

Supporting private and public players to promote the emergence of innovative ecosystems

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Technical and financial assistance for innovative entrepreneurship remains a core component of sustainable development. It helps redirect the economy towards sectors with higher added value. By taking a cross-cutting approach to supporting public and private initiatives in its countries of operation, the agency Expertise France contributes to building a favorable business climate and establishing a regulatory framework conducive to entrepreneurship.

Expertise France (EF) supports innovative entrepreneurship in the hundred or so countries where it operates. It combines support for projects led by economic actors from civil society (incubators, accelerators and entrepreneurial hubs) and technical assistance (TA) to governments. In practical terms, the agency firstly builds the capacities of public institutions and assists governments or public bodies with the implementation of public-private partnerships (PPPs).

Secondly, it supports the ecosystem of innovative entrepreneurship and contributes to the deployment of mechanisms to access financing. This cross-cutting approach allows it to take the institutional component into account in order to promote the emergence and structuring of innovative entrepreneurial ecosystems. This also strengthens the coherence between public policies and private initiatives.

CONTRIBUTING TO THE IMPLEMENTATION OF REGULATORY FRAMEWORKS

To make innovation a major driver for economic growth and job creation, Expertise France contributes to developing regulatory and financial tools to build an ecosystem of entrepreneurship and innovation.

In Tunisia, under the Innov'i program financed by the European Union, the agency is supporting the implementation of the public initiative Startup Tunisia by building the capacities of the national operator Smart Capital. At the same time, Expertise France is contributing to the implementation of a regulatory framework to promote the development of crowdfunding in the country. This support has raised the awareness of public actors and led to the adoption of the law of July 2020.

The Innov'i project is also working with the Tunisian Ministry of Industry to promote the integration of innovation into public procurement criteria. This is a key tool in ensuring that start-ups and SMEs have access to public contracts, which will certainly accelerate their development.

BUILDING A FINANCING CONTINUUM

Once the regulatory framework has been established, a financing continuum must be secured from the start of the project through to its acceleration. It is for this reason that Expertise France contributes to financing and technical assistance for initiatives led by private economic actors.

For example, in Tunisia, the Innov'i program has allocated an €8 million budget to the support structures. Montenegro is another example, where the "Competitiveness Vouchers" pilot scheme set up under the BeSME project is directly financing services. Seventeen SMEs have already benefited from assistance to support their digital and technological transformation.

Under the Startup Invest component of the Startup Tunisia initiative, Innov'i is helping Smart Capital to structure Anava, the very first fund of funds of its kind in Africa, with a target size of €200 million. Anava aims to invest in at least 16 underlying funds which will in turn finance over 350 start-ups. Expertise France's assistance is today focusing on the next closing, risk mapping and the in-depth assessment of the first applications of the underlying funds.

PROMOTING THE ENTREPRENEURIAL ECOSYSTEM

To support private sector development, it is crucial to coordinate the ecosystem of entrepreneurship and innovation. Public-private partnerships are a good example of this. The Innov'i project has contributed to the creation of the first space in Tunisia dedicated to innovation and start-ups. This place is called The Dot and aims to become the figurehead of Tunisia's entrepreneurial ecosystem, in addition to being a springboard for the emergence of start-ups.

On a broader level, it disseminates an entrepreneurial culture. To increase the visibility of companies among local and international investors, Expertise France helps coordinate Tunisia's INVEST'I community on the international matchmaking platform EuroQuity. This Bpifrance service puts Tunisian high potential start-ups in contact with their development partners, particularly investors.

In Montenegro, Expertise France has helped the government set up the Technology Transfer Office which organizes the transfer of technologies with start-ups and SMEs focused on research and innovation.

By taking this cross-cutting approach to supporting private and public initiatives, Expertise France contributes to creating regulatory conditions conducive to the development of a dynamic ecosystem. The agency also seeks to compensate for the lack or inadequacy of financing mechanisms for start-ups, a key focus for bringing about the future champions of innovation.

Read more:

INITIAL ENCOURAGING ASSESSMENT OF STARTUP ACTS IN AFRICA

Nineteen African governments have enacted specific legislation in the form of Small Business Acts (SBA) and Startup Acts to stimulate the creation and development of MSMEs. While they are recent instruments for which there are not yet external evaluations, the SBA and Startup Acts would appear to have a significant impact on the development of the private sector if they are well designed and properly implemented, as shown by the evaluation conducted by AFD Group in 2020.

For example, the Startup Acts in Tunisia and Senegal have a set of tax incentives and financial and non-financial assistance for entrepreneurs to support the creation and growth of innovative start-ups and SMEs. There have already been significant initial impacts in their respective ecosystems. The Startup Act adopted in Tunisia 2 years ago has certified over 500 start-ups. They have helped to create 3,222 jobs. Moreover, the certified Tunisian start-ups that have been in business for over a year recorded an average growth of 47.6% in their turnovers in 2020.