



THE TONY ELUMELU
FOUNDATION



TEF ENTREPRENEURSHIP PROGRAMME PROGRESS REPORT

2015 – 2017

FOREWORD BY THE FOUNDER

In 2015, the Tony Elumelu Foundation (TEF) consolidated its various programmes and initiatives and made investing in Africa's next generation of entrepreneurs and business leaders a priority through its flagship entrepreneurship Programme. The TEF Entrepreneurship Programme represents our 10-year, \$100 million commitment to identify, train, mentor and fund 10,000 African entrepreneurs, who will create a million jobs, and add \$10 billion in revenue to Africa's economy.

Our programme which is both sector agnostic and pan-African – empowering entrepreneurs from all 54 African countries – has directly impacted 4,470 entrepreneurs and is globally regarded as the single largest endowment to African entrepreneurs as a result of our scale, capital commitment and opportunities offered.

Thus, it is with great pleasure that I introduce the TEF Entrepreneurship Programme 2015-2017 Progress Report which showcases the depth of the Foundation's impact on the businesses of thousands of beneficiaries. This impact is illustrated with the help of metrics including number of jobs the businesses of our entrepreneurs have created across the continent and the revenues they have generated since undergoing the seven pillars of our programme.

The findings from this report are startling! On average, revenue generated by our entrepreneurs increased by 189% post-graduation from the Programme, and jobs created increased by 197%. These figures validate my conviction that the private sector must be the core driver of Africa's

economic transformation. With this report, TEF demonstrates beyond doubt, its commitment to democratising luck and access to opportunities for success for African entrepreneurs. Indeed, the TEF Entrepreneurship Programme is the most impactful project of my life.

The truth though, is that relative to the millions of young people with great ideas, the numbers of support structures such as our entrepreneurship programme, remain few and far between. Given how critical these structures have become to the growth of entrepreneurship on the continent, there is an urgent need for more targeted policy support and for policymakers to understand the evolution, growth and challenges of entrepreneurs. This is the only means through which our governments can understand their role in the sustainability of these start-ups and SMEs. Ultimately, this calls for greater collaboration between all stakeholders including policy makers, private sector leaders and development partners to invest in the continent for the benefit of entrepreneurs.

Such a collaboration is in line with my economic philosophy of **Africapitalism** which posits that the private sector, including entrepreneurs, can and must play a leading role in the economic development of the continent. The private sector cannot attain its full potential if entrepreneurs are left behind, they are the key players in the development of Africa's private sector. We must all commit to creating a better future for our young Africans who have demonstrated intellect, skill, passion and make them succeed because their success is Africa's success.

I trust that you will find this report both informative and especially insightful as it provides a detailed picture of the economic and social transformation that young African entrepreneurs will champion if they continue to be supported with relevant training and mentoring, seed capital and networking opportunities. A combination of these will propel them to excel and to create sustainable solutions to our regional challenges in employment, financial inclusion, revenue generation, trade and innovation.



Tony O. Elumelu, CON
Founder, Tony Elumelu Foundation

FOREWORD BY THE CEO

Founded on the principles of Africapitalism, in 2015, when we launched Africa's largest Entrepreneurship Programme we set out to democratize and institutionalise luck by designing an authentic, innovative, credible, homegrown, and game-changing programme that will bring economic transformation in Africa from the ground up.

Our progress excites me and I'm happy to share with you the Tony Elumelu Foundation Entrepreneurship Programme 2015-2017 Progress Report. In just four years, we have directly impacted 4,470 entrepreneurs, and we are beginning to see the results: they are creating jobs, generating revenues and making a social impact through their businesses.

We tracked the progress of the 3010 entrepreneurs who graduated between 2015 – 2017 and our study of just 1472 entrepreneurs who responded to the survey shows they have generated USD 52, 486, 234 after completion compared to USD 18, 155, 241 before they were selected for the programme. In terms of jobs, the same 1472 entrepreneurs, have created 11, 971 jobs compared to 4034 before they were selected for the TEF Entrepreneurship Programme. Furthermore, our study shows that upon completing the TEF Entrepreneurship Programme, 62% of these businesses are now fully operational while 29% have now become partly operational. This also explains the phenomenal growth in jobs (15% of the entrepreneurs now employ at least 10 people) and revenue (13% of the entrepreneurs now generate above \$50,000 annually) recorded after the Entrepreneurship Programme.

With regards to gender representation, over the years, the Foundation has made it a priority to ensure that both female and male entrepreneurs have an equal opportunity to apply unto the programme. When the programme was launched in 2015, female applicants accounted for just 24% compared to 71% male applicants selected into the programme. But by 2018 the gap had significantly reduced, where female applicants accounted for 41.2% (up from 24% in 2015. The Foundation achieved this significant increase by ensuring that our advertisements and promotions of the programme were targeted towards women. On social media, profiles of successful female entrepreneurs on the programme were used to encourage aspiring female entrepreneurs to apply to the programme. Female alumni of the programme took this a step further by organizing workshops and trainings to assist them in their application.

In terms of the impact of the Seven Pillars of the TEF Entrepreneurship Programme, the 1472 entrepreneurs who responded to the survey, we see that both the 12-week enterprise tool kit and the mentorship received at least a 70% high impact rating while 61% of them indicated that TEF provided them with the first seed capital for their business. So clearly, the TEF Entrepreneurship Programme is having an impact across sectors, regions, and business location.

Building on the success of the TEF Entrepreneurship Programme, we are now launching TEFConnect, the world's largest digital platform for African entrepreneurs, dedicated to connecting African entrepreneurs and the entrepreneurship ecosystem.

It gives me immense pleasure to present you this report, tracking the progress of the TEF Entrepreneurs, celebrating the incredible work and achievements of our team, our entrepreneurs, and mentors who are creating innovative and disruptive solutions to complex challenges across Africa.



Parminder Vir, OBE

Chief Executive Officer,
Tony Elumelu Foundation

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INTRODUCTION



PHOTO: TEF entrepreneurs



The Tony Elumelu Foundation 2015 - 2017 Progress Report seeks to analyse the progress of the 3010 entrepreneurs who have completed the Tony Elumelu Foundation Entrepreneurship Programme since its launch in 2015. Given the scale and reach of the programme over the past three years, the Tony Elumelu Foundation decided to assess their business health and performance thus far.

A sample of 1472 entrepreneurs from the 3010, representing 49% of the Tony Elumelu Foundation Entrepreneurship Programme alumni who responded to the survey, and represent 48 African countries, 5 regions and 25 sectors.

This TEF 2015 - 2017 Progress Report presents in-depth analysis and insights of our findings on:

- ▶ The economic impact of the TEF Entrepreneurship Programme on their businesses in relation to the jobs they have created and revenues they have generated since graduating from the programme.
- ▶ An analysis of the impact of the seven (7) pillars of the TEF Entrepreneurship Programme on the entrepreneur business development.
- ▶ The social impact of the Tony Elumelu Entrepreneurs that align with the sustainable development goals (SDGs).

Before proceeding to share the details of the progress of the Tony Elumelu Foundation entrepreneurs however, it is critical to share the vision, mission and underlying economic philosophy of the most ambitious entrepreneurship programme on the African continent.



Vision:

The vision of the TEF Entrepreneurship Programme is to build the preeminent pan-African entrepreneurship programme, a journey we embarked on 4 years ago. Our programme equips African entrepreneurs with the skills that they need to build strong and sustainable businesses. Indeed, it is only by building such businesses that Africa can achieve long-term economic growth and structural transformation.

Mission:

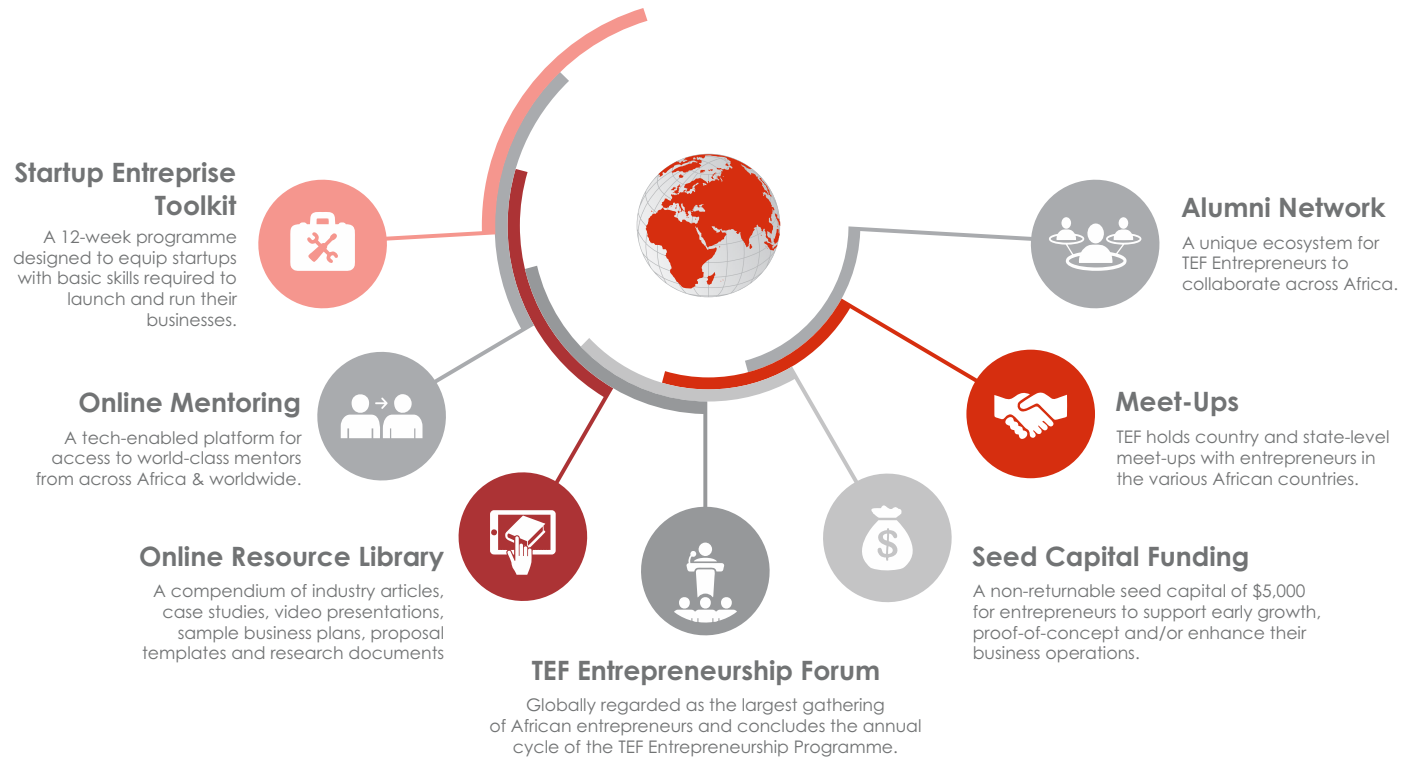
To achieve this vision, our mission is to identify, grow and create 10,000 start-ups across Africa that have developed ingenious solutions to pressing economic challenges in their communities and countries. Our hope is that they can use their business to improve lives, generate employment, and create prosperity and wealth. Ultimately, our goal is for these entrepreneurs to create at least 1,000,000 jobs and contribute at least \$10 billion in additional revenue.

Philosophy:

The TEF Entrepreneurship Programme is driven by the economic philosophy of **Africapitalism** which is the belief that a vibrant African-led private sector is the key to unlocking Africa's economic and social potential. The private sector does not emerge out of a vacuum, this therefore explains why the Foundation is committed to empowering African entrepreneurs as our contribution to the development of Africa's private sector. Through our programme, the Foundation is institutionalising luck and equipping entrepreneurs with the tools they require to succeed.

THE SEVEN PILLARS

■ THE SEVEN PILLARS OF THE TONY ELUMELU FOUNDATION ENTREPRENEURSHIP PROGRAMME



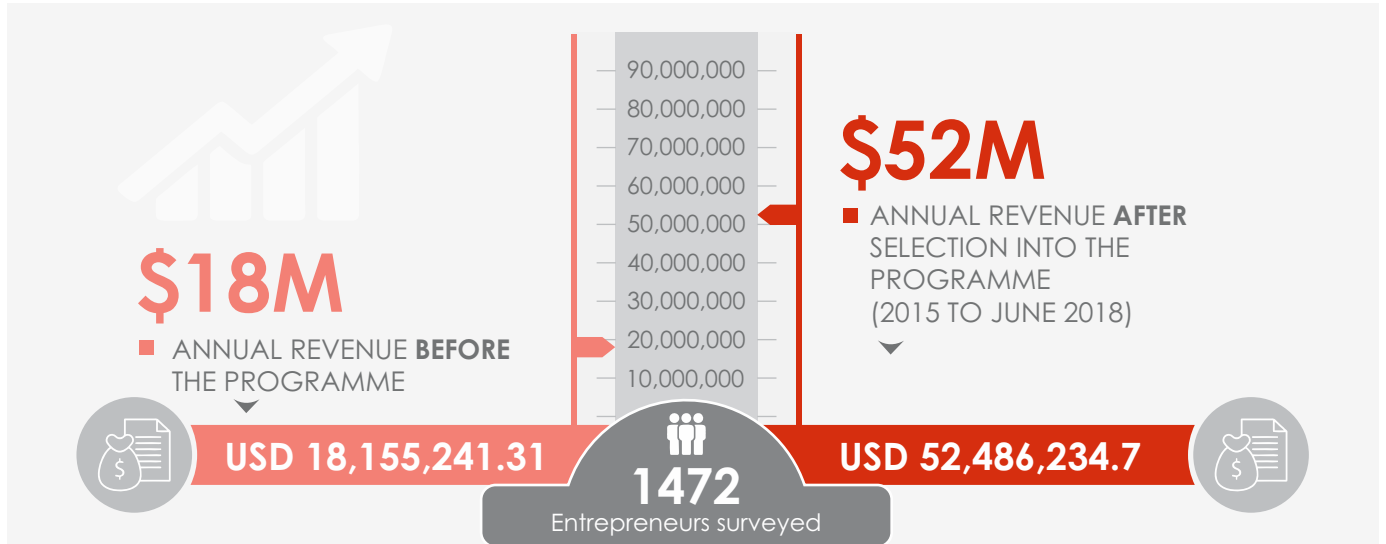
THE ECONOMIC IMPACT



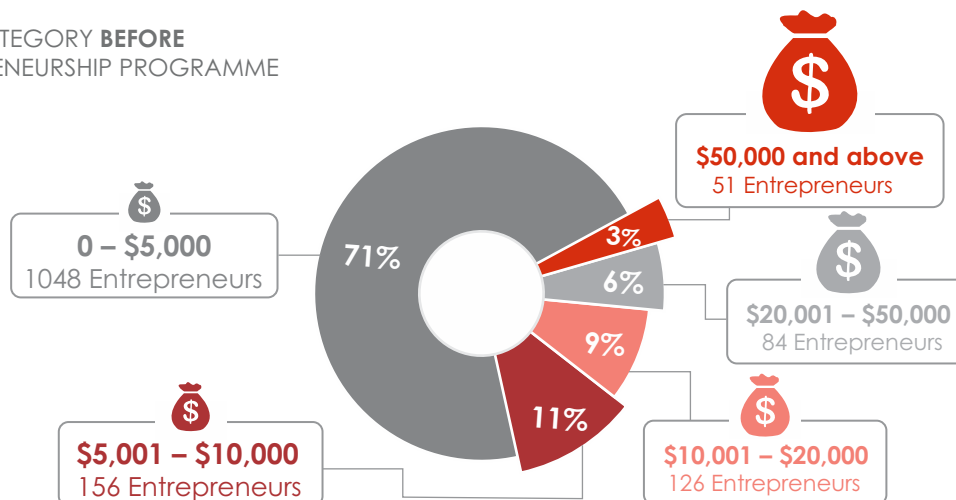
PHOTO: Tony O. Elumelu, CON with Founders of Ojoro Kitchen (TEF Entrepreneurs)

REVENUE GENERATED BY TEF ENTREPRENEURS

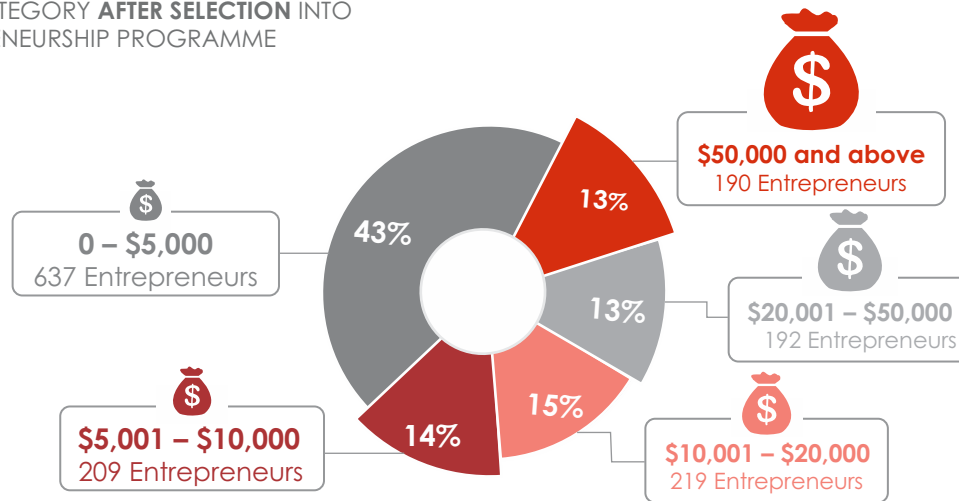
- Total annual revenue generated by the **1472** Tony Elumelu entrepreneurs surveyed before and after their selection to the TEF Entrepreneurship programme.



- REVENUE CATEGORY **BEFORE** TEF ENTREPRENEURSHIP PROGRAMME



■ REVENUE CATEGORY **AFTER SELECTION** INTO TEF ENTREPRENEURSHIP PROGRAMME



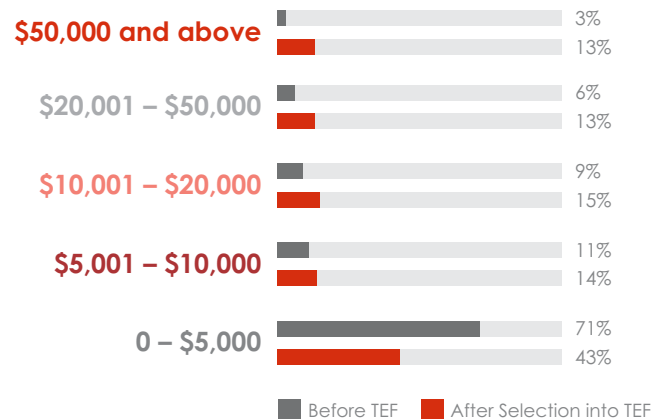
From these revenue charts, it is evident that the number of entrepreneurs that generated between 0 - \$5,000 before the TEF Entrepreneurship Programme was 1048 (which account for 71% of the total entrepreneurs) and 15% of the entrepreneurs surveyed generate between \$10,001 - \$50,000. This reveals that a lot of these businesses are still small scale or still in the early stages of their growth – a reality of majority of the SMEs in Africa.

The percentage of entrepreneurs that generate between \$10,001-\$50,000 have increased from 15% before the TEF Entrepreneurship Programme to 28% of the total entrepreneurs after completing the Entrepreneurship Programme.

It is also worthy to note that upon completing the Entrepreneurship Programme, the number of entrepreneurs that generate \$50,000 and above have increased by 273% from 51 entrepreneurs before the Entrepreneurship Programme to 190 entrepreneurs.

This is an indication that the entrepreneurs experienced a phenomenal growth in revenue of more than 100% after the Entrepreneurship Programme.

■ CHART SHOWING INCREASE IN REVENUE AFTER SELECTION INTO THE PROGRAMME:



Here are a few quintessential examples of the phenomenal revenue growth recorded by some of the entrepreneurs in this study



■ Osazoduwa Agboneni, CEO of Nenis Engineering Limited with her engineer staff

Osazoduwa Agboneni

\$0 → \$92,400

Osazoduwa Agboneni, CEO of Nenis Engineering Limited and a 2015 Tony Elumelu entrepreneur from Lagos, Nigeria also one of the few female mechanics in Nigeria. Osazoduwa Agboneni's revenue since joining the programme has increased from 0 to \$92,400 annually.

In 2016, Osazoduwa made partnership with UBER to handle professional vehicle inspection for over 4,000 UBER cars. Following the receipt of her seed capital, she upgraded her auto garage to have a standardised mechanical pit, engine lift, equipment and special tools and went on to employ an additional 15 people making a total workforce of 25.

Kennedy Lamwenya

\$18,000 → \$292,800

Another example is Kennedy Lamwenya, CEO of Angaza Boma (currently SunPoynt LTD) and a 2015 Tony Elumelu entrepreneur from Uganda. Angaza Boma's revenue since joining the Programme has increased by over 1000% from \$18,000 at the start of the Programme to \$292,800 currently.

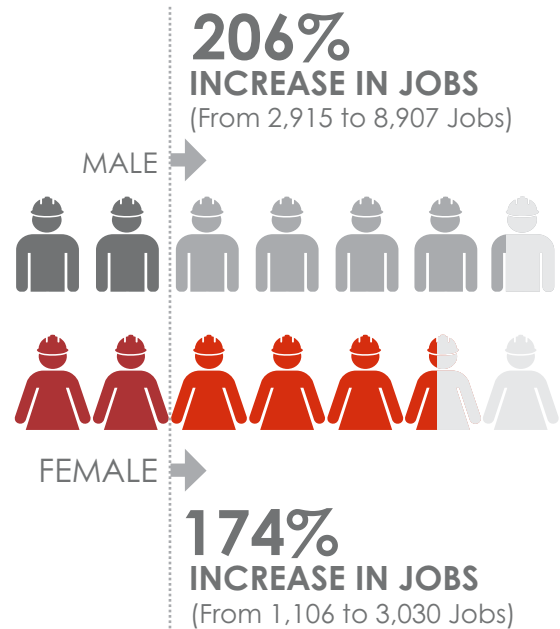
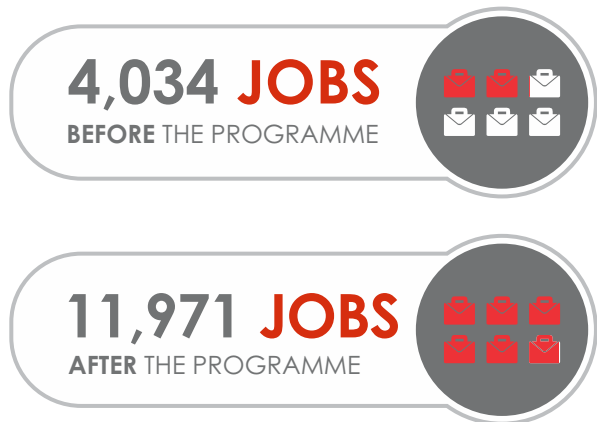
Angaza Boma has developed a 19-inch LED digital solar-powered TV, which provides off-grid households with television services as well as access to clean solar lighting. By so doing, this innovative solar powered TV system connects rural communities to information, education, entertainment, solar lighting and phone charging. So far, the company has connected at least 12,500 rural households in Kenya.



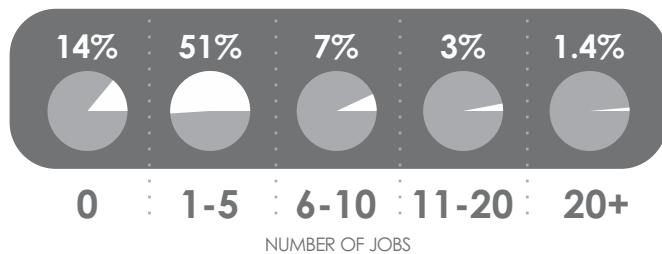
■ Kennedy Lamwenya, CEO of Angaza Boma

JOBS CREATED BY TEF ENTREPRENEURS

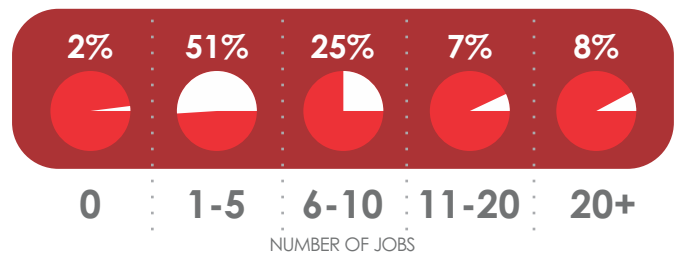
Similar to the revenue analysis, charts below reveal that the entrepreneurs now create more jobs compared to before the Programme.



■ PERCENTAGE OF STARTUPS PER JOB CATEGORY **BEFORE** THE TEF ENTREPRENEURSHIP PROGRAMME



■ PERCENTAGE OF STARTUPS PER JOB CATEGORY **AFTER** THE TEF ENTREPRENEURSHIP PROGRAMME



A good example of the significant increase in job creation by TEF entrepreneurs is shown by 'Expportunity'



■ Vital Sounouvou, CEO of Expportunity (2015 TEF entrepreneur)

Vital Sounouvou

5 Jobs → 32 Jobs

A good example of the significant increase in job creation by our entrepreneurs is shown by **Expportunity founded by TEF Benin entrepreneur, Vital Sounouvou**, a 2015 Tony Elumelu entrepreneur and CEO of Expportunity. Today, Expportunity employs 32 people, a **540% increase** from the 5 people the company employed at the time of joining the TEF Entrepreneurship Programme. Expportunity is an exclusive virtual market that organizes and manages B2C and B2B trade in Africa. It allows producers to sell their production upstream, as well as allowing buyers from across the world to place their orders with an African-stop shop. Expportunity has been able to facilitate a large amount of transactions and trades through its platform. It currently has a database of 85,000 companies across the continent that utilise that platform to facilitate trade and business.



Photos © Vital Sounouvou/Expportunity

OPERATIONAL STATUS OF BUSINESSES

As part of the survey, the entrepreneurs were asked to indicate the operational status of their business before and after the Tony Elumelu Entrepreneurship Programme. The stages of their business before the Tony Elumelu Entrepreneurship Programme was classified into four categories:

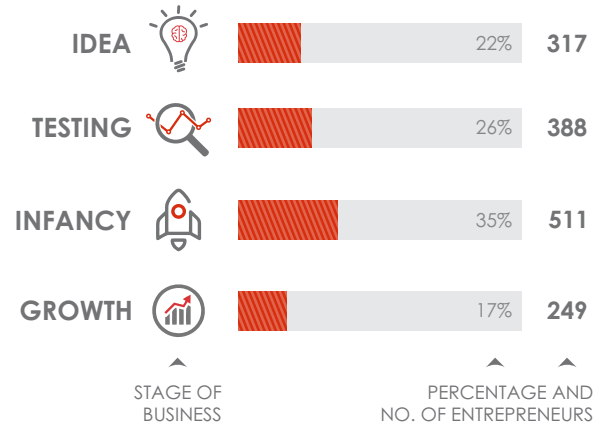
- ▶ **Idea** (Concept)
- ▶ **Infancy** (Market Entry)
- ▶ **Testing** (Research and Development)
- ▶ **Growth**

The stages of business after completing the Tony Elumelu Entrepreneurship Programme was also broadly classified into four categories:

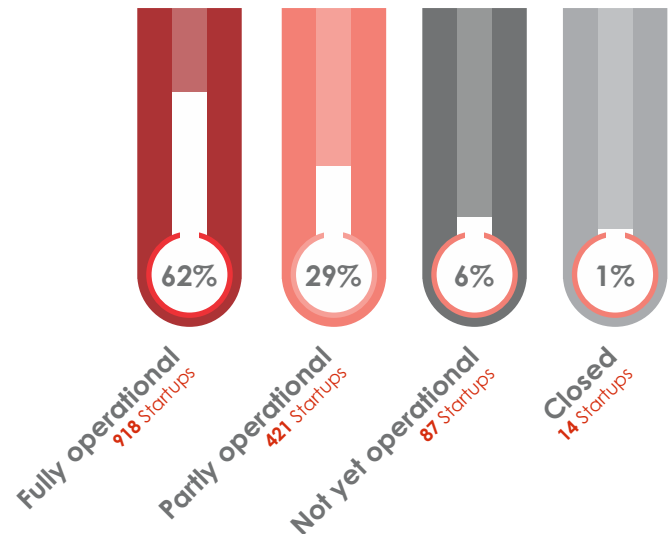
- ▶ **Fully operational:** Business is running in full scale
- ▶ **Partly operational:** Business placed on a temporary hold due to seasonal or operational challenges; there are plans to return to full time operations soon.
- ▶ **Not yet operational:** Idea is yet to be implemented, but plans are underway to launch the business.
- ▶ **Closed:** Business model failed, and operations have been shut down.

Based on these categories after the Entrepreneurship programme, majority of the entrepreneurs, 918 in total (62% of the 1472 entrepreneurs surveyed) indicated that their business is fully operational. Much fewer entrepreneurs, 14 in total (about 1%, 11 males and 3 females) indicated that their business is closed.

OPERATIONAL STATUS OF THE ENTREPRENEURS BEFORE THE ENTREPRENEURSHIP PROGRAMME



OPERATIONAL STATUS OF THE ENTREPRENEURS AFTER THE ENTREPRENEURSHIP PROGRAMME



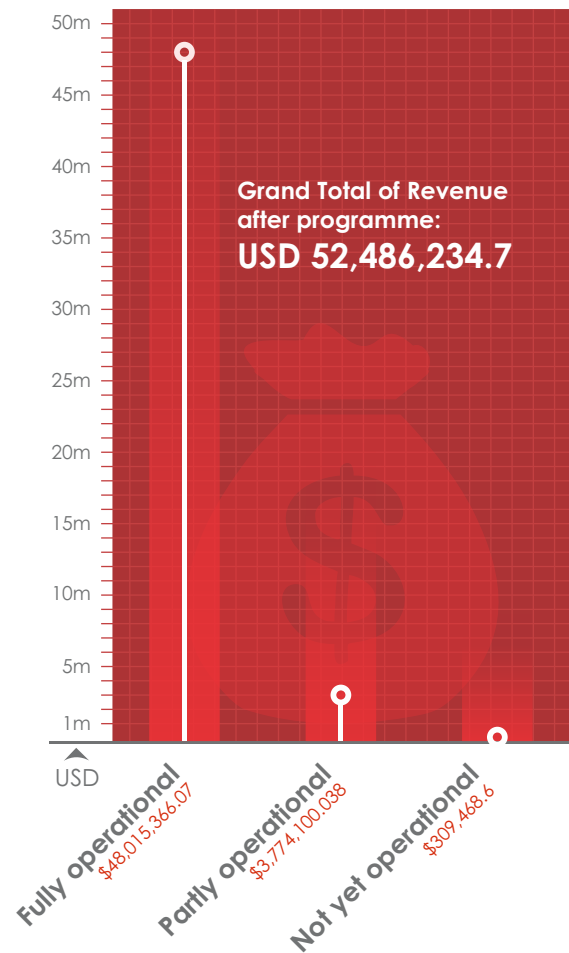
It is very clear that many of the businesses on the programme have indeed experienced high growth in revenues or jobs or both, regardless of the stage of business.

■ REVENUE BY OPERATIONAL STATUS **BEFORE** THE TEF ENTREPRENEURSHIP PROGRAMME



There is evidence that our programme supports growth regardless of the stage of business. This is revealed in the more than 100% growth in the revenue generated by the entrepreneurs after completing the TEF Entrepreneurship Programme.

■ REVENUE BY OPERATIONAL STATUS **AFTER** THE TEF ENTREPRENEURSHIP PROGRAMME



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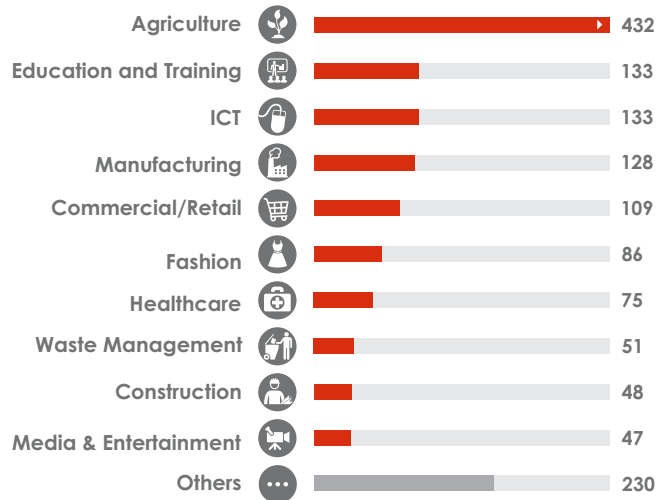
INSIGHTS AND ANALYSIS



PHOTO: TEF entrepreneurs

SECTORAL IMPACT

TOP TEN SECTORS WITH THE HIGHEST NUMBER OF ENTREPRENEURS

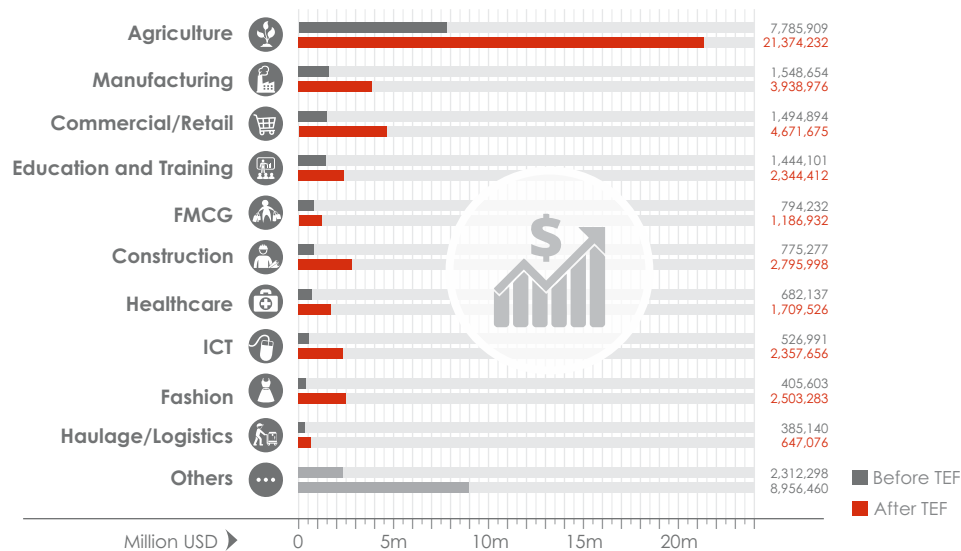


The entrepreneurs surveyed are from **25 economic sectors**. The training TEF entrepreneurs receive are designed to support all regardless of their business sector.



Agriculture sector (Agri-business, Farming, etc.) has consistently accounted for more of the selected entrepreneurs on the programme since inception in 2015. This reflects a **rising interest of young Africans** who seek to operate on diverse segments of the agriculture value using more modern technology and innovations.

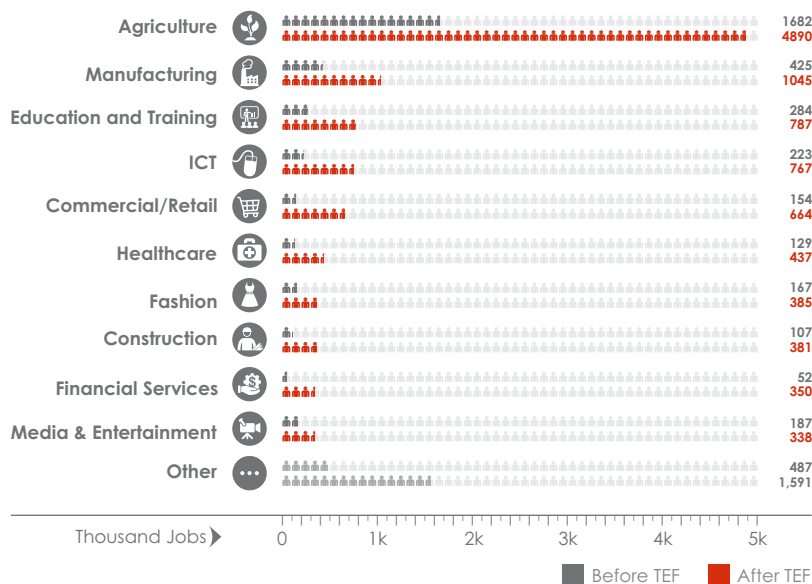

TOP TEN SECTORS WITH HIGHEST ANNUAL REVENUE BEFORE AND AFTER THE PROGRAMME



At least **39%** of entrepreneurs in all three sectors have witnessed a growth in revenue by at least 100% while at least 55% of those in the agriculture and manufacturing sectors have seen their jobs created grow by at least 55%.

Of the various parameters considered in this survey, it is evident that agriculture has displayed the most impressive performance.

■ TOP TEN SECTORS WITH HIGHEST NUMBER OF JOBS CREATED BY ENTREPRENEURS

The high proportion of entrepreneurs employing 1-5 people in the ICT sector is a strong reflection of the **non-labour intensive nature** of the sector, especially when compared to more labour-intensive sectors like Agriculture.

From discussions with entrepreneurs, it is apparent that one of the reasons why the agriculture sector has a relatively impressive performance is because of the bullish efforts by many African governments to develop the agriculture industry. Through the provision of agriculture extension services, government guaranteed credit schemes and targeted infrastructure, they have been able to assist entrepreneurs in the sector raise productivity and therefore maximise revenue and employment rates.

Regional organisations such as the African Development Bank (AFDB) have also launched initiatives to boost agricultural productivity. 'Feed Africa' is its strategy to transform agriculture and scale up the potential of agribusiness across 18 agricultural commodity value chains. The Bank has been

promoting this strategy through a USD 24 billion investments and the use of equity, debt and risk instruments to leverage private sector investments.

The findings also reveal that at least 40% of the entrepreneurs in the ICT sector earn between 0-\$5000, despite the fact that this sector is relatively nascent, it continues to struggle with challenges such as limited mobile and broadband access; lack of sophisticated digital skills; absence of critical physical infrastructure and low spending on research.

Indeed, providing this sector with the right environment and investments should be of high priority to all governments especially in light of the 4th Industrial Revolution.

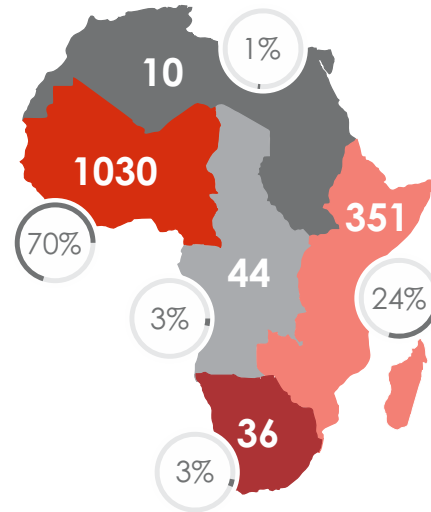
REGIONAL PERFORMANCE

The TEF Entrepreneurship Programme is a pan-African Entrepreneurship Programme with beneficiaries selected from all 54 countries, this inclusion is driven by our belief that while talent is universally distributed across all countries on the continent, opportunities are not; therefore our duty is to democratise luck to as many entrepreneurs as possible. As a result, the Foundation aggressively promotes the programme in several countries through TV and print advertisements, events, government agencies and through the activities of our alumni. In addition to this, our application portal is in English, French and Portuguese to ensure that language is not a barrier to applying to the programme.

From the assessment of the responses from the 1472 Tony Elumelu entrepreneurs, 70% of the total entrepreneurs are from West Africa; 24% are from East Africa; 3% are from Central Africa; 3% are from Southern Africa and 1% from North Africa. Of these, the top countries are **Nigeria, Kenya, Uganda, Ghana and South Africa.**

The importance of our spread across the continent cannot be overstated as it is a quintessential illustration of **Africapitalism** in practise. Through our TEF Entrepreneurship Programme, we are helping countries build a new generation of entrepreneurs who will develop the private sector, create prosperity, social wealth and reduce poverty. It is for this reason that it is critical to evaluate the relative performance of TEF entrepreneurs in the five regions and the extent to which they have been able to support economic growth and job creation.

■ THE REGIONAL SPREAD OF THE 1472 TONY ELUMELU ENTREPRENEURS SURVEYED



■ Joel Cherop, 2015 TEF entrepreneur from East Africa at his Onion farm with President Yoweri Museveni of Uganda.

■ REVENUE BY REGION HIGHLIGHTING NUMBER OF ENTREPRENEURS PER REVENUE CATEGORY

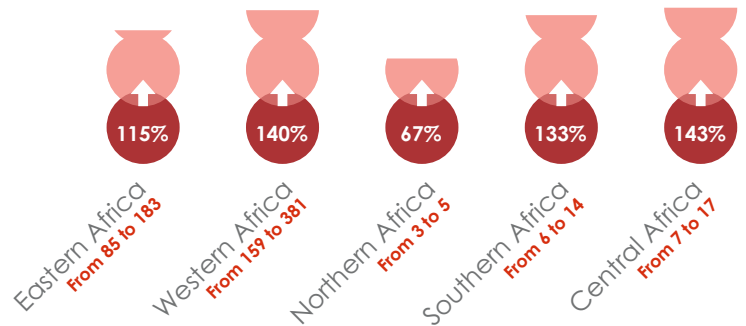


ANNUAL REVENUE	EASTERN AFRICA	WESTERN AFRICA	NORTHERN AFRICA	SOUTHERN AFRICA	CENTRAL AFRICA
\$50,000 & Above	23	25	0	3	0
	68	111	2	7	1
\$20,001 – \$50,000	23	55	2	1	2
	56	120	1	5	10
\$10,001 – \$20,000	39	79	1	2	5
	59	150	2	2	6
\$5,001 – \$10,000	47	150	0	1	3
	42	156	1	3	7
0 – \$5,000	218	761	7	28	34
	122	474	3	19	19
Total New Jobs	351	1030	10	36	44

Number of entrepreneur **before** the programme
 Number of entrepreneur **after** the programme

The entrepreneurs in most of the regions have recorded significant growth in revenues and job creation. In terms of revenue, West Africa and East African entrepreneurs experienced an increase in revenues by 190% and 184.42% respectively after completing the TEF Entrepreneurship Programme.

■ VOLUME OF INCREASE IN THE SUM OF ENTREPRENEURS GENERATING \$10,000 AND ABOVE PER ANNUM (BEFORE Vs AFTER THE PROGRAMME)



At the start of 2018, the World Bank included **Ethiopia** and **Tanzania** (East African countries) as some of the **top 10 fastest growing economies in the world**. The performance of Eastern Africa validates this projection as it has been highly impressive. 19% of the TEF entrepreneurs in this region now earn at least \$50,000 annually compared to the 4% that generated at least \$50,000 annually before the Programme. While 32% of them now make between \$10,000 - \$50,000 annually compared to the 18% of them that generated between \$10,000 - \$50,000 before the Programme.

In terms of job creation, East African entrepreneurs have now created **2,367 jobs** compared to the 655 jobs before the EP.

The performance of entrepreneurs in the Eastern African region can partly be attributed by the efforts of the governments to support entrepreneurship development and improve the ease of doing business. In Ethiopia for instance, Federal and municipal agencies work together to provide managerial training and financing for SMEs.



■ Joyce Kyalema (TEF entrepreneur, Uganda) – At her 3 acre pumpkin garden (left); showing how she dries the pumpkins (top-right); preparing pumpkin leaves for drying (middle-right); and showing some of the final pumpkin products (bottom-right).

In **Rwanda**, the Business Development Fund (BDF) remains at the forefront of SME development – the BDF assists, coaches and trains entrepreneurs and supports bankable business proposals to access finance. In **Kenya**, the government launched the National ICT Masterplan in 2017 which is designed to make Kenya a regional ICT hub by stimulating the set-up of ICT related businesses and providing an environment for them to scale.

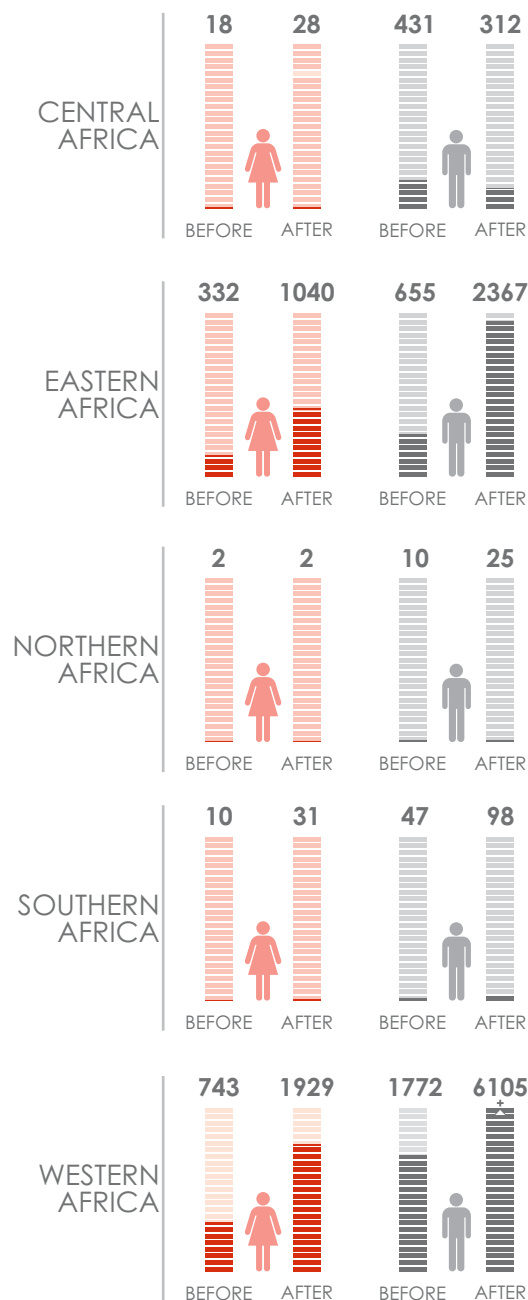
Like Eastern Africa, governments in Western Africa have also been bullish, **Ghana** and **Cote D'Ivoire** have also been listed by the World Bank as some of the fastest growing economies for 2018. In **Nigeria**, the government's Economic Recovery and Growth Plan (ERGP) launched in 2017 identified entrepreneurship as one of its top priorities. The local entrepreneurship ecosystem in Nigeria especially in the ICT space has begun to generate attention regionally and globally.

Entrepreneurs in Southern and Central Africa attribute their lacklustre performance to the political climate in their countries. The **Central African Republic**, for instance, has been involved in conflict since 2013. This instability and turmoil have made it difficult for entrepreneurs to start businesses or even scale.

Finally, in Southern Africa, **South Africa** for instance entered a brief recession in 2017, the consequence of this was credit risk downgrades and a loss of investor confidence.

In conclusion, while the performance of TEF entrepreneurs in all five African regions have been generally impressive, the importance of an enabling environment through government reforms and policies cannot be overstated. Our research and interactions with entrepreneurs do in fact show a positive correlation between regional economic performance and an enabling business environment.

■ **JOBS CREATED BY REGION AND GENDER (BEFORE AND AFTER TEF ENTREPRENEURSHIP PROGRAMME)**

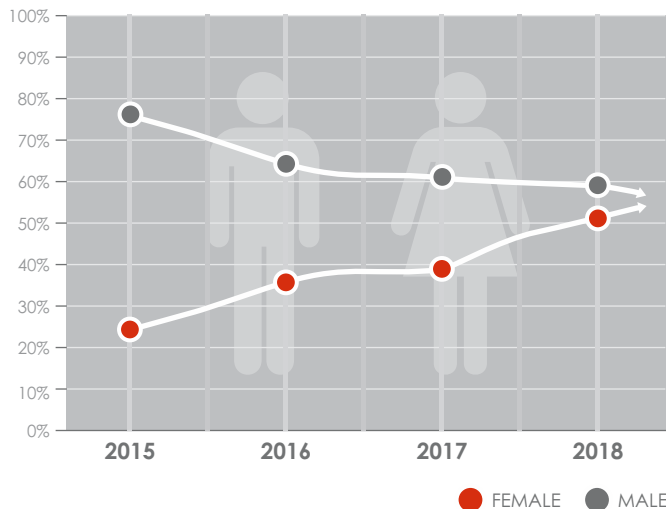


GENDER PERFORMANCE

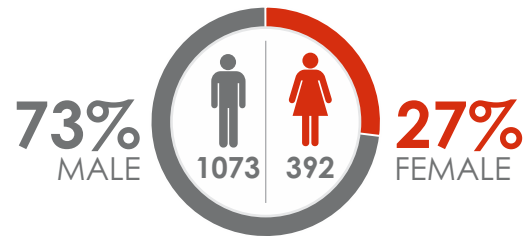
The Foundation has made it a priority to ensure that both female and male entrepreneurs have an equal opportunity to apply unto the programme. At the inception of the programme in 2015, vast majority (76%) of the applicants to the Programme were male while 24% were female. As a result, male applicants accounted for 71% of the entrepreneurs eventually selected into the programme while female applicants accounted for only 29%.

Given this significant gender disparity, the Foundation developed strategies to create awareness about the programme amongst women and encourage them to apply for the programme. The result was that by 2018, the gap had significantly reduced as female applicants accounted for 41.2%. Similarly, in terms of selection, the number of selected female applicants increased to 35% (from 29%) in 2015.

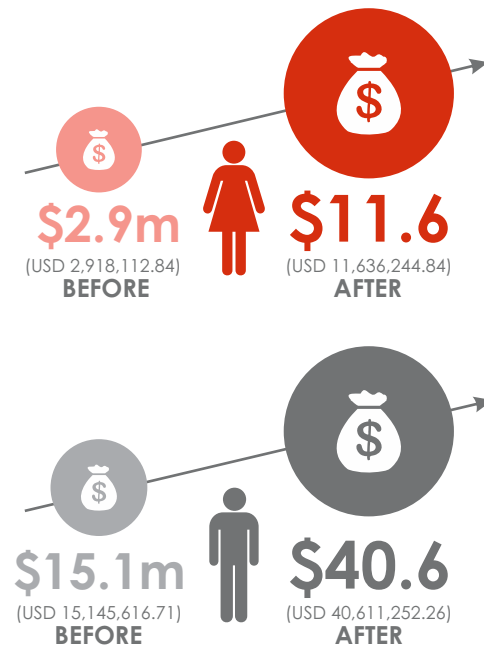
FOUR-YEAR GENDER DISTRIBUTION TREND OF GENERAL APPLICATIONS INTO THE PROGRAMME



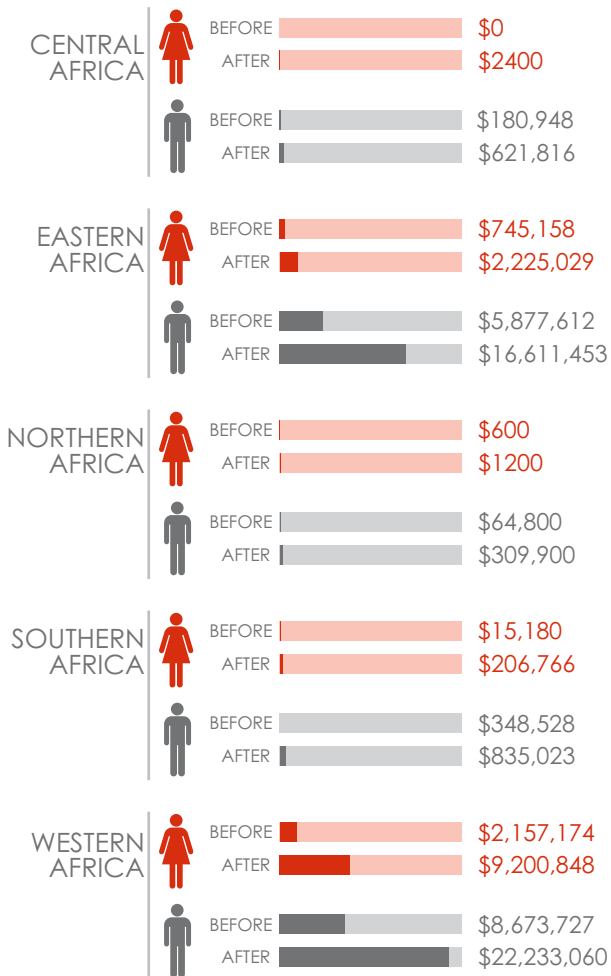
NUMBER OF MALE AND FEMALE ENTREPRENEURS AMONG THE 1472 SURVEYED



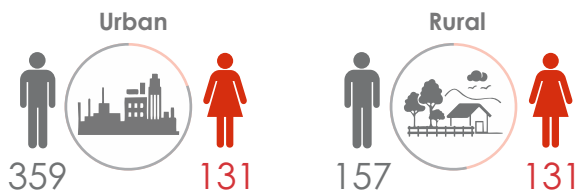
REVENUE BY GENDER BEFORE AND AFTER THE PROGRAMME



■ REVENUE BY GENDER AND REGION BEFORE AND AFTER THE PROGRAMME



■ BUSINESS LOCATION OF ENTREPRENEURS SURVEYED



■ JOBS CREATED BY FEMALE



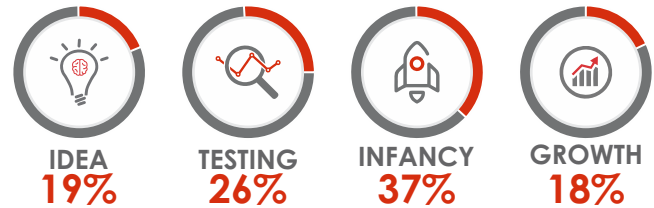
Jobs created by **female-owned businesses** after the programme

■ AGE OF BUSINESS



31 months
Average age of female-owned businesses

■ OPERATIONAL STATUS OF BUSINESSES BY FEMALE ENTREPRENEURS BEFORE THE TEF ENTREPRENEURSHIP PROGRAMME



■ OPERATIONAL STATUS OF BUSINESSES BY FEMALE ENTREPRENEURS AFTER GRADUATING FROM THE PROGRAMME



KEY PILLARS IMPACT AND SDGS



PHOTO: Chioma Ukonu, Founder of Recycle Points

IMPACT OF SOME KEY PILLARS OF THE PROGRAMME

In this section, we analyse the impact of some of the key pillars of the TEF programme. The purpose is to understand the entrepreneur's assessment of the impact of the TEF Programme on their ability to effectively run and grow a business.

The survey revealed that out of the 1472 entrepreneurs, 99% of the entrepreneurs surveyed rate the 12-week Start-up Enterprise Tool kit as good, very good or excellent.

On mentorship – 74% of entrepreneurs surveyed rate their mentorship experience as good, very good and excellent.

On seed capital – 61% of the 1472 entrepreneurs surveyed indicated that TEF Entrepreneurship programme provided them with their first seed capital and 35% of the entrepreneurs surveyed indicated otherwise as they were already in their growth and infancy stages in business upon selection to the Programme.

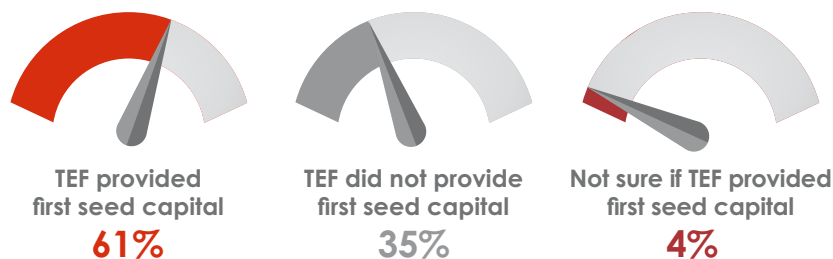
■ RATINGS ON IMPACT OF START UP ENTERPRISE TOOL KIT BY TEF ENTREPRENEURS



■ RATINGS ON MENTORSHIP EXPERIENCE BY TEF ENTREPRENEURS



■ FEEDBACK FROM TEF ENTREPRENEURS ON SEED CAPITAL



SUSTAINABLE DEVELOPMENT GOALS (SDGs)

- TEF ENTREPRENEURS' BUSINESS ALIGNMENT WITH THE UN SDGS (PERCENTAGE OF SURVEYED STARTUPS PER SDG).



The Tony Elumelu Foundation believes that the private sector must be the driving force of development on the continent and therefore must be committed to the Sustainable Development Goals (SDGs) if they are to be achieved by 2030.

The Tony Elumelu Foundation, therefore, encourages every entrepreneur applying to the TEF Entrepreneurship Programme to identify the goal(s) their businesses are aligned with. These entrepreneurs are committed to not just creating economic wealth but also to the implementation of the SDGs to achieve social impact within their communities.



- Zion Oshiobugie, TEF entrepreneur from Nigeria, with his students as he continues on the impressive effort towards effective and affordable education. Zion is focused on attaining the SDG Goals 1, 4 & 8 by making education accessible for all and introducing entrepreneurship studies to young students.

5

SUMMARY OF FINDINGS AND RECOMMENDATIONS



SUMMARY OF FINDINGS AND RECOMMENDATIONS

1. THE 12-WEEK START-UP ENTERPRISE TOOLKIT:

The TEF 12-week Start-up Enterprise Toolkit and the mentorship pillar received high impact ratings of at least 70% from the entrepreneurs surveyed. This provides strong evidence and validation that these Programme pillars are critical for entrepreneurial success and should therefore be retained and continue to be mandatory pillars of the Programme.

2. DEMOCRATISING ACCESS TO CAPITAL:

With 64% of the entrepreneurs saying that TEF provided them with their first seed capital for their business, it is clear that the Foundation continues to meet the aspirations of its Founder which is to democratise luck and access to capital. This is precisely what makes the TEF Entrepreneurship Programme outstanding and unique.

3. BUSINESS PERFORMANCE:

- ▶ **Growth:** An emerging trend from the analysis is that the TEF Entrepreneurship Programme supports the growth of business in terms of jobs and revenue, regardless of the stage of the given business. Thus in that regard, the Programme is working as we are helping entrepreneurs across Africa achieve scale.
- ▶ **Revenues and Jobs:** With evidence from the operational status, 57% of the businesses were in the idea (concept) stage and testing stage before the Entrepreneurship Programme, however upon completing the TEF Entrepreneurship Programme, 62% of these businesses are now fully operational and 29%

have now become partly operational which explains the phenomenal growth in jobs (15% of the entrepreneurs now employ at least 10 people) and revenue (13% of the entrepreneurs now generate above \$50,000 annually) recorded after the Entrepreneurship Programme. This is an indication that there is a positive impact of the TEF Entrepreneurship Programme on revenue and jobs created by the entrepreneurs. .

▶ Characteristics of high performing businesses:

This study also examined the key characteristics of entrepreneurs on both revenue extremes i.e. \$0 - \$5,000 versus \$50,000 and above. We found that the high performing businesses are older i.e. an average of 3 years; have had previous capital injection, mentorship and training and were either in the market entry or growth stages when they joined the programme.

4. GENDER PERFORMANCE:

The female and male entrepreneurs in this study both experienced significant increase in revenue generated and jobs created after the TEF Entrepreneurship Programme. This implies that the TEF Entrepreneurship Programme is gender agnostic and does not have any bias towards any gender. The TEF Entrepreneurship Programme can indeed continue with its initiatives in order to continue to achieve geometric growth in jobs and revenue.

5. SECTOR PERFORMANCE:

Of the three sectors compared, agriculture is clearly the best performing and one of the key factors responsible for this is a renewed focus by African

governments to drive agricultural transformation. Conversely, the performance of the ICT sector is relatively not as impressive as it should be and reveals the need for a more enabling environment for entrepreneurs in the sector. The Foundation can play a strong advocacy role in this area to bring the government's attention to it.

6. REGIONAL PERFORMANCE:

Given that only ten (10) entrepreneurs in the Northern African region participated in the survey, it may not be useful comparing them to other regions with greater representation. Again, this reinforces the need to deepen engagement with entrepreneurs from Northern Africa so that we can have a less skewed account of their impact. However, of all the other four regions compared, the performance of the Western Africa region clearly outshines the rest while the Northern and Southern Africa regions appears to be continues to lag behind across several indicators.



African governments need to step-up efforts to drive growth in the

ICT SECTOR

as they have done for the Agriculture sector



WESTERN AFRICA

clearly outshines other regions across several indicators of this survey.

SURVEY DATA SET

A. The survey was shared with the 3000 TEF entrepreneurs from 2015-2017, 1472 responses were received representing 49% of the total entrepreneurs.

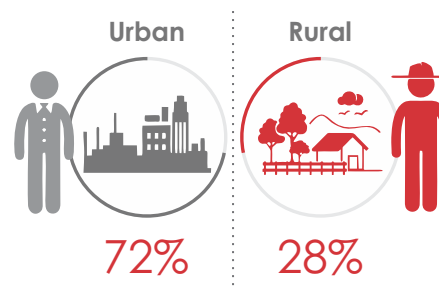
■ PERCENTAGE OF ENTREPRENEUR RESPONSES



B. The survey respondents represent 48 countries on the African continent. Below are the top ten countries with highest number of respondents:

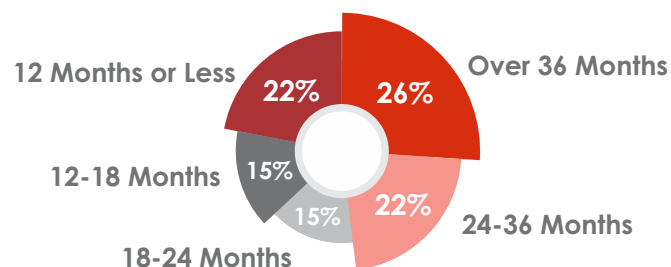
COUNTRY	NUMBER OF ENTREPRENEURS
Nigeria	888
Kenya	161
Uganda	85
Ghana	59
South Africa	25
Zambia	23
Cameroon	19
Benin	18
Tanzania	18
Zimbabwe	18

C. The percentage of entrepreneurs in the rural and urban areas based on the respondents is illustrated below:



D. Period of business operations by the entrepreneurs surveyed:

■ AGE OF BUSINESS



LOOKING FORWARD

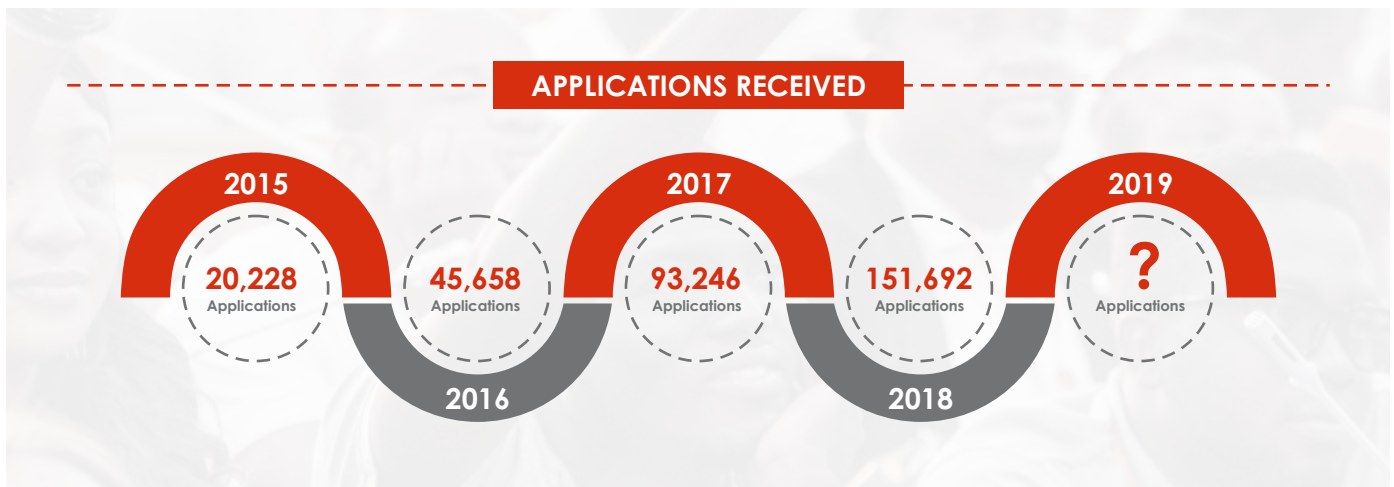
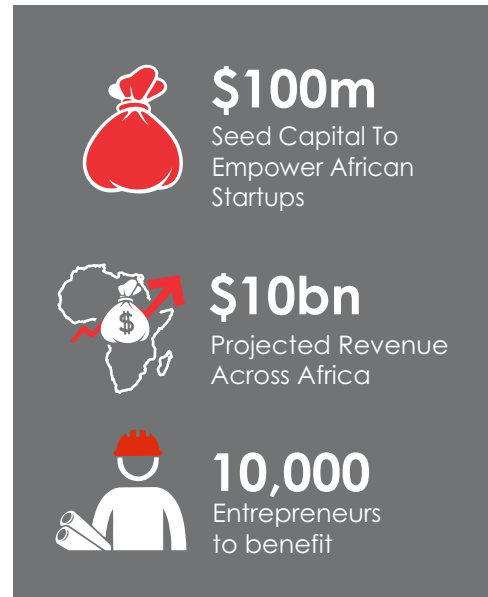


PHOTO: Tony O. Elumelu, CON addressing Entrepreneurs at the 2017 TEF Entrepreneurship Forum

LOOKING FORWARD

Launched in 2015, The Tony Elumelu Foundation Entrepreneurship Programme is the largest African philanthropic initiative devoted to empowering entrepreneurs and championing entrepreneurship. It represents our 10-year, \$100 million commitment, to identify, train, mentor and fund 10,000 African entrepreneurs, who will create a million jobs, and add \$10 billion in revenue to Africa's economy. This is consistent with our philosophy of Africapitalism, which positions Africa's private sector and most importantly entrepreneurs as the catalyst for the social and economic development of the continent.

The TEF Entrepreneurship Programme started in 2015 with 20,000+ applicants and by 2018 this figure had grown to 151,692. As such, the Programme was opened up to Partners in order to offer this unique opportunity to more entrepreneurs across the continent.



TEF PARTNERS

The TEF Entrepreneurship Programme offers a tried and tested model for empowering entrepreneurs across the African Continent. Development organizations looking for reliable and credible partners through whom they can offer this new model of developmental intervention in Africa are increasingly turning to the Foundation for same. Below are some of our Partners and strategic milestones:



International Committee of the Red Cross (ICRC)

A \$1 million partnership with TEF to sponsor an additional 200 entrepreneurs in the post-conflict areas of Nigeria.



United Nations Development Programme (UNDP)

A \$200,000 partnership with TEF to support 40 pan-African entrepreneurs with \$5,000 seed capital funding, training and mentorship for their businesses.



Indorama Corporation

A \$50,000 partnership with TEF to support 10 Nigerians with \$5,000 seed capital funding, training and mentorship for their businesses.



Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

A €1 million partnership with TEF to empower 210 additional young and/or female tech entrepreneurs in selected East and West African countries; capacity building and training.



Agence Française de Développement (AFD)

A risk-sharing guarantee framework for loans for Tony Elumelu Entrepreneurs to access loans from UBA branches across Africa up to €300,000 if their business qualifies; research and mentorship.

“

Young entrepreneurs and those they inspire
are the lifeblood of Africa's rise.

Tony O. Elumelu, CON

As quoted in The Economist, 'The World in 2015: The Rise of Africapitalism'.



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