



## Strengthening Green Entrepreneurship through the promotion of Sustainable Enterprises

“Micro, Small and Medium Enterprises (MSMEs) are providing the bulk of jobs in Zambia, and contribute significantly to the national GDP. In the construction sector alone, over 180,000 people are employed of whom the majority are in MSMEs (Zambia Labour Force Survey, 2012). The greening of the building construction sector holds the potential for job creation through green business development services, skills development as well as creating a more enabling and growth-oriented environment for MSME's in Zambia.”

### Entrepreneurship in Zambia

The Global Entrepreneurship Monitoring Report (2012) revealed that Zambia is one of the most entrepreneurial countries in the world, with over 40% of the Zambian population involved in business activities, leaving countries such as South Africa and Namibia far behind.

Although these figures sound promising, many young, potential entrepreneurs encounter difficulties in setting up and establishing their businesses. In fact, the majority of Zambian entrepreneurs fail in the first six to 36 months after starting their businesses. National and international research found that the main barriers faced by entrepreneurs are:

- Limited access to and availability of sector-specific green business and technical skills: The green economy requires a well-developed and coherent skills framework. Green skills have been identified at national and international level as a major bottleneck for green economic growth.
- Lack of mentorship services and a nurturing environment in general for start-up entrepreneurs:

Assisting young start-ups with mentorship programmes has proven to be extremely useful. Providing information on how and where to go in terms of registration of businesses, skills development providers, tax obligations and labour law practices in the sector is crucial to the successful establishment and growth of a business.

- Lack of access to finance: Every business needs start-up capital, or sufficient funds to maximise growth once established. So far, financial institutions have shown reluctance to approve finance for young and start-up entrepreneurs. Access to finance is also hampered by the low level of financial literacy on the part of the entrepreneurs themselves, especially with regard to business plan development and financial management skills.

These barriers are common to most entrepreneurs, but become more pronounced when new forms and shapes of entrepreneurial activity, such as green entrepreneurship, are involved.

### Opportunities drive Zambian Entrepreneurship

The 2012 Zambia Chapter of the Global Entrepreneurship Monitor describes Zambian entrepreneurs as opportunity-driven (46% of Zambian entrepreneurs), rather than necessity-driven.

This is to the benefit of Zambian entrepreneurs since it has been shown that opportunity-driven entrepreneurs are more successful in the long run than necessity-driven entrepreneurs. Furthermore, it also shows that Zambian entrepreneurs are sensitive to innovation and changing markets and eager to insert themselves into new markets and value chains, identifying opportunities.

## Caring for green entrepreneurs and sustainable enterprises

The Zambia Green Jobs Programme has identified MSMEs as the final beneficiaries of all its interventions, from the raising of awareness and policy development to business development services. To ensure maximum impact and efficiency, the business development component of the Zambia Green Jobs Programme has identified the following key areas of intervention:

- **Development of green business development tools in building construction:** In collaboration with the programme's stakeholders the *Start and Improve Your Green Construction Business* (SIYGCB) training programme has been developed. The SIYGCB training package targets emerging and established entrepreneurs to develop an environmentally sustainable construction business. It is based on the *Start and Improve Your Business* (SIYB) training

package, a management-training programme which focuses on the start-up and improvement of small businesses as a means to create more and better employment in developing economies and economies in transition.

- **Promoting a culture of entrepreneurship in green building construction and best practices in green construction:** Although Zambians are positively disposed towards entrepreneurial activities, the programme promotes the concept and stimulates the uptake of green entrepreneurship through various activities. One of the main activities in this area is the launch of a Green Business Plan Competition which will provide a platform for start-up entrepreneurs to develop and receive support for potentially successful business plans.
- **Skills development for green building construction:** Skills in green building construction do not necessarily require high

levels of re-skilling. Like in many other sectors, greening of skills can be done fairly easy through targeted training sessions. Amongst others, MSMEs will be offered skills development in areas such as solar panel manufacturing and green materials and technologies through established training institutions.

- **Development of artisan and architectural skills for better green building practices and principles in design and construction:** In collaboration with national learning institutions, a Centre of Excellence in Green Construction and Design will be established for the benefit of the industry. The centre will provide research, scholarly and industrial programmes in green construction for strategic resource development towards the economic and social development of Zambia. The construction industry will benefit from the centre's variety of skills and expertise and the quality of training. The centre will further facilitate access to technical expertise, services and facilities as well as cross-pollination of technical knowledge that will enhance quality and sustainability in Zambia's construction industry. This will be achieved by incorporating aspects of green construction in the learning curriculum; conducting training of construction industry instructors in green building principles; conducting in-service training on green construction; conducting exposure visits for students to green construction sites; arranging competitions among students on green construction; and providing technical expertise in the design of in-service training on green construction, among others.



These supporting mechanisms and capacity building services are rendered through strategically placed institutions with a specific mandate to support small-scale entrepreneurs in the building construction sector, amongst others the National Council for Construction (NCC), Thornpark Construction Training Centre, the National Association of Medium and Small Scale Contractors (NAMSCC) and the Zambia Association of Women in Construction (ZAWIC).

The Zambia Green Jobs Programme is a partnership between the Government of Zambia, the United Nations System in Zambia, and public and private stakeholders. The Programme aims to support the creation of green jobs among micro, small and medium enterprises (MSMEs) in the Zambian building construction industry, while at the same time generating systemic change and contributing to the broader discussion on inclusive green growth and job creation in Zambia. The Zambia Green Jobs Programme is supported by the Government of Finland.

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