-ups to scale up.
- Deficiencies in the harmonization of legal procedures for MSMEs at central and local level of the public administration.
- Limited and not institutionalized consultation process with the private sector, in particular with entrepreneurs' representative organizations, for policy changes and accommodations. And poor communication channels between public entities and the private sector, including entrepreneurs, aimed at facilitating the smooth implementation of changes in rules, regulations, and other policy measures.

2. Actions/Measures

- Introduce fiscal incentives for MSMEs to help support them in the first years of existence. It is suggested that the industrial tax be revised to 12 to 15% for MSMEs in order to favour the rapid growth and development of these companies.
- Standardize and streamline regulatory requirements and bureaucratic procedures to entrepreneurs - for example, different offices (*Conservatorias*) have had different interpretations for the legal enforcement of a same fact subject in relation to the Public Commercial Registry (*Registro Comercial*).
- Set up a consultation body between public entities and the private sector to monitor reforms, allowing for a permanent dialogue to contribute to the enhancement of the entrepreneurial environment.

Policy objective 2: Minimize regulatory hurdles for business start-ups where appropriate

1. Identified limitations

- Absence of accommodation legislation for the differential characteristics and specificities of start-ups.¹
- Non-existence of a direct or indirect State administrative body that monitors initiatives related to startups, i.e. there is a need to create an entity (even if it is collegiate) that monitors the startup segment heavy procedures for start-ups to obtain permits to operate which create obstacles for formalizing informal start-ups.

2. Actions/Measures

- Accommodate legal and regulatory environment to facilitate the creation of start-ups, reducing bureaucracy and decentralization of required procedures to the different provinces of the country.

¹ Regarding this limitation, it is important to acknowledge that the country is undergoing the process of evaluating the introduction of a Start-up Act - in the similar fashion as other countries have done in Africa, like Tunisia or Kenya - as a means to promote the digital economy. Technical assistance from the International Financial Corporation to advance towards its elaboration is taking place at the time of writing this report. The introduction of a Start-up could contribute positively to the promotion of entrepreneurship in the country, in spite of the fact that Start-up Acts tend to prioritize the technological sector, which involves only a segment of entrepreneurship, they focus on high potential initiatives and fast growth. Thus, Start-up Acts have been signaled as a good practice to promote entrepreneurship in various countries.

- Create an administrative body to accompany the process of incorporation and scale-up of start-ups in the of public or public-private nature.
- Streamline mandatory procedures and reduce the time for licensing start-ups, such as eliminating the obligation to obtain a commercial license (alvará comercial) and simplify procedures for the incorporation, legalization and licensing of start-ups.

Policy Objective 3: Build entrepreneurs' confidence in the regulatory environment

1. Identified limitations

- Burdensome and long procedures applicable to start-ups in case of breach of contracts, which reduces confidence in the regulatory environment.
- Lack of uniformity in the procedures of public entities in the enforcement of legislation, which tends to discourage entrepreneurship, especially in rural areas.
- More clarity required on regulations on insolvency procedures of commercial companies as a mechanism to protect property.

2. Actions/Measures

- Speed up procedures and processes related to breaches of contracts arising from business relations between MSMEs and the State, to improve confidence among entrepreneurs and improve the business environment.
- Enhance enforcement procedures relating to small contractual breaches (e.g., up to USD 20,000), i.e. make faster, simpler, and less costly to the parties.
- Make the dispute resolution mechanisms more accessible to MSMEs, applying differentiated rates considering the turnover of MSMEs.
- Debureaucratize the processes related to insolvency, establish mechanisms that simplify and speed up the litigation process, strengthen the protection of minority and non-minority investors, and facilitate entrepreneurs' second chance.

Policy objective 4: Guide entrepreneurs through the start-up administrative process and enhance the benefits of formalization

1. Identified limitations

- Lack of information about the legal procedures required to create a MSME. This constitutes an obstacle in the formalization of start-ups.
- Non-existence of a specialized consulting body to accompany in the administrative processes to create and formalize start-ups, especially in the agribusiness field.
- Little formalization of MSMEs due to a high tax burden, which implies high exigences in terms of profit in the first years of life of start-ups.

2. Actions/Measures

- Create communication channels and recurrent awareness-raising campaigns to guide entrepreneurs and MSMEs in administrative requirements, such as deadlines for fulfilling tax obligations, periodical informational statements, compliance with labour regulation and commercial legislation.
- Create mechanisms to strengthen the dialogue between public regulatory authorities and entrepreneurs' representative bodies, such as bilateral working groups and specialized

committees to improve the flow and reliability of information flow towards entrepreneurs and MSMEs.

- Create a specialized body to inform and guide on the procedures related to the creation of start-ups, accounting for the specificities of the sector and size of the enterprise.
- Design a comprehensive framework to promote formalization of MSMEs, which would include a wide range of policy measures, including fiscal incentives considering the turnover and age of the activity and other non-fiscal incentives such as capacity building, mentoring programmes, and others to upgrade technical skills to improve survival rate.

Breakout Group 2: Improving Entrepreneurship Education and Skills Development



I. Vision

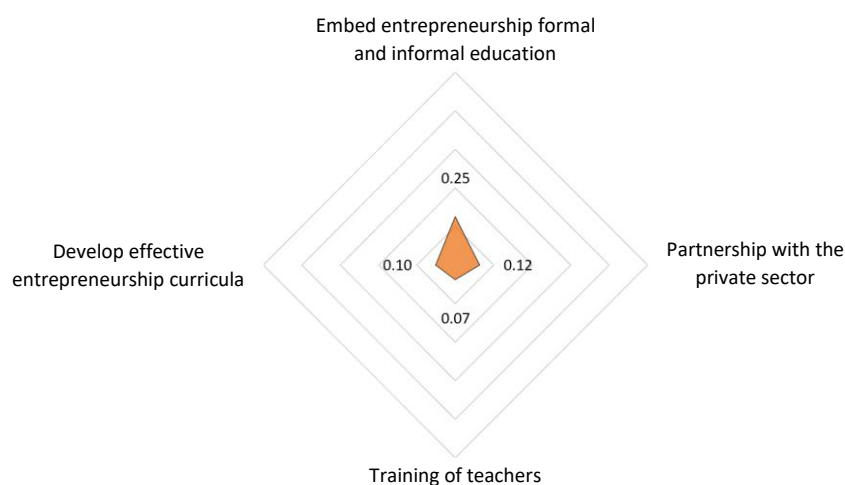
Effective entrepreneurship education policies and programmes focus on developing entrepreneurial competencies and skills, such as persistence, networking, self-confidence, start-up knowledge, business planning, financial literacy, and managerial skills, which are transferable and beneficial in many work contexts.

The aim is not only to strengthen the capacity and desire of more individuals to start their own enterprises, but also to develop an entrepreneurial culture in society.

Entrepreneurship education is usually not an explicit part of the curriculum of educational institutions at any level in most countries. Instead, hard and soft entrepreneurship skills are taught as part of basic subjects, or through teaching methods. Thus, government policies on entrepreneurship can ensure that entrepreneurship is embedded into the formal educational system as well as offered as a formal subject through community, rural and apprentice training programmes.

Angola's Experience

According to a survey conducted in 2019, entrepreneurship is already part of the formal education system. However, there are concerns about the quality of teaching, which may be the result of entrepreneurship students' lack of exposure to real companies, insufficient training of entrepreneurship trainers, or poorly tailored curricula.



Source: Survey conducted in Angola in 2019

Note: The percentage next to the subtopic is derived from the survey conducted in late 2019. A score of 1 (equivalent to 100%) is the maximum score, indicating the presence of a solid component of the full and efficient business eco-system.

II. Discussion: Constraints identified and actions/measures

Policy objective 1: Embed entrepreneurship in formal and informal education

1. Identified limitations

- Poor level of awareness among students who finish their educational period on entrepreneurship as an opportunity for professional career and deficient development of entrepreneurial mindset.
- Education on entrepreneurial skills is only taught in secondary education and higher cycles and has proved to be inefficient to develop an entrepreneurial mindset.
- Poor knowledge about the local entrepreneurial ecosystem and lack of visibility of success stories which showcase role models to young people, including incentivizing them to opt for entrepreneurship as satisfactory professional choice.
- Underdevelopment of the methodologies based in “training the skills” for entrepreneurship which builds motivation towards it, as opposed to the current approach of theoretical subjects on entrepreneurship.
- Lack of exposure of the students to practical examples of local companies, business cases of local entrepreneurs and local businessmen, which ends up leaving the students without inspiration and motivation to become entrepreneurs.
- Insufficient preparation and poor practical experience of trainers on entrepreneurship, resulting in poor mentoring to students.
- School curricula poorly adapted to the reality of entrepreneurship, entrepreneurial trends and the development of entrepreneurial skills and mindset, which hinder the potential of entrepreneurship as a professional choice.

2. Actions/Measures

- Introduce the development of an entrepreneurial mindset and skills at all levels of education of formal education, to stimulate them from the early levels.
- Create bridges between entrepreneurship education and skills training (the so-called supplementary programmes) and internships, to serve as the basis for integral learning.
- Design a national framework for entrepreneurship education and training against which curricula design, programme delivery, participants learnings and skills, and other outcomes can be measured and the evolution along time can be tracked to inform corrective actions.
- Create incubators or partner with existing ones to host students of medium and higher levels of education, to promote entrepreneurship as a professional exit and assist in the first years of life of the enterprises so as to improve the chances of survival; including accelerators where appropriate.
- Include mentoring in entrepreneurship support programmes in order to promote the growth of entrepreneurial projects.

Policy objective 2: Develop effective entrepreneurship curricula

1. Identified limitations

- Decontextualized or non-existent curricula on entrepreneurship hinders effective teaching and does not contribute to popularizing it among a significant part of the population as a satisfactory professional career.

- Curricula do not develop effectively entrepreneurial skills nor mindset.
- Insufficient contact with the reality of the market and with current entrepreneurs as well as other players in the national entrepreneurial and business ecosystem.

2. Actions/measures

- Develop a curriculum of socio-economic skills associated with entrepreneurship, among others on critical sense, self-efficacy, leadership, curiosity, research.
- Bring scientific research as a fundamental element in the innovation process.
- Design adaptive and flexible curricula with an inclusive strategy for diverse needs of different types of entrepreneurs, considering the cultural diversity and characteristics of each region as well as differences between rural and urban entrepreneurship.
- Introduce internships adapted to entrepreneurship at all educational levels to allow students exposure to the entrepreneurial ecosystem.

Policy objective 3: Train teachers

1. Identified limitations

- Lack of qualified teachers, including specific and practical knowledge about entrepreneurship leading to non-transmission of motivation and inspiration towards entrepreneurship.
- Lack of institutionalized incentives to develop entrepreneurship-related teaching, which makes it remain at a shallow level of simply transmitting theories.

2. Actions/Measures

- Train the trainers ("Teacherpreneurs") with real business and entrepreneurial experience and providing them with opportunities to participate in periodic train-the-trainer courses aimed at updating the training methodology and technical contents.
- Connect trainers with successful business owners and entrepreneurs to serve as role models within all programmes.
- Develop supplementary programmes with a focus on turning ideas and opportunities into projects by mobilizing resources: motivation, materials, specific knowledge.
- Promote entrepreneurs mentoring as a professional activity and as an opportunity for teachers involved in the entrepreneurship-related subjects and support teacher upgrading.

Policy objective 4: Partner with the private sector

1. Identified limitations

- Bridges and connections between school and business are currently almost non-existent or inefficient.
- Lack of a system of incentives to build school-business relationships or collaborative schemes that can help promote this kind of partnership.
- Gaps in business knowledge, in finance and in digital skills from the education sector are major impediments to develop partnerships with the private sector.

2. Actions/Measures

- Design entrepreneurship-related curricula that should allow students to be exposed to businesses and the entrepreneurial environment through school and academia partnerships with local businesses (including mentoring and coaching).

- Design and link internship programmes with entrepreneurs in start-ups that can awaken and create an entrepreneurial culture in students.
- Design incentives for companies, start-ups, accelerators and incubators to participate and contribute to the improvement and updating of curricula, of internship programmes, of activities and competitions to promote projects and entrepreneurial ideas with high potential.
- Encourage private sector funding and investment in entrepreneurship activities (scientific research, services and infrastructure, access to technologies, participation in conferences, etc.) to engage its abilities and resources.
- Engage scientific knowledge and research institutions as support to promote transformational innovation, radical innovation, and incremental innovation.
- Create case studies and disseminate successful entrepreneurship initiatives and success stories as material of entrepreneurship education to showcase role models and stimulate the entrepreneurial culture among students.

Breakout Group 3: Facilitating Technological Exchange and Innovation



I. Vision

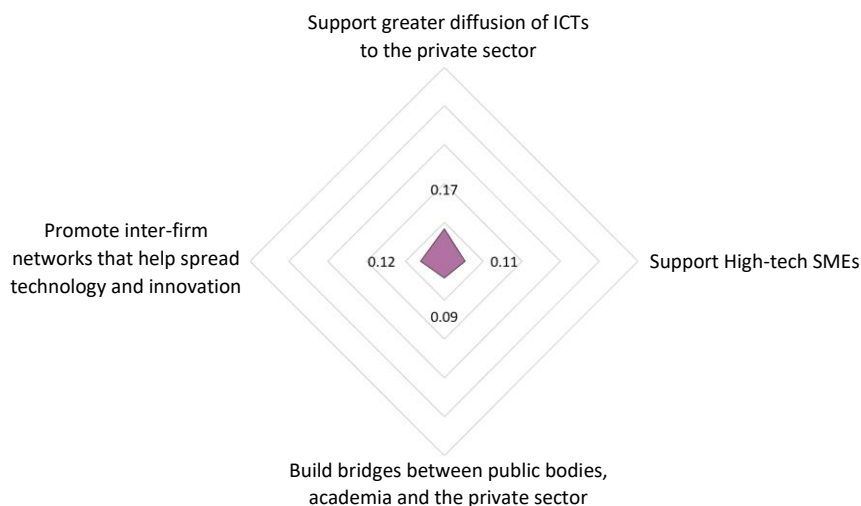
Entrepreneurship, technology, and innovation are mutually supportive. Technology provides entrepreneurs with new tools to improve the efficiency and productivity of their business, or with new platforms on which to build their ventures. In turn, entrepreneurs fuel technological innovation by developing new or improving existing products, services or processes and ensuring commercialization.

In developing countries, both angles are important, to varying degrees, depending on the level of local economic development, the rate of adoption of technologies in use internationally, and the innovation capabilities of local firms or research institutions.

Fostering innovation and technology in a country involves a complex set of relationships among the different actors involved. To help coordination and communication between those actors, many countries develop a National System of Innovation (NSI). An NSI could include the promotion of entrepreneurial activity and investment in pro poor technologies and agricultural innovations with a focus on needs-based innovation. This is particularly relevant, as the majority of innovations in developing countries stem from incremental knowledge and innovations in traditional sectors, including agriculture.

Angola's Experience

Further to a survey carried out in 2019, campaigns are undertaken to raise awareness about the use of ICTs and the creation of measures to help their dissemination and absorption by SMEs. However, more can be done to strengthen the country knowledge triangle (the bridges between public bodies, academia, and the private sector).



Source: Survey conducted in Angola in 2019

Note: The percentage next to the subtopic is derived from the survey conducted in late 2019. A score of 1 (equivalent to 100%) is the maximum score, indicating the presence of a solid component of the full and efficient business eco-system.

II. Discussion: Constraints identified and actions/measures

Policy objective 1: Support greater diffusion of ICTs to the private sector

1. Limitations identified

- Non-existence of a specific programme known by entrepreneurs aimed at disseminating ICTs in the private sector.
- Non-existence of a virtual platform that would provide relevant information.
- Deficient connection of equipment in the remote areas of the country.

2. Actions/Measures

- Deploy equipment to extend the internet connection in the remote areas of the country.
- Establish a programme to disseminate the benefits of ICTs in the country.
- Create a virtual platform for the dissemination of information on ICTs.

Policy objective 2: Promote inter-firm networks that help spread technology and innovation

1. Limitations identified

- Lack of business networks to help disseminate technologies and innovation.
- Poor knowledge-sharing on ICTs experiences between companies from different provinces in the country.
- Non-existence of public initiatives to promote dissemination of ICTs throughout the private sector.

2. Actions/Measures

- Advertise broadly good practices and create incentives to favour an ICT ecosystem, in order to stimulate collaboration among companies within the same sector, and establish partnerships between companies already installed and emerging companies for the promotion of platforms that help create solutions to local problems.

- Create regulations and incentives that facilitate massive dissemination of ICTs throughout the private sector.

Policy objective 3: Build bridges between public bodies, research institutions, universities and the private sector

1. Limitations identified

- Public Institutions have not been proactive in building bridges between research institutions, the university, and the private sector.
- Research institutions tend to not participate in the innovation phase, neither engage with incubators nor accelerators, and there is a lack of initiatives to create partnerships between research institutions and the private companies.
- Universities are not dynamic and creative in seeking partnership with private sector.
- The private sector tends to be reluctant to partner with universities and research institutions.

2. Actions/Measures

- Raise awareness among actors of the possible channels to share knowledge and technology.
- Promote the creation of a fund for research and development of technology and innovation aimed at the private sector.
- Carry out a mapping of the ecosystem of innovation and technology in the country.
- Create a supporting platform/solution to facilitate the relationships between players.
- Create a dialogue table between governmental institutions, universities, research institutions and the private sector to stimulate the interaction of the so-called triangle of knowledge.

Policy objective 4: Support high-tech start-ups

1. Limitations identified

- Non-existence of a support programme for high-tech start-up with visible results.
- Low presence of high-tech business incubators in the country.
- Absence of venture capital to fund high-tech companies.

2. Actions/Measures

- Incentivize relationship between incubators and financial institutions to create synergies for funding the high-tech sector.
- Develop policy measures to stimulate the emergence of more incubators for high-tech companies, and create fiscal incentives and other benefits for start-ups in this segment.
- Help develop risk funds and guarantee funds to stimulate and protect investment and financing of high-tech start-ups.
- Design fiscal incentives for start-ups operating in the high technology sector.



I. Vision

Inadequate access to finance remains a major obstacle for many aspiring entrepreneurs. Entrepreneurs of all types and sizes require a variety of financial services, including facilities for making deposits and payments as well as accessing credit, equity and guarantees.

Many entrepreneurs in developing countries can benefit from targeted capacity building in financial literacy and from innovative delivery mechanisms using modern banking technologies.

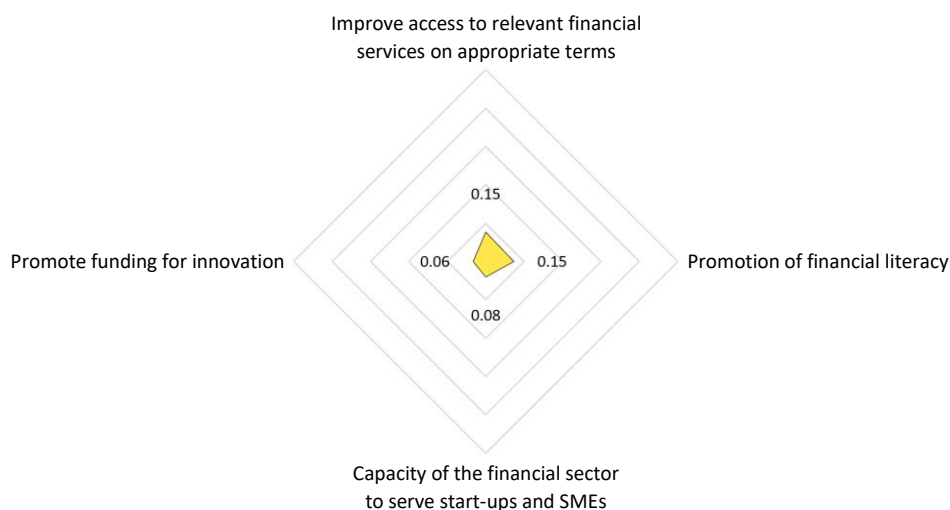
Special attention should be given to assisting innovative, high-growth firms in the area of green technology and sustainability, which often need to attract distinct forms of financing, including equity and venture capital.

Focus should be directed at issues that directly impact access to finance for entrepreneurial start-ups and financial inclusion of entrepreneurs from various backgrounds.

Angola's Experience

Despite several public sector-led initiatives to address this issue, access to finance remains one of the main obstacles to entrepreneurship development in Angola. Having the ability to access credit loans or even simply a savings account can make a significant difference for those who have become or are considering becoming entrepreneurs. Entrepreneurs with greater capacity for technology absorption and more elaborate business models may need other, more sophisticated financial mechanisms.

The figure below presents results from a survey carried out in 2019 on improving access to finance. Two components perform better than the other ones, namely on appropriately relevant financial services and promoting financial literacy.



Source: Survey conducted in Angola in 2019

Note: The percentage next to the subtopic is derived from the survey conducted in late 2019. A score of 1 (equivalent to 100%) is the maximum score, indicating the presence of a solid component of the full and efficient business eco-system.

II. Discussion: Constraints identified and actions/measures

Policy objective 1: Improve access to relevant financial services on appropriate terms

1. Limitations identified

- Heavy bureaucracy prevents many entrepreneurs from accessing financial services from the banking sector.

- The high level of informality in entrepreneurship hinders access to formal financing channels, given that informal business cannot comply with information requirements.
- Narrow financial markets are seen as a cause of non-financing of projects, including an underdeveloped portfolio of financial products by traditional commercial bank, lack of tailoring of financial solutions to sectoral needs, and the absence of a broader base of financial operators like credit cooperatives, development funds, and others.

2. Actions/Measures

- Simplify bureaucratic procedures and documentation requirements for access to finance for start-ups and MSMEs, including the most vulnerable sectors like for example the “agripreneurs”.
- Favor the creation of alternative mechanisms to finance entrepreneurs according to their level of performance and the maturity of their business.
- Create regulations that oversee asymmetries in the financial market especially for start-ups and MSMEs and across all business sectors.

Policy objective 2: Promote funding for innovation

1. Identified limitations

- Absence of bank and non-bank financial instruments to promote innovation.
- Insufficient communication between the banking sector and the target audience on existing financial instruments on financing innovation.
- Lack of promotion of new forms of financing from the banking system oriented to innovation.

2. Actions/Measures

- Create public funds earmarked for start-ups to mitigate the inaccessibility to funding.
- Develop regulations to promote the emergence of non-banking financial investors who can help start-ups cover their needs for financing innovation.
- Promote the emergence of incubators and stand-alone funds that help finance innovation but also provide financial and business mentoring.

Policy objective 3: Build the capacity of the financial sector to serve start-ups

1. Identified limitations

- Perception that the financial sector does not adapt to the needs of entrepreneurs. The lack of deeper knowledge of entrepreneurs’ needs prevents the development of the financial sector’s better tailored products.
- Low number of specialized financial institutions supporting and financing start-ups.
- Reduced presence in the operation of the banking sector in the microcredits segment, especially in the agribusiness sector.

2. Actions/Measures

- Facilitate the emergence of non-banking financial institutions such as angel investors and micro-credit institutions to complement the role of the traditional banking sector.
- Promote the specialization of financial institutions to support and accompany start-ups until their business matures.

- Increase the level of oversight of financial institutions' activities in favor of start-ups support.

Policy objective 4: Provide financial literacy training to entrepreneurs and encourage responsible borrowing and lending

1. Limitations identified

- Insufficient preparation and training of entrepreneurs and funders in financial management of their businesses.
- Weak introduction in the educational system of entrepreneurship-related subjects and courses and financial literacy.

2. Actions/Measures

- Increase and strengthen financial literacy training for entrepreneurs and start-ups.
- Promote the dissemination of subjects related to financial literacy and entrepreneurship at all levels of education.
- Encourage the emergence of incubators to monitor and support the financial management of start-ups.

Breakout Group 5: Promoting Awareness and Networking



I. Vision

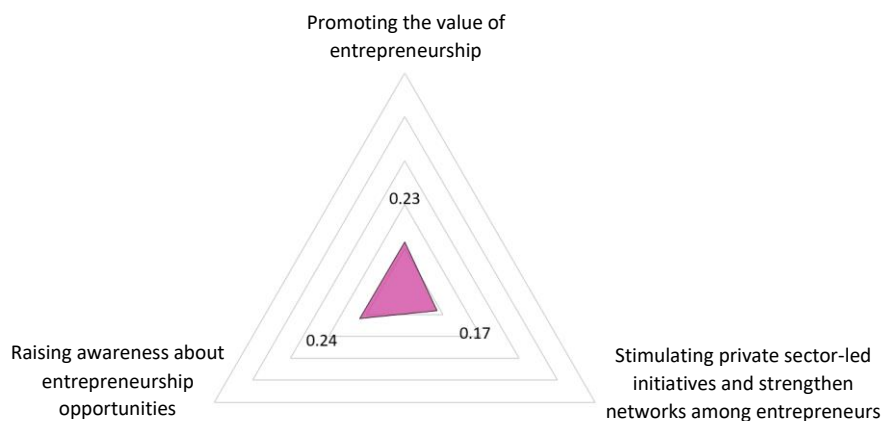
Negative socio-cultural perceptions about entrepreneurship can act as significant barriers to enterprise creation and can undermine the impact of policy intervention in support of entrepreneurship. The impact of regulatory reforms in support of start-ups or to facilitate access to finance for entrepreneurs will be less than optimal if large sections of the population do not consider entrepreneurship as a viable and rewarding option.

Fostering an entrepreneurial culture that positively values entrepreneurs and entrepreneurship is a key determinant of the success of an entrepreneurship policy framework, and it is also a crucial factor to overcome the culture of dependency, either from governments or aid donors.

Entrepreneurship networks can foster the evolution of an entrepreneurial culture. Network building also serves as an important tool to showcase models, champions, and references of success of entrepreneurship as a career option. In addition, networks often play an important enforcement, communication, counselling, support, and trust function for entrepreneurs.

Angola's Experience

Further to a survey carried out in 2019, there are still a number of obstacles in working with the private sector, despite clear efforts to promote the value of entrepreneurship and raise awareness about the opportunities in this career.



Source: Survey conducted in Angola in 2019

Note: The percentage next to the subtopic is derived from the survey conducted in late 2019. A score of 1 (equivalent to 100%) is the maximum score, indicating the presence of a solid component of the full and efficient business eco-system.

II. Discussion: Constraints identified and actions/measures

Policy objective 1: Highlight the value of entrepreneurship to society and address negative cultural biases

1. Identified limitations

- Lack of contextualization of policies aimed at entrepreneurship education in the entire education and teaching subsystem and beyond.
- Absence of activities to incentivize and foster entrepreneurship in Luanda and in other provinces.
- Low awareness on the importance of entrepreneurship's role in national economic development.

2. Actions/Measures

- Begin a regular national entrepreneurship competition in each education subsystem and at municipal and provincial levels in order to build a competitive and collaborative entrepreneurial spirit.
- Promote entrepreneurship fairs and workshops at municipal, provincial and national levels to raise awareness on entrepreneurship and promote entrepreneurs networks.
- Create a national fund to foster entrepreneurial culture by subsidizing literature on successful cases of national entrepreneurship.

Policy objective 2: Raise awareness about entrepreneurship opportunities

1. Identified limitations

- Insufficient institutionalization support, in terms of special legal and fiscal regimes accommodated to start-ups, social enterprises and seed and venture capital funds to support viable impact entrepreneurship.
- Non-existence of an information mechanism at the incorporation phase of an entrepreneurship facilitating the growth of start-ups.
- Weak promotion of national entrepreneurs and start-ups successful in the national and international markets.

2. Actions/Measures

- Create a legal framework for entrepreneurship with a specific regime for different categories of entrepreneurship: start-ups, social and solidarity economy companies, etc. And seed and venture capital funds in the country.
- Extend and spread support programmes for the education of entrepreneurs in the initial phase, mainly in the financial, fiscal, and value-chain qualification through the creation of a National Entity for the Promotion of Entrepreneurship.
- Create a fund to support the national and international promotion of successful businesses and entrepreneurs, managed by the same National Entity.

Policy objective 3: Stimulate private sector-led initiatives and strengthen networks among entrepreneurs

1. Limitations identified

- Weak engagement from the State's institutions to create and support networks of entrepreneurs.
- Lack of public support to events for networking in the entrepreneurship ecosystem.
- Poor institutional alignment between public actors, low coordination among private actors and deficient coordination between both spheres in contributing to an comprehensive development framework of the national entrepreneurship ecosystem.

2. Actions/Measures

- Create a National Council for the Promotion of Entrepreneurship with attributions aimed at tackling existing limitations in raising awareness and promoting networking in the ecosystem.
- Officialize entrepreneurship in the Government's official discourse.
- Create and institutionalize a national event on entrepreneurship and networking, preferably with international projection.

Conclusion

The participants in the workshop applauded the initiative of having multistakeholder dialogues on the preparation of a national entrepreneurship strategy.

Overall, the following needs to be taken into account when designing a national entrepreneurship strategy for the promotion of entrepreneurship for sustainable development.

A predictable set of regulations that is easily accessible in all parts of the country, including an online platform, that covers the different needs of the diverse types of entrepreneurs, explained through targeted awareness raising campaigns, can help entrepreneurs have greater clarity on what is needed to build a sustainable business over the long-term.

Clearly aligning such regulations to national development goals, and to economic, industrial, agricultural, science and technology policies will also greatly contribute to the **drive to innovate and invest**, which can be further reinforced through increased collaboration between research institutions and MSMEs, including through incubators and accelerators.

Investment in the human factor is imperative to develop an entrepreneurial mindset, which should be done from an early age and through continuous learning to build resilience and adaptability within a competitive local MSME sector that will be able to drive the country towards the future, with equitable growth and sustainable development.

PROGRAMA DO EVENTO

Iº ENCONTRO METODOLÓGICO SOBRE O PROJECTO DE ELABORAÇÃO DA ESTRATÉGIA NACIONAL DE EMPREENDEDORISMO

SESSÃO DE ABERTURA

8H30 - 09H00	Registo dos Participantes
09H00 - 09H05	Entoação do Hino
09H05 - 09H10	Palavra de circunstância - MINDCOM - UNIÃO EUROPEIA - CNUDEC
09H10 - 09H20	Discurso de Abertura - MEP
09H20 - 10H30	Sessão Plenária (Parte I) Apresentador Drº José Rodrigues (Formato Virtual)
10H15 - 10H30	Coffee Break
10H30 - 11H40	Sessões de Grupo Paralelas Ambiente Regulatório Facilitadora: Vanessa Silva Educação Empreendedora Facilitadora: Haymee Cogle Tecnologia e Inovação Facilitador: Augusto Firmino Acesso as Finanças Facilitador: Indira Campos Sensibilização e Networking Facilitador: Henriques Ngolome
11H45 - 12H45	Sessão Plenária (Parte 2)
12H45 - 13H40	Intervalo para Almoço
13H45 - 14H00	Palavras de Encerramento

24/FEV/2023 | 9H00
AUDITÓRIO DO ENAPP

INICIATIVA:



PROMOTOR:



APOIO



PARCEIROS INSTITUCIONAIS:



inapem_oficial INAPEM INAPEM