الغرفة الإسلامية للتجارة والتنمية
Islamic Chamber of Commerce and Development
Chambre Islamique de Commerce et de Développement

Entrepreneurship:

Global Insights on Africa and the Islamic World



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Executive Summary

This report presents a comprehensive examination of entrepreneurial activity across two interconnected dimensions: the leading performers among Organization of Islamic Cooperation (OIC) member states as evaluated by the Global Entrepreneurship Monitor (GEM) 2025/2026 assessment, and the dynamic entrepreneurial landscape characterizing the African continent.

The analysis reveals that Gulf Cooperation Council (GCC) nations dominate the OIC rankings, achieving National Entrepreneurship Context Index (NECI) scores ranging from 4.2 to 7.0 on a ten-point scale. Simultaneously, Africa demonstrates the highest entrepreneurial activity rates recorded globally, notwithstanding persistent obstacles in financing access, infrastructure development, and regulatory frameworks.

Several common themes emerge from both contexts: the paramount importance of entrepreneurial finance, the strategic significance of demographic dividends, the transformative capacity of technological innovation, and the emerging impact of regional integration initiatives-particularly the African Continental Free Trade Area (AFCFTA)- in establishing borderless markets spanning 1.4 billion people.



Part One

The African Entrepreneurial Landscape



1. Introduction and Overview

The African entrepreneurial ecosystem has exhibited exceptional resilience and transformation in recent years. Following a period of investment contraction, the continent's startup environment has mounted a significant recovery, characterized by evolving funding structures, shifting sectoral priorities, and changing geographical investment patterns (MOHAC Africa, 2026; African Private Equity and Venture Capital Association, 2026).

Africa's demographic composition presents both opportunities and challenges for entrepreneurial development. With over 60 percent of the population aged under 25 years, the continent possesses the world's youngest demographic profile. Projections indicate that by 2030, young Africans will constitute 42 percent of the global youth population (United Nations Economic Commission for Africa, 2025). More than one in five working-age Africans are actively establishing or managing new business ventures, representing the highest entrepreneurial participation rate documented globally. Furthermore, over three-quarters of African youth express intentions to commence business operations within the next five years (World Bank, 2025).

+60%
of Africa's population aged under 25 years

42%
of the global youth population by 2030

+1 in 5
working-age Africans are actively establishing new ventures

+75%
of African youth express intentions to commence business



2. Investment Landscape and Funding Dynamics

2.1 Recovery and Growth Trajectories

Following two years of diminished investment activity, Africa's startup ecosystem has experienced notable resurgence. The African Private Equity and Venture Capital Association (AVCA) documented that ventures across the continent secured approximately USD 3.9 billion across 506 transactions during 2025 (AVCA, 2026). This recovery represents substantial improvement from the previous year's performance, with Launch Base Africa reporting total capital commitments of approximately USD 3.1 billion-a considerable increase from the USD 2.2 billion recorded in the preceding period (Launch Base Africa, 2026).



The technology sector demonstrated particularly robust growth, with Disrupt Africa's annual funding report indicating that investment in African tech startups expanded by nearly 50 percent during 2025, reaching USD 1.64 billion across 178 ventures (Disrupt Africa, 2026).



2.2 The Ascendance of Debt Financing

A defining characteristic of the current entrepreneurial environment is the increasing prominence of debt-based funding mechanisms. Debt transactions now constitute approximately 45 percent of total capital raised, representing a significant departure from historical patterns. This shift is particularly pronounced in sectors characterized by predictable revenue streams, such as energy and logistics, where non-dilutive capital has become increasingly accessible (AVCA, 2026).

The median debt transaction size has reached USD 7.5 million, substantially exceeding typical early-stage equity rounds. The expansion of venture debt has been particularly noteworthy, reaching USD 1.8 billion in 2025—nearly doubling year-on-year figures. This development reflects growing investor confidence in the revenue-generating capacity of African ventures and a more sophisticated approach to capital structure management (Launch Base Africa, 2026).

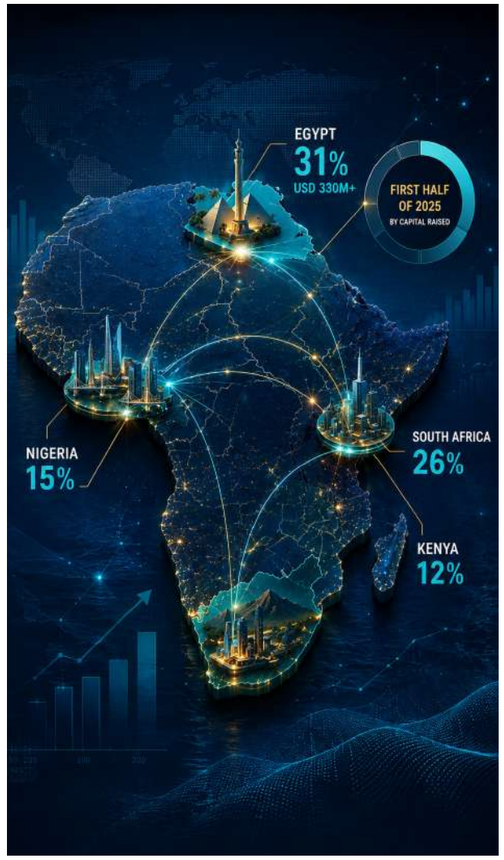
2.3 Geographic Distribution of Investment

The geographical distribution of entrepreneurial investment has undergone notable transformation. While Nigeria has historically served as the continent's primary investment destination, recent data indicates a significant shift in this dynamic. During the first half of 2025, Egypt led the continent in startup funding, securing more than USD 330 million, representing approximately 31 percent of total capital raised. South Africa followed with 26 percent, Nigeria with 15 percent, and Kenya with 12 percent (AVCA, 2026).

However, by year-end, Nigeria had reasserted its position as the continent's most active startup market by transaction volume, even as the largest individual investments increasingly targeted Kenya and South Africa. This nuanced distribution suggests a maturing ecosystem with multiple competing hubs rather than a single dominant center (Disrupt Africa, 2026).

Kenya's emergence as a significant destination for venture capital, capturing nearly one-third of all funds raised by 2026, reflects the country's focus on energy and electric mobility sectors. South Africa maintained its position as the second-largest market, benefiting from its structured financial environment and established institutional frameworks (Launch Base Africa, 2026).

Significantly, the entrepreneurial landscape is diversifying into emerging markets. Senegal, Angola, and Gabon recorded their inaugural major venture capital transactions in 2025, indicating a broadening of opportunity beyond the traditional "Big Four" hubs of Nigeria, Kenya, South Africa, and Egypt (AVCA, 2026).



2.4 Exit Activity and Liquidity

The venture ecosystem demonstrated improved liquidity during 2025, with AVCA recording 34 venture-backed exits a 31 percent increase from the previous year.

This growth outpaced the more modest 1 percent global expansion in exit activity. Trade sales dominated the exit landscape, accounting for more than 70 percent of both transaction volume and value.
North Africa led in exit volume, while Southern Africa accounted for the largest share of exit value at USD 288 million (AVCA, 2026).

3. Demographic Drivers of Entrepreneurship

3.1 The Youth Dividend

The continent's youth-led entrepreneurial phenomenon is driven by compelling demographic pressures. Approximately 12 million young Africans enter the lab our market annually, yet only 3.1 million formal jobs are created each year (World Bank, 2025). This substantial gap has positioned entrepreneurship not merely as an alternative career path but often as the most realistic means of income generation for many young people.



By 2050, Africa's working-age population is projected to grow by 740 million individuals, creating both unprecedented pressure on formal employment systems and extraordinary potential for entrepreneurial activity to absorb this expanding workforce (United Nations Economic Commission for Africa, 2025).

3.2 Women Entrepreneurs: The Undervalued Pillar

Women constitute a significant and often underappreciated force in African entrepreneurship. Sub-Saharan Africa has the world's highest rate of women's entrepreneurial activity, with approximately 26 to 27 percent of the female adult population involved in starting or managing a business (World Bank, 2025).Women comprise 58 percent of Africa's self-employed population and contribute between USD 250 billion and USD 300 billion to the continent's economic output, representing approximately 13 percent of Africa's total GDP (African Development Bank, 2025).

Despite owning the majority of small businesses across the continent, women face substantial financing barriers. The African Development Bank's AFAWA initiative estimates a USD 42 billion financing gap across business value chains in sub-Saharan Africa, with USD 15.6 billion concentrated in the agricultural sector alone (African Development Bank, 2025).

Research from the International Monetary Fund examining 47 African countries revealed that women are more likely to decline loan offers, often perceiving themselves as less creditworthy even when their businesses demonstrate strong performance (International Monetary Fund, 2025). Financial institutions similarly tend to view women-led enterprises as higher risk, despite evidence indicating that women entrepreneurs in Africa are at least as profitable as their male counterparts (Brookings Institution, 2025).

The multiplier effect of investment in women-owned businesses is particularly significant. Women in Africa reinvest up to 90 percent of their income into their families' education, health, and nutrition, compared to approximately 40 percent for men (World Bank, 2025). This dynamic means that capital directed toward women-owned enterprises generates substantially greater household and community benefits.



3.3 The Digital Native Generation

The current generation of African founders is increasingly tech-enabled and purpose-driven. More than 60 percent of young people report regular use of artificial intelligence tools to enhance their business capabilities or product offerings (GSMA, 2026). This digital literacy serves as a powerful catalyst, enabling entrepreneurs in rural areas to access global markets previously inaccessible to earlier generations.



4. Sectoral Developments



4.1 The Rise of Energy and Climate Technology

The sectoral composition of entrepreneurial investment has undergone significant transformation. Energy and climate-focused companies secured approximately USD 1.2 billion in 2025, overtaking fintech to become the largest sector by total capital raised, despite fintech maintaining its lead by transaction volume (Disrupt Africa, 2026).

This shift reflects the fundamental reality that substantial portions of Africa continue to lack reliable electricity.
Ventures addressing this challenge directly through solar power, off-grid systems, and energy storage have attracted considerable investor confidence due to their capacity to generate steady, predictable revenue streams (Launch Base Africa, 2026).

4.2 Fintech: The Established Leader

Fintech remains the most established entrepreneurial sector and continues to lead by number of funded transactions.

The sector's prominence is underpinned by straightforward factors: a substantial unbanked population, established mobile money infrastructure, and a ready-made customer base (GSMA, 2026).

Mobile money has fundamentally transformed the financial landscape. Sub-Saharan Africa and North Africa combined had 1.2 billion registered mobile money accounts in 2025, representing more than half of the global total of 2.3 billion. Africa recorded 347 million active accounts in a single month, the highest figure of any region globally (GSMA, 2026).

The value of mobile money transactions processed in Africa during 2025 reached approximately USD 1.4 trillion, with East Africa accounting for USD 806 billion of this figure and West Africa contributing USD 498 billion. Mobile money added an estimated USD 190 billion to sub Saharan Africa's GDP in 2023 alone, up from USD 150 billion the previous year (GSMA, 2026).

Approximately 66 percent of sub-Saharan Africa's adult population remains unbanked, a condition that previously excluded millions from formal financial services. Mobile money has effectively closed much of this gap without requiring the construction of new bank branches (GSMA, 2026).



1.2 BILLION
registered mobile money accounts in 2025.

347 MILLION
active accounts in a single month, the highest of any region globally.

USD 1.4 TRILLION
The value of mobile money transactions processed in Africa during 2025.

USD 190 BILLION
Mobile money added an estimated to sub Saharan Africa's GDP in 2023.

4.3 Agriculture: The Underutilized Opportunity

Agriculture remains one of the most underutilized entrepreneurial opportunities on the continent.

Despite being a predominantly agrarian economy, much of Africa's agricultural potential remains untapped due to weak supply chains, limited access to modern equipment, and inadequate storage infrastructure (World Bank, 2025).

Entrepreneurs working across the agricultural value chain are addressing problems that affect food security for hundreds of millions of people.

4.4 Health Technology: The Emerging Frontier

Healthtech is gaining significant traction, connecting directly to one of the deepest needs across the continent.

Startups offering telemedicine, supply chain solutions for medicine distribution, and affordable diagnostic tools are addressing gaps left by overstretched public health systems (MOHAC Africa, 2026).

This sector sits at the intersection of health and entrepreneurship, deserving greater attention from mainstream investors.



4.5 E-Commerce

E-commerce continues to grow steadily, particularly in markets with improving logistics and growing smartphone penetration.

However, the sector faces real headwinds from inconsistent delivery infrastructure and the high cost of last-mile logistics in many cities (Disrupt Africa, 2026).

4.6 Common Characteristics Across Sectors

What unifies these sectors is not hype but each addressing a genuine, large-scale problem affecting millions: access to money, access to power, access to food, and access to healthcare.

This problem-solving orientation tends to be a better predictor of long-term business durability than sector trends in investor conversations (Launch Base Africa, 2026).



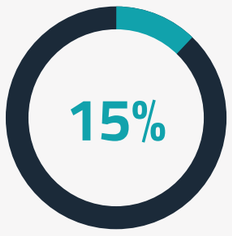
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The African Continental Free Trade Area

5.1 Creating a Borderless Market

The African Continental Free Trade Area represents the most significant policy initiative reshaping entrepreneurship across the continent. Signed by 54 of Africa's 55 countries, AFCFTA brings together a market of 1.3 to 1.4 billion people and a combined GDP of approximately USD 3.4 trillion, making it the largest free trade area globally by population (United Nations Economic Commission for Africa, 2025). As of late 2025, 50 countries had ratified the agreement, and 25 had finalized the tariff schedules needed to begin reducing duties on goods traded between member states (African Union, 2025).

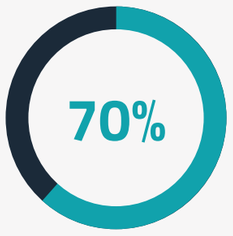
For most of Africa's history, it has been easier for a business in Nigeria to sell to Europe than to neighboring Ghana or Benin. Intra-African trade has remained stuck at approximately 15 percent of total African trade, compared to 60 percent in Asia and 70 percent in Europe (United Nations Economic Commission for Africa, 2025). AFCFTA exists specifically to address this imbalance by progressively removing tariffs on 90 percent of goods, with a path toward 97 percent of goods and most services moving freely across the continent (African Union, 2025).



AFRICA



ASIA



EUROPE

5.2 Projected Economic Impact

The projected economic impact is substantial. The United Nations Economic Commission for Africa projects that full implementation could add USD 450 billion to African incomes by 2035 and create 17.9 million new jobs, while lifting up to 50 million people out of extreme poverty (United Nations Economic Commission for Africa, 2025). Longer-term estimates suggest AFCFTA could help expand Africa's combined economy toward USD 29 trillion by 2050 (World Economic Forum, 2025).

The dismantling of historical fragmentation that restricted trade across 54 national borders, combined with reduced tariff and non-tariff barriers, is creating a market with a projected population of 1.7 billion people by 2030 (African Union, 2025).



USD
450
BILLION
Added to African incomes by 2035



17.9
MILLION
New Jobs Created



50
MILLION
People out of extreme poverty



USD
29
TRILLION
Africa's combined economy by 2050



6. Persistent Challenges



6.1 Access to Finance

The single greatest obstacle to African entrepreneurship remains access to finance. Africa's small and medium enterprise sector faces an estimated USD 331 billion funding gap, according to World Economic Forum analysis (World Economic Forum, 2025).

Traditional lending models, built around large corporates with significant collateral, exclude most small businesses. In many African countries, the median loan-to-collateral ratio sits at approximately 60 percent, requiring collateral worth nearly twice the size of the requested loan (World Bank, 2025).

Only one-third to one-fifth of SMEs in sub-Saharan Africa rely on formal bank loans, with the figure dropping even lower for agricultural businesses. This financing gap drives many entrepreneurs into informality, creating a cycle that is difficult to break without deliberate policy reform (International Monetary Fund, 2025).

USD
331
BILLION

Africa's small and medium enterprise sector faces an estimated funding gap.

60%

the median loan-to-collateral ratio
In many African countries

1/3 - 1/5

of SMEs in sub-Saharan Africa rely on formal bank loans,

6.2 Infrastructure Deficits

Infrastructure deficiencies represent the second major constraint on entrepreneurial growth. Poor roads, unreliable ports, and inconsistent rail networks can add 30 to 40 percent to the cost of moving goods across the continent (World Bank, 2025). For small manufacturers attempting to compete on price, this added cost can determine business viability.

Limited access to electricity remains a top barrier, as noted by the World Bank. While 11 African nations are currently among the 20 fastest-growing economies globally, infrastructure deficits continue to constrain business development (World Bank, 2025).



6.3 Regulatory Complexity

Regulatory complexity compounds these challenges. Business registration in many African countries involves multiple agencies, inconsistent documentation requirements, and unpredictable timelines.

This complexity pushes many entrepreneurs to remain informal, which then locks them out of formal credit, government contracts, and legal protection (Brookings Institution, 2025).



6.4 Human Capital Challenges

Skilled professionals, particularly in technology and engineering, continue to leave the continent for opportunities in Europe, North America, and the Gulf.

This brain drain removes not only individual talent but also potential mentors, future investors, and experienced operators who might otherwise help the next generation of founders (African Union, 2025).



6.5 Business Survival Rates

The combined weight of financing gaps, infrastructure costs, and regulatory friction is reflected in business survival rates.

Many African startups and small businesses fail within their first few years, not necessarily because ideas were weak but because of the systemic pressures they face (Global Entrepreneurship Monitor, 2026).



7. The Education impact



7.1 Skills Development

Funding alone will not solve the future of entrepreneurship in Africa. Skills matter equally, and education serves as the real multiplier behind entrepreneurial success. Across the continent, an estimated USD 1 billion is spent annually on entrepreneurship training programs in developing countries (World Bank, 2025). However, research suggests that many of these programs are not translating into meaningful economic or social impact. The problem is not a lack of investment in training but that too much focuses on theory rather than practical, hands-on skills such as managing cash flow, negotiating with suppliers, or reading financial statements (Brookings Institution, 2025).

The African Union's Agenda 2063 and Continental Education Strategy for Africa were both built around this gap, pushing education systems to focus on knowledge, skills, and problem-solving ability rather than standardized examination performance (African Union, 2025).

7.2 Digital and STEM Skills

Digital and STEM skills are becoming inseparable from entrepreneurship education. Many of the fastest-growing African businesses require at least a basic understanding of technology to compete. The entrepreneurs most likely to succeed are usually not those with the most original idea but those who understand business fundamentals well enough to adapt when their first plan does not work (Global Entrepreneurship Monitor, 2026).



8. The Health-Entrepreneurship Nexus

The connection between health and entrepreneurship shapes outcomes for millions of African business owners daily. Running a small business under financial pressure, often without any health insurance or formal safety net, takes a physical and mental toll. A founder dealing with a treatable illness, with no affordable healthcare nearby, often cannot afford to step away from their business long enough to recover properly (MOHAC Africa, 2026).



In economies where approximately 95 percent of working people fall into informal or vulnerable employment, there is typically no sick leave, no employer-provided insurance, and no safety net beyond family and community support. This helps explain why poverty and poor health outcomes are so closely linked across the continent (World Bank, 2025).

The reverse relationship matters equally. Healthier communities tend to produce more resilient entrepreneurs. When families spend less on emergency medical costs, more income remains available for reinvestment into a business, children's education, or savings (MOHAC Africa, 2026).

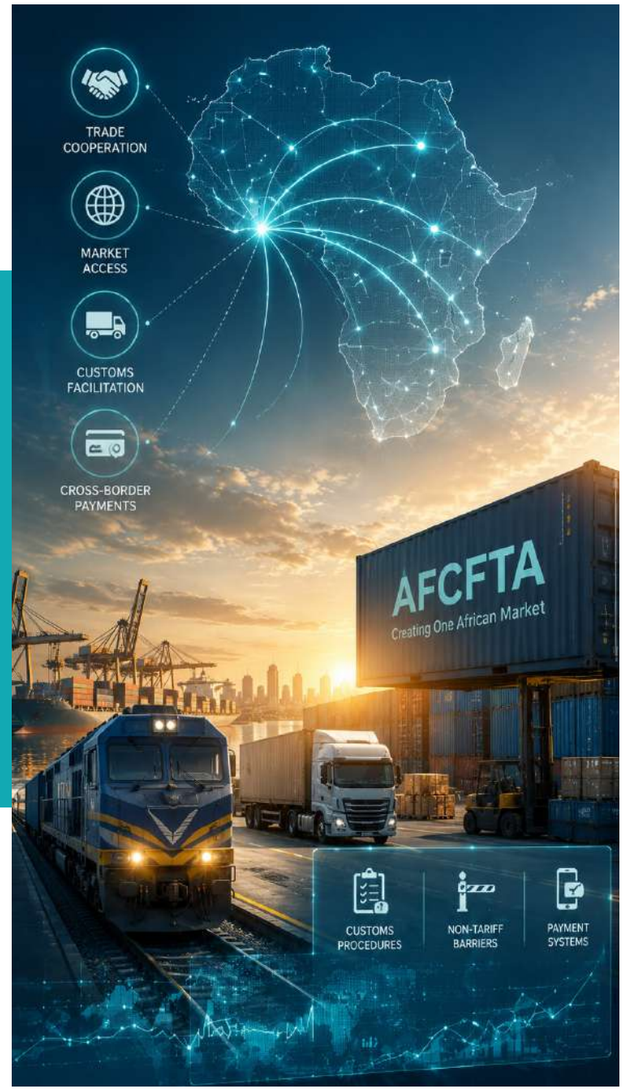
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Future Priorities and Recommendations

9.1 Expanding Domestic Capital

The shift already observed, with African investors increasing their share of venture commitments from 23 percent to 45 percent in a short period, needs to continue and deepen (AVCA, 2026). African pension funds and sovereign wealth funds collectively hold close to USD 1 trillion in assets. Even a modest, well-regulated share of this capital directed toward local venture financing could meaningfully reduce the continent's reliance on foreign investors (World Economic Forum, 2025).





9.2 Accelerating AFCFTA Implementation

With 25 countries having finalized their tariff schedules as of late 2025, the framework is gaining real momentum. However, remaining negotiations, particularly around non-tariff barriers such as customs procedures and cross-border payment systems, require sustained political attention to prevent stalling (African Union, 2025).



9.3 Blended Finance Expansion

Blended finance, combining public, private, and donor capital, deserves far more attention. Traditional bank lending alone will not close a USD 331 billion SME financing gap. Structures that pair concessional donor funding with private investment, reducing risk for commercial lenders while still reaching small, underserved businesses, have shown promise in pilot programs and need significant scaling (World Economic Forum, 2025).



9.4 NGO and Development Organization Role

Government policy and large-scale capital rarely reach the smallest, most local entrepreneurs fast enough. Organizations working directly with communities can fill this gap through targeted training, mentorship, and smaller scale funding support that larger institutions are not structured to provide efficiently (Brookings Institution, 2025).

9.5 Education Modernization

Education systems need to continue modernising toward practical, applicable skills rather than purely theoretical learning. The African Union's Continental Education Strategy provides a framework for this effort, but sustained funding and political will are required for full implementation across all 54 countries (African Union, 2025).





Part Two

Top OIC Countries in Entrepreneurship - GEM 2025/2026

1. Introduction and Overview

The Global Entrepreneurship Monitor (GEM) 2025/2026 Global Report - titled "From Uncertainty to Opportunity" - constitutes the 27th annual assessment of entrepreneurial activity worldwide.
The report is based on responses from over 160,000 individuals across 53 economies, representing approximately 43 percent of the global population and 57 percent of global GDP (Global Entrepreneurship Monitor, 2026).

This section details the scores of the top Organization of Islamic Cooperation (OIC) countries in the entrepreneurship rankings, explaining the parameters upon which these scores have been estimated.

+160,000
Individuals Surveyed

53
Economies Covered

43%
of global population

57%
of global GDP



2. The GEM Assessment Framework

GEM evaluates entrepreneurship through two complementary data sources (Global Entrepreneurship Monitor, 2026):

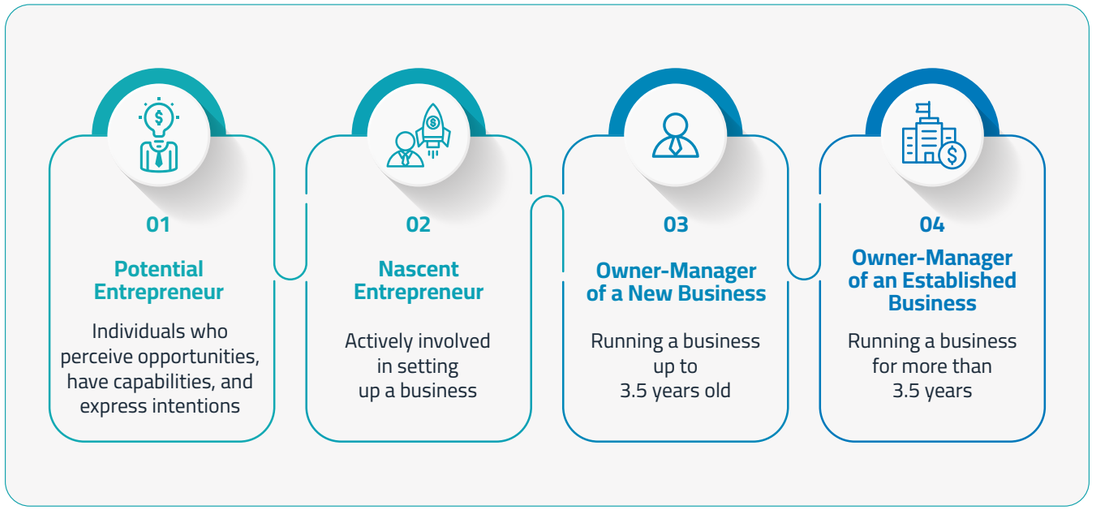
1. Adult Population Survey (APS) surveys individuals about their entrepreneurial attitudes, activities, and aspirations.

2. National Expert Survey (NES) assesses the entrepreneurial framework conditions through expert evaluations.



2.1 The Entrepreneurship Pipeline

The GEM model tracks entrepreneurship across four distinct stages (Global Entrepreneurship Monitor, 2026):



2.2 Key Assessment Parameters

The scores are based on the National Entrepreneurship Context Index (NECI), which measures the quality of a country's entrepreneurial environment on a scale of 0 to 10. The UAE scored 7.0 out of 10 in the NECI for 2025 (Global Entrepreneurship Monitor, 2026).

The NECI is derived from 13 Entrepreneurial Framework Conditions (EFCs), including (Global Entrepreneurship Monitor, 2026):

Framework Condition	Description
Entrepreneurial Finance	Availability and accessibility of funding.
Government Policies	Support, relevance, tax, and bureaucracy
Government Entrepreneurship Programs	Quality and reach of public support programs
Entrepreneurship Education (School)	Integration of entrepreneurship in primary/ secondary education
Entrepreneurship Education (Post-School)	Vocational and higher education training
R&D Transfer	Commercialization of research and development
Commercial & Legal Infrastructure	Access to professional and legal services
Market Dynamics	Ease of market entry and competition
Physical Infrastructure	Quality of roads, utilities, and digital connectivity
Cultural & Social Norms	Societal attitudes toward entrepreneurship

Additionally, the report measures **Total Early-stage Entrepreneurial Activity (TEA)**—the percentage of adults involved in nascent or new businesses—alongside **Individual Attributes** (gender, age, motivation) and **Impact** (business growth, innovation, market scope, industry) (Global Entrepreneurship Monitor, 2026).

| Part Three

OIC COUNTRY RANKINGS AND ANALYSIS



Summary Table of **OIC Country Rankings**

Rank	Country	NECI Score (0-10)	Key Strength
1	United Arab Emirates	7.0	Overall framework conditions; AI readiness
2	Saudi Arabia	6.5	Entrepreneurial Finance; University entrepreneurship
3	Qatar	6.0	Government support; Innovation focus
4	Bahrain	6.0	Regulatory reform; Fintech ecosystem
5	Oman	5.6	Vision 2040 diversification
6	Jordan	4.9	ICT startup ecosystem
7	Algeria	4.3	Youth entrepreneurial potential
8	Egypt	4.3	Large market; Growing startup scene
9	Morocco	4.2	Youth/women entrepreneurship programs

Source: Global Entrepreneurship Monitor, 2026



01 United Arab Emirates
Score: 7.0 / 10

The UAE has ranked first globally for the fifth consecutive year in the GEM report (Global Entrepreneurship Monitor, 2026).

Key Drivers of the Score:

- **Most Supportive Environment:** The UAE is rated the most supportive environment for a new business in the NECI (Global Entrepreneurship Monitor, 2026).
- **Top Performance Across Eight Areas:** Among high-income economies, the UAE ranked first in physical infrastructure, government policies (support and relevance), tax and bureaucracy policies, government entrepreneurship programs, R&D transfer, market entry dynamics, regulatory burdens, and entrepreneurial education (Global Entrepreneurship Monitor, 2026).
- **Entrepreneurial Finance:** Ranked second globally in entrepreneurial finance and ease of access to funding (Global Entrepreneurship Monitor, 2026).
- **TEA Rate:** 19.2% of adults are engaged in early-stage entrepreneurial activity. Other sources report a higher TEA of 36.5%—this discrepancy likely reflects different measurement scopes (total adult population vs. specific demographic segments) (Global Entrepreneurship Monitor, 2026).
- **AI Readiness:** Among only six countries where entrepreneurs agree AI will be critical over the next three years (Global Entrepreneurship Monitor, 2026).
- **Sufficiency:** One of only four countries globally reaching "sufficiency" level across all entrepreneurship framework conditions (Global Entrepreneurship Monitor, 2026).
- **Individual Attributes:** Notable gender parity with 38.4% male and 34.3% female participation in entrepreneurship (Global Entrepreneurship Monitor, 2026).





02 Saudi Arabia
Score: 6.5 / 10

Saudi Arabia secured third place globally in the NECI and first among high-income economies in Entrepreneurial Finance (Global Entrepreneurship Monitor, 2026).

Key Drivers of the Score:

- **Entrepreneurial Finance:** Ranked first among high-income economies, reflecting the strength and efficiency of its funding environment for SMEs (Global Entrepreneurship Monitor, 2026).
- **TEA Growth:** Total Early-Stage Entrepreneurial Activity rose significantly from 12.1% in 2018 to 28.9% in 2025 (Global Entrepreneurship Monitor, 2026).
- **Entrepreneurial Intentions:** Nearly doubled from 26.8% to 48.5% over the same period (Global Entrepreneurship Monitor, 2026).
- **University-Based Entrepreneurship:** Advanced from 53rd to 7th globally, reflecting stronger integration between education and innovation ecosystems (Global Entrepreneurship Monitor, 2026).
- **Institutional Support:**Achievements attributed to coordinated efforts between government entities (Monsha'at), the private sector, and academic institutions (Global Entrepreneurship Monitor, 2026).

03 Qatar
Score: 6.0 / 10

Qatar shares the 6.0 score with Bahrain. The country has shown substantially improved ratings for entrepreneurial framework conditions (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Strong government support for diversification away from hydrocarbon dependence (Global Entrepreneurship Monitor, 2026).
- Strategic investments in entrepreneurship education and innovation hubs (Global Entrepreneurship Monitor, 2026).
- Growing focus on knowledge-based economy and startup ecosystem development (Global Entrepreneurship Monitor, 2026).



04 Bahrain
Score: 6.0 / 10

Bahrain matches Qatar's score of 6.0, reflecting a competitive entrepreneurial environment among Gulf states (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Progressive regulatory reforms and business-friendly policies (Global Entrepreneurship Monitor, 2026).
- Strong fintech ecosystem and support for SME development (Global Entrepreneurship Monitor, 2026).
- Strategic positioning as a regional gateway for startups (Global Entrepreneurship Monitor, 2026).



05 Oman
Score: 5.6 / 10

Oman's score of 5.6 reflects steady progress in developing its entrepreneurial ecosystem (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Government initiatives under Oman Vision 2040 to diversify the economy (Global Entrepreneurship Monitor, 2026).
- Improving access to finance and entrepreneurship support programs (Global Entrepreneurship Monitor, 2026).
- Growing focus on SME development and innovation driven entrepreneurship (Global Entrepreneurship Monitor, 2026).



06 Jordan
Score: 4.9 / 10

Jordan leads the non-Gulf OIC countries with a score of 4.9 (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Well-established startup ecosystem, particularly in the ICT sector (Global Entrepreneurship Monitor, 2026).
- Strong entrepreneurial culture and high perceived capabilities among youth (Global Entrepreneurship Monitor, 2026).
- Challenges include limited access to finance and regional instability affecting market scope (Global Entrepreneurship Monitor, 2026).





07 Algeria
Score: 4.3 / 10

Algeria shares the 4.3 score with Egypt (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Growing government focus on entrepreneurship as a tool for economic diversification (Global Entrepreneurship Monitor, 2026).
- Young population with high entrepreneurial intentions (Global Entrepreneurship Monitor, 2026).
- Challenges include bureaucratic hurdles, limited access to finance, and underdeveloped entrepreneurial education (Global Entrepreneurship Monitor, 2026).



08 Egypt
Score: 4.3 / 10

Egypt matches Algeria's score of 4.3 (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Large and young population driving entrepreneurial potential (Global Entrepreneurship Monitor, 2026).
- Growing startup ecosystem, particularly in Cairo and Alexandria (Global Entrepreneurship Monitor, 2026).
- Significant challenges include access to finance, regulatory complexity, and infrastructure gaps (Global Entrepreneurship Monitor, 2026).



09 Morocco
Score: 4.2 / 10

Morocco rounds out the list with a score of 4.2 (Global Entrepreneurship Monitor, 2026).

Key Drivers:

- Government programs supporting youth and women entrepreneurship (Global Entrepreneurship Monitor, 2026).
- Strategic focus on innovation and digital economy (Global Entrepreneurship Monitor, 2026).
- Challenges include limited access to finance and entrepreneurial education gaps (Global Entrepreneurship Monitor, 2026).

| Part Four

COMPARATIVE ANALYSIS AND CROSS-CUTTING OBSERVATIONS



1. Gulf Dominance

The top five positions are held by GCC countries, reflecting sustained government investment in diversification, regulatory reform, and entrepreneurial ecosystem development (Global Entrepreneurship Monitor, 2026). This pattern aligns with the broader African data showing that countries with strong institutional frameworks and government support tend to have more developed entrepreneurial ecosystems (World Bank, 2025).



2. Finance as a Differentiator

Access to entrepreneurial finance emerges as a critical differentiator across both datasets (Global Entrepreneurship Monitor, 2026; World Economic Forum, 2025):

- Saudi Arabia ranks first among high-income economies in entrepreneurial finance.
- The UAE ranks second globally in this area.
- In Africa, the SME financing gap of USD 331 billion represents the single greatest obstacle to entrepreneurship.
- The rise of venture debt in Africa (reaching USD 1.8 billion in 2025) demonstrates innovative approaches to bridging this gap.





3. Education Matters

Saudi Arabia's leap from 53rd to 7th in university-based entrepreneurship highlights the importance of integrating entrepreneurship into education systems (Global Entrepreneurship Monitor, 2026). Similarly, Africa's USD 1 billion annual investment in entrepreneurship training programs underscores the recognition that skills development is as critical as capital access (World Bank, 2025).



4. AI Readiness Gap

The GEM report identifies a growing "AI Readiness Gap" between technologically advanced and lagging economies (Global Entrepreneurship Monitor, 2026). The UAE is among the global leaders in AI expectations among entrepreneurs, while in Africa, more than 60 percent of young people report regular use of AI tools—suggesting that digital literacy may help bridge this gap in unexpected ways (GSMA, 2026).

5. Survival Gap

While TEA rates are high across many OIC countries and Africa, the GEM report warns that progression to established business status (3.5+ years) is stalling globally (Global Entrepreneurship Monitor, 2026).
This challenge is particularly acute in Africa, where many startups fail within their first few years due to systemic pressures (Brookings Institution, 2025).



6. Demographic Dividends

Both OIC and African entrepreneurial landscapes benefit from young populations (Global Entrepreneurship Monitor, 2026; United Nations Economic Commission for Africa, 2025):

- Africa has the youngest population globally, with more than 60% under 25
- Several OIC countries (Egypt, Algeria, Morocco) similarly have young demographics driving entrepreneurial potential
- Women's entrepreneurship is particularly significant in both contexts, with Africa having the world's highest rate of women's entrepreneurial activity (26-27% of adult women)



7. Mobile Money and Financial Inclusion

The mobile money revolution has transformed financial inclusion across Africa, with 1.2 billion registered accounts and USD 1.4 trillion in transaction value in 2025 (GSMA, 2026).
This innovation offers lessons for other OIC countries seeking to expand financial inclusion and support entrepreneurship.



8. The Role of Regional Integration

AFCFTA represents a transformative opportunity for African entrepreneurs by creating a market of 1.4 billion people and potentially adding USD 450 billion to African incomes by 2035 (United Nations Economic Commission for Africa, 2025). This regional integration model offers insights for other OIC regions considering similar approaches.



Conclusion

The entrepreneurial landscapes of Africa and the top OIC countries demonstrate both remarkable vitality and persistent challenges. Africa's entrepreneurial activity rate—the highest globally—reflects a necessity-driven dynamism that, with appropriate support, could unlock extraordinary economic potential (Global Entrepreneurship Monitor, 2026). The continent's young population, high rates of women's entrepreneurship, and emerging digital economy provide a strong foundation for future growth (World Bank, 2025).

The top OIC countries, particularly the Gulf states, demonstrate what is possible with sustained government investment, regulatory reform, and strategic focus on entrepreneurial ecosystem development (Global Entrepreneurship Monitor, 2026). Their success in creating supportive framework conditions offers a model for other OIC countries seeking to enhance their entrepreneurial environments.

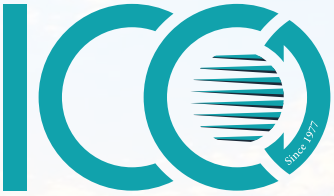
The convergence of several trends—the rise of alternative financing mechanisms, the transformative potential of mobile money, the emergence of regional trade agreements, and the growing recognition of education as a multiplier—suggests that both Africa and the broader OIC region are at a pivotal moment (World Economic Forum, 2025; GSMA, 2026). The future of entrepreneurship across these regions depends on closing the gaps between funding and skills, formal and informal sectors, and national markets simultaneously, rather than choosing one priority over others.

With sustained attention to these interconnected challenges, entrepreneurs across Africa and the OIC countries are well-positioned to drive inclusive economic growth, create meaningful employment opportunities, and contribute to the broader goal of sustainable development (African Union, 2025; United Nations Economic Commission for Africa, 2025).



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