

 Early Warning System

AFDB-P-GW-I00-008

GUINEA BISSAU - Youth and Women Entrepreneurship and SME
Development Lusophone Compact Facility Phase 1



Quick Facts

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| Countries | Guinea-Bissau |
| Financial Institutions | African Development Bank (AFDB) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2023-07-07 |
| Borrower | Government of Guinea-Bissau |
| Sectors | Agriculture and Forestry, Finance, Industry and Trade |
| Investment Type(s) | Grant |
| Investment Amount (USD) | \$ 7.93 million |
| Project Cost (USD) | \$ 12.71 million |



Project Description

According to the Bank's website, The Youth and Women Entrepreneurship and SME Development Lusophone Compact Facility project is a phased investment operation designed to boost the private sector development in Guinea-Bissau through youth and women economic empowerment, economic diversification, and to foster job creation. Given the height of challenges the private sector faces across the country, the Government has adopted a phased approach for the project that follows the structure of the Sao Tome and Principe "Zuntamon Lusophone Compact Initiative" project approved by the Board in October 2021. The project will leverage the Lusophone Compact Initiative (LCI) to boost youth entrepreneurship in Guinea-Bissau. The project will target youth and women-owned/led SMEs with 4 to 25 people whose turnover over the previous year does not exceed XOF 150 million²⁴. Those cut-offs are established to avoid that the project benefits only already existing and successful enterprises operating in Guinea-Bissau. However, those cut-offs do not apply to youth and women associations and cooperatives whose members could be included in training and for whom they apply for loans. Through decent jobs creation, the project's interventions will widen opportunities for youth and women, sustain development of the private sector and reduce poverty.

The goal of this Phase I is to enhance business enabling environment, build capacities of strategic institutions for enhanced delivery services to the private sector stakeholders, and improve access to finance for SMEs. For this Phase I, the project interventions focus on entrepreneurship skills development for youth and women, development of growth-oriented and economic viable SMEs, and establishment of a financing facility for SME's access to finance. In the event of Phase II, the fund manager who will be recruited at Phase I to manage the financing facility will have access to the Lusophone Compact Guarantee and the African Guarantee Fund to cover loans to SMEs and expand to scope of beneficiaries.



Early Warning System Project Analysis

The AfDB categorized the project as follows -

Environmental category: 2

Climate Safeguard Categorization: 2



Investment Description

- African Development Bank (AFDB)



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Appraisal report \(en\)](#)
- [Appraisal report \(fr\)](#)