



THE UNITED REPUBLIC OF TANZANIA
PRIME MINISTER'S OFFICE



NATIONAL ECONOMIC EMPOWERMENT COUNCIL (NEEC)

NATIONAL ENTERPRISE DEVELOPMENT CENTRES GUIDELINE (NEDCG)

2025





THE UNITED REPUBLIC OF TANZANIA



NATIONAL ECONOMIC EMPOWERMENT COUNCIL (NEEC)

NATIONAL ENTERPRISE DEVELOPMENT CENTRES GUIDELINE

DECEMBER 2025

FOREWORD

THRIVING ENTERPRISE SECTOR FOR NATIONAL PROSPERITY AND INCLUSIVE ECONOMIC GROWTH.

The development of a robust and sustainable national enterprise sector is crucial to the economic growth and social progress of our country.

As we navigate an increasingly complex and competitive global environment, it is essential to equip our enterprises with the tools, knowledge, and support needed to thrive.

The National Enterprises Development Guidelines represent a significant step towards achieving this goal. These guidelines provide a comprehensive framework that outlines the policies, strategies, and best practices for fostering enterprise growth across various sectors. They are designed to support entrepreneurs, small and medium enterprises (SMEs), and larger corporations alike, ensuring that all stakeholders have access to the resources necessary for success.

This document has been developed through extensive consultation with industry experts, government agencies, and other key stakeholders. It reflects our collective commitment to creating a vibrant, inclusive, and sustainable economy that benefits all citizens. By adhering to these guidelines, enterprises will not only contribute to their own growth but also to the broader development goals of our nation.

I commend all those who have contributed to the formulation of these guidelines. Your hard work and dedication have produced a valuable resource that will serve as a cornerstone for our national enterprise strategy.

As we implement these guidelines, I urge all enterprises, policymakers, and stakeholders to embrace them with a spirit of collaboration and innovation.

Together, we can build a thriving enterprise sector that can contribute toward greater prosperity and resilience.



Prof. Aurelia Kokuletage Ngwira Kamuzora, PhD.
Chairperson, National Economic Empowerment Council

PREFACE

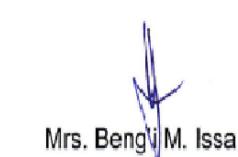
FOSTERING AN INCLUSIVE & EQUITABLE BUSINESS ENVIRONMENT THROUGH EDC's

The National Enterprises Development Guidelines have been created with a clear vision: to establish a structured and supportive environment that empowers our enterprises to grow, innovate, and contribute meaningfully to our national economy. In a world where change is constant, these guidelines provide a stable foundation upon which our businesses can build and thrive.

This document is the result of rigorous research, collaboration, and a deep commitment to excellence. It embodies the collective wisdom and experience of experts across various sectors, as well as the insights gained from engaging with entrepreneurs, industry leaders, and government officials. The guidelines are designed to be both comprehensive and practical, offering clear direction for enterprises at all stages of development.

Our goal is to ensure that these guidelines serve not just as a set of recommendations, but as a catalyst for action. By following the principles and practices outlined within, enterprises will be better equipped to navigate challenges, seize opportunities, and achieve sustainable growth. Moreover, these guidelines reflect our dedication to fostering an inclusive and equitable business environment, where all enterprises, regardless of size or sector, can succeed. I extend my sincere gratitude to everyone who has contributed to the development of this important document. Your hard work and commitment have been instrumental in creating a resource that will guide our nation's enterprises towards a prosperous future. As we embark on the implementation of these guidelines, I encourage all stakeholders to approach this task with the same spirit of collaboration and dedication that has brought us to this point.

Together, we can unlock the full potential of our national enterprises and drive our country towards a new era of economic growth and stability.


Mrs. Bengi M. Issa

EXECUTIVE SECRETARY

NATIONAL ECONOMIC EMPOWERMENT COUNCIL (NEEC)

ABBREVIATION

EDC	Enterprise Development Centres
SOP	Standard Operating Procedures
KPI	Key Performance Indicators
IPR	Intellectual Property Rights
ESG	Environmental, Social and Governance
AFDB	Africa Development Bank
BDS	Business Development Services
BMO	Business Member Organization
FTE	Full-Time Employees
BSO	Business Support Organization
EDA	Enterprise Development Agency
VEDC	Virtual Enterprise Development Centre
ICT	Information Communication Technology
MFI	Microfinance Institutions
MSMEs	Micro Small Medium Enterprise
NEEC	National Economic Empowerment Council
NGO's	Non-Government Organization
PPP	Public Private Partnership
R&D	Research and Development
IB	Impact Bond
TOR	Terms of Reference
ToC	Theory of Change

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CHAPTER ONE: INTRODUCTION

This chapter sets forth the introduction of the Enterprise Development Centres (EDC) Guideline. The chapter has seven parts. It starts with providing a comprehensive background and context of the guideline. In the following parts, the following areas of interest are explored: the objectives of the guideline, the scope of the guideline, the broad audience and intended beneficiaries and users of the guideline, the custodian of the guideline, the custodian's commitment for inclusive and collaborative continued improvement of the guideline for the posterity of the ecosystem.

1:1 BACKGROUND AND CONTEXT FOR THE ESTABLISHMENT OF AN ENTERPRISE DEVELOPMENT CENTRE

Tanzania's economy is overwhelmingly driven by its vibrant small and medium enterprises (SMEs), which contribute approximately 60% of the national GDP and form the backbone of employment and community development. However, the vast majority of these enterprises operate in the informal sector and face severe, systemic constraints to their formalization, survival, and growth. The primary obstacles include acute limitations in access to finance, inadequate adoption of technology, a deficit in critical business infrastructure, and a widespread lack of innovation capacity. Compounding these issues is the absence of, or limited access to, professional and structured Business Development Services (BDS), which are essential for building competitive and resilient businesses.

Enterprise Development Centres (EDCs) are established to directly address these gaps by providing integrated, holistic support to entrepreneurs and SMEs. However, the EDC ecosystem in Tanzania is still nascent and confronts significant internal and external challenges that hinder its potential impact. These challenges are multifaceted: EDCs face critical operational challenges including resource limitations in funding, staffing, and facilities; inconsistent quality of services due to varied expertise; difficulties in technology adoption for service delivery; complexities in measuring impact and demonstrating value; and struggles with client engagement and retention. Furthermore, EDCs navigate substantial non-operational challenges such as a complex regulatory environment; funding instability from grants and donations; weak stakeholder collaboration leading to siloed efforts; vulnerability to economic market conditions; and low awareness and perception among potential clients about EDC services.

It is within this context that the Government of Tanzania, through the National Economic Empowerment Council (NEEC), in collaboration with key private sector stakeholders, is leading a concerted initiative to address the critical issues faced by EDCs. This partnership recognizes that strengthening the EDC ecosystem is a fundamental strategy to empower SMEs, drive formalization, and unlock inclusive economic growth. A central component of this effort is the development of a robust, standardized guideline designed specifically to build the capacity and operational standards of EDCs. Such a guideline aims to equip EDCs with the frameworks and tools needed to overcome their constraints, enhance service quality, ensure sustainability, and effectively measure outcomes.

Ultimately, by empowering EDCs to discharge their duties more effectively, this collaborative initiative seeks to accelerate broad-based economic growth. It will enable SMEs across Tanzania to access the tools, resources, and knowledge necessary to thrive, thereby directly contributing to the nation's socio-economic development and the realization of the Tanzania National Development Vision 2050.

1:2 OBJECTIVES OF THE GUIDELINE

The overall objective of this guideline is to enhance the coordination of Enterprise Development Centers, thereby increasing their visibility, improving the quality of their services, and ensuring accessibility of these services to MSMEs in urban and rural areas in Tanzania. Therefore, the guideline has the following specific objectives: -

- a. To harmonize the standards for establishing, managing, and operating EDCs
- b. To increase the quality of service delivery of the Enterprise Development Centres
- c. To keep an inventory of EDCs established in Tanzania
- d. To enhance the conducive operating environment for the EDCs
- e. To strengthen the availability and accessibility of EDC in rural, peri-urban, and marginalized communities.
- f. To champion the social and economic impact of EDCs through establishing the Impact and Sustainability metrics.

1:3 SCOPE OF THE GUIDELINE

The guideline applies to public-owned and operated EDCs, those owned and operated by profit-driven private sector players, international development partners, non-governmental organizations, religious organizations, and those run and operated jointly through public-private partnership structures. Furthermore, the guidelines apply to sector-specific and non-sector-specific EDCs.

1:4 PRIMARY BENEFICIARIES

The primary intended beneficiaries of the Guideline are the owners, managers and operators of Enterprise Development Centres (EDCs) in Tanzania. The guideline cover a broad range of ownership structure – government owned and operated EDCs, those owned and operated by private sector including the non-government organizations and religious organizations as part of their social and economic mandate to the community.

1:5 SECONDARY BENEFICIARIES

The secondary intended beneficiaries of this guideline are private and public institutions that are advancing private sector growth through small business and start up development in Tanzania and elsewhere in emerging markets.

1:6 GUIDELINE CUSTODIAN

National Economic Empowerment Council (NEEC) of Tanzania is the custodian of the Guideline. National Economic Empowerment Council (NEEC) is a Government Agency established by an Act No. 16 of 2004 as a way forward to speed up the process of empowering the Tanzanians economically. The Council is charged with the responsibilities of facilitating designing, planning, supervising, monitoring and evaluation and coordinating all economic empowerment activities including establishment and management of Enterprise Development Centres.

1:7 COMMITMENT TO INCLUSIVE REGULAR REVIEW

The National Economic Empowerment Council (NEEC) commits:

- a. To build an inclusive regular consultation platform with all stakeholders to improve and refine this guideline. NEEC believes that inclusive dialogue and timely feedback will

create practical, effective solutions that foster the growth and sustainability of small and medium businesses and the economy.

- b. To engage, educate, communicate, and empower the intended beneficiaries of this guideline through inclusive and participatory forums. NEEC will ensure that the intended beneficiaries of this guideline fully understand the benefit, intended objects, scope, operations and potential impact of this guideline on their businesses.
- c. To enhance the effectiveness of the guideline and contribute to sustainable success of the small businesses and Enterprise Development Centres (EDCs) ecosystem in Tanzania and in the region.

CHAPTER TWO: SETTING UP & OPERATIONALIZATION OF ENTERPRISE DEVELOPMENT CENTRE

This chapter provides a broad overview and step-by-step guide on setting up and operating an enterprise development center in accordance to the law and regulation of the country. The areas of interest include broad definition of Enterprise Development Centres, Objectives of EDCs, the service offering, the business model of EDCs, EDC proposed governance structure, Funding strategy, Proposed Standard of Engagement (SOP), EDC Marketing and marketing positioning, EDC Impact Assessment, and lastly the EDC readiness matrices – a go to tool to help those aspiring to setting up, running, managing, and operating a value add and impact driven Enterprise Development Centres in emerging markets

2:1 DEFINITION OF EDC

Enterprise Development Centres (EDCs) are defined as institutions set up under an existing national legal framework that provides support for the growth and sustainability of small and medium enterprises. These centers aim to drive and facilitate entrepreneurship and private sector growth by offering technical support, non-technical support, financial linkages, capacity-building programs, training, coaching, mentorship, research and development, policy innovation, etc.

There is a wide range of names for similar structures, including Incubation Hubs, Acceleration Hubs, Enterprise Development Agencies (EDA), Business Support Organizations (BSO), Empowerment Centres (BC), Local Enterprise Agencies (LEA), and others

2:2 OBJECTIVES OF EDC

Enterprise Development Centres (EDCs) collectively aim to foster a vibrant business ecosystem that can contribute to broad-based economic transformation and decent employment generation. Further, EDC has the following objectives.

- a. Enhance the entrepreneurial culture through provision of training and capacity building in business management, finance, management of small businesses, marketing and sales, product development and more.
- b. Assist SMEs and start up access of empowerment finance through linkages to financial institutions, private capital, and fundraising strategies.
- c. Helping SMEs to gain market access by identifying and facilitating entry of new market through innovations and customer mapping.
- d. Helping small businesses adopt and embrace sustainability entrepreneurship practices in their business.
- e. Entrepreneurship policy Innovation and advocacy through public discourse and investment in research and development.
- f. Helping SMEs access relevant market information, economic analysis, regulatory guidelines, best practices and etc
- g. Promote gender equality and inclusion through increasing provision of entrepreneurship support services to women owned and operated businesses.

2:2 REGISTRATION OF EDC

The person interested in setting up EDCs is required to submit application demonstrating the objective of setting up an EDCs to NEEC. NEEC will grant approval for setting up and operating EDCs after reviewing the submitted application.

2:3 REGISTRATION OF ENTERPRISE DEVELOPMENT CENTRES (EDCS)

NEEC shall grant approval to set up Enterprise Development Centres (EDCs) to applicants that have met all requirements within reasonable stipulated time. Further NEEC shall keep inventory of all registered EDCs.

- 2:3: 1 NEEC will grant permanent registration for applicants that have met all criteria for setting up EDCs.
- 2:3:2 NEEC may grant provisional registration for applicants that have not met the established criteria.
- 2:3:3 NEEC may revoke the registration of EDCs for applicants that have breached the terms and conditions of setting up and operating EDCs.

2:3 OWNERSHIP OF EDC

EDCs can be owned and operated by an individual or any registered body corporate under an existing national legal framework. It can be a private or public institutions operating in Tanzania including non-government organization and religious organizations.

2:4 SERVICES OF EDC

The sustainability of Enterprise Development Centres (EDCs) hinges on offering holistic services to support the growth and resilience of small businesses and start up ecosystems. The following are typical services offered by EDCs – and other related ESOs.

	Training and Capacity Building	a) Business management b) Marketing, Sales, and people management skills c) Technical Skills development d) Leadership and soft skills training
	Advisory Services	e) Business planning and strategy f) Legal and regulatory compliance advice g) Financial advice and budgeting h) Intellectual property and protection guidance
	Financial Support	i) Assistance in accessing empowerment financial services j) Financial Literacy programs to understand funding options k) Facilitating venture capital, private capital and angel investment
	Network and Partnership building	l) Business networking events m) Collaboration with industry association n) Partnership for joint venture and collaborations
	Market Access and Development	o) Support in identifying and mapping new and emerging markets p) Assist in import and export process and trading q) Developing SMEs supply chain and value chains r) Promoting marketing entry strategy and research
	Incubation and Accelerations Programs	s) Startup incubation services including co-working spaces, shared facilities and secretarial services t) Accelerating programs that provide mentorship and resources for growth
	Innovation and Technology	u) Support SMEs to innovate through investing in R&D and new product development

		v) Technology transfer and support enterprises in adopting to new technologies
	Sustainability Practices and Entrepreneurship	w) Advices to SMEs on embracing sustainability practices and building via ventures through sustainability value innovations
	Research and Development	x) Provide support to market data and intelligence and best practices
	Gender inclusiveness	y) Supporting gender specific programs supporting women and other diverse marginalized and underrepresented communities such as people with disabilities.
	Community Building	z) Creating supporting communities for entrepreneurs to share experience and challenges

The comprehensive range of services offered by EDCs is designed to promote business growth, enhance entrepreneurship skills, empower communities, support job creation and contribute to broad based sustainable economic development

2:5 GOVERNANCE STRUCTURE OF EDC

The guideline advocates for the establishment and adoption of strong and proper governance structure to enable EDCs organization to become most effective, relevant and resilient in delivering their mandate.

Proper Governance gives life to an organization by establishing the rules that shape organizational action. Structures of governance rest on stakeholder engagement, particularly on how stakeholders assess the prospects for earning a return by committing their specialized resources to the organization.

Here are few models of proposed governance structure:

Board of Advisors (BoA)	Enterprise Development Centres (EDCs) board of advisors help the organization to set the strategic direction and oversee the core management team. The BoA are composed of community representatives, business leaders, and small business development specialists.
Core Management Team	The management handles the day-to-day operations of the organization. The management also implements policies set by the board, oversee the staff and interact with the small enterprises and other interested groups.
Supporting Team	The supporting team report to the management and they are in-charge of delivering services and programs to the intended beneficiaries – finance, operations, marketing,

	outreach team, sustainability, etc. form part of the support teams.
Collaboration and Network	EDCs most often engage with local government, private sector players, and other non-profit organizations to foster partnership and compliment service delivery.

2:6 EDC FUNDING STRATEGY

The success of the Enterprise Development Centres (EDCs) heavily depends upon the abilities of EDCs to establish strong fundraising strategy, securing the funding, management of the fund and establishing funding models that generate efficiency in fund management. EDCs needs to get connected and networked within the entrepreneurship and start up ecosystem to establish meaningful long-term partnerships that will support operation and non-operation funding needs throughout the year.

Broadly speaking the funding strategy can fall in the following categories and or more:

	Development Funding Donations, Grants, Returnable Grants, Impact Bonds, Outcome funds, etc		Innovative Funding Angel Investments, Revenue from services, Commissions, Program Implementation, Projects, etc
	Impact & Philanthropic funding Donations, Grants, Blended funding instruments		Traditional Funding Loans and Credit from Banks, Microfinance, Saving, Friends and etc,
	EDC BD Services & Commercialization Fees, Revenue share models, income from EDC services, Dividends, Investment, licensing of IP assets, Consulting fees, Support services, etc		Private Equity and Venture Capitalist (PEVC) Debt, Equity, Blended structures, etc

2:7 BUSINESS MODEL OF EDC

The business models strategy shape how Enterprise Development Centres (EDCs) operate, monetize their service offering, deliver services to enterprises and become sustainable. The business model of EDCs influences their effectiveness in promoting sustainable economic development.

Here are the proposed models for the commercialization and monetization of EDCs services:

- Incubator Model:** This model involves providing startups and small businesses with essential resources such as workspace, mentorship, and access to capital, often focusing on early-stage companies.
- Accelerator Model:** Similar to incubators but typically with a time-limited program focused on scaling existing businesses rather than starting new ones, often culminating in a demo day for investors.

- C. **Membership-Based Model:** EDCs may operate on a membership basis, where businesses pay dues in exchange for resources, training, networking opportunities, and support.
- D. **Partnership Model:** Collaborating with other organizations (private, public, or nonprofit) to offer comprehensive services tailored to specific sectors or needs.
- E. **Service Provider Model:** Focusing primarily on delivering training, consulting, and advisory services without providing physical space or incubation, which can appeal to a broader audience.
- F. **Social Enterprise Model:** Some EDCs operate as social enterprises, where generated profits are reinvested into programs to support their mission of fostering entrepreneurship and private sector growth.

2:8: STANDARD OPERATING PROCEDURE OF EDC

Every EDCs are strongly advised to develop standard operating procedures (SOPs). Standard Operating Procedures help Enterprise Development Centres (EDCs) streamline their operations and programs by providing a set of steps or instructions for particular processes. Having a standardised set of actions that need to be followed in specific scenarios allows for quicker decision-making and increased productivity.

Standard Operating Procedures (SOPs) should be able to explain – how EDCs conduct the business, engage the clients, measure impact and outcome, conduct the due diligence and measure the sustainability of their program and interventions in the marketplace. Further SOPs should be able to explain how EDCs stay competitive and how they measure the effectiveness of their supporting staff, how they develop their tools and how they embrace new thinking and modern practices in the field.

Here are proposed Standard Operation Procedures (SOP) during delivery of services:

Stage 1: SME Problem Diagnosis and Problem Identification.

It is important for EDCs to conduct problem diagnosis before implementing an intervention, even if the problem is obvious. The advantage of problem diagnosis is that it provides an opportunity for EDCs to understand and establish RCA – root cause analysis of the problem.

Stage 2: Program design & Implementation of business development service and Intervention

The next step after stage one is to implement the business development service. But even before that, EDCs are strongly advised to communicate the RCA outcome of the diagnosis to their clients. EDCs should engage the program beneficiaries and thoroughly communicate the possible solutions and expected outcomes before implementing the program or solutions.

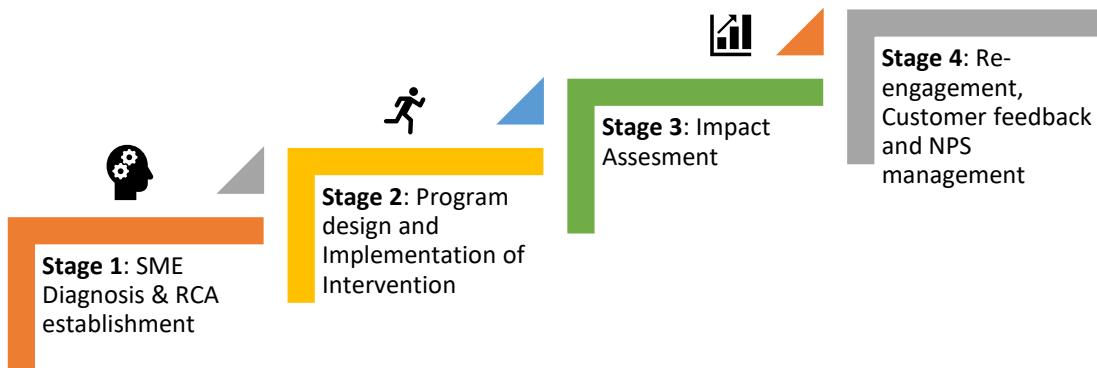
Stage 3: Impact Assessment and Monitoring

Enterprise Development Centres (EDCs) use surveys, performance metrics, and financial results to assess the impact and effectiveness of their programs on SMEs. EDCs compare the

achieved outcome and results with the data points after the program has been implemented. and the objectives of their interventions.

Stage 4: Re-engagement, Customer feedback, and NPS Management

One of the most critical stages of the SOP is the re-engagement and customer management. This stage provides the qualitative and quantitative measures of the success of EDC. The quality of re-engagement will be determined by the customer feedback and level of satisfaction.



2.9 OUTREACH OF EDC

Outreach strategy helps EDCs to position their programs to the target beneficiaries, potential partners and funders. Here are 10 outreach strategies and programs that Enterprise Development Centres (EDCs) can use to engage and support local businesses and entrepreneurs

	Business Competition Program	Organize competitions that encourage entrepreneurs to pitch their business ideas, offering winners funding, resources, or mentorship as incentives.
	Community Engagement	EDCs should actively participate in local community events or fairs with the aim to increase visibility, engage with the community of entrepreneurs and showcase the resources and the capabilities of their institutions.
	Workshop and Training Program	EDCs should explore the possibility to organize skill-building workshops and training sessions on topics like business planning, marketing, and financial management to enhance entrepreneurs' capabilities at their premises.
	Online Resource Hub and digital assets footprint	EDCs should find creative ways to utilize platforms like Facebook, LinkedIn, and Instagram to promote programs, share success

		stories, and engage with entrepreneurship communities.
	Collaboration with Higher Learning Institution and Industry	EDCs should find an opportunity to partner with local universities or vocational schools to offer entrepreneurship courses, internships, or research opportunities that benefit students and local businesses.
	Targeted Outreach Programs	EDCs should develop specialized programs to support underrepresented groups, such as women, minority entrepreneurs, or low-income individuals, helping to foster diversity in entrepreneurship

Further Enterprise Development Centres (EDCs) should consider implementing Above the Line (ATL), Below the Line (BTL), Through the Line (TTL) and Digital Asset investments strategies to drive visibility and Awareness (TOMA) of their services, program and Impact.

2:10 COORDINATION OF EDC

The National Economic Empowerment Council (NEEC) is the custodian of the guidelines and the national coordinating agency. The National Economic Empowerment Council (NEEC) will provide the framework for the coordination, monitoring, and supervision of EDC programs and initiatives through the National Enterprise Development Centres (EDCs) Coordinating Office.

CHAPTER THREE: INSTITUTIONAL FRAMEWORK AND GOVERNANCE

This chapter focuses on understanding the key role and responsibilities of various stakeholders in advancing the Enterprise Development Centres (EDCs) practices in Tanzania. The successful management and development of Enterprise Development Centers (EDCs) in Tanzania necessitate concerted efforts from the private and public sectors. Key stakeholders include the Office of the National Enterprise Development Center Coordinator and the role of the national enterprise development center coordinator, Office of the President - Regional Administrations and Local Governments (PO-RALG), the Prime Minister's Office, the Ministry of Finance, and other public and private sector institutions, including international development partners. Each one of them plays an important role in ensuring the efficient operation and sustainability of Enterprise Development Centers (EDCs).

3:1 ROLE OF THE NATIONAL ENTERPRISE DEVELOPMENT CENTRES (NEDC) COORDINATOR

The NEDC Coordinator will have the following roles and responsibilities:

Establish Coordination Mechanisms	<ul style="list-style-type: none">- Setting up a Coordination Committee comprising key stakeholders from various sectors to oversee the coordination of economic empowerment and local content initiatives.- Ensure standard operating procedures (SOPs) are established and implemented.- Ensure regular engagement with stakeholders and implementation of deliberations thereof.
Develop Monitoring and Evaluation (M&E), and Reporting Frameworks	<ul style="list-style-type: none">- Establish a Monitoring and Evaluation framework including KPI for EDC initiatives.- Develop and Implement Impact Management and Evaluation tools for EDCs. Train EDC Staff and Stakeholders- Schedule regular site visits to assess on-ground implementation and gather qualitative data.
Documentation and Reporting of Impact on Enterprise Development Centres.	<ul style="list-style-type: none">- Develop a global standardized reporting framework and format for all EDCs- Provide framework for the reporting frequency for stakeholders consumption.- Publish annual EDC performance reports covering financial and impact metrics
Implement Stakeholder Engagement	<ul style="list-style-type: none">- Develop a national EDCs database and depository and ensure periodic updates.- Develop a comprehensive communication and engagement strategy to keep all stakeholders informed and engaged.- Encourage Joint Program Implementation Initiatives leveraging partner's strengths and resources
Capacity Building & Resource Mobilization	<ul style="list-style-type: none">- Conduct workforce and stakeholder capacity-building programs on EDCs M&E.- Develop a platform through knowledge-sharing and learning through best practices.

Implement Risk Management Practices in EDCs	<ul style="list-style-type: none"> - Conduct a risk assessment and develop mitigation plans for the identified risks. - Regularly monitor risk indicators and adjust strategies as needed.
Review and Approve Annual Plans of all EDCs	<ul style="list-style-type: none"> - Review and approve the annual plans of all EDCs to ensure they align with organizational goals

3:2 ROLE OF THE REGIONAL SECRETARIAT

Regional Secretariats (RS)
<p>Regional Secretariats, through enterprise Coordinators, will continue to carry out their primary responsibility of ensuring that enterprise development centers are established and provide services to citizens. On that basis, it will implement the following issues:</p> <ul style="list-style-type: none"> - Supervising the functions of the existing enterprise development centers in the region. - Set aside areas and build buildings with the necessary infrastructure for the enterprise development center. - Ensuring enterprise development centers are established in the relevant region. - Monitoring and evaluating the implementation of enterprise development centers to ensure that they provide the best services intended. - Advertise the services provided by enterprise development centers to citizens. - Provide information on the implementation of centers and submitting them to PORALG quarterly. - Prepare an implementation report and submit it to the Regional Advisory Committee (RCC). - Supervising the Council to allocate funds for the implementation of enterprise development activities owned by the Government.

3:3 ROLE OF THE LOCAL GOVERNMENT AUTHORITIES

Local Government Authorities (LGA)
<p>Local Government Authorities including district councils, towns, municipalities, and cities through the enterprise development coordinators will carry out the following duties:</p> <ul style="list-style-type: none"> - Implementing the Guidelines for the enterprise development centers - Manage the operation of enterprise development centers in the respective Councils. - To monitor the services provided at the center in the relevant Council; - Prepare invoices for donations to institutions that provide services within the center at rates agreed by those institutions. - Prepare financial and expenditure reports and submit them to institutions that provide services within the Center every quarter. - Prepare the Council's report on the performance of the enterprise development centers and submit it to the Regional Secretariats and NEEC

3:4 ROLE OF THE PUBLIC SECTOR INSTITUTIONS

Public Sector Institutions (PSI)

Public Sector Institutions that provide empowerment services at enterprise development centers by doing the following:

- Participating in providing services to customers in enterprise development centers
- Establish enterprise development centers.
- Ensuring the presence of experts at the enterprise development centers.

3:5 ROLE OF THE HIGHER LEARNING INSTITUTIONS

Higher Learning Institutions

Higher Learning Institutions are important stakeholders in stimulating enterprise development in the country. Therefore, these institutions are required to perform the following duties:

- Establish enterprise development centers (EDCs) and encourage learners to undertake entrepreneurship
- Undertaking various research to stimulate enterprise development activities
- Providing advisory services to stimulate enterprise development activities
- Influencing curriculum reform to stimulate enterprise development activities.

3:6 ROLE OF THE DEVELOPMENT PARTNERS

Development Partners and DFI

Development partners are fundamental in promoting enterprising development activities and bringing development to the country. In recognition of their contribution, they will have the following responsibilities:

- Provide developmental funding and instruments to crowd in investments in EDCs
- Providing Technical Assistance Services and Programs for Enterprise Development Centres (EDCs)

3:7 ROLE OF THE PRIVATE SECTOR INSTITUTIONS

Private Sector Organization (PSO)

Private sector institutions including banks, financial institutions, civil society organizations and companies are important stakeholders in stimulating the economy and development of the country. Therefore, private sector institutions are required to perform the following duties:

- To establish enterprise development centers in respect to their area of priority
- Participating in providing facilitation services to customers within business days
- Ensuring the presence of experts at enterprise development centers
- Facilitating access to concessional loans and non-financial support.

CHAPTER FOUR: IMPACT REPORTING, MONITORING AND EVALUATION

Chapter four lays the foundation for measuring and managing the impact and sustainability initiatives of Enterprise Development Centres (EDCs). Enterprise Development Centres (EDCs) business development services are expected to help small businesses and startups unlock their growth, create meaningful transformations, create decent jobs, improve livelihoods, and alleviate abject poverty.

4:1 EDC Key Impact Indicators & Sustainability Management

Evaluating the success of Enterprise Development Centres (EDCs) business development programs requires a comprehensive assessment of various developmental and impact metrics and evaluation strategies tailored to the program's objectives and stakeholders. By tracking these key metrics and leveraging effective evaluation strategies, EDCs BD programs can optimize their impact and foster sustainable growth for small businesses and start up in the dynamic entrepreneurial ecosystem. Part I offers the practical steps in measuring impact and part II provides simplified frameworks for impact management.

4:2 Here are practical steps to measuring and managing impact in Enterprise Development Centres (EDCs):

Step 1: Develop a Comprehensive Theory of Change

This foundational step requires the EDC to define its core mission within the national framework of SME development. The theory of change is a clear, logical map that connects the EDC's daily activities to its ultimate goal of contributing to the Tanzania National Development Vision 2050. It must articulate how short-term inputs (e.g., training workshops, advisory sessions, access to finance facilitation) lead to immediate outputs (e.g., number of SMEs trained), which then create intermediate outcomes (e.g., improved business practices, formalization, job creation), and finally contribute to long-term impact (e.g., increased SME contribution to GDP, poverty reduction, economic resilience). This roadmap ensures all services are purpose-driven and aligned with the strategic objectives of the NEEC and stakeholder partners.

Step 2: List Down What Impact Is to Be Measured

Based on the theory of change, EDCs must identify specific, tangible indicators for each level of result. Given the challenges SMEs face, impact measurement should move beyond simple participation counts. Key impact areas to measure include:

- **SME Growth & Resilience:** Changes in revenue, profit, assets, and number of employees; increased ability to withstand market shocks.
- **Formalization & Compliance:** Number of SMEs transitioning from informal to formal status, obtaining licenses, and complying with tax regulations.
- **Innovation & Technology Adoption:** Implementation of new business processes, adoption of digital tools for accounting or marketing, and development of new products/services.
- **Access to Finance:** Success in securing loans, grants, or equity investments as a direct or indirect result of EDC preparation and linkage.
- **EDC Operational Effectiveness:** Client satisfaction, cost-per-impact, and sustainability of the EDC's own business model.

Step 3: Choose the Level of Evidence

Given the resource limitations common to EDCs, a pragmatic approach to evidence is crucial. The level of rigor should match the EDC's capacity and the needs of its stakeholders (e.g., NEEC, funders).

- **Basic Level:** Relies on client testimonials, case studies, and self-reported data from participants (suitable for demonstrating early outcomes and client engagement).
- **Intermediate Level:** Incorporates pre- and post-intervention surveys, tracking of business metrics over time, and comparison of client performance against non-client benchmarks where possible.
- **Advanced Level:** Employs more rigorous methods like control or comparison groups to attribute changes more directly to the EDC's interventions, though this may require external partnership and significant resources.

Step 4: List the Sources of Your Evidence

EDCs must systematically identify where the data for each indicator will come from, leveraging both internal records and external partnerships to overcome data collection challenges.

- **Primary Sources:** EDC administrative data (attendance records, service logs), baseline and follow-up surveys with client SMEs, in-depth interviews, and focus group discussions.
- **Secondary Sources:** Client business records (financial statements, registration certificates), data from financial institutions on loan disbursements, and national SME survey data from the National Bureau of Statistics or the NEEC for contextual benchmarking.
- **Technology Tools:** Utilizing affordable digital survey tools, CRM systems, and mobile money data (with consent) can streamline data collection and improve accuracy, addressing the technology adoption challenge.

Step 5: Measure and Report the Impact

This final step involves consistent analysis and transparent communication. EDCs should:

- **Analyze Data Regularly:** Compare results against the baseline and targets set in the theory of change.
- **Create Impact Narratives:** Combine quantitative data with qualitative stories from SMEs to create a compelling and holistic report that illustrates both the scale and the human dimension of the EDC's work.
- **Report for Learning and Accountability:** Distill findings into clear reports for the NEEC, private sector stakeholders, and funders. Crucially, use the evidence internally to learn what works and what doesn't, enabling continuous adaptation of services to better meet SME needs and demonstrate the value required to mitigate funding instability. This process turns impact measurement from a compliance exercise into a core management tool for growth and sustainability.

4.3 The Simplified Logic Framework: SME Digital Transformation Program in Dar Es Salaam.

- **Objective:** To increase productivity, market access, and formalization of 100 SMEs in Dar es Salaam through guided technology adoption.

Framework Component	Description	Concrete Example for the Program
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INPUTS The financial, human, material, and partner resources invested.	The resources the EDC must dedicate or mobilize to run the program.	<ul style="list-style-type: none"> Funding: A grant of TZS 150 million from a development partner. Staff: 1 Program Manager, 2 Digital Advisors, 1 M&E Officer. Partners: MoU with a FinTech company & a cloud services provider for discounted rates. Materials: Training curriculum, digital toolkits, a computer lab.
ACTIVITIES The specific actions or tasks performed using the inputs.	The core services and work the EDC delivers.	<ul style="list-style-type: none"> Conduct needs assessments for each SME. Deliver a 12-week training series on digital literacy, financial tech (e.g., mobile money for business), and digital marketing. Provide one-on-one advisory sessions to select and implement a digital tool (e.g., accounting software, inventory management system). Host a "Tech-Finance Linkage Forum" with banks and FinTechs.
OUTPUTS The direct, tangible products or deliverables of the activities.	What is immediately produced or delivered.	<ul style="list-style-type: none"> 120 SME owners (60% women) complete training. 85 personalized digital adoption plans developed with advisors. 70 SMEs open a dedicated business mobile money account (e.g., M-Pesa Biz). 45 SMEs subscribe to and begin using a new digital business tool.
OUTCOMES The short-term and medium-term changes, benefits, or effects for the target group.	The changes in behavior, practice, or performance of the SMEs.	<p>Short-term (1-6 months):</p> <ul style="list-style-type: none"> Increased knowledge and confidence in using digital tools. Improved record-keeping and cash flow management. <p>Medium-term (6-18 months):</p> <ul style="list-style-type: none"> Formalization: 25 SMEs obtain business licenses or tax IDs, enabled by digital records. Efficiency: 40 SMEs report reduced operational costs/time due to new tools. Market Access: 30 SMEs launch social media marketing, reporting new customer inquiries.
IMPACT The long-term, wider-scale change the program contributes to.	The higher-level economic and social change.	<ul style="list-style-type: none"> Increased SME Contribution to GDP through higher productivity and formalization. Enhanced Economic Resilience of the SME sector to shocks (e.g., through digital market access). Progress toward Tanzania's Vision 2050 by

		fostering a more digital, innovative, and formalized economy.
INDICATORS Measurable signals used to track progress and success.	SMART metrics for outputs and outcomes.	<ul style="list-style-type: none"> - Output Indicator: <i>Number and % of female SME owners completing advanced digital finance modules.</i> - Outcome Indicator: *% of participating SMEs reporting a reduction in monthly administrative costs by 6 months post-training.* - Impact Indicator: <i>Average year-on-year revenue growth of participant SMEs vs. a non-participant control group.</i>
ASSUMPTIONS The external conditions or factors necessary for success that are outside the EDC's direct control.	What we believe to be true for the logic chain to hold.	<ul style="list-style-type: none"> - SMEs have basic mobile phone access and literacy. - The local digital infrastructure (internet/electricity) is sufficiently reliable. - SME owners are willing to change traditional business practices. - Affordable data packages remain available in the market.
RISKS & MITIGATION Potential events or conditions that could threaten success, and planned actions to reduce their likelihood or impact.	Proactive management of threats to the program.	<p>Risk 1: Low sustained adoption of digital tools post-training. Mitigation: *Implement a 6-month "check-in and support" booster program; create peer mentor groups among SMEs.*</p> <p>Risk 2: Key partner (FinTech) withdraws discounted offer. Mitigation: Diversify partner portfolio; sign formal agreements with clear terms; explore low-cost, open-source tool alternatives.</p> <p>Risk 3: Economic downturn reduces SME capacity to invest time/money. Mitigation: Scale program to focus on low/no-cost digital solutions; integrate with access-to-finance programs to provide microloans for tech investment.</p>

APPENDICES:

BUSINESS PLAN

Implementing Organization

Brief about the Organization
Ownership Structure etc
Purpose of the business Plan

Executive Summary

Vision and Mission

SWOT Analysis

Strategic Objectives (Short, Medium, and Long-term)

Business Model – Commercialization and Monetization of Product and Service

Marketing Plan and Stakeholder Relationship Strategies

Target Market - Beneficiaries - EO - Start Up
Target Market Specific needs
Target Market Positioning Strategies
Service Provision and Pricing

Governance, Management and Operation

Facilities
Entry and Exit Policies
Services and levels of Services
Relations with Other Role of the Board of Advisors (BoA)

Financial Management and Planning

Capital Budget
Operational Budget
Scenario and Sensitivity Analysis of revenue and expenses
Cash flow Projections
Profit targets

Risks Management Strategies

Social Impact Management and Sustainability

What will determine Impact and Outcome

How will the EDCs drive inclusivity and create opportunity for marginalized and underrepresented group etc?
How will EDCs contribute to achievement of Standard Development Goals and Tanzania / Country development vision?
How and How often will impact be measured
How will EDCs maintain its relevance and effectiveness

EDC SET UP CHECKLIST

Part III: Enterprise Development Centre (EDC's) Readiness Metrics (Go or No Go decision)

Date and Year:		
Name of EDC:		
Name of the organization owning the EDC:		
Regional and Country Name:		

Comprehensive Market Intelligence and Assessments		
Do you have reliable analysis of current state of the business environment in your region/ country?	Yes	No
Are the needs and challenges faced by women entrepreneurs in your region/ country clearly identified in the analysis?	Yes	No
Have you identified the potential users of the Centre?	Yes	No
Have you conducted a research among potential users of EDC for to identify their needs? (in case there is no available analysis)	Yes	No
Have you identified the interested parties from your region/ country?	Yes	No
Have you held interviews with interested parties from your region/ country for better understanding of the needs and gaps?	Yes	No
Have you organized interviews with portential users, successful business women for better understangting of problems they face in founding and running own buiness?	Yes	No

Who is your target user?		
Have you engaged your target users when designing your EDC and sought their views on potential services?	Yes	No
Have you ensured that your users match the activities you are providing by the EDC?	Yes	No
How you will market the EDC to users? What are the key benefits for them? Are there any success stories that you can use?	Yes	No
Have you define specific criteria your users should meet for to access the services provided by EDC?	Yes	No
Have you decided how to proceed if some of the candidates will not comply with defined critera? E.g. what kind of services will be delivered to women above certain age or running business for more than 5 year?	Yes	No

How many staff do you need?		
Will be the staff paid or volunteer?	Yes	No

What will happen if you won't be able to find enough volunteers?	Yes	No
What kind of staff roles will you need in the EDC? E.g. technical support, trainers, business advisors, facilitators, mentors?	Yes	No
Do your staff have the passion and commitment required to open a EDC and ensure its sustainability?	Yes	No

Number and type of staff		
Roles of each staff member	Yes	No
Responsibilities of each staff member	Yes	No
Required skills and capacity of each staff member	Yes	No
Type of involvement of each staff member	Yes	No

Defining the EDC Services and USP		
What kind of services will be provided through the EDC? (e.g. consulting, training, advisory, mentoring, events, workshops, networking, etc.)	Yes	No
Do you consider to make different stages for services (e.g. depending on level of business development)	Yes	No
What facilities will be needed for to deliver the services?	Yes	No
Do you already have any equipment that could be used within the EDC?	Yes	No
Are there any regional/ local services that could be co-located in the EDC?	Yes	No
Are you going to provide only virtual services (or on-site services as well)?	Yes	No
How will the current environment limit oportunities for your EDC?	Yes	No
Services to be provided by EDC:	Yes	No
Classification of stage of services:	Yes	No
Online services	Yes	No
Physical services	Yes	No

Existing Gaps and Opportunities		
Is there a skills gap in the region you are serving and how could the EDC help address that?	Yes	No
Do your staff have the relevant skills to support the EDC or will they need training?	Yes	No
What format will be used for delivering the trainings to users of the EDC? (e.g. webinars, workshops, masterclasses, bootcamps, etc.)	Yes	No
Can you deliver the services in Covid-19 safe environment?	Yes	No

Organize and determine entrepreneurship training:		
Format of the trainings	Yes	No

Topic of the trainings	Yes	No
Link with the skills gap	Yes	No

Ensuring space:		
Is there already a suitable space in the community you are serving? (e.g. higher educational institution, library, hall, co-working space, business centre, etc.) yes no	Yes	No
Is the building easy to access for your target audience? Is it close to transport links? 6.3 What type of space would service your target audience? How attractive is it to them?	Yes	No
Is there enough room for minimum required equipment? E.g. smart boards, stable internet connection, presentation equipment, etc.	Yes	No

Involvement of stakeholders:		
Who are the relevant stakeholders locally, regionally or nationally?	Yes	No
How they could be engaged and ensure that there is a strategic leadership?	Yes	No
What are the benefits of the Centre to them? E.g. tackling entrepreneurial competency gaps	Yes	No

Source of funding:		
Where will your initial funding come from? E.g. private investment, regional development funds, national and/or local public funding, fees	Yes	No
Do you have sufficient funding to cover start-up and running costs?	Yes	No
Will you implement a fee-based system to fund or subsidize the cost of running the EDC? Is this a feasible approach for your target audience?	Yes	No
If you have public grants to support the EDC, is this available only for a limited period? Have you considered a sustainability strategy to ensure that the Centre can continue to operate after the funding ends?	Yes	No

Funding of EDC:		
Source of funding:	Yes	No
Funding Model	Yes	No
Financial Plan	Yes	No

Ensuring of sustainability:		
How will your EDC be funded in the future? E.g. Public grants, private investment or fee paying users	Yes	No
How will you mitigate risks around future funding?	Yes	No
Do you have a marketing strategy to encourage people to continue to use the EDC?	Yes	No
How can your EDC attract new SMEs or businesses to the area?	Yes	No

Have you considered future diversification? Do you intend to continue to offer the same services, or will EDC change and develop to fit with changing business environment and the needs of end-users: SMEs?	Yes	No
Does the staff have sufficient understanding of the technology and equipment to enable them to maintain and replace it over time?	Yes	No
How will the EDC ensure improving the skills of own staff so they could respond to the changing environment?	Yes	No

Sustainability:		
Marketing strategy:	Yes	No
Strategy for sustainability of EDC	Yes	No

Networking		
How are you going to address and get another organizations and businesses?	Yes	No
Do you have the necessary tools for to raise awareness?	Yes	No
Do your staff have the relevant skills to organize raise awareness campaigns or will they need training	Yes	No

PROPOSED ORGANIZATION STRUCTURE

Resource Name and Title	Overall Responsibility and Expected Output	Skillset	Involvement	Renumeration & Compensation Structure
General Manager	Overall management of the EDC; Management of the team Creating a network of potential stakeholders that will support regionally the EDC; Develop a pool of experts that can be called to support the young team Keep the regular contact with the other EDC Managers to stimulate transnational collaboration; Valorize the activities of the Center and the profile of the young entrepreneurs via social media and other communication tools and channels	Project Management and Leadership Experience	Full-time or part-time employee	Fixed Pay or whichever is applicable, considering the status of the organization
EDC Centre Manager & Community Manager	Daily coordination of the activities of the EDC; Organization of recruitment campaign for SMEs; Organization of events and dissemination campaigns; facilitate; Bring local knowledge Be a contact person Ensure community needs are valued and understood. Regional/local Perspectives, networking, community building Engagement Coordination of implementation of EDCs programmes	Project management, coordination, Knowledge, Relationships, Support	Full-time or part-time employee	Fixed Pay or whichever is applicable, considering the status of the organization
Expert / Advisor /	Bring expertise in different topic such as: entrepreneurial skills, business plan, financial, marketing, etc and vertical sectors: such as digital, e-health, IoT, tourism, energy, etc. Assist in identification of the SMEs needs in the region; Consulting of SMEs Implementing of Financing advisory programme	Knowledge in specific topics,	Full-time or part-time employee	Variable on delivery of service or whichever is applicable, considering the status of the organization

	Implementing Entrepreneurship Programme			
EDC Specialized Trainer / Subject Matter Expert	Delivering the training programmes Attending workshops, organization of training session and webinars	Training	External/ volunteers	Variable on delivery of service or whichever is applicable, considering the status of the organization
Business Mentor / Coach	Delivering and implementing the mentoring programme Community building and networking	Training, consulting, mentoring	External/ volunteers	No Pay, Stipend or whichever is applicable, considering the status of the organization

Name of EDC, Place of Est.	Raiz Corporation, South Africa
Brief about RaizCorp	RaizCorp offer world-class business incubation and <u>business acceleration</u> for entrepreneurs, we execute (ESD) programmes on behalf of corporates, we also train corporate leadership teams and sales teams to think more entrepreneurially, we provide curated scale-up equity (investment) to entrepreneurs who are scaling their businesses, we also educate school children to become more entrepreneurially minded, and finally we assist governments and developmental agencies to set up entrepreneurial infrastructure at a country level.
Year of Experience	25 years in operation, since 2000, 6+ countries
Ownership structure	Private Owned
Core BDS service offering	Incubation, Coaching, Support, Finance and Accounting, SDP, Information, Market and Finance, Skills Development, Rural development, etc
Governance Structure	Board of Advisor – Auditor then management, Training, Star rating and scored
Business Model	Programs design and promote the programs to corporate – corporate sponsorships and DFIs, Project and Enterprises
Funding Model	Program and Project fee, Training fee, Dividends flow from Investment, Profit share, Fees, etc No government funding since inception.
Management structure and Operations	CEO, CFO, COO, and 9 Management, and over 140+ supporting staff in different roles.
Impact and sustainability Model	Jobs creation FTEs, Turnover growth, Profit, new product development, etc
BDS Entrepreneur Journey	Gap, program, impact
Outreach Program	Marketing and promotions, social media, partnership, TV shows, In person, Walk in and official Website

Name of EDC, Place of Est.	SNDBX Kenya Limited, Nairobi Kenya
SANDBX Kenya brief	As a business support hub, SNDBX hosts 35 experts in different core non-compete disciplines that every business needs, including legal, HR, PR, marketing, finance, and more. SNDBX experts are available to work with businesses on a variety of levels, from one-off consultations to ongoing retainers.
Year of Experience	4 years, since 2020 grown to 3 countries Africa and America!
Ownership structure	Private LLC, the entity has also a foundation as its subsidiary – Ubuntu Foundation.
Core service offering	Professional Enterprise Support Services
Governance Structure	Board of Advisors, Trustees – Management, CEO and 6 people supporting the management.
Business Model	Provision of enterprise development services and projects all undertaken by non-competing professionals and experts. The additional services include events, conferences and programs. The Organization takes economic benefits from all avenues.
Funding of EDC	Grants from Donors for the non-profit and fees from space, experts, entrepreneurs and project fees from the private enterprise.
Management structure and Operations	The management consists of 7 key people, CEO is the head of the entity, management and support staffs.
Impact and sustainability Model	The key impact metrics the EDC focuses on are Profitability, Revenue growth for SMEs, and job creation and Operational efficiency. The EDC revenue is made of recurring revenue – 60% and new project – 40%.
BDS Entrepreneur Journey	The first step is to establish RCA through Identify challenge, Develop Interventions and Re-engagement. The EDC uses NPS to manage entrepreneurs' impact and satisfaction.
Outreach Program	Social media, Events, word of mouth and face to face marketing, Independent

Name of EDC, Place of Est.	The Arena of Taking Charge “TAOTIC”
TAOTIC EDC Brief	TAOTIC is an award-winning local ecosystems-based social-tech innovation hub and venture building partner for supporting ambitious post-secondary youth in Tanzania and across Africa to directly transition into becoming social-tech startup founders, co-founders and founding employees and providing them with follow-on voucher-based financing venture building partnership opportunities to bootstrap their social-tech startup projects into profitable, high-impact market leading scaleup ventures. TAOTIC has been registered as an NGO dealing as a not-for-profit social enterprise.
Year of Experience	2022
Ownership structure	Non-Government Organization (NGO's)
Core service offering	Provide guidance for innovation driven enterprises – through curriculum, 40 weeks, from ideation, working space, administration services, secretarial services – all Free of charge.
Governance Structure	Ultimate decision-making General meeting, 4 board members including the CEO and 3 non-executive members.
Business Model	Project based, Consulting services through for profit private enterprises owned by the NGO,
Funding of EDC	Donor Funding, Project revenue, and Voucher based revenue share agreement from enterprises.
Management structure and Operations	Team of 3 people Management – CEO, Business Development Manager, and the Hub Manager and 4 supporting staff
Impact and sustainability Model	Generating revenue, Number of job created after post revenue and new customers reached or acquired
Sector	Fours sectors – Agritech, Healthtech, Greentech, EdTech, Clean energy, Mobility, and transportation etc
BDS Entrepreneur Journey	Three month program – 14 weeks Structured Acceleration program,
Outreach Program	University and Campuses - innovation driven social entrepreneurship to university communities

SAMPLE APPLICATION LETTER

DATE

Chief Executive Officer (CEO)

The National Economic Empowerment Council (NEEC)
Nzuguni - Nanenane Grounds,
P.O.BOX 792 Dodoma, Tanzania

Dear Sir / Madam,

RE: APPLICATION FOR ENTERPRISE DEVELOPMENT CENTRES (EDCs)

I/We, the undersigned, hereby apply to establish/carry out an Enterprise Development Centre (EDCs) business in Tanzania to be known as.....with principal place of business at

In support of this application, I/we submit herewith the documents listed in the accompanying checklist.

I/ We certify the correctness of all the information indicated in such documents to the best of my/our knowledge and belief.

Yours faithfully,

Juma Mamboleo

General Manager

(Designation of the Authorized Officer)

EDC COMPANY
SEAL

IMPACT AND SUSTAINABILITY METRICS

Key Impact Metric	202X	202X	DELTA, %	Observations, Insights, Key Drivers
- Total number of Jobs Created				

- Total Number of SMEs have grown their revenue				
- Number of Gender lens intervention designed				
- Number of SMEs have managed to export their product to new markets				
- Total number of financial literacy training Provided				
- Total Number of Fund established				
- Total number of new products launched				
- Total number of SMEs that have accessed new supply chain opportunities				
- Market linkages established				
- Total number of women owned business reached				
- New JV established between SMEs and Corporates				
- Total fund accessed by SMEs				
- Number of businesses funded				
- Number of Small Business formalized				
- Improvement of financial metrics E.g RoE, RoA, NPL,				
- Improvement of NPS				
- Number of business acquired International certification, ISO				

PROVISION CERTIFICATION LETTER



LICENCE NUMBER XXXX/EDC/XXXXX

CERTIFICATE TO CONDUCT ENTERPRISE SUPPORT SERVICES

THIS CERTIFICATE IS ISSUED
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Of
XXXXXXXXXXXXXXXXXXXXXXXXXXXX

(Address) and authorizes the said institution to conduct or carry on Enterprises Support Services business in Mainland Tanzania.

This certificate is issued subject to the provisions of the Enterprise Development Centre Guideline, 2025 and the conditions outlined in our letter with reference

Dated this XXXXXXXXXX day of XXXXXXXXXX 202X

Executive Director
National Economic Empowerment Council (NEEC)

UNDERSTANDING KEY TERMS

Enterprise Development Centre Guideline	Guideline in the enterprise development center context is defined as a general rule, principle, or piece of advice that provide framework for establishment, operationalization, management, governance and of enterprise development centers in Tanzania.
Enterprise Development Centres	Enterprise Development Centers (EDCs) are business advisory and support facilities designed to support the growth of small businesses, start up, small business owners, and aspiring entrepreneurs. EDCs aim to promote the growth, sustainability, and resilience of small businesses in Tanzania.
Private Equity	Venture Capitalist (VC) is a private capital investor who provides capital to companies with high growth potential in exchange for an

	equity stake in the company or SMEs. EDCs can provide operational support to SMEs and VC funds. Further EDCs can facilitate linkages between VC and SMEs, more broadly EDCs can also form a VC Fund. In Tanzania the Venture Capital and Private Equity market is regulated by CMSA. (Private Equity and Venture Capital) Regulations, 2024.
Venture Capitalist	Venture Capitalist (VC) is a private capital investor who provides capital to companies with high growth potential in exchange for an equity stake in the company or SMEs. EDCs can provide operational support to SMEs and VC funds. Further EDCs can facilitate linkages between VC and SMEs, more broadly EDCs can also form a VC Fund. In Tanzania, the Venture Capital and Private Equity market is regulated by CMSA. (Private Equity and Venture Capital) Regulations, 2024.
Concession Loan	A concessional loan is defined as a loan with more generous terms than market loans. These generally include below-market interest rates, grace periods in which the loan recipient is not required to make debt payments for several years, or a combination of low interest rates/grace periods.
Enterprise Development Centres (EDC)	Enterprise Development Centres can be public or private run and operated enterprises set up under an existing national legal framework that provides Business Development Services directly to Small Enterprises, Entrepreneurs and aspiring business owners. There is a wide range of names for similar structures in the world.
Letter of Intent (LoI)	A letter of intent (LOI) is a document declaring a party's preliminary commitment to do business with another.
Debt	Debt is the money borrowed by one party from another to serve a financial need that otherwise cannot be met outright. EDCs can provide debt and other financial services to SMEs. EDCs can use debt instruments to fund their operations.
Equity	Financial Equity represents the shareholders' stake in the company, identified on the company's balance sheet. EDCs can raise additional equity in their operations, EDCs can also help SMEs to raise equity in the public and private market as well. Further, EDCs can provide capacity building support on fundraising for SMEs that are looking for funding.
Grant fund	The grant fund is an amount of money that a government or other private institution gives to an individual or to an organization for a particular purpose such as education or home improvements. In the context of EDCs – grant funding are funding designed to support the services of EDCs or fund provided to beneficiary supported organizations – small businesses.
Business Model	Business Model is defined as the small enterprise core strategy for profitably doing business. The business Models generally include information like products or services, the business plans to sell, target markets, and any anticipated expenses. The two essential levers of a business model are pricing and costs.

Philanthropic Capital or Investment	Philanthropic impact investment aims to create impact by supporting social enterprises building viable organizations and unlocking sustainable social innovations. Philanthropic investments funds are not looking for commercial returns from their investments.
Standard Operating Procedures (SOP)	The standard operating procedure (SOP) provides step-by-step instructions needed to perform specific tasks consistently and efficiently. In the context of EDC, the SOP are procedures, recommendations and acceptable norms during the operationalization of EDCs. Typically, the SOP are go-to guide for ensuring impact is achieved in accordance to globally acceptable standard.
Revenue Sharing	Revenue sharing is about distributing profits and losses to key stakeholders. It is guided by a revenue sharing policy that details how the company's revenue is to be shared among investors and stakeholders.
Key Performance Indicators (KPI)	Key performance indicators (KPIs) are quantifiable measurements used to gauge a company's overall long-term performance. EDCs can agree a set of KPIs with SMEs as part of their agreed deliverables specifically help determine the impact of strategic, financial, and operational interventions.
Enterprise Impact Assessment	Enterprise Impact assessment involves the assessment of long-term and/or significant changes brought about through a development intervention or series of interventions by the EDCs to the Enterprises. It can be carried out through many different tools, methodologies and approaches. The focus for enterprise impact assessment is on change, and pathways towards change, rather than on activities or deliverables.
Intellectual Property Rights (IPR)	Intellectual property (IP) refers to creations of the mind, such as inventions, literary and artistic works, designs, and symbols, names and images used in commerce. By striking the right balance between the interests of innovators and the wider public interest, the Intellectual Property system aims to foster an environment in which creativity and innovation can flourish.
Business Sustainability	Sustainability in business refers to a company's strategy and actions to reduce adverse environmental and social impacts resulting from business operations in a particular market.
Incubation Programs	The Incubation center are specialized platform or centers that are responsible for nurturing innovative ideas by handholding the small businesses and founders through the business proposal stage, identifying the target market, creating a minimum viable product/service, technological guidance, industry exposure, pre-launch activities, consumer feedback and exposure to the investor community.
Start Up	The term "startup" refers to a company in the early stages of its operations. Startups are founded by one or more entrepreneurs who want to develop a product or service for which they believe there is

	demand. These companies generally launch with high costs and limited revenue, which is why they look for capital from a variety of sources such as angel investors and venture capitalists. Startups typically require several years to make a profit, so significant, high-risk investments typically are needed to get one off the ground.
Business Lifecycle	The business life cycle is the progression of a business in phases over time and is most commonly divided into five stages: launch, growth, shake-out, maturity, and decline.
Innovation Centres	The innovation centre is a dedicated space or platform where organizations of any kind can foster creativity and development, often resembling labs or makerspaces.
Incubation Hubs	The small business or startup incubator or incubation Centre is a specialized organization or space, or platform created to develop and support entrepreneurs and early-stage enterprises throughout their formative years of establishments. These facilities offer a variety of tools, services, and a supportive setting that help businesses grow and develop more quickly
Minimum Viable Product (MVP)	The minimum viable product (MVP) is defined as a new product that is used to validate customer needs and demands prior to developing a more fully featured product. To reduce development time and effort, an MVP includes only the minimum capabilities required to be a viable customer solution
Small Enterprises	In the context of small business development, we define the define formalization as the process of registering with all relevant authorities and the state of operating the business withing the legal and regulatory framework. SMEs formalization in many countries entails registering with tax authorities, though in some countries these processes are separate, with eligibility for taxation based on firm size or other criteria.
Private Equity	Private equity is ownership or interest in entities that aren't publicly listed or traded. A source of investment capital, private equity comes from firms that buy stakes in private companies or take control of public companies with plans to take them private and delist them from stock exchanges
Crowd funding platforms	Crowd funding involves raising small amounts of money from many individuals to finance a new business venture. The crowd digital funding platform leverages the wide reach of social media and crowdfunding websites to connect investors and entrepreneurs, potentially increasing entrepreneurship by expanding the pool of investors beyond the traditional circle
Sustainable Development Goals (SDGs)	The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others,

	and that development must balance social, economic and environmental sustainability.
Commercialization	Commercialization is the process of bringing new products or services to the market. The broader act of commercialization entails production, distribution, marketing, sales, customer support, and other key functions critical to achieving the commercial success of the new product or service
Environmental, Social and Governance (ESG)	Environmental, social and governance (ESG) is a framework used to assess an organization's business practices and performance on various sustainability and ethical issues. It also provides a way to measure business risks and opportunities in those areas. In capital markets, some investors use ESG criteria to evaluate companies and determine their investment plans, a practice known as ESG investing. While sustainability, ethics and corporate governance are generally considered to be non-financial performance indicators, the role of an ESG program is to ensure accountability and the implementation of systems and processes to manage a company's impact, such as its carbon footprint and how it treats employees, suppliers and other stakeholders.
Outcome Fund (OF)	Outcome Fund is a dedicated funding to pay for social outcomes. Outcomes funds pool funding to financially reward the successful delivery of outcomes. Disbursal of funding is contingent on results.
Africa Development Bank (AfDB)	The African Development Bank Group is a multilateral development finance institution, headquartered in Abidjan, Ivory Coast since September 2014. The AfDB is a financial provider to African governments and private companies investing in the regional member countries. AfDB supports enterprise development and private sector work across Africa. This EDCs guideline has been made possible by the support and financial generosity of AfDB.
Business Development Services (BDS)	Business development services (BDS) refer to a wide range of non-financial services used by entrepreneurs and small businesses to help them improve the performance of their businesses, access to markets, access to information, and ability to build a competitive business. In the context of EDCs – EDCs provide the BDS services to small and medium businesses to help them grow and become sustainable.
Business Member Organization (BMO)	Business Member Organizations are voluntary associations bringing together businesses, usually though not always, from a specific business sector to pursue common objectives. Sometimes businesses in a specific geographic area come together to form an association, usually known as a Chamber
Full-Time Employees (FTE)	Full-time Employees employed on average at least 30 hours of service per week, or 130 hours of service per month / Permanent Employee, It is the opposite of casual labors or
Business Support Organization (BSO)	Business Support Organizations (BSO's) are usually nonprofit, public and for-profit resource organizations that serve local businesses by

	providing support to SMEs to unlock their growth and success. BSOs help SMEs connect to talent, find co-working space, find co-partners, and test and validate business ideas. BSOs offer both services and network access and more. BSOs can work with EDC's and they can also become EDCs.
Capacity Building	Capacity-building is defined as the process of developing and strengthening the skills, instincts, abilities, processes and resources that organizations and communities need to survive, adapt, and thrive in a fast-changing world. EDCs provide necessary capacity building services to enable small businesses to become competitive in the market.
Community Based Organization (CBOs)	Community-Based Organizations (CBO's) are typically non-profit entities that operate within a specific community or geographical area, aiming to address local needs and improve the well-being of its residents. CBOs can own and operate EDCs to support entrepreneurs in the local communities. CBOs can also support independent EDC's within their localities.
Impact Investments	Impact investing is defined as making investments to help create beneficial social or environmental effects while also generating financial return from the investments.
Enterprise Development Agency (EDA)	Enterprise Development Agency are the organization mandated and responsible for the development and growth of small enterprises. EDA provided policy framework, legal structure, operational environment, and sometime even funding to support SME growth. EDCs can work with EDA to implement programs that seek to support SME growth.
Virtual Enterprise Development Centre (VEDC)	Virtual Enterprise Development Centre (VEDC) is an online visual business support, advisory, mentorship, coaching and investment platform for small enterprises, SMEs, and for start-up. This VEDC platform removes geographical and economic barriers that keeps small businesses and entrepreneurs out of the economic mainstream. VEDC facilitate an ecosystem of interaction, collaboration and access to information.
Gross Domestic Product (GDP)	Gross domestic product (GDP) is the economic terms that measure the value added created through the production of goods and services in a country during a certain period. Consequently, GDP also measures the income earned from that production, or the total amount spent on final goods and services (less imports). By helping SMEs build and grow the businesses EDCs contribute directly to the growth of the country's GDP.
Gender Lens Investment (GLI)	Gender lens investing is the integration of gender analysis into a new or existing investment process for better social, economic and financial outcomes.
Information Communication Technology (ICT)	The adoption of information and communication technology (ICT) in small- and medium-sized firms (SMEs) is rapidly increasing across the world. However, the implementation of ICT in SMEs is hindered by

	constraints, such as limited financial resources, lack of ICT knowledge, and reluctance to change. EDCs can help SMEs adopt, embrace, and transition their operations to be IT driven by training and capacity building programs.
Monitoring and Evaluation (M&E)	In the context of EDCs – the monitoring and evaluation (M&E) framework provided an opportunity for continuous management function to assess if progress is made in achieving expected results – after the interventions has been administered. It also provides and opportunity to spot bottlenecks in implementation and to highlight whether there are any unintended effects (positive or negative) from an enterprise development plan.
Microfinance Institutions (MFI)	In the context of EDCs Microfinance Institutions, also called microcredit, is a type of financial service provided to small businesses, entrepreneurs, or groups who otherwise wouldn't have access to financial services. The Tanzania microfinance institutions are guided by BOT. The Microfinance Act No. 10 of 2018 ("The Microfinance Act") requires all microfinance service providers to obtain license to operate as such from the Bank of Tanzania ("BOT") or any other regulatory body delegated by the BOT to issue such license. EDCs that may wish to provide financial services to MSMEs must comply with the relevant laws.
Micro Small Medium Enterprise (MSMEs)	Micro, Small, and Medium Enterprises are the backbone of Tanzania economy accounting to nearly 80% of the national GDP. SMEs are businesses whose personnel and revenue numbers fall below certain limits. SMEs are characterized by lack of funding, weak governance structure, low level of formalization, and high operational cost among other things.
Crowd funding	Crowdfunding is a way of raising money to finance projects and businesses. It enables fundraisers to collect money from a large number of people via online platforms. Crowdfunding is most often used by startup companies or growing businesses as a way of accessing alternative funds
National Economic Empowerment Council (NEEC)	National Economic Empowerment Council, NEEC was established in 2005 to oversee the implementation of the National Economic Empowerment Act of 2004. The EDCs guideline has been developed with NEEC as part of NEEC contribution in building robust small and medium business economy.
Non-Government Organization (NGOs)	Non-governmental organization, or NGO, is an organization established by a group of individuals or community that wishes to pursue certain goals and aspirations for the benefit of the community where it operates. NGOs can own, manage, operate, support or fund EDCs. EDCs can work with NGOs to advance social and economic aspiration of both entities.
Public Private Partnership (PPP)	PPP stands for Public Private Partnerships. The PPP concept in relation to EDCs involve collaboration between a government agency, a for profit private-sector company or non-government organization that

	can entail joint funding, operationalization, ownership and building of EDCs or a working arrangement in relation to management and operationalization of EDCs.
Research and Development (R&D)	In the context of EDCs Research and development (R&D) is encompasses the activities that undertaken by EDCs to help SMEs innovate and launch new product or services. Further it also entails value and additional activities undertaken by EDCs to serve the need for SME ecosystem.
Terms and Condition (T&C)	Terms and Conditions set out the terms that apply to the relationship, and the conditions that must be met by both parties, such as what the EDCs services will cover and what services will not be covered during the interventions, it also provide for what rights and obligations of SMEs during the interventions.
Angel Investor	Angel investor is an early-stage investor in a startup. These investors provide seed money, usually in exchange for ownership equity in the company.
Impact Bond (IB)	Impact bonds (IBs) are outcomes-based contracts. They use private funding from investors to cover the upfront capital required for a provider to set up and deliver a service. The service is designed to achieve measurable outcomes specified by the commissioner
Terms of Reference (ToR)	Terms of Reference (ToR) document defines all aspects of how EDCs will implement a particular enterprise intervention or program. Further it defined the relationship between interested parties.
Theory of Change (ToC)	The theory of change is defined as the method that explains how a given intervention, or set of interventions, are expected to lead to a specific development change, drawing on a causal analysis based on available evidence. Theory of Change is essentially a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context.



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