EU supports fight against poverty by strengthening micro-, small and medium-sized enterprises

The European Union has launched a new call for proposals that seek to strengthen the role of micro-, small and medium-sized enterprises (MSMEs) as engines of growth, employment, innovation and sustainable socio-economic development and contribute to the fight against poverty.
Because of their relatively small size compared to bigger and well established businesses, Micro Small and Medium Enterprises (MSMEs) face a number of challenges that prevent them from running their enterprises in a competitive and sustainable way. They are unable to access business support service such as finance, technology and market information that are required to operate profitable businesses. Rural entrepreneurs in particular, are so fragmented such that it becomes uneconomic for service providers such as input suppliers and extension service providers to reach out to these marginalised groups. In their individual capacities, MSMEs are unable to finance productive infrastructures such as processing, storage and transportation facilities.

The European Union is contributing to overcoming the above challenges, through a call for proposals that aim to support better organisation and grouping of producers in selected value chains. Through this call, MSMEs will be supported to better collaborate with private sector business support organisations (BSOs), sector associations, trade promotion agencies as well as public bodies providing business support services to the sector including for standards, quality, measurement, conformity and testing. The call also aims at supporting MSMEs at the micro level to strengthen their business management skills through training on various aspects of their businesses including; access to finance, skills development, technology transfer, and business linkages and export development.

The call is launched as part of the implementation of the Zimbabwe EPA Support Project (ZEPA), a project funded from an 11th EDF regional envelope for the Eastern and Southern Africa (ESA) region. The fund was set aside to support the implementation of Economic Partnership Agreements (EPAs) in EPA signatory countries. The EPA aims at promoting Zimbabwe-EU trade and to ultimately contribute, through trade and investment, to sustainable development and poverty reduction. It also seeks to promote regional integration, economic cooperation and good governance within the ESA regional economic grouping under which Zimbabwe negotiated EPA agreement[1]. The ZEPA project seeks to enhance Zimbabwe’s economic competitiveness and integration into the regional and international trading system. The project has three specific objectives; SO1) Reform and streamline policy, regulatory and institutional frameworks to encourage the production and trade in selected value chains; SO2) Reduce trading costs and expedite the movement, release and clearance of goods; SO3) Improve competitiveness and the export capacity of small and medium size enterprises in selected value chains.

Under this call, the EU is providing of EUR 5 000 000 in grant funding to successful project proposals that address the two specific objectives of the call which are; 1) Support the Business Support Organisations (BSOs) to improve their service delivery to their members 2) Support selected MSME value chains for improved production and export performance.

Interested organisations can access more information about this call for proposals here:

[1]Refer to the following link for the full text:

www.eeas.europa.eu