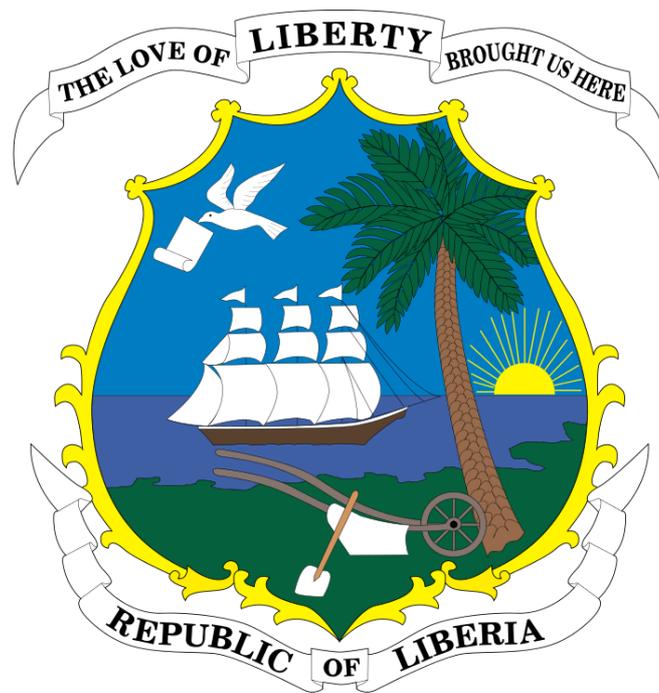


# MINISTRY OF COMMERCE AND INDUSTRY, RL



## **UNIDO General Conference Talking Points for Side Event: Youth and Women Entrepreneurship**

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***What role can government play in developing, promoting and facilitating entrepreneurship particularly for youth and women? Moreover, it would be interesting for the audience to learn about the Liberian experience with regard to youth and women entrepreneurship and employment.***

The economic empowerment and growth for Liberia lies in our SMEs. As a government we have embarked on a journey to transform our MSMEs from micro to small, small to medium, and medium to large enterprises.

In 2012 we launched the Agenda for Transformation our five-year poverty reduction strategy. The AfT outlined one simple goal: “to put the country on a path of sustainable and equitable growth...to become a more equal, just, secure and prosperous society”. Friends, colleagues, if there is one group that is doing more to achieve this goal, it is our MSMEs. In Liberia, MSMEs are our greatest champions of economic growth and largest employers of our nation’s youth. Every day, in every house, on every street, new entrepreneurs are developing new ideas and driving new innovations to meet market demands. We must encourage this momentum.

Why, because government is the primary employer in Liberia’s formal sector, with approximately 63% of formal employment, and in the days of dwindling national budgets, we have to be innovative. Not everyone can or will get a government job. We saw our economy come to a crippling halt with the outbreak of the EVD.

Until mid-2014, Liberia was on stable path in implementing its ambitious medium-term development strategy, the Agenda for Transformation. However, the deadly Ebola Virus Disease, which was first reported in March 2014, lasted close to 16 months and resulted in a death toll of about 4000 persons. The outbreak also began destroying the fabric of Liberia’s economic and service delivery system.

We as a country had to rapidly assess our condition, 65% of our population under the age of 35 (considered youth), 80% unemployment within this cohort. Coupled with the falling prices of our major export commodities, the devastating results of the EVD, we were on a fast decline, and now, more than ever, entrepreneurship began to make sense.

The Ministry of Commerce and Industry was prepared. With the passage of the Small Business Act in law. This act set aside 25% of public procurement contracts for Liberian owned businesses with 5% reserved for women-owned businesses. So, we are talking about our youth and our women.

Since July 2015, the start of the first fiscal year of the new law, we have registered 35 registered women businesses with the SBA. This number represents 22% of businesses presently registered with the SBA.

In numbers, the Total SBA Set Aside for the First Quarter of Implementation by 21 Public Procuring Institutions was \$ 9,843,396.75. This represents an unprecedented support by Gov’t for SME development and economic empowerment.

Specific to youth entrepreneurs, we have developed the E+Program, which was officially launched during the SBA 2015 National MSME conference which was held from November 17-18, 2015. This year the conference theme was:



*From Vision to Implementation; Buying Liberian, Building Liberia,” with a special focus on “Youth Innovation for Economic Empowerment”.*

Entrepreneur-Plus (“E+”) program is a two-year MoCI and IFC co-sponsored business incubation program designed to promote youth entrepreneurship through training and access to finance. This program seeks to identify and harness the next generation of promising youth innovators with great ideas and solutions to real challenges in business and society. The program targets 20 young entrepreneurs/innovators with innovative ideas in key sector of the economy to unlock potential in those sectors.

The most promising young entrepreneurs will constitute the E+ First Class. The E+ First Class will undergo IFC flagship business edge training match with business innovations training. Upon completion, the E+ First Class will get financial support of up to \$10,000 each to start their businesses from the Liberian Innovation Fund for Entrepreneurs (LIFE). This fund is a partnership with the MOCI, funded by the Gov’t of Japan and the LBDI, who matched the initial MOCI contribution of 500K with a matching 500 for a total of \$ 1m. This type of dynamic and forward thinking strategic partnership between a gov’t institution and private bank exemplifies the innovative approach to solving one of the major constraints to entrepreneurship development: access to capital with the added benefits of financial coaching, favorable interest rates and business development opportunities.

We also launched the Made in Liberia Trade Store called the Liberian Marketplace for the promotion and sale of authentically made in Liberia products. The store also creates linkages between Liberian suppliers and buyers and use technology to broaden the market space through a web portal called [theliberianmarketplace.com](http://theliberianmarketplace.com).

Facilitating the Wear Your Pride Campaign where we encourage all government officials, and friends to wear locally made clothing include those made from the Lofa Cloth every Friday. This leads me to the discussion of the importance of Women Entrepreneurs. Understand that all of the initiatives I’ve mention earlier also embody a concerted effort to encourage the participation of women entrepreneurs. However, there are certain sectors, for example the weaving and textile industry, where our Liberian women have a competitive advantage. These women entrepreneurs have the unique skillset and expertise for designing and weaving textile.

But empowering women economically is also an economic imperative –particularly for small and developing countries like Liberia. The economic role of women is even more important in post-conflict environments such as Liberia: As a result of war, women make up greater than 50% of the population – and we cannot afford to let such a large section of the population go un-utilized or even under-utilized. We must make the most of all the resources we have. Women entrepreneurs are an integral part of the private sector which is the most provider of job in every economies; hence deliberate effort must be made to empower them as evidenced with the SBA set aside.

Investing in women entrepreneurs through targeted and coordinated to resources will have greater multiplier effect on the economy, as they generally reinvest about 90% of their profits into social causes such as education, caring for children and the elderly, as well as more household expenditure and nutrition. {ITC, Executive Director, Arancha Gonzalez}.



Un-tapping the powerful economic potential of women is both a matter of social justice and a development imperative. Across the globe, women are underpaid, under-recognized and underrepresented in the formal workforce. This economic inequality contributes to historical inequalities in power – power in business, in politics, in society and in the household. Empowering women economically has ripple effects across other areas of life and society. Investing in women entrepreneurs will ensure a more even distribution of economic growth in local communities and the society at large

Providing a conducive environment where Women entrepreneurs and thrive makes economic sense because they have the comparative advantage in certain sectors of the Libean economy compared to male entrepreneurs. Women =constitute the majority of the active labor force in agriculture, the bedrock of Liberia’s economy. Women are major players in the sector, providing 80% of agricultural labor force, are involved in 76% of cash crop production, 93% of food crop production, conduct 85% of all marketing and trading, a vital complement to crop production for income generation, and play a vital role in linking rural and urban markets through their informal networks.

We have made impressive gains, from electing Africa’s first female president, to the largest percentage of women in government leadership and parliamentary positions, We must do more.

Beyond economic growth, the economic empowerment of women is essential to achieving inclusive growth in a post-conflict environment. Women are linked very closely to sustaining families and communities; empowering women empowers families and communities, the building blocks of society. In West Africa (from the Fanti people of Ghana we have a proverb:

*If you educate a man you educate an individual, but if you educate a woman you educate a family (nation), because women are nation builders.* Since women are so closely linked to sustaining families and communities – the building blocks of larger society – empowering women has ripple effects in the strengthening of families and communities, and in raising the new generation of youth that we need to move the country forward.

Thank you for your kind attention