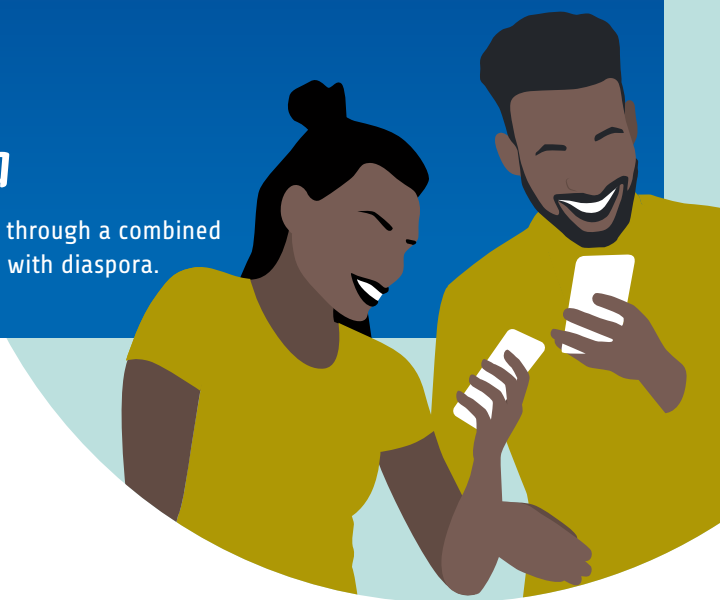




WIDU.africa in Ethiopia

The online platform promoting small businesses through a combined financing and coaching approach in cooperation with diaspora.



THE CHALLENGE

Employment prospects are key to development and stability across different regions of Africa. Many entrepreneurs in Africa have the potential to create new jobs. So far, only a small proportion of it is invested in businesses and their activities. In consequence, they often struggle to reach their full potential. Cooperation with diaspora holds major potential for improving these conditions. According to estimates by the World Bank, the African diaspora in Germany transfers almost 1.5 billion euros to their home country each year. So far, only a small proportion of it is invested in businesses and their activities. Therefore, there is an untapped potential to involve the diaspora as a contributor to entrepreneurial funding through capital and knowledge transfer.

OUR APPROACH

In the spirit of the Africa-Europe Joint Vision for 2030, WIDU.africa focuses on supporting businesses to create sustainable jobs as well as to foster digital transformation. Through a combined grant and coaching approach, the project unlocks potential of entrepreneurs turning their ideas into employment and income. To achieve this, WIDU.africa cooperates with the Ethiopian diaspora in Europe. It is the diaspora that invites friends and family in their countries of origin to participate in the programme and thus makes an initial, qualitative pre-selection of businesses that they consider eligible. Then together, the diaspora donor and the entrepreneur develop their project on the platform, through their joint private investment in equal amounts.


WIDU.africa was launched in November 2022 in Ethiopia and is implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). WIDU is currently available in Ethiopia as well as Cameroon, Ghana, Kenya, Togo and Tunisia.

OUR RESULTS


Since launching its activities in Ethiopia, WIDU.africa has successfully contributed to local economic development and entrepreneurship. Through the platform, diaspora donors jointly with the entrepreneurs have so far committed more than 196,000 euros

of private investment to micros and small businesses as part of their participation in WIDU.

WIDU paid out more than **297,500 Euros** in grants. More than **224** micros small businesses have been supported.

63%  of which are led by women.

WIDU.africa support resulted in more than **261** new and sustained jobs. Particularly women benefitted from these efforts:

66%  of those jobs were occupied by women.

After more than **466** coaching sessions, **94%** of participants testify that the provided coaching improved their business skills.

Overall, since October 2019, WIDU.africa has supported more than **4,980** businesses in the six participating countries, among which

46%  were led by women.

In addition, WIDU.africa helped to sustain and create more than **9,315** jobs (**50%** occupied by women).

2-year rigorous impact evaluation has proven the effectiveness of WIDU in creating jobs and increasing incomes locally.

WIDU Funding Instruments for Small Businesses in Africa

WIDU.africa aims at providing context specific funding instruments to support micro and small enterprises that can be easily scaled up. In Ethiopia, WIDU.africa promotes entrepreneurs through the Original WIDU Grant as well as Local Calls.

ORIGINAL WIDU GRANT

This program is WIDU's first funding instrument. It aims to facilitate access to financing for micro and small enterprises with the support of the diaspora. The amount of the grant can go up to 2,500 euros, and is open to all sectors of activity.

LOCAL CALL

This funding instrument is available directly to local entrepreneurs. Local Calls address specific topics – depending on which economic sector is of major importance, and their grants can be up to 5,000 euros. In September 2022 WIDU launched the first Local Call in Ethiopia on #FoodSecurity. With the #FoodCallEthiopia, WIDU supported sustainable business ideas. Other Local Calls have followed on other countries and new topics (Green, Digitalization, Women).

WIDU.AFRICA ACTIVITIES

To achieve its goal, WIDU.africa has developed a digital platform that promotes inclusion, accountability, and transparency. This platform combines online and offline approaches for efficiently and securely managing project proposals and collecting results data. Thanks to this digital approach, WIDU ensures a high level of scalability and reaches a greater number of entrepreneurs in Ethiopia and across the continent.

To ensure that entrepreneurs are equipped with the skills they need to implement their business plans effectively, the project also provides personalised coaching from local

business advisors. By combining financial support with personalised coaching and a digital platform, WIDU.africa is revolutionising the way entrepreneurship is supported in Africa. The GIZ project empowers entrepreneurs with the resources they need to thrive.



THIS INVESTMENT HELPED TO PURSUE MY DREAM. I AM ABLE NOW TO EMPLOY PROFESSIONALS WHICH HELPED ME TO FACILITATE THE PRODUCTION AND OPPORTUNITY TO OTHERS.



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