

# Tech-Entrepreneurship Initiative “Make-IT in Africa” II

We empower entrepreneurial and innovation ecosystems to support digital transformation in Africa.

**The challenge: Innovation could have an immense impact on people’s lives – but it doesn’t reach it’s full potential**

Digital creators are enablers. With their innovative ideas, they have the potential to have a major positive impact on people’s lives and a sustainable development of their living space. African digital start-ups develop future-oriented products for all sectors, such as health services, urban development or agriculture. Their overall goal is to impact the life of as many people as possible to for example improve their health care, strengthen the infrastructure of their private and economic environment and increase agricultural yields.

Yet, despite these great potentials, African digital start-ups often fail to achieve investment and scale, to enter international cooperations or to gain the trust of large corporate partners. As a result, the innovative ideas – of which there are many – often do not reach the people and fail to unfold their full potentials. In addition, there is a lack of a supportive environment, for example through networked innovation hubs or well-developed association structures (so-called intermediaries) to establish digital innovations in the market. The state framework conditions for setting up a company and for example obtaining patent rights are also largely lacking in many African regions.

Well-connected, highly professional entrepreneurial and innovation ecosystems form the fundamental environment to enable start-ups to

- development their ideas into innovative solutions and products,
- enter the commercial market
- and achieve sustainable business establishment.

Project name	Tech-Entrepreneurship Initiative “Make-IT in Africa” – Project phase II
Commissioned by	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ)
Project region	Pan-African region with regional teams in Ghana and Rwanda
Lead executing agency	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
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## What is an entrepreneurial and digital innovation ecosystem?

We see digital entrepreneurial and innovation ecosystems as a supportive and implementing environment. Here, entrepreneurs have good access to professional training, financial support, influential networks and the necessary policy framework conditions. In digital entrepreneurial and innovation ecosystems, entrepreneurs can turn their innovative ideas into digital products and solutions that improve people’s lives.

## Our approach – How do we empower digital entrepreneurial and innovation ecosystems?

In order to realise the vision of an entrepreneurial and innovation ecosystem to support digital transformation in Africa we work on three levels:

1. **Micro level – Start-ups:** At the startup level, the goal is to align the business models of start-ups with market conditions and to make them ready for the future. Such business models have a positive long-term effect on the entire digital entrepreneurial and innovation ecosystem as a lot can develop from this: more innovations, innovative product and service portfolios, partnerships with other ecosystem stakeholders and expansions into both other market segments and foreign markets.

Our approach here is to strengthen the specialised and market-oriented capacities and competences within the start-ups. In addition, start-ups are empowered to strategically and tactically seek and shape partnerships with other – especially international – players. These support measures are implemented in close cooperation with African and international companies and organisations.



African start-ups develop future-oriented digital solutions and products for all sectors.



For example, digital agriculture increases yields to achieve the SDG 'Zero hunger'.

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2. **Meso level – Intermediaries:** At the level of intermediaries, the aim is to support intermediaries in providing start-ups and other ecosystem actors a high-quality service that is financially sustainable and independent of donor funding. Our approach here is to promote the development of networks (e.g. investor networks) and to link national actors with pan-African counterparts. In addition, we closely work with several *African Digital Innovation Hubs* (ADIHs) which are established and supported by the *African European Digital Innovation Bridge* (AEDIB) – a project initiated by the European Commission, several EU Member states and a network of partners to foster intercontinental innovation partnerships. AEDIB is coordinated by Make-IT in Africa on behalf of BMZ.
3. **Macro level – Political framework conditions:** In terms of policy frameworks, the aim is to support the development of methods and instruments to make national, pan-African and Africa-European approaches for digital innovation applicable across the borders. At the same time, African decision-makers are encouraged to create a conducive environment within their digital entrepreneurial and innovation ecosystem. To achieve this goal, we are developing target group-specific dialogue formats and a publicly accessible toolkit with methods and instruments for example on startup funding policy and funding instruments. Here, we work closely together with partners like the *Smart Africa Secretariat* and the *i4Policy Foundation*. In addition, institutions for the promotion of gender equality are involved.



## Success factors – What have we achieved already?

Since Make-IT in Africa started its work in 2017...

- **494 start-ups** were supported
- supported start-ups received investments amounting to **100 million euros**
- **60 intermediaries** of digital entrepreneurial and innovation ecosystems were strengthened
- Over **500 professionals and managers** from innovation hubs, associations or public authorities have been trained
- **5 national and pan-African policy frameworks** have been co-developed

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