

#ClosingTheGap Senegal

By : *Julia Brethenoux & Davide Loriggiola*

Local stakeholders of the Senegalese entrepreneurial ecosystem gather for a #ClosingTheGap workshop co-hosted by the Dutch Good Growth Fund (DGGF) and the Embassy of the Netherlands

On September 23rd 2016, entrepreneurs, financial institutions and business development support service providers from both the public and private sectors as well as international donors gathered around new perspectives on the Senegalese entrepreneurial ecosystem.

Welcome at the Residence of the Ambassador of the Netherlands in Dakar, local stakeholders have had the pleasure to meet for a workshop as part of the #ClosingTheGap Senegal study.



The study undertaken by the consultants from Enclude was commissioned by the Dutch Good Growth Fund (DGGF), an initiative of the Dutch Ministry of Foreign Affairs which seeks to expand the possibilities of financing small and medium-sized enterprises (SMEs) by investing in funds that in turn invest in local companies. DGGF generates a wealth of knowledge, findings, lessons learned and best practices. DGGF's objective is to systematize this knowledge so as to accelerate its diffusion throughout the sector, as it has been done earlier this year with the study published in June on [small-cap SME mezzanine finance](#).

Practical research is conducted and events are organized locally, if possible in close cooperation with relevant partners.

It is in this context that the DGGF is organizing a series of events in the countries targeted by the fund, including Senegal, to bring together stakeholders and to better identify the main challenges faced by the "missing middle" enterprises: SMEs - including businesses run by youth and women - that have outgrown micro finance but do not yet have access to traditional financial services.

The outcomes of these local events are an integral part of the #ClosingTheGap studies designed to better understand and address the gaps in the entrepreneurial ecosystems part of the DGGF mandate. The [first such study was conducted in Kenya](#) last year.

Senegal is the first country of a regional study covering francophone West Africa. The workshop on September 23rd was the opportunity to present new perspectives on the Senegalese entrepreneurial ecosystem, particularly a segmentation of the Senegalese SME sector. The segmentation captures for each sub-segment the characteristics of the enterprises and the barriers that hinder their growth. An overview of the current financial offer was presented to identify the differences between the financing needs of each sub-segment and the financial instruments that are currently available to them.



The participants reflected in small working groups on the themes of regulatory environment and financial infrastructure; the investment community; and entrepreneurship in Senegal: culture and collaboration.

Local actors have developed roadmaps to implement concrete actions to address the identified deficiencies.



These concrete solutions will be captured in the final report #ClosingTheGap Senegal which should be finalized by the end of the year and made available to the public on the website: <http://english.dggf.nl/investment-funds-local-smes-scbd-knowledge-development>

The event was made possible thanks to the contribution and participation of many. We thank H.E. Theo Peters, Ambassador of Royal Dutch Embassy in Senegal and his team for their close collaboration all along the process of the study. Mr. Ndao, Direction des PME; Mr. Cissé, Teranga Capital and Ms. Ebion, CTIC incubator for moderating the discussions. Special thanks go out to the consultants team, in particular Lukas Wellen for presenting the intermediary findings of the study.