Trade is vital to a growing economy, but income inequality between the rich and poor can prohibit people from experiencing better lives.

By capitalizing on the booming agricultural sector in the East African countries of Tanzania, Kenya, Rwanda, Burundi and Uganda, MEDA will seek to increase trade so all people can experience the economic benefits of a booming economy.
Background

Across the East African Community (Tanzania, Kenya, Rwanda, Burundi, Uganda), countries and households are experiencing significant economic gains, but the benefits are not shared by all. The World Bank reports that while income inequality between the rich and poor exist around the world, the inequality is twice as great in Sub-Saharan Africa as a whole.

Increased trade between East African Community (EAC) members will stimulate greater growth in the region, and small businesses have a significant role to play in providing the infrastructure, products and other supports that can advance regional trade.

But small businesses often lack the business capacity to attract the commercial investment needed for growth. And small business growth often takes place without addressing environmental and social constraints.

MEDA’s Assessment

MEDA (Mennonite Economic Development Associates) along with an investment partner, SEAF (Small Enterprise Assistance Fund), will spur economic growth in East Africa by attracting investment to small and medium enterprises that contribute to cross-border trade between EAC members, particularly in the agricultural sector.

The program will:

• Increase investment in small and medium enterprises in Sub-Saharan Africa with an emphasis on growth through trade and agriculture;
• Support the launch of an East African investment fund with clear social, environmental and economic impacts;
• Build capacity among small businesses in trade and environmental areas and social (including gender) concerns; and
• Demonstrate the opportunity and returns possible in East Africa through small business investments.

Outcome | 4 Year Project Budget

- 4,000 new jobs in targeted small businesses
- 60% increased trade related to agricultural products and services
- 35% increased trade among investee small businesses

Quick Facts

- Countries: Tanzania, Kenya, Rwanda, Burundi, Uganda
- GDP per capita (USD): $769
- Population: 143.5 million
- Agriculture: 28% of GDP
- GDP: $110.3 billion

INVESTEES
- MEDA
- SEAF
- USAID

$2M
$42M
$2.4M
$1M

10/2015