





# Green Recycling Enterprises Engaging in New Technology for a Circular Economy in Zambia (GREEN Tech4CE)

Empowering Zambia's Circular Economy through Innovation and Technology.

## SUMMARY

The Green Recycling Enterprises Engaging in New Technology for a Circular Economy in Zambia (GREEN Tech4CE) project is dedicated to fostering sustainable and inclusive economic growth in Zambia. The project aims to promote sustainable practices by supporting the development of start-ups and MSMEs within the green, circular economy and digital sectors and that want to green or make circular their business models. Through comprehensive technical and financial support, GREEN Tech4CE will drive innovation, create employment opportunities, and facilitate economic diversification. This project operates under the broader Green Economy Promotion and Diversification (GEPD) Programme, which seeks to address Zambia's economic vulnerabilities and environmental challenges. Together, these initiatives strive to build a resilient and sustainable future for Zambia.

The project supports the implementation Zambia's Green Growth Strategy launched in March 2024 to generate economic growth that is also socially inclusive and environmentally sustainable.

## **OBJECTIVES**

The intervention logic of the GREEN Tech4CE project is based on a market systems approach aimed at overcoming the challenges MSMEs face to develop a sustainable green, circular, and digital (GCD) economy. The project intends to enhance MSMEs' capacities through technical assistance and financial support, linking value chains associated with critical raw materials and increasing market awareness and access for GCD products. By improving the availability and diversity of financial products for MSMEs and fostering public-private learning and policy advocacy, the project seeks to attract more investments and facilitate MSME growth in Zambia's GCD economy.

The project aims to enhance technical, economic, social, and political impacts through:

- Providing technical assistance and financial support to 800 MSMEs in different stages of their development;
- Facilitating the development of sustainable GCD companies, including in Critical Raw Material;
- Facilitating access to finance through linking with impact and venture investors and through connection with EU and Zambian financial sector;
- Encouraging the inclusion of women and youth entrepreneurs in GCD sectors;
- · Improving the management capacities of MSMEs;
- Strengthening value chains and market linkages and ensuring follow-up to EU-organised Business Fora;
- Promoting innovation through support to start-ups and setting up of 2 "FabLabs" to test new products;
- Collaborating with government bodies and the private sector to create enabling policies for the GCD economy.



#### **FUNDED BY:**

**European Union** 



#### **PARTNERS:**

# Government of the Republic of Zambia (GRZ)

- Ministry of Green Economy and Environment (MoGEE)
- Ministry of Small and Medium Enterprise Development (MoSME)
- Ministry of Commerce, Trade and Industry (MoCTI)
- Ministry of Technology and Science (MoTS)

# Private companies operating in Zambia

- Firms in the green, circular and digital economy
- Impact investors and other non-bank financial service providers
- Business Development Service Providers

#### **Implementing Partners:**

Self Help Africa in consortium with:

- Imani Development (International) Ltd
- · Prospero Zambia Ltd
- Tandem Circular Consulting Ltd



#### **TOTAL BUDGET:**

EUR 22,700,000

EU Allocation: EUR 22,700,000



#### **DURATION:**

July 2024 - June 2028



# PROJECT REGION IN ZAMBIA:

Nationwide, with a focus on urban areas and key economic development corridors.

Under Component 2 of the "Green Economy Promotion and Diversification (GEPD) Programme

## **EXPECTED RESULTS**

- Support and Development: 550 start-ups and micro-enterprises will receive technical assistance and grant support for business development.
- Economic Growth and Market Access: 330 start-ups and micro-enterprises and 250 SMEs will access local, regional, and international markets. Impact Investors/Venture Capital will develop and provide access to financial options for GCD MSMEs, jointventures and start-ups thus helping diversify the investment landscape. At least EUR 20m of new investment for GCD MSMEs and start-ups is envisaged.
- Job creation: The project aims to create 2,000 new full-time equivalent (FTE) jobs and sustain 4,000 existing FTE jobs within the targeted MSMEs, generating a significant economic impact for employees and their households.
- Enhanced Skills and Capacities: 500 individuals from targeted MSMEs will complete specialised training and attain relevant qualifications through courses and modules in circular economy and financial, digital, and management literacy - this will include advising on curricula improvements for TVET qualifications related to circular economy. 8-15 BDSPs will be supported, through grants, to enable them to support MSMEs and start-ups in the GCD economy and to develop their operational capacity. Two FabLabs will be established for design/prototyping at a relevant public or private sector training institution or innovation hub.
- Social Inclusion: The project will target 50% women and 75% youths as participants, enhancing their participation in sustainable GCD economies.
- Policy and Enabling Environment: Engage with government bodies to create an enabling environment for MSMEs and the GCD economy. This will involve fostering public-private sector dialogue and developing policy briefs with recommendations for supportive policies.

### **KEY APPROACHES**

The key approach of the GREEN Tech4CE project is to support the growth and success of small and medium businesses by providing expert advice and funding. Financial support to Zambian companies via matching grants will total EUR 15.7m.

The project involves collaboration with various stakeholders, including the government, businesses, and consumers, to foster sustainable and positive changes in the green economy. It employs a blended financing model, combining project funds with business contributions to stimulate further investment and commitment. The project adopts an adaptive management approach, continuously improving based on feedback and new information to address the needs of businesses and the community. It emphasises the inclusion and support of women and youth, helping them overcome barriers to participating in the green economy. Additionally, the project engages businesses in developing their plans and involves them in project activities to ensure their needs are met and challenges are effectively addressed.

SO1: To attract more investment and facilitate growth of MSMEs in the green, circular and digital economy in Zambia.



 $\bigcap^{\circ}$  **OP1.1. & OP1.2.** Increase skills and capacity in the GCD economy.



OP1.3. Increase in number of financial products available to GDC MSMEs.



**OP1.4.** Private-public engagement to influence standards and practice.

digital economy in Zambia.



**OP2.1.** To attract more investment and facilitate growth of MSMEs in the green, circular and digital economy in Zambia.



SO2: To increase skills and capacity in MSMEs in the green, circular, and





OP2.2. To improve formalisation, consolidation, and management capacities MSMEs, particularly youth and women-led, promoting expansion into GED.



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Impact (Overall Objective) Accelerate growth in Zambia through creating and sustaining green, circular, and digital economic opportunities for SMEs, women, men, and youths.