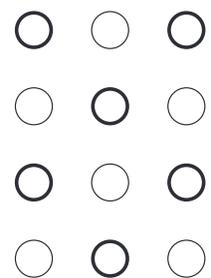




CDE GREAT LAKES:

Inspiring hope and making entrepreneurship affordable





“It is possible.”
CDE’s fight to clear
a path for small business
owners to flourish



How a think tank is paving a path for prosperity by bringing hope, possibility to Burundian entrepreneurs

Burundi ranks near the bottom of all countries on important indicators such as income and business climate, but its people are filled with an entrepreneurial spirit. The Centre for Development and Enterprises - Great Lakes (CDE Great Lakes) fought to dramatically reduce the licensing costs to become a legitimate business, which was an insurmountable barrier to many would-be business owners. The group has also created programs to train and educate the country’s next generation of entrepreneurs, which will help stimulate Burundi’s economy and lift up its people.

About the Centre for Development and Enterprises – Great Lakes

CDE Great Lakes or CDE, fights to reduce the obstacles to prosperity and opportunity market in Burundi, Rwanda, and the DRC,

based on the principles of a free society and free market.

Burundi is among the worst-ranked countries in the World Bank’s flagship “Doing Business Index,” which ranks nations based on the ease of doing business. Political volatility and a corrupt, extremely centralized government has created a difficult economic environment for anyone not affiliated with or loyal to the ruling class.

Changing this bleak entrepreneurial landscape means changing the law and giving people the tools they need to succeed.

That’s why CDE Great Lakes launched its Birashoboka project. The term “birashoboka” is a local Kirundi word from Burundi that means “It is possible.” Through this project, CDE Great Lakes is training the next generation of Burundian social entrepreneurs and fighting to make the country’s laws and economic climate fairer and riper for their success.

Key Takeaways

CDE Great Lakes’ work proves that nothing is impossible if you’re willing to fight, even in countries facing extreme economic and political challenges to freedom. Their story offers lessons on how to:

- Lead by example, giving people faith that change can happen in their own lives
- Bring together all key stakeholders to educate all parties on the merits of a policy change
- Overcome fears of speaking out in the face of authoritarianism by leading with research and a strong media campaign, then following up with coalition building

Here's how CDE Great Lakes changed the landscape for business development in Burundi:

- Their work successfully led to the Burundi government cutting the cost of a business license to a fourth of its initial price tag, from US\$78 to US\$22 (140,000 francs to 40,000 francs, Burundian currency). The groups also provided training for more than 1,500 entrepreneurs, giving them the knowledge they need to successfully navigate their new business ventures.
- CDE Great Lakes has trained and educated more than 1,500 entrepreneurs on the specific challenges they face.
- The people of Burundi believe reform is possible and have been inspired to kickstart the next wave of entrepreneurship in their country.

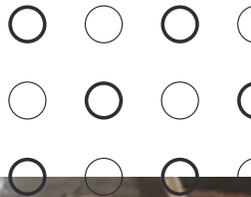
THE CONTEXT: From poverty to prosperity—why entrepreneurship matters

In many African countries including Burundi, there is little to no economic competition because the only businesses that exist do so with the blessing of a corrupt government.

These businesses bribe officials and maintain market power, resulting in high prices that cause consumers to suffer and a marketplace most citizens are locked out of. Large monopolies have no incentive to innovate, so wages stay low and these business owners share huge profits with their government allies.

On the other hand, in countries where the market is open and the rule of law enforced, business dynamism increases and people from other countries begin flocking to those regions. This was true for South Africa when it was thriving—people from all over sub-Saharan Africa went to South Africa to work, to shop, and go to university.

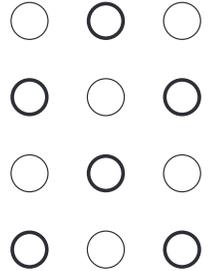
Meanwhile, Burundi is one of the world's poorest and most corrupt countries. A turbulent and overreaching government make life unpredictable and upward mobility challenging. Perhaps in Burundi more than anywhere else in the world, the people need the free market to give them hope of a better future.



The owner of a women's cooperative stands in front of the business' source for electricity. Before formally registering her business, this box was stolen with no recourse due to her company's lack of legitimate status.



Nice Uwanje is pictured here with the innovative stove he invented, which uses palm seed shells and rocks from the stream instead of charcoal, making it cheaper for a poor family to use and better for the environment. The stove has a small fan that can be easily powered by something as small and affordable as a cell phone battery. Since registering his business, he has been able to send his children to a good school and buy a home.



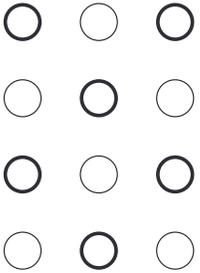
Constructing a campaign to tear down barriers to entry and empowering people to take advantage of a significant policy change

A free market for all is the only solution to Burundi's fiscal and cultural problems—and it takes brave leaders with a bold strategy to start that fight.

Burundians needed to know a better future is possible, and that need for a feeling of possibility is why CDE launched its Birashoboka project. CDE's challenge was to accomplish these reforms in a country with a repressive authoritarian government.

Birashoboka is laid out in two parts. The first involves selecting, training, and assisting potential entrepreneurs in good business practices so that their businesses are able to thrive within their communities. The second involves strategic reforms aimed at improving scores on the Doing Business Index on which Burundi is currently ranked 186 out of 190. This poor ranking is due to the rigorous 10-step process that is required to start a business. As a result, many would-be entrepreneurs move to the informal economy. In addition, the Birashoboka project seeks to change banking practices in order to ease the process of opening accounts.

“At the beginning of our ‘Birashoboka’ campaign, we had some reform success in favor of the ease of doing business in Burundi, especially with the reduction of the fees required to register a company in Burundi,” said Aimable Manirakiza, founder and CEO of CDE Great Lakes. “Previously, these fees stifled enormously the entrepreneurial spirit in the country. It went from requiring 99.125 % of the average income per person to start a business, to 96.96 % thanks to our many strategies. Even though we have had this impact and other results on the reduction of the steps for a bank account creation and some reforms of the Burundian banking system, our fight is just beginning because the average income rate remains one of the weakest in the world according to the Doing Business Index.”



LESSON: Don't just message to the public—make your case to stakeholders inside government

In Burundi, a strong authoritarian government presented a significant barrier to reform. That's why in addition to working directly with the people of Burundi on its Birashaboka campaign, CDE Great Lakes talked to insiders to help them understand why these economic improvements were working toward the same end officials were seeking—a strong Burundian economy.

"We faced threats from members of the government because of the misunderstanding of the causes of poverty in Burundi," Manirakiza said.

Officials in Burundi are afraid of the exploitation of data in public because they fear the data will be used to propel reports likely to tarnish the country's image. Fortunately, CDE

Great Lakes identified public servants who were willing to participate in face-to-face discussions and responded favorably to the organization's research.

To take advantage of these face-to-face meetings, the CDE Great Lakes team devised two key messages, which showed officials how more business freedom and a reduced cost of doing business was not only the moral choice, but also the expedient choice for the government.

The first argument showed parliamentarians that their economic restrictions deterred business investment from coming into the country. CDE Great Lakes' research and data showed that harsh limitations on economic growth kept businesses from locating in Burundi. The group explained the importance of a welcoming economy and helped officials understand that more freedom would translate to more business investment and thus a more prosperous economy.

CDE Great Lakes' second argument built upon the first—that by creating an "informal sector" through restrictive fees and regulations, the government foregoes a significant tax base. The think tank was able to show that by reducing fees and barriers, the Burundian government would actually see an increase in tax revenue.



LESSON: Create a coalition so you're not a lone voice

Fighting for a better future means risking death in countries where oppressive rulers reign. Burundi has had a turbulent history, even after gaining independence from Belgium in the 1960s. After just 100 days in office, the country's first democratically elected president was assassinated in 1993. The country's current president overlooked Burundi's two-term constitutional limit and claimed a third term in 2015. This drastic step incited violent outbursts during which hundreds of Burundians were killed. Time and again, the Burundi government uses violence and intimidation to silence dissenters.

CDE Great Lakes leaders knew it would be easier to take on this reform fight if they weren't standing up alone. That's why they

worked hard to develop a sweeping network of groups pushing for the government to lift business restrictions. They fostered relationships with grassroots bloggers online and also persuaded influencers and groups with big microphones, including people within government when possible, to vocally support their cause. Essentially, the more voices you can include in your movement, the stronger you'll be.

"In the face of an authoritarian regime, it is very important to think big to limit the oppression of such a government as that of Burundi," Manirakiza said. "We were fortunate to also draw the attention of some civil society leaders and opposition members of the Burundian parliament to support the cause of our campaign. The different groups have been useful in launching the Birashoboka campaign with measurable effects so far."



LESSON: In deeply impoverished countries, it's important to show people why they should hope for a better future

When people have endured decades of political instability and poverty, it's hard to imagine a different world. They need help seeing the possibility of a better future. And they need a standard bearer to light the way.

CDE Great Lakes knew that hope could be kindled because it knows the people of Burundi harbor a strong desire to work and prosper. Many Burundians' entrepreneurial spirit lay dormant as they believed building a business of their own was impossible.

Burundians are entrepreneurs by nature—it's in their blood.

For a long time, entrepreneurship was synonymous with self-employment because of weak job prospects. CDE Great Lakes is stoking the fires of the country's innate desire

for entrepreneurship with its innovative new campaign.

CDE's Birashoboka campaign's main goal, in addition to drastically decreasing the cost of starting a business and giving people the tools they need to achieve success, was to harness and unleash that latent drive.

"More important than these efforts was the hope we gave them," Manirakiza said. "We worked tirelessly and believed we could change the system."

Winning the fight

Possibility is turning into reality in Burundi because of CDE's Birashoboka campaign.

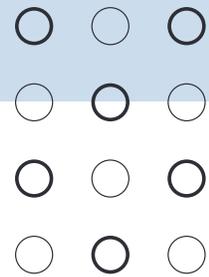
Thanks to the group's efforts, more than 1,500 entrepreneurs have been educated on the specific challenges they face. The Ministry of Commerce has eased the burden of registering businesses by reducing the startup cost. Also, banks have sought ways to better serve their clients by streamlining the process and allowing people to set up accounts over the phone, as well as developing unique accounts for entrepreneurs.

Thanks to CDE Great Lakes' efforts, it's now easier for entrepreneurs to start a business and positively contribute to their communities.



Points to Ponder

1. What does it take to register a business in your country? Are there ways to simplify the process and make it more affordable, especially for low-income registrants?
2. How can you present your research and recommendations in a way that would appeal to a variety of politicians? Are there practical benefits you can focus on?
3. How can you make the most of a small operating budget? Can you get creative about optimizing in-kind resources, volunteer support, or cultivating non-traditional donors?



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