

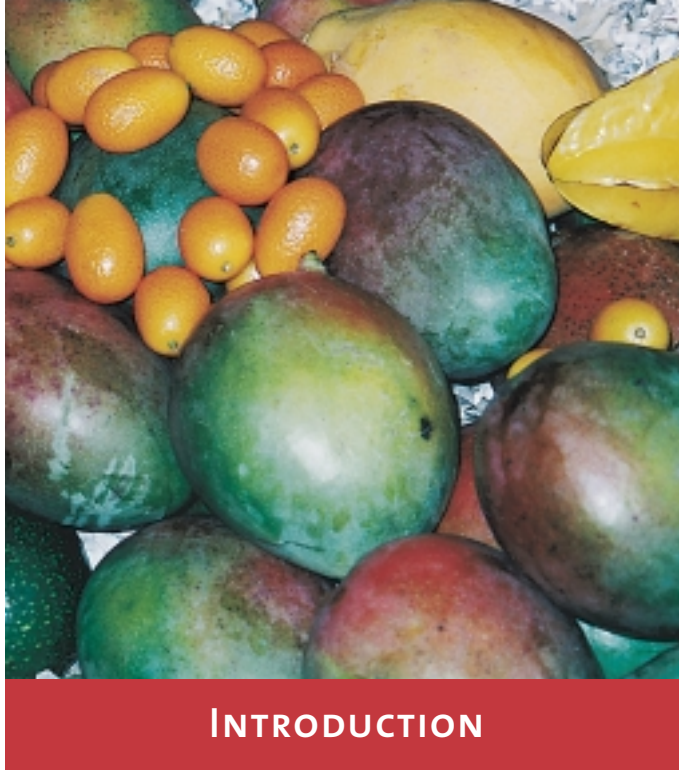


TANZANIAN WOMEN ENTREPRENEURS

Spearheading Development in the Food Industry







The Integrated Training Programme for Women Entrepreneurs in the Food Processing Industry was designed by SIDO* and UNIDO, and has been jointly implemented by the two organizations under the sponsorship of the Austrian government since 1993**. The activities of this ongoing project are being conducted in both rural and urban areas of Tanzania.

The programme's main objective is to promote women's entrepreneurship development in the food processing subsector through the improvement of existing micro enterprises managed by women, and the encouragement of new ventures with a potential to grow into SMEs.

The programme is to promote productive employment and gender equality, within the focus of poverty alleviation and sustainable livelihood. It contributes to the empowerment of Tanzanian

women, employment creation and income distribution.

The programme addresses major constraints that affect enterprise operation and growth, through skill development and integrated technical, business and managerial assistance in food processing.

This publication provides a story of the programme's background and operational strategy, its activities, and the progress made through its first five years of operation. The project's impact in the six regions where it operates is measured using quantitative indicators where possible.

The programme has yielded impressive results. Between 1994 and 1998, 66% of the 240 women trained in technical and managerial courses started new businesses and 34% expanded existing businesses. 320 new jobs have been created, five

* Small Industries Development Organization of Tanzania.

** 1993 was a pilot year for the programme, results refer to the period 1994-1998.

new products are on the market and the average investment per enterprise has increased fivefold. TAFOPA, the Tanzanian Food Processors Association created through the programme, has 220 paying members, a central office and six regional offices. TAFOPA members have launched SHIBE as the association's trademark. SHIBE products can be found in stores and restaurants throughout the participating regions, and production and sales are growing for most regions and products.

The programme's progress and results should be understood in the light of the Tanzanian context, a country with a public sector-driven economy that is gradually transforming into a private sector-led economy. The Tanzanian private sector is young and still small, but small and medium sized enterprises (SMEs) are beginning to play a key role in the economic and social development of the country. Since 1995 the number of micro enterprises has been growing at a rate of 2.4% per year but with low permanence records. Operating in this dynamic

environment, the programme has been able to create a cadre of self-sustaining micro entrepreneurs that did not exist five years ago.

The sustainability of the activities introduced by the programme and the permanence and multiplication of the results attained have been primary management objectives of UNIDO, SIDO and TAFOPA, the institutions heading and coordinating the programme.

However, women entrepreneurs still face a number of new constraints which should be addressed to enable them to grow and expand. To secure the sustainability of services to small and micro enterprises in the food industries beyond the life of the programme, it is proposed to create a non-profit consortium, the Business Development Centre (BDC), to be linked to TAFOPA, SIDO and private and public institutions operating in the food processing sector.

The Centre would offer the training and technical assistance services that the programme has been providing since 1994 to TAFOPA members and other micro and small enterprises to be created and networked in the newly developed UNIDO Integrated Programme for Capacity Building. A business plan prepared for BDC recommends that the Centre operate during its first three years on a semi-commercial basis. Projections for this period indicate that the Centre should be able to establish new services and extend its clientele in such a manner that at the end of three years its operation will be self-sustainable.

The proposal is being considered at present by the Government of Tanzania and local partners, as well as national, bilateral and international agencies.



Why is promoting entrepreneurship with a gender perspective in the food industries important for Tanzania?

Agriculture is the pillar of the economy

- Agricultural activities provide a livelihood to 84% of the economically active population.
- The manufacturing sector contributes 11% to GDP. The food industries account for 30% of the sector's activities.

SMEs

- Most of the growth in manufacturing comes from small and medium sized enterprises. SMEs produce 50% of the country's industrial output. This sector also provides employment for 12% of the rural and 34% of the urban labour force.
- Informal micro enterprises are increasing by 2.4% per year, particularly in urban areas. Constraints affecting the development of SMEs and micro enterprises include complex regulations for certification, an inadequate financial system and a fragmented business community.

The food industry and women

- As urban migration increases, food processing activities have grown in importance to meet new consumer demands. Tanzanian women have a long established role in this subsector, but their potential for advancement in production and sales is impeded by technical and entrepreneurial constraints. Their enterprises seldom grow beyond the level of family ventures.





BUILDING UP ENTREPRENEURSHIP AND BREAKING DOWN OBSTACLES

Micro enterprise operators are held back from potential growth in production and sales by weak business, managerial and marketing skills, traditional processing and packaging technologies, lack of access to technical support, and the low availability and high cost of essential technical inputs and credit.

The programme aims at promoting entrepreneurship development in the food industries and addressing the above constraints.

Who are the programme's target groups?

- Women entrepreneurs operating micro enterprises, using relatively simple technologies with small scale investments, lacking technical and entrepreneurial skills.

- Women with entrepreneurial traits and some technical capability, interested in starting a new venture in food processing.

What does the programme do?

- Strengthens women's entrepreneurship in food processing
- Promotes new ventures
- Improves product quality, productivity, efficiency and sustainability of existing and new enterprises
- Contributes to job creation
- Improves the quality of life for low-income families through increased income generation
- Links with private sector institutions and other technical cooperation projects in the food processing sector



How does the programme work?

The programme addresses constraints through:

- Skills development
- Monitoring trainees and enterprises
- Promoting enterprise networking
- Market development
- Other support services

Skills development

This activity includes the preparation of learning materials, the training and capacity building of the programme's national technical team, and the training of trainers and women entrepreneurs.

Learning materials and tools

A Training Package for business and entrepreneurship in food processing which adheres to quality, safe food production and environmental standards was adapted to the needs of Tanzania and translated into Swahili, the language normally used to train entrepreneurs. Three manuals are available.

The trainers

The project is preparing a team of 37 trainers capable of assisting entrepreneurs in the

identification of market opportunities, and of transferring skills and knowledge in the technical, managerial and business aspects of commercial production.

Trainers have experience in training entrepreneurs, business development or food technology and come from existing NGOs and community organizations.*

PERSONNEL TRAINED BY DECEMBER 1998

| Activity | Number |
|--|--------|
| Training of Trainers | 37 |
| Technical/Entrepreneurial long courses | 240 |
| Product/topic-specific courses | 609 |

Under the sponsorship of a Danish fund, technical/ entrepreneurial training services were provided to 555 women located in six additional regions of Tanzania.

The training courses

The programme conducts standard technical and entrepreneurial courses and product/topic-specific courses. Three-month standard training courses are given to women entrepreneurs in each one of the regions. Refresher, topic or product-specific courses are one week to ten days long. From the start of the project, the costs of courses and counseling activities have been covered by the project's budget. In order

THE MANUALS

1. *The first manual focuses on entrepreneurial awareness, technology choices, fieldwork, technology skills and management skills.*
2. *The second manual deals with the processing of fruits and vegetables, extraction of edible oil, the manufacture of cheese, butter, bakery products, sausages and fruit wines. An additional module covers the processing of spices and essential oils and the drying of fruit and vegetables. The latest additions to the manual refer to cleaner production, waste management and environmental issues.*
3. *A third manual with prototype material contains four modules on building up self-confidence, negotiations, teamwork, market research and marketing.*

* SIDO, Rural Development Bank, National Bank of Commerce, Ministry of Community Development, Women Affairs and Children, Rural Youth Training and Employment, ILO; Credit Scheme for Productive Activities for Women, UNIFEM; Community Development Trust Fund and Centre for Informal Sector Promotion, ILO.



to promote entrepreneurial attitudes and secure financial sustainability for the programme, product/topic-specific courses have been partially paid for by the trainees since 1998.

Technical and Entrepreneurial Courses

These courses have a duration of three months.

- *Month One: Theory and practice*
- *Months Two and Three: Start production and prepare business plan. During this period trainees are visited by their trainers twice a month.*

Product/Topic-specific Courses

- *These courses have a duration of one week to ten days.*
Topics: Cleaner production; Quality assurance; Waste management; Energy conservation.

Approach:

The method used in most courses is "Learning by doing", in which the trainer acts as a facilitator.

Monitoring of and feedback to trainees and enterprises

Post-training visits to trainees/entrepreneurs include the provision of advice and technical and managerial support at the plant level. The information collected is fed back to the project team and used to re-orient services.

After completing their training women entrepreneurs are visited twice per month during the first year of production. Afterward, they are visited once every month.

Promoting enterprise networking

The programme serves as a catalyst to facilitate networking among trainees. The following are some indicators of progress on the networking front:

- During the third year of the programme (1997) trainees/entrepreneurs established TAFOPA, the Tanzanian Food Processors Association.
- TAFOPA provides a private sector institutional framework for promoting entrepreneurship and networking as well as for initiating policy dialogue.
- TAFOPA has a central office and 6 regional offices. Members meet regularly to discuss common business problems.
- Groups of entrepreneurs have created small credit schemes under TAFOPA's umbrella.



- Occasionally groups of entrepreneurs join together to fulfil orders (e.g. in Dar es Salaam and Lushoto).

Market development

Sector surveys are run periodically to identify product and market opportunities as well as problems and constraints affecting production and marketing in the business system in which food processing enterprises operate. Survey results are fed back to the programme in order to modify strategies and services.

Market information is supplied to entrepreneurs during TAFOPA meetings and through monitoring and counseling visits. TAFOPA also supplies entrepreneurs with market outlets.

Support services (facilitating purchase of inputs and the use of credit)

Information on market and legal requirements, purchase of equipment and inputs, and counseling on credit opportunities are additional support services provided by the programme.

Equipment and inputs

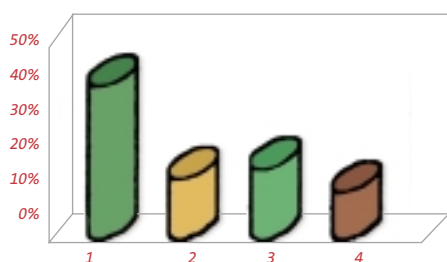
Given the low level of development of local supply services to the Tanzanian food industry, the programme is sourcing equipment and inputs (wine and milk cultures, casings, curing salts, grinders, hydrometers etc.), packaging materials and labels on a cost-recovery basis. This has strengthened the position of women entrepreneurs vis à vis creditors.

Credit

SIDO micro enterprise credit has been provided to women entrepreneurs. Information and training seminars have been held to provide advice on the use of credit facilities and conditions and procedures for accessing credit.

The programme grows, geographically diversifies and decentralizes (1995-98)

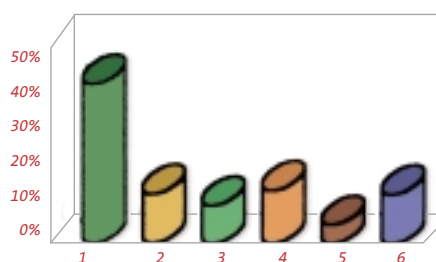
Technical and Entrepreneurial Training 1995



Regional Distribution of Training Activities

Technical and Entrepreneurial Training 1998

- Dar es Salaam
- Arusha
- Kilimanjaro
- Morogoro
- Lushoto
- Iringa/Njombe



Regional Distribution of Technical Activities

- Four regions covered in 1995, six in 1998

DECEMBER 1994

ACTIVITIES

- 1. SELECTION OF REGIONS AND PRODUCTS WITH POTENTIAL FOR DEVELOPMENT**
- 2. TRAINING OF TRAINERS**
- 3. TRAINING OF WOMEN ENTREPRENEURS**
- 4. MONITORING**

DECEMBER 1998

ACTIVITIES

- 1. TRAINING, MONITORING DIRECT ASSISTANCE**
- 2. PROVISION OF EQUIPMENT & MATERIALS**
- 3. COUNSELING ON THE USE OF EXISTING CREDIT FACILITIES, BUSINESS REFERRAL**
- 4. WOMEN ENTREPRENEURS CREATE TAFOPA**
- 5. SECTOR ANALYSES CONDUCTED PERIODICALLY**

Between December 1994 and December 1998, training activities were supplemented with the provision of integrated technical assistance, support for the purchase of equipment and inputs,

counseling on the use of credit, business planning and referral. Entrepreneurs had also initiated networking activities from the very beginning, culminating in the creation of TAFOPA.





ACHIEVEMENTS AND IMPACT

Achievements

Entrepreneurship development

By the end of 1998, the programme's major achievements were:

70 percent of women trained in technical and managerial long courses were in business. Out of 168 enterprises in operation, 24 percent were business expansions and 70 percent new ventures.

Trainees and their enterprises

| | <i>1994</i> | <i>1998</i> |
|---|-------------|--------------|
| <i>Women entrepreneurs trained</i> | <i>69</i> | <i>240</i> |
| <i>Enterprises in operation</i> | <i>48</i> | <i>168</i> |
| <i>Average enterprise investment (equivalent in US\$)</i> | <i>400</i> | <i>2,000</i> |



Creating TAFOPA

Upon graduation each group of trainees established business groups to address common business issues. The groups were called “Chama cha kina Mama Wasindikaji Wyakula” (CHAKIWAVYA) meaning “association of businesswomen in food processing”. The name was changed to the Tanzanian Food Processors Association or TAFOPA to open the possibility for male entrepreneurs to become members. Today, a small number of males (5%) participate in training and other activities coordinated by TAFOPA.

Marketing

TAFOPA members introduced SHIBE to the market as the association’s common brand. SHIBE means “full satisfaction” in Swahili.

In addition to sales to restaurants and in shops, TAFOPA collects SHIBE products from its members and markets them during the Annual Dar es Salaam International Trade Fair.

Networking



In 1997 the Tanzanian Food Processors Association or TAFOPA was established, using their own logo.

TAFOPA Today

Central Office in Dar es Salaam

Chapters in 6 regions

220 paying members

Newsletter

Internet home page: www.intafrica.com/sido

TAFOPA is in the process of linking regional chapters within the web and establishing links with policy makers, service institutions, industry and industrial associations interacting in the food processing system

SHIBE in 1999

The public recognizes SHIBE as a trademark

A number of SHIBE products are found in stores and restaurants

Sales are steadily increasing

SHIBE



Best regional performing entrepreneurs

| Name | Products | Region | Sales in US\$ (1998) |
|-------|-----------------------|---------------|----------------------|
| G. M. | Wine, jam | Arusha | US\$ 1,373 |
| D. M. | Mango pickle, wine | Dar es Salaam | US\$ 5,600 |
| R. N. | Cakes, flour | Iringa | US\$ 6,700 |
| J. N. | Bread, cakes | Iringa | US\$ 22,792 |
| F. M. | Pickles, tomato sauce | Kilimanjaro | US\$ 2,020 |
| M. O. | Bakery products | Lushoto | US\$ 5,250 |

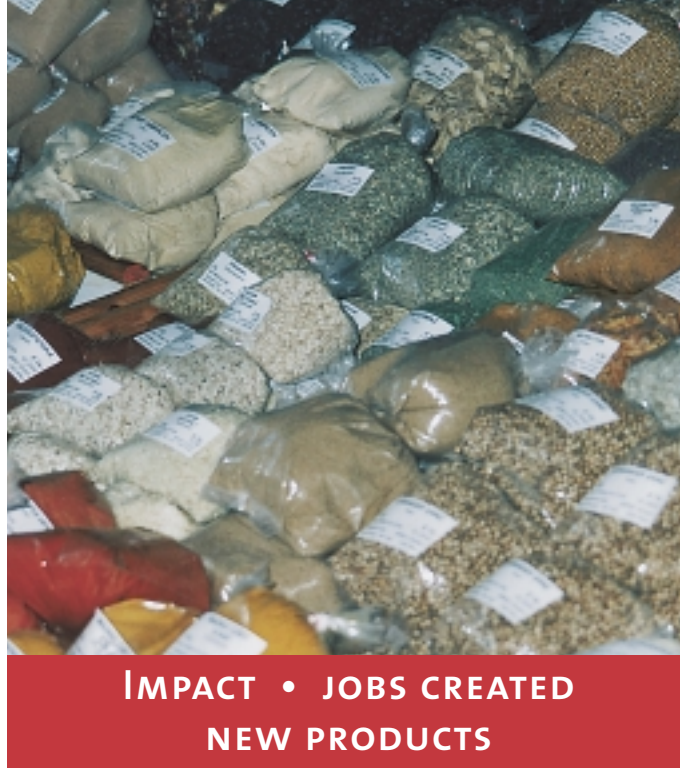
Equivalent 1 US\$ = 700 Tanzanian Shillings (1.5.99)

Per capita income was approx. 168.000 Tanzanian shillings in 1998 (equivalent= US\$ 240)

Annual production of the top five products

| | January-December 1997 | January-December 1998 |
|---------------------------|-----------------------|-----------------------|
| Mango pickle (unit 350 g) | 6,927 jars | 12,351 jars |
| Nutritious flour* | 7 tons | 25 tons |
| Bakery products | 35 tons | 59 tons |
| Jam (unit 350 g) | 6,800 jars | 7,030 jars |
| Fruit wine | 4,800 litres | 13,070 litres |

* Weaning food



Impact

Assessing the impact of the programme (on the sector, the economy, the individual entrepreneur and her/his family) has been possible from the beginning, thanks to the monitoring activities that have been conducted since the programme began.

The programme's impact between 1994 and the end of 1998 is presented in terms of the following parameters:

- Jobs created
- New products on the market
- Individual entrepreneurial improvements
- Case studies
- Trends in production and sales
- Contribution to basic family needs
- Sustainability

Jobs created

| Region | 1994-96 | 1997-98 |
|---------------|------------|------------|
| Arusha | 15 | 33 |
| Kilimanjaro | 29 | 28 |
| Lushoto | 20 | 0 |
| Iringa | 17 | 9 |
| Morogoro | 31 | 14 |
| Dar es Salaam | 65 | 59 |
| TOTAL | 177 | 143 |

⇒ 320 new jobs

New products on the market

- Nutritious flour / weaning food
- Peanut butter
- Fruits in syrups, vegetable pickles
- Fruit, tomato, gooseberry jam
- Honey
- Garlic paste

Case Studies

Josephine, 48

- **Marital Status:** Married with five children
- **Education:** Secondary School Diploma in Home Economics
Certificate in Women Leadership
Certificate in Education Management and Education Institutions
- **Status prior to becoming a food entrepreneur:** Engaged in tailoring and producing a small amount of bread.
- **Year trained:** May 1996. After training increased bread production and started producing biscuits and cakes.

PRODUCTION PROGRESS

| No. of units | Year 1 | Year 2 | Year 3 |
|--------------|--------|--------|--------|
| Bread | 36,000 | 48,000 | 72,000 |
| Biscuits | 4,800 | 4,800 | 7,200 |
| Cakes | 1,440 | 1,440 | 1,920 |
| Sales (US\$) | 12,944 | 16,944 | 22,792 |

ACHIEVEMENTS

Enough income to take care of the family's requirements.
Has built a large oven for baking. Has separate production area.
Has been able to hire one of her children to work in her business.
She is gaining satisfaction from being self-employed.

Mavoo, 32

- **Marital Status:** Married with three children
- **Education:** Secondary School Education
Elementary Book keeping
- **Status prior to becoming a food entrepreneur:** Sold cold drinking water.
- **Year trained:** 1994. Started production of sunflower cooking oil in very small quantities immediately after training.

PRODUCTION PROGRESS

| Product | Year 1 | Year 2 | Year 3 |
|--------------------------------|-----------|-----------------|-----------------|
| Nutritious flour /weaning food | 2,400 kgs | 3,600-4,800 kgs | 7,200-7,800 kgs |

ACHIEVEMENTS

Received further food processing training in Zambia for five weeks (sponsored by the project).
Purchased a plot where she is now building a separate production plant.
Is sending her children to better schools.
She is "respected by the society".

Trends in production and sales

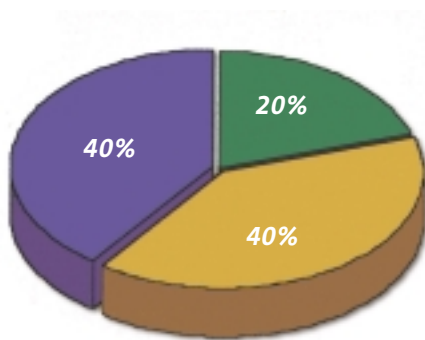
- Production is on the increase for most regions and products.
- There is regional product specialisation based on the availability of raw materials and seasonality: Arusha, pickles and wine; Kilimanjaro, pickles and bread; Lushoto, jams and bread; Iringa, bread; Morogoro and Dar es Salaam, pickles, bread, nutritious flour and wine.
- Spectacular growth in bread, bakery and nutritious flours is being registered.
- Entrepreneurs are tapping into a growing market for freshly baked products and weaning foods / nutritious flour, taking advantage of market trends and steady improvements in the local supply of wheat and other flours.

TRENDS IN PRODUCTION FOR SELECTED PROCESSED FOODS 1997-1998

| Regions | Year | Jam (350 ml jars) | Pickles (jars) | Baked goods & bread (kgs) | Flour* (kgs) | Wine (litres) |
|----------------------|------|----------------------|-------------------|------------------------------|-----------------|------------------|
| Arusha | 1997 | -- | 621 | 5 | -- | 340 |
| | 1998 | 1,598 | 2,245 | 114 | 1,339 | 1,387 |
| Kilimanjaro | 1997 | -- | 1,167 | 1,952 | -- | 1,543 |
| | 1998 | 200 | 5,104 | 7,925 | 150 | -- |
| Lushoto | 1997 | 5,285 | -- | 3,474 | -- | -- |
| | 1998 | 3,567 | -- | 22,353 | -- | -- |
| Iringa | 1997 | 103 | 103 | 17,361 | -- | 22 |
| | 1998 | 18 | 255 | 13,718 | 266 | 28 |
| Morogoro | 1997 | 259 | 415 | 7,837 | 1,259 | 2,455 |
| | 1998 | 809 | 753 | 10,691 | 4,402 | 5,941 |
| Dar es Salaam | 1997 | 1,174 | 4,317 | 4,049 | 5,668 | 457 |
| | 1998 | 839 | 3,994 | 4,317 | 18,963 | 5,715 |

* Nutritious flour / weaning food

Contribution to family's basic needs



*Enterprise contribution to family's basic needs:
Total sample 240 women entrepreneurs*

- The most ambitious entrepreneurs with growing production, sales and profits: 20%
- Entrepreneurs regularly producing at a relatively low but constant level, able to fulfil basic needs: 40%
- Entrepreneurs who produce only occasionally in order to supplement their family income: 40%

The programme is currently focusing on the first and second group of entrepreneurs.

Sustainability

The successful transfer of programme activities to local private sector institutions is a good indicator of the programme's sustainability. In addition to the official counterpart SIDO, the programme has had a partnership with its private offshoot association TAFOPA.

Within this partnership the programme has extended its training activities to other enterprises. Such was the case with the training given in 1998 to 555 women entrepreneurs in six additional regions of Tanzania, under the sponsorship of a Danish fund.

Being capable of providing services to clients external to the programme and under subcontract could be taken not only as a sign of local

recognition of the programme's capability, but as an indicator of its future sustainability as a training and technical assistance service. However, recent assessments have indicated that in the near future the costs of the services provided by the training and technical assistance teams under the present conditions, may exceed the financial capability of trainees and entrepreneurs, the main clients of the programme. Although trainees and entrepreneurs currently cover part of the cost of the services provided by the programme, full training and technical assistance fees would not be affordable for them once the partial financial support for infrastructure and activities, provided at present by the programme, ends in the year 2000. The assessment concluded that there was a need to create additional and sustainable sources of funding before the present programme ends.





SUSTAINABLE ENTREPRENEURIAL DEVELOPMENT SERVICES WITH A GENDER PERSPECTIVE: A PROPOSAL

To secure the sustainability of services to small and micro enterprises in the food industries beyond the life of the programme, it is proposed to establish with the current National Project Team a Business Development Centre (BDC) as a non-profit consortium and to link the Centre to TAFOPA. The Centre and TAFOPA would also be linked to private and public institutions such as SIDO operating in the food processing sector of Tanzania, as indicated in Diagram 1.

The Centre would take over the training and technical assistance services that the programme has been providing regularly to TAFOPA members and other micro enterprises since 1994. The Centre, operating on a semi-commercial basis, should be capable of generating income from services provided to current and new clients.

By providing simultaneous services in technical and entrepreneurial development to micro, small and medium sized enterprises, BDC would fill an institutional gap in the food and other industrial sectors.

There is no other institution of this type in Tanzania.

The programme has built up a clientele that requires services, both in entrepreneurship development and direct technical assistance.

Demand for services

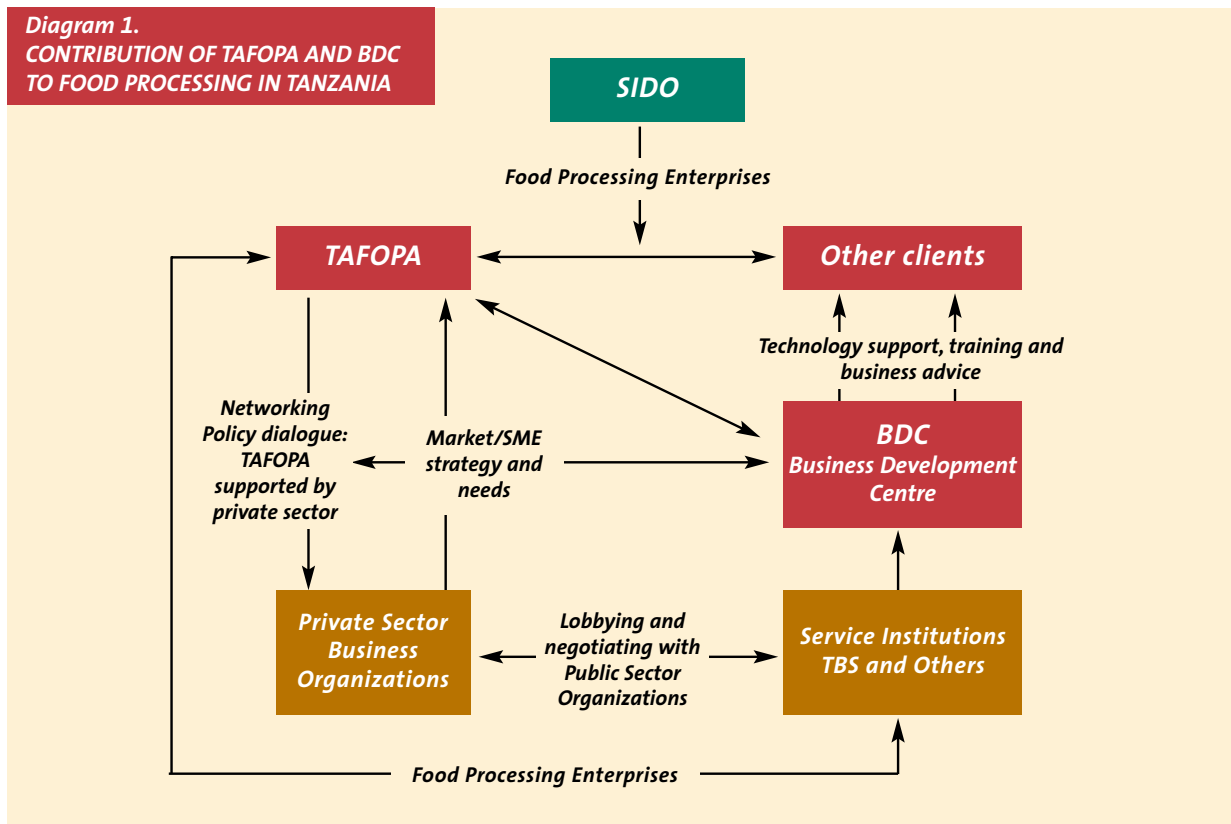
The following demands for services to be provided by the Centre have been identified:

Services to micro entrepreneurs, enterprises and trainers

- Women micro entrepreneurs already trained and new entrepreneurs will require training, monitoring and direct assistance in several geographical regions. Services will be partially paid for by the clients; a subsidy will be required.
- New trainers from established enterprises and organizations, requiring training for entrepreneurship development programmes.



Diagram 1.
CONTRIBUTION OF TAFOPA AND BDC
TO FOOD PROCESSING IN TANZANIA



Note: The Steering Committee being set up by the programme encompasses all players included in this diagram. SIDO would provide institutional support to the operation of BDC and TAFOPA.

Services under contract to public institutions, bilateral and multilateral projects*

- New groups of trainees from established organizations, requiring training and assistance for entrepreneurial development.
- Staff from government institutions, including the Ministries of Employment and Education, requiring training for the establishment of entrepreneurial development programmes in food processing.
- Donor and multi/bilateral organizations, requesting services for new and on-going projects in entrepreneurship development in food processing and other industrial activities.

- Entrepreneurial development services for women entrepreneurs and UN agencies, e.g. FAO.
- **UNIDO's Integrated Programme for Tanzania*** will require assistance for its entrepreneurship development component, which includes the technology diffusion component and demonstration/training programmes.
- SIDO and the Ministry of Industry will require assistance for their entrepreneurship development programmes.

* The Integrated Programme for Capacity Building to Enhance Industrial Competitiveness and Sustainability in Tanzania, is a new 3-year programme which operates with the support of UNIDO and the donor community.





TAFOPA

TAFOPA would continue to provide a private sector institutional framework for the networking of (micro) enterprises in the food processing sector and to act as a multiplying agent for entrepreneurship development. Its capacity to promote policy dialogue to favour the development of micro enterprises and their eventual growth into SMEs will have to be reinforced during the coming three years with the help of BDC. In order to facilitate business dialogue and lobbying with credit institutions, as required, TAFOPA should strengthen and expand its links with private sector industry and business organizations* as well as with the public sector (National Food Control Commission, Tanzanian Bureau of Standards (TBS), ministries, and legislators). The establishment of stronger links with the private sector would increase TAFOPA's knowledge of market opportunities, strategies for micro, small and medium sized enterprises and experiences related to compliance with legal and market requirements. TAFOPA's role and services to its members will be to:

Services to SMEs and larger enterprises

- Provision of technical and managerial information, market research and analysis, market testing, and supply of business counseling services as well as local and foreign expertise. Services to be provided to individual enterprises or networks, and through the Chamber of Commerce or the Confederation of Tanzanian Industries.

BDC will operate within a services system, closely linked to SIDO, TAFOPA, private sector business organizations and services institutions, as shown in Diagram 1. A brief description of functions and services required from TAFOPA together with BDC's proposed characteristics, functions and services follows.

- Promote networking among members, to identify joint production projects (clusters) and to promote the creation of revolving funds to support joint projects
- Identify markets and selling points
- Discuss industrial strategies for micro, small and medium sized enterprises with private and public agents
- Identify constraints and solutions for improved production
- Follow up on policies, rules and regulations that affect micro enterprises and SMEs in food processing, including consumer's support, and negotiate better terms for micro enterprises in areas such as taxes, credit, licensing and registration

* Chambers of Commerce, the Tanzanian Confederation of Industries and others.

- Monitor members' demands and the quality of services being provided to enterprises
- Identify and promote entrepreneurial "role models"
- Provide assistance to BDC in conducting promotional activities within the (in)formal educational sector of Tanzania, in order to create awareness of entrepreneurial development

BDC, the Business Development Centre

As a main service provider, BDC should link the programme's technical team and the trainers team with TAFOPA and other enterprises operating in the food processing sector. "Other clients" in Diagram 1 refers to enterprises operating under cooperation projects and independent business ventures.

BDC's Vision: "To become a self-sustaining semi-private support institution for business development operating with a commercial focus in three years' time. The Centre would be capable of providing services at regional levels to promote entrepreneurship development with a gender perspective in food processing micro enterprises and SMEs".

Entrepreneurship development services to be provided to micro enterprises and SMEs will be integrated in character, combining business skills, marketing, selling, networking, technologies, cleaner production and energy management for food processing. Other services would include the provision of technical and managerial information, market research/analysis, market testing, supply of expertise to enterprises and to networks.

BDC will be a legal entity, a non-profit consortium, with a management board constituted by TAFOPA,

UNIDO, SIDO, donors and a representative of the private sector. The core staff of the Centre would be the national technical team that has been implementing the programme for approximately five years. Its technical capacity, experience and the credibility gained through entrepreneurs, public and private institutions and the donor community, would provide a solid technical and institutional basis for the proposed Centre. The training team that constitutes the resource base for training and business counseling activities should be appropriately linked to BDC.

BDC Services

After a period of 3 years, BDC would offer the following services to TAFOPA members, other entrepreneurs to be assisted by the Integrated Programme, international and bilateral agencies and private sector institutions:

- To identify new market opportunities, establish market information services and develop marketing strategies with clients
- To upgrade and develop new products to meet market demands and remain competitive
- To conduct technical, managerial, refresher and topic-specific training courses
- To provide technical assistance and training in quality assurance and quality management
- To provide business counseling, demonstrations, and consulting in technology use and acquisition
- To provide follow-up and integrated support services to enterprises and networks including the following areas: process improvement, cost cutting, cleaner production and hygiene, packaging, energy saving, effluent handling, business planning and loan packaging
- To provide a "one stop" service for the sourcing of equipment and inputs





BDC will establish links with and provide technical training and support to enterprises served within the SME component and the information networking activities of UNIDO's recently launched Integrated Programme for Tanzania. Additionally, the experienced staff of the Centre would make valuable contributions to the Integrated Programme in activities related to demonstration and technology acquisition.

How BDC will operate

A transition period of at least three years towards commercial operation is required for BDC and TAFOPA to become self-sustaining. Based on the projected demand for services, a business plan for the first three years of BDC's operation and TAFOPA has been prepared. At present, the plan is being considered by the Tanzanian Government, the Tanzanian private sector, and the donor community.

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