



Invest

in Africa's Creative Industries:

There is a renaissance going on

Senegal Chapter

Contents

Introduction	5
Existing Investment / Support for the CCIs of Senegal	7
SWOT overview of the Senegalese CCI Investment Landscape	18
Headline barriers to CCI investment in Senegal	25
Headline opportunities to CCI investment in Senegal	31
Shaping the Future of CCI Investment in Senegal	35
Summary	38
Case Studies	39
Appendix 1-List of consultees	41

3.0 Introduction

Senegal is a dynamic creative nation known for its rich and distinctive culture and traditions, including its musical styles, storytelling, film-making, visual culture and aesthetics. With 75% of the population under the age of 35, Senegal is a youthful and increasingly digitally driven nation powered by the creativity, innovation, and energy of its people. In 1966, Senegal was one of the first African countries to establish a Ministry of Culture and to organise a global black arts festival to celebrate Africa's diverse cultures – FESMAN - initiated by President Léopold Sédar Senghor, a poet and cultural theorist. As a Francophone nation, Senegal has close links to French-speaking nations across Africa and strong cultural connections to France, not least through its music and film sectors, which have gained international audiences and critical acclaim. Dakar is coming to prominence as one of Africa's primary creative cities – a hub for talent and innovation where, as designer Aboubakarim Ndaw puts it, "everyday is fashion week".

Senegal's cultural and creative industries (CCIs) are brimming with opportunities, with a diverse and burgeoning portfolio of CCIs which hold incredible potential to be an economic driving force. However, like the CCIs across most African countries, there is a gap between the creativity of the talent base, and opportunities provided for this talent to attract investment and contribute to the nation's inclusive and sustainable development. A particular challenge in Senegal relates to the persistently high unemployment and under-employment rates of young people, and a set of barriers to enterprise development, creative skills and education provision for creative talent, and finance.

With increasing success stories in the international creative economy, including a rich history of film and music, the Senegalese CCI sector is increasingly recognised as a vital source of economic diversification, job creation, social cohesion, and well-being. However, there is a gap between this increasing awareness and the provision of relevant CCI policy and investment. While Senegal is rightly proud of its many successful cultural exports with Senegalese talent increasingly well-known and respected across the world, the sector lacks strategic support and investment at home.

There is also an evidence gap – while the CCIs are clearly contributing to the nation's economic development and driving innovation and positive change across the nation, the lack of a national baseline and data framework for the CCIs means the true value of the CCIs is unknown and thus its investment potential under-leveraged.

This lack of data means that the CCIs is not clearly understood in terms of its direct and indirect value to Senegal. As a consequence, partners in both the public and private sector are yet to co-develop impactful strategic solutions which support Senegalese creative talent to reach its cultural and economic potential. This is certainly born out through the consultations undertaken for InsightsOut Africa, which point to a country bristling with creative talent, yet a talent base which is frustrated by the lack of opportunity to develop and grow. In addition, widespread copyright infringement is holding back creative enterprises from both generating revenue streams for their products and services, and in turn from building viable businesses which are investment ready.

This report is based on the generous contributions of CCI entrepreneurs, Government officials, investment professionals and NGOs in Senegal. Over 30 in-depth interviews were undertaken, and 3 in-person focus group discussions with over 30 participants. Thank you to all involved .

3.1 Existing Investment / Support for the CCIs of Senegal

Although Senegal has a long history of cultural policy development, with culture recognised as a key defining attribute of the nation, dedicated policy interventions which seek to develop and grow the CCIs lack the investment infrastructure to take the sector to the next level. The Plan for an Emerging Senegal (Vision 2019 – 2025, Road Map to 2035) sets out a Priority Actions Plan for Senegal. It does feature culture, but dedicates just two paragraphs to culture out of 184 pages. These 2 paragraphs prioritise the development of cultural infrastructure and platforms, improved access to credit and artistic training, increased private sector involvement, promotion of the status of artists, stronger intellectual property rights, and the fight against piracy.

Different government agencies have been created to support young entrepreneurs and tackle youth employment, facilitate economic diversification and boost a range of sectors including the CCIs. FONGIP, the Guarantee Fund for Financial Investment, provides targeted debt finance, although it is yet to develop significant funding for the CCIs. ADPME is the main SME development programme for Senegal, offering a range of advisory and capacity-building programmes which the CCIs can access. It has a particular focus on building digital capacity and reducing digital inequality – which is a significant factor in CCI development.

However, it does not specialise in CCI business models and lacks tailored services to meet specific CCI needs. Nevertheless they supported some creative entrepreneurs with training, grants to develop their business and mobility funds to attend international fairs or conferences.

The Rapid Entrepreneurship Delegation Fund, DER, was launched by the President of Senegal to catalyse entrepreneurship all around Senegal, targeting youth up to 40 years and women from 18 years old and up, with no age limit. The DER is a fund of 30 billion FCFA (\$50 million USD). It offers four main types of entrepreneur financing:

- Small Financing: focusing on “smaller, simple economic projects”
- Incubation funding: funding incubation, empowerment, or training programs for young entrepreneurs
- Equity financing: a corporate finance fund that will offer capital in exchange for equity in a young company, that is validated by external DER partners
- Low-interest loans: at 4-5% interest rate with specific focus on certain clustered economic activities or certain value chains

The DER does not have a dedicated CCI focus or KPIs, but it has provided impactful investment to a range of CCI enterprises which would otherwise struggle to access finance from other sources. Its focus on economic inclusion is particularly relevant to CCIs freelancers and micro enterprises, and in particular for women and young talent.

Complementing the DER, Senegal is an innovator in impact equity investment. In most global regions, equity investment is not a common source of investment for the CCI sector. However, this is changing in Senegal, with Women’s Investment Club (WIC) the first women-led venture capital programme to start investing in the CCIs. The WIC recently invested in three creative enterprises, including pioneering Fashion House Saraya Store.

This is catalysing a new landscape of positive interventions for the CCIs in Senegal. In 2023 the International Finance Corporation (IFC) announced during the FORAFRIC (Youssou Ndour Cultural and Creatives Foundation) event that the CCI sector will be their focus for the next 50 years and, in partnership with Sony, major investment will be allocated to boost the sector with Senegal a priority country. This can herald a new era of strategic investment for the CCIs in Senegal. There is track record of targeted training, policy development and project-funding activities for the CCIs, often led by international NGOs, but the nation lacks an overarching strategic framework, road map and partnership model for the CCIs which is underpinned by robust data, supported by different ministries and in partnership with the private sector.

This has resulted in a somewhat piecemeal approach to sector development, with CCI enterprises and NGOs required to display significant levels of resilience to just maintain their practice, and too many CCIs having to seek employment in other sectors to subsidise their creative practices.

However, there is a growing ecosystem of targeted interventions for the CCIs, some led by Government, others through different types of partnership. They include:

Fonds de Développement des Cultures Urbaines (FDCU).

In 2017 the Senegalese Government set up a special fund to support urban culture and creative industries: the FDCU. Initially, 300 million XOF was made available to invest in creative talent and enterprise development across the nation. In 2023 this fund increased to 1 billion XOF. The FDCU supports the actors of urban cultures in the structuring of their projects, stimulating cultural production, and supporting events. Between 2017 and 2022, this fund financed an average of 116 projects per year. The fund has helped stimulate the Senegalese events and festivals landscape and provided a set of opportunities for micro-creative firms to develop their practice (e.g. creative producers and artists). The fund has also helped highlight the enormous potential for CCI development across Senegal by bringing into the open the diverse talent base and the array of creative ideas and approaches which can, with sustained investment and support, be the foundation for the nation's creative economy.

Since its inception, many creative enterprises anticipated that the FDCU would introduce new opportunities for investment. However, consultation for this research demonstrates that demand for funding far outstrips the supply provided by the FDCU. Some feel the fund favours people already well connected and well known, rather than championing emerging and diverse practice.

Nevertheless, the fund has supported many projects and contributed to a new dynamic in the Senegalese creative economy. This and other funds are simply insufficient to meet demand, especially for emergent and early stage creative enterprises.

The Fund for the Promotion of Cinematographic and Audiovisual Industry (FOPICA)

This Government-led programme was initially set up with 1 billion XOF. This increased to 2 billion XOF per year through the decision of the Senegalese President. This grant supported Alain Gomis' film "Félicité" which won awards at Berlinale and FESPACO (Ouagadougou Film Festival). Many film-makers rely on these funds to develop their work and to leverage co-investment, such as through international investment. However, given the array of distinctive narratives which underpin Senegalese society and the growing community of film-makers and digital story-tellers, the Fund is not sufficient to meet demand and to ensure the equitable distribution of resources across the entire value chain.

The objectives of FOPICA are to:

- Grant financial aid to cinematographic and audiovisual works, concerning all genres (documentaries, fiction, experimental, animation, web creation, video art, video games, etc.) and durations (short, medium and feature films).
 - Take charge of the different stages of production and post-production
 - For the Creation component, support documentary and fiction film projects which, when submitted to the Ministry of Culture, meet the conditions set by the Internal Regulations,
 - For the Innovation Research component, supporting film projects, whatever their genres and durations, taking into account the diversification of cinematographic and audiovisual practices,
 - Encourage the crossing of artistic disciplines and promote their dissemination.
- This broad set of investment fields puts further pressure on the Fund given the ways film and wider screen activities are today convergent with a range of digital media segments. The Fund is therefore a stimulus for cultural film-making, but is not sufficiently large to drive the next generation of screen-based innovation and production.

Creative hubs and networks

In Senegal, there is a thriving ecosystem of hubs and incubators which have been developed to address capacity and knowledge exchange challenges across the CCI sector. They also play a vital role in building B2B activities and validating the role of the CCIs in civil society and as a contributor to economic diversification and sustainable development. Hubs such as MCU Dakar, Maison de la Culture Douta Seck, Blaise Senghor, Yennenga Center, and Dakar Design Hub, are anchors and catalysts for the Senegalese creative economy. They also nurture a pipeline of talent and provide a portfolio of businesses which are increasingly investment ready. Such hubs are mostly funded by international NGOs, with some nurturing sustainable business models. However, there is a gap in provision in rural areas.

“Dakar Design Hub is a good model. Sophie Nzinga did it on her own. It’s just remarkable what she’s doing with Fashion in Senegal. This should be replicated in other CCI sectors – bringing together a community, supporting training, innovation and generating visibility”.

Copyright regulation and support

The law on Copyright and Neighbouring Rights in Senegal, passed in 2008, establishes remuneration for performing artists and producers of works fixed on phonograms or videograms for copies of protected works. The law obliges the Senegalese Society of Copyright and Neighbouring Rights (SODAV) to operate as a collecting agency for Senegalese copyright and to support the status of artists, including access to social security and health insurance. So much financial value is lost each year due to non-collection of copyright, copyright infringement and limited copyright literacy across the CCIs, which limits capacity to monetise creative intellectual property (IP). There is a clear need to activate the 2008 law and to support CCI enterprises to understand their rights and develop business models which can leverage their IP.

The law on the status of artists and cultural professionals was passed by the National Assembly on December 30, 2020, and promulgated by the President of the Republic on March 13, 2021. It provides a right to social protection for cultural actors. The text contains many specificities concerning intermittency, discontinuity of activities, self-employed workers, the plurality of employers, and specific remuneration corresponding to fees, artistic or literary copyrights. The draft decree related to the social protection regime has raised many questions among cultural stakeholders, in particular on the one-stop-shop bringing together the social security fund and IPRES (Retirement Insurance Institution of Senegal), on the number of working hours necessary to benefit from social protection and the coverage of work accidents, illnesses and also the nature of cultural enterprises. But overall, in Senegal, good progress has been made on recognising the status of the artist and forging ways to protect and nurture creative talent. This is an important basis for growing CCI enterprises and enhancing overall investment readiness.

An events, entertainment and cultural cluster

“Flush with success from investing in sports and the arts, Senegal’s cultural capital seems to know no bounds. Dakar now boasts an array of fashion, culture and heritage platforms that are drawing global interest”.
(How we made it in Africa.com)

Senegal is a growing hub for live music and entertainment events, with international NGOs and private companies investing in the thriving events landscape. Senegal has developed a national and a regional film production policy—a Maison de la Culture in Dakar (House of Culture) to promote performances, exhibitions, films and concerts; and a National Festival of Arts and Culture (FESNAC), which tours bi-annually to the regional capitals to boost and support local artists. An increase in the funding for Dak’Art, Dakar’s Biennale, a new museum (black civilizations museums) and the president’s prize for the arts (Grand Prix du Président de la République pour les Arts et les Lettres), are all proving impactful.

Major investments have also been allocated by the Government and international development partners to build venues where artists can express themselves and host increasingly large audience: from the African Renaissance Monument to the Grand Theatre, Black Civilizations Museum to Dakar Arena and the new Abdoulaye Wade stadium, Senegal’s capacity for diverse cultural programming and events is on the rise.

Furthermore, St Louis, in the north of the country, also offers a vibrant creative scene with the St Louis Jazz Festival, St Louis Dance Festival, Metissons Festival and Les Itinéraires Artistique de St Louis, a visual arts festival.

International fashion shows such as Dakar Fashion Week, are on the rise. Chanel presented its Métiers d’Art 2022-2023 fashion show in Dakar, which showcased the nation’s burgeoning creative talent base across a range of art forms. This represents a significant investment by the brands to position Dakar as a major international culture hub. Dakar is beginning to attract international investor and sponsorship interest, while home-grown talent is increasingly adept at generating business models which are attractive to a range of sponsors and development partners. As one consultee put it:

“Live performance of international acts is a growing and lucrative business. Local artists invest a lot in organizing their annual show making sure to create a viable ecosystem for local live events, but they are still facing funding issues to organize their events. Brands are sometimes eager to invest more in international acts rather than supporting local acts. There’s a new dynamic shift with many young vibrant and talented creatives producing quality content and getting major deals with majors. Sometimes they do it on their own or seek funding from close friends and family to support them. The lucky ones get the support of brands to some extent but it’s still insufficient”.

Solo E-Sport and CONAPES

Gaming is gaining profile as a dynamic and high growth CCI sector across Senegal, with the creation of Solo E-Sport, a gaming association gathering some of the talented gaming players, and recently with the creation of CONAPES (Senegalese Federation of Electronics Games and Immersive Sports). Many gaming contests are organised in the country, with a national gaming team for each discipline. The Federation takes part in some of the most prestigious international gaming events. Masseka Game Studio, led by its founder Teddy Kossoko, recently entered into a partnership with the French Embassy in Senegal, represented by the Cooperation representative for Innovation and the Digital Economy, Mathieu Bécue. This agreement is materialized by a grant of €300,000 from the French Ministry of Foreign Affairs, for the development hub dedicated to the creation of video games in Senegal.

International NGOs - catalysing the CCIs

Many International NGOs, in particular Francophone organisations, have been very active in culture-led developments of Senegal - e.g. the European Commission, Agence France de Développement, Radio France Internationale, Conseil International des Radios-Télévisions d'Expression Française and the Intergovernmental Agency of la Francophonie. Cultural institutions, such as the Institut Français, the Goethe Institut, the Instituto Cervantes, and the U.S. Embassy, tend to provide venues and platforms for creatives to showcase their work and to offer some level of training or sector. The British Council in Senegal was a pioneer in supporting the CCI sector with programs like WAPI but also with the Creative Enterprise Programme that provided creative entrepreneurs with the tools to develop their businesses. Many training activities are organised to boost the CCI sector with the help of international organisations such as Agence Française de Développement (AFD), GIZ, French Institute, Goethe Institute, British Council, USAID and Spanish Institute Cervantes. Some also allocate grants to creatives to work on their projects.

AFD supports professional training in audiovisual professions by financing different organisations, supports the professionalisation of existing centres and the institutionalisation of financing of professional training. Created in 2022, the Kourtrajmé film school in Dakar trains around forty students per year. Free, open to all and without qualification requirements, it aims to give a chance to those who have not necessarily had access to higher education, to be able to express their voice.

The Goethe Institute is investing significantly in the CCIs by providing training and cultural mobility funds for creatives to attend big international events in Germany. Senegal Talents Campus the first technical and professional training centre in the Arts and Culture professions in Senegal has been created to respond to the professionalisation and certification of arts and culture professions, offering new training in professional and technical training. MBA for Africa has launched its French programme in Senegal to adequately meet the business management needs of the music industry in Africa with a specific workstream to better equip, educate, and train the next generation of CCI entrepreneurs using the best global learning practices.

3.2 SWOT overview of the Senegalese CCI Investment Landscape

**“Culture is at the beginning of development, it cannot be bypassed”
(Pape O Syr Diagne, Macapi Investment)**

Senegal does not have an active cultural policy (the last policy document dates from 1973) and many professionals in the CCIs feel that the lack of an overarching strategic framework hampers long term sustainable development. However, recent years have seen an increasing drive by government to enhance the enabling environment for the CCIs and boost infrastructure, much of it geared toward establishing Senegal as a cultural hub to generate spillovers into the tourism sector and boost inward investment. Given the incredible array of creative talent in Senegal, there is significant scope to supercharge CCI development and established a coordinated and evidence-driven approach. Consultees to this research also point to the need to raise awareness of the socioeconomic value of the CCIs, generate more data to support advocacy efforts, inspire change by sharing examples of innovative initiatives and policies, and most importantly spark new partnerships to unlock sustainable funding mechanisms:

“If there’s significant investment Senegal would be able to build a viable ecosystem that creates jobs and develops local value chains for future generations”.
(Ibrahima Kane, Creative Entrepreneur, CEO Tal Africa).

The SWOT below draws on the contributions of a sample of over 30 interviews and 3 focus group discussions with a wide range of stakeholders in the Senegal CCIs. This included engagement with Government, investors and a portfolio of CCI entrepreneurs.

STRENGTHS include...	WEAKNESSES include...
<p>“There is an African Renaissance, and Senegal is at its heart. We have the talent and the stories, We now need the finance” (Focus Group participant).</p>	<p>“The current financing landscape for CCIs in Senegal is almost non-existent, there are not yet reliable indicators to say that cultural entrepreneurs have access to financing or investment despite certain funds set up by the state and international organisations” (Yoro Fall, Creative Entrepreneur and CEO of Artiste.sn)</p>
<ul style="list-style-type: none"> - Richness and abundance of culture, heritage and talent - A young, entrepreneurial, digitally literate population - A ‘creative content factory’ – innovating and generating new content-rich enterprises with an abundance of unique stories to tell - A stable policy environment where long-term planning is possible with a relatively robust approach to regulation, including a law on the status of the artist - Some examples of dedicated investment and support for the CCIs – e.g. via dedicated Government funding and increasing private sector interest - A hub for events and festivals – a place of cultural showcasing, exchange and trade 	<ul style="list-style-type: none"> - Lack of CCI data framework and baseline mapping - Lack of CCI industrial and occupational classifications at the point of enterprise registration, which means the CCIs lack visibility and are often uncounted in official data - High levels of youth unemployment and inequality of opportunity across the CCIs – e.g. by gender, age, location, levels of digital infrastructure and literacy - Still limited access to relevant CCI entrepreneurship and management training / education, and significant skills gaps across the CCIs (which in turn limits growth potential and investment readiness) - Access to basic banking and finance tools (bank accounts etc) is both a cause and symptom of entrenched inequality and of the high levels of

<ul style="list-style-type: none"> - International connections are central to CCI businesses – many are born global, with the opportunities for scale and innovation this brings - Growing portfolio of CCI success stories in music, fashion, film and games - Strong civil society, with dynamic public private partnerships and an active CCI landscape for International NGOs - Increasingly vibrant networks of CCI hubs of different types, scales and offerings, catalysing CCI activities - Strong brand proposition – as a creative nation and, in particular, of Dakar as a creative city 	<p>informality in the CCIs (and across the economy)</p> <ul style="list-style-type: none"> - Lack of CCI funds across all value chains – from grant to equity - Lack of specialist CCI investors and investment programmes, including investment readiness activities - Copyright infringement and lack of enforcement - Language barrier in global context - Lack of adaptive tax and incentive frameworks for creative enterprises - Limited access to next generation digital technologies – with cost, connectivity and skills barriers - A still small though emergent domestic market for Senegalese CCI goods, content and services - Barriers to artist mobility – which limits opportunities for international exchange and trade
--	--

OPPORTUNITIES include...	THREATS include...
<p>“Beyond oil and gas creativity could be the number 1 export” (Papi Wane, Fashion Designer and Creative Entrepreneur)</p>	<p>“The banks don’t think the CCIs are fun anymore – there is real financial instability in the sector” (Moustapha Ndiaye, President of AMAA – Senegalese Music Managers Association).</p>
<ul style="list-style-type: none"> - Resilient and entrepreneurial talent base with a young, digitally enabled workforce ready to drive innovation and growth across the creative economy - Growing Government commitment to and understanding of the role of culture as a foundation for sustainable development and of the CCIs as catalysts for economic diversification, employment and inclusive growth - Rise of new technologies to support approaches to innovation, business development and monetisation. - A range of good practice models for CCI business support, skills development and trade – often co-led with international NGOs. These have the potential for scale across a larger cohort of CCI talent - AfCFTA trade agreement – providing opportunities for scale and mobility across the CCIs 	<ul style="list-style-type: none"> - Global challenges - including climate change and unequal distribution of resources and opportunity - Informality of the CCIs – with limited incentives to formalise and therefore a shallower pool of investable CCI enterprises in the formal economy - IP infringement and reduced agency of CCI professionals with the rise of AI - Age dynamics – older generations blocking opportunities for younger talent (intentionally and unintentionally) - Limited awareness across different Ministries of the CCI value proposition – e.g. social impact, economic impact, and spillover effects - Lack of reform to legal and regulatory aspects which shape the CCIs, and lack of enforcement of existing laws

- Investment and collaboration with allies and an openness to international markets
- Opportunities to strengthen diaspora links – to facilitate collaboration, access markets and leverage investment
- Underpinning all of the above, a coordinated model for investment readiness and access to finance, providing tailored CCI investment support from micro-grants to equity, supported by a partnership of Government, banks and private investors, catalysed by a dedicated CCI investment programme and underpinned by an uplift in skills and business development.

- Lack of joined-up approach which links cultural and creative education in schools to further and higher education and then workforce development.
- Corruption and financial siphoning
- Freedom of speech is under threat Cultural appropriation and off-shoring of economic and cultural value by international firms and investors.



3.3 Headline barriers to CCI investment in Senegal

Based on the interviews and focus groups, a set of interrelated factors are slowing down, limiting and holding back investment in the CCIs. Some of these factors are common to CCIs across Africa and internationally, but some are specific to the Senegalese context. Below we present the key barriers to CCI investment in Senegal through the lens of SMEs, investors and Government.

Barrier 1: Limited capacity and investment readiness of CCI SMEs

The high levels of informality of the CCIs and a small average firm size, present a fundamental barrier to accessing finance and pitches the CCIs in competition with other sectors that play a vital role in job creation and poverty alleviation such as agriculture and tourism.

“We have almost 80% of associations working in the CCI sector; only few have the status of a real enterprise (SARL) others are personal enterprises the size is usually around 1 to 5 and most of them are based in Dakar and the rest in the regions. There’s an untapped opportunity but we need to get the basics right in terms of grants to get things moving, hubs to connect CCIs, training, access to market, gender balance, and quality infrastructure across the regions...investment here will enable CCIs to go to the next level”. (Boubacar Djiba, Ceo Vazy Music and Senmixmaster, first AI mastering platform in Africa)

A related capacity and skills barrier exists: most CCI entrepreneurs did not receive formal, accredited training, and they are self-taught, seeking ways to strike an effective balance between creativity and business. Senegal has no shortage of creative talent, but it does have a skills shortage to formalise creative practice into investable enterprises – especially beyond grant funding for projects. In this sense, skills and entrepreneurship training inclusive of IP literacy development and digital capacity building, are fundamental to investment readiness across the Senegalese CCIs. Given the urgency to create and protect jobs, with a focus on youth and women, less attention has been paid to next-stage capacity-building and investment where entrepreneurs are supported to grow their business and pivot from self-employed to employers. Plus there is also significant scope to support intergenerational mentoring and exchange – to fast-track professional development and ensure a maturity of entrepreneur beyond their years.

Barrier 2. Limited domestic market and access to wider markets

With a population of 18 032 473 million, the half are under 19 years old (18 years old for men compared to 20 years old for women) and Senegal has a small domestic market. Although there is a growing middle class and increasing loyalty to goods and service which originate from the country, the domestic buying power is not yet sufficient to drive significant growth for many CCI firms. This in turn is a contributing factor to the small firm size of most CCIs in Senegal, which in turn limits the capacity of such firms to build and reach international markets. In addition, friction on trade and mobility within Africa (despite the gains made by AfCFTA) and restricted mobility for Senegalese creative talent (e.g. to participate in trade and showcase events outside Senegal), combine as a barrier to CCI development and growth.

Investment can help CCIs to overcome such barriers, building capacity to export. Plus investment in digital skills and capacity can enable local firms to trade and exchange globally without travel. Yet currently most CCI firms in Senegal operate within the constraints of the domestic market. Those which do work internationally are often dual nationals and / or are employed as local partners to international firms which are able to operate in Senegal without the constraints faced by the local CCI sector. This presents a clear need and opportunity to support Senegalese CCI firms to build export capacity, which in turn enhances their potential for growth, which of course is a key determinant of investment readiness.

Barrier 3. Lack of investor readiness

With the exception of the dedicated CCI funding from international NGOs and targeted initiatives from the Government, the CCIs are not a priority sector for investment. The sector does benefit from investment from programmes which focus on generating employment and on securing a more inclusive workforce (such as women-focused investment), but not from preferential treatment. This is problematic for a sector which is celebrated as central to the identity and qualities of the nation of Senegal, yet does not receive structured, programmatic investment as a consequence. Moreover, where investment does exist, it is predominantly grant-funding which supports specific projects, rather than investment in core business development. While the reasons for this lack of investment can be attributed to limited investment readiness across the CCIs (see above), as well as to limited supply of investment across all parts of the economy, an additional reason is that Government, banks and private investors have not yet got to grips with the growth and impact potential of the CCIs.

There is a persistent and entrenched perception challenge for the CCIs among different types of investors. For example, the sector is often not viewed as a serious investment, but as ‘culture’ or ‘entertainment’ rather than ‘business’. Part of the reason for this perception challenge is the lack of data on or awareness of success stories or growth projections in the CCIs. Investors therefore harbour negative stereotypes about the CCIs in terms of the temperament, priorities and skillsets of creative entrepreneurs. This stems from a lack of validation overall of creative work or creative jobs as serious occupations on a par with other professions. In addition, there is a lack of knowledge among different types of investors on the interrelationships between different parts of the CCIs – e.g. that a potentially high growth games company depends on visual artists, music producers and graphic designers as well as engineers and programmers.

In summary, many creatives think most investors don’t understand the sector and don’t trust its operational culture and business models. While most investors are not in a position to invest because of the lack of data and evidence in Senegal on how CCIs leverage investment and do not default on loans or provide returns on equity. Neither perspective is wrong. Indeed, because most CCIs lack collateral and are working with intangible assets, it is very difficult to build workable investment models or even to de-risk mainstream financial tools such as bank loans.

Without dedicated capacity-building, training, IP support and regulation, incentives to dilute risk, and a set of enabling conditions such as enhanced infrastructure, targeted trade missions and digital solutions which accelerate scale, the CCIs in Senegal will remain under-invested. Only the Government, working in partnership with NGOs and an international private sector committed to a long-term process of sector building, can attend to these otherwise intractable barriers to investment across the Senegalese CCIs.

Consultees offer a range of solutions which will enhance both investment and investor readiness:

- Enhance the enabling conditions and infrastructure:

“We need to create more hubs, support for controlling intellectual property, technology transfer, adapted data and evidence, and trend analysis” (Samba Mballo, Creative Entrepreneur and Cultural Agent).

- Accelerate the growth potential of a sample of scalable CCI enterprises as a proof of concept which shows investors what is possible over the longer-term across a larger sample of CCI firms:

“We must show that it is economically profitable, the capacity to be able to absorb financing with a good team” (Samba Diette.)

- Shift the ‘culture’ of the CCIs – re-balancing so business and creativity are on an equal footing:

“When it comes to building an enterprise it’s always artistic rather than business. There’s a huge gap for entrepreneurs to structure their businesses so that they can be investment-ready” (Papi Wane Fashion Designer, Creative Entrepreneur Mwami).

- Move from a language of funding to one of investment, with grants a first step to sustainable investment models:

“The landscape is promising because we are beginning to understand our specificities. The banks are not yet following at all. There are more and more subsidies, but this is not yet investment. There is a language problem because financial actors do not speak the same language as CCI actors” Laurent Yannick, Creative Entrepreneur, Co-CEO, Wurus Lab.

- Directly link training and capacity building as central to investment readiness which leads directly to investment opportunities.

“We often see training and support structures but no follow-up investment. There are organised pitches for entrepreneurs, but these activities need to be part of a ladder to investment” (Khariata Savaneh, Creative Entrepreneur / Fashion Designer).



3.4 Headline Opportunities for Investment in the CCIs of Senegal

“The State is doing its best I think, and it is one of the governments that has supported culture the most in terms of grants”
Moulaye Sall, Creative Entrepreneur, Director of ticketing solution Guichet and Usine Digital

The CCIs in Senegal have shown great resilience, innovation and dynamism in recent years. Accelerated digital technologies have opened up new opportunities for content creation, exchange and trade; Senegalese music and film is to the heart of the wider ‘African Renaissance’; and the fashion, textiles, crafts and design sectors are re-imagining cultural traditions to give a contemporary twist which is increasingly attractive to international markets. There is a discernible creative buzz, and international brands and sponsors are plugging into Senegal to source talent, seek investment opportunities and enhance their profile.

New investment in the CCIs has contributed to this ‘Senegalese Renaissance’, with a range of grants stimulating new projects and events and supporting creative entrepreneurs to gain a foothold in the marketplace. Some loans are reaching the CCIs through programmes which seek to tackle youth unemployment and build a more inclusive economy. Plus, with the introduction of WIC, women-led creative enterprises are being prospected for their growth potential. However, interview and focus group consultees point repeatedly to the following four ‘reality checks’ for CCI investment in Senegal:

- First, the available supply of finance is not enough to meet the demand from a burgeoning CCI sector. This is particularly because the CCIs are competing with other sectors to attract different funds and without collateral will most often fail to access available investment – especially for debt and equity.

“The landscape is promising with different stakeholders providing funding here and there, but we are not yet at a stage where we can say that there’s strategic investment in the CCI sector” (Jacqueline Ndiaye, IP lawyer, Head of IP Department at SODAV - National Copyrights and Neighbouring Rights Society)

- Second, there is a clear need to provide a wider range of financial instruments in addition to grant funding. Grants are hugely important to stimulate creative practice and energise the CCIs. However, they are by design short-term, project-focused, and do not invest in business development. Many grants are also initiated by international NGOs, which is a welcome contribution to the Senegalese CCIs, but the focus areas and priority outcomes for the grants are very wide-ranging and not structured to support business development or linked to next-stage investment.

“The investment landscape is still immature, there are no proper investment mechanisms in place except the funding available from international organizations and government funds, but banks are not yet fully prepared to invest in the sector” (Aminata Khoussa, Storyteller, writer, voice over artist, Founder & CEO of Vox Dream).

- Third, Senegal has become a prime location for international brands seeking to leverage the renaissance in creativity. These are operating as sponsors to events and undertaking some CCI funding activities as an exercise in brand development and corporate social responsibility. Some are pivoting toward a more investment-facing model (e.g. Sony), while others are actively employing local talent to boost production capacity (e.g. in screen industries). Senegal has the opportunity to unlock international investment in the CCIs in a more structured and impact-driven way. This can involve establishing inward investment incentives for foreign direct investment, such as dedicated tax credits, access to land to build facilities, and access to talent through tailored training and skills development programmes. Currently the interest shown by international investors / corporates in Senegal is not underpinned by a strategy for unlocking their capital and onshoring value in the country.

“International lenders/financiers/investors seeking to enter the Senegalese market should align with cultural and economic dynamics local, actively participate in sector development initiatives and understand the need for a sustainable approach to ensure long-term impact” (Maguatte Dionne, Creative Entrepreneur, Ceo Dione Mags Entertainment).

- Fourth, there is a need to connect approaches to training, capacity-building and infrastructure to dedicated investment activities. In recent years, there has been a significant uplift in training and capacity-building programmes for CCI enterprises, as well as many impressive advancements in CCI infrastructure (such as creative hubs, venues, festivals and events). However, these interventions often lack next-stage focus on accessing finance. Senegal has a growing CCI workforce which is increasingly investment ready due to the business support, training and infrastructure improvements available. But the nation lacks dedicated CCI funds for these CCI enterprises. This is a clear development opportunity for the nation’s creative economy.

“We need to establish strong mechanisms to protect the IP of creations and innovations, which encourages investments in R&D by guaranteeing the protection of the rights of creators. Establish specialised training programs, workshops, mentoring programs to strengthen the skills of CCI professionals, help them adopt new technologies and develop innovative ideas. Then link this to investment” (Jean Latyr Senghor, Radio Host, Ceo GMC).

**We need to have a decentralised approach to include more regions in the CCI projects or investment if we want an inclusive development of the sector.
(El hadji Malick Badji Designer, Milcos).**

These four reality checks point to a set of strategic opportunities for Senegal to boost investment in the CCIs from Government, the private sector (majoring on inward investment), and NGOs. Plus the reality checks highlight the need for a strategic framework approach to CCI investment which coordinates activities in training and skills development, IP and business support, grant and project-funding, and then a set of additional investment typologies. Together, there is a need to establish a coherent CCI Investment Programme for Senegal, preferably inclusive of a new dedicated CCI fund which provides a blend of debt and equity for CCI businesses with the most growth potential, while also providing serviceable ‘soft’ loans for micro-enterprises and early stage CCI businesses which are taking their first steps toward sustainability.

Consultation for this Study points to a set of values and priority fields which can shape a positive future for CCI investment in Senegal. These provide the key guiding elements for a strategic investment model for the Senegalese creative economy.

3.4.1 Shaping the Future of CCI Investment in Senegal

“We like the sector but many companies in it are not investment ready, a question of qualitative data linked to the sector and the value chains in this sector is difficult to find. Even if there is not much data, the opportunity is here. We need to document successful stories and have case studies” (Evelyne Diah, Women Investment Capital).

“We need transparency” Baba Dioum, Solo eSport Co-founder Manager

The figure below provides a strategic dashboard for partners in Government, private sector and civil society to consider as Senegal looks to build an investment ready and investment friendly creative economy in the coming years:

	Priority Area	Strategic consideration 1	Strategic consideration 2	Strategic consideration 3
CCI Data and Awareness				
1	Build awareness and validate the CCIs	Focus on career path models for young talent	Develop a communications campaign to showcase creative talent, including the need for investment	Provide specialist training to business advisers to increase knowledge of CCI business models.
2	Develop a data-led approach	Develop baseline evidence on the CCIs – to include industrial and occupational classification	Develop ecosystem mapping to profile the informal creative economy and pinpoint opportunities to formalise CCI enterprises	Build case studies of CCI success stories to improve knowledge in Government and private sector
Investment Readiness				
3	Boost investment readiness	Develop tailored business support and enterprise training to uplift the competencies and capacity of CCIs	Initiate incubation and accelerator initiatives through creative hubs which are directly linked to investment opportunities	Initiate targeted IP literacy training, plus harden regulation and enforcement to reduce IP infringement and increase opportunities for monetising IP
CCI Investment				
4	Establish an CCI co-investment programme which includes State, NGO and private-funding (build a partnership)	Have clear, transparent, independently verified funding guidelines	Have a dedicated agency to disburse investments	Establish a shared mission and vision – to target investments which on-shore CCI value in Senegal
5	Initiate grant-funding targeted at business start-up and early-stage development	Focus on core operations and business planning (not projects)	Encourage grants for R&D to test markets and boost innovation capacity	Link grant-funding to dedicated investment readiness – as a condition of grant-funding
6	Initiate debt-finance programme of micro- and soft-loans for CCIs – with a focus on building sustainable and resilient CCI enterprises	Target CCI sectors which are capital intensive and / or struggle to achieve initial cash flow to build their business	Position new CCI loans to consolidate CCI business development and for a small % as a step to next-stage funding (see below)	Build evaluation framework to monitor impact and case studies
7	Work with international partner to initiate a pilot equity fund for Senegalese CCI talent (or as part of regional model)	Target a small cohort of scalable CCIs, provide additional incubation and accelerator support.	Incentivise investors with tax credit, match-funding and access to infrastructure and talent	Require the businesses to register locally and onshore most of staff
Follow-up, Review and Support				
8	Celebrate success – showcase, events, and continued capacity-building	Provide follow-on business support and training	Connect infrastructure – such as hubs – to support pipeline of creative talent to build a community and grow sector bodies to represent the CCIs and shape future approaches to investment	Build a portfolio of events and networks which are investment ready for international sponsorship

4. In Summary

**“There are still lot things that are missing
in the value chain”**

**(Amadou Fall Ba, Creative Entrepreneur,
Africulture Urban, Impact Senegal)**

Senegal is a genuine success story of African Creative economy undergoing a period of renaissance. Consultations demonstrated genuine pride for ways Senegalese creative talent is trailblazing new work at home and abroad. However, consultations also demonstrated genuine frustration that the investment landscape is not more conducive to inclusive growth and sustainable development. For most CCI entrepreneurs, existing as a business is a daily struggle. Many do not survive and walk away. Others continue but co-finance activities through one or more other jobs. Grant funding, which is in itself difficult to access, can support a project to take shape, but rarely supports core business development. Other sources of finance are unlikely to reach the CCIs, which struggle in terms of the lack of data, low levels of collateral, and some fundamental capacity and skills challenges. Plus investors of different types are not yet ready to invest significantly in Senegalese SMEs beyond sponsorship and corporate social responsibility.

But there is much to play for. The CCIs are gaining confidence and profile, Digital technology is opening-up new opportunities for scale and growth. Plus wider support and investment is supporting young people and women to build enterprises, which will include some pathways into the CCIs. With a coordinated approach to data, skills and enterprise, and of course funding, Senegal can go to the next level as a creative nation.

Example 1 : Saraaya



“SARAYAA stands uniquely as a women's clothing brand. It is a sophisticated and multi-ethnic brand with a unique African signature”.

<https://sarayaa.store/pages/about-us>

Sarayaa is a Senegalese brand combining African woven loincloth with other materials. The company has been creating original clothing since 2014, fusing Senegalese traditions with a contemporary twist. WIC Capital's investment is strengthening its production tools and commercial strategy. Sarayaa received an investment of \$230,000 from WIC (Women Investment Club) to scale her business. The investment was in the form of a mix of capital and quasi-capital, with the participation of individual investors. This is the first and only example of equity funding for fashion in Senegal.

Example 2. Sophie Zingha Sy, Dakar Design Hub



“The objective of our entrepreneurship programme is to support the actors of the African creative industry in the development of the necessary skills to ensure a complete and sustainable value chain in the fashion sector”.

<https://www.dakardesignhub.com/>

Sophie Zingha Sy is a Senegalese fashion designer based in Dakar. She is founder and lead of the first creative Fashion hub in Senegal Dakar Design Hub (DDH) an interdisciplinary design space that provides quality design education and services to aspiring and design professionals. She received grant-funding from the British Council to run a programme of training programmes which have helped boost a wider community of designers and energise DDH as the hub to connect with for design enterprises. There is, however, a need to attract other types of finance, including loans, to boost micro-design firms and enable businesses to develop their core business – e.g. build collections, source materials, and explore international markets.

Example 3: Kourtrajmé Dakar School



“Famous among the apprentice filmmakers, the Kourtrajmé film school led by the cineastes Toumani Sangré and Ladj Ly, director of *Misérables*, opened the doors of a new establishment in Dakar, Senegal on the 19th of January 2022”.

<https://www.ina.fr/actualites-ina/kourtrajme-school-and-now-dakar>

Financed by the French Development Agency (Agence Française de Développement – AFD), which supports the audiovisual and cinema dynamics in Senegal, this project aims at contributing to the development of technical infrastructures, training, and improvement of both capabilities and workers’ professionalisation. This initiative benefits from the expertise of the National Audiovisual Institute, through its school INA Sup, for the creation of skills benchmarks and the training of trainers. The School received the support of 500,000 Euros from AFD to create professional career paths for filmmakers. Next stage investment would be very welcome for the Senegalese film ecosystem – to support the development of film businesses which enable film-makers to develop their practice in a secure business development environment.

Appendix 1.

List of Consultees

Aboubacryne Sy

- Senum

Ababacar Gueye

- Festival Metisson

Amadou Fall Ba

- Africulture Urban, Impact Senegal

Amy Niane

- ADPME

Anta Ba Ndiaye

- ADPME

Astou Fall

- GIZ

Assane Diebate

- DER

Aminata Khoussa

- Writer, Storyteller, voice-over artist / Ceo Vox dream

Atibou Diallo

- Creative Entrepreneur, Manager

Awa Coulibaly

- Creative Entrepreneur, Film Maker

Awa Kouma

- French Institute

Baba Dioum

- Solo E Sport

Cire Cisse

- Creative consultant and Ministry of culture agent

Diarietou Ngoné Youm Diallo

- ADPME

EL Hadji Malick Badji

- Designer, Milcos

Elom Lotsi

- Creative Entrepreneur, Producer, DMX

Evelyne Dioh

- Women Investment Capital

Fatimata Zahra Ba

- Designer, So Fatoo

Helene Daba Diouf

- Designer, Sisters of Afrka

Ibrahima Kane

- Creative Consultant, Ceo Tal Africa

Ibrahima Xalil Cissé

- Fashion Designer, Curator

Jacqueline Ndiaye

- Head of legal affairs at SODAV

Jean Lathyr Senghor

- Creative Entrepreneur, Radio Host

Khariata Savaneh

- Designer, Ma petite robe en Wax

Laurent Yannick

- Creative Entrepreneur / Ceo Wurus Lab

Luc Mayitoukou

- Creative Consultant, Ceo Zhu Culture

Magatte Dione

- Creative Entrepreneur, Dione Mags Entertainment

Malal Talla

- Artist, activist, Founder of Guediawaye Hip Hop

Mariama Touré

- The Dance Hall

Matar Mbaye

- Creative Entrepreneur, Consultant, CEO Neskiss

Moustapha Diop

- CEO MuzikBi

Moulaye Sall

- Consultant and Creative Entrepreneur

Moustapha Ndiaye

- Creative Consultant, President of AMAA Papi Wane Designer, MWAMI

Pape O Syr Diagne

- Managing partner, MACAPI

Safietou Seck

- Saraaya

Samba Mballo

- Creative Entrepreneur

Samba Diette

- Artistic Director of Grand Theatre

Sophie Zingha

- Designer, Dakar Design Hub

Yoro Fall

- Creative Entrepreneur, producer