LEAP-RE

Research and Innovation Action (RIA)

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 963530

Start date : 2020-10-01 Duration : 63 Months
http://www.leap-re.eu/

Detailed description of the In/11/ation Accelerator

Authors : Mr. Luc BERMAN (LGI), Luc Berman (LGI) Samir Brairi (PAUWES) Pierre Cattoire (LGI) Amazigh Dib (PAUWES)

LEAP-RE - Contract Number: 963530

Project officer: Bernardo Luis ABELLO GARCIA

Document title	Detailed description of the In/11/ation Accelerator
Author(s)	Mr. Luc BERMAN, Luc Berman (LGI) Samir Brairi (PAUWES) Pierre Cattoire (LGI) Amazigh Dib (PAUWES)
Number of pages	25
Document type	Deliverable
Work Package	WP4
Document number	D4.8
Issued by	LGI
Date of completion	2023-04-03 09:39:29
Dissemination level	Error (13) !

Summary

As the final deliverable of task 4.3 of the LEAP-RE programme, this document serves as support material for the creation of an innovation accelerator programme targeting sustainable energy solutions for Africa. LEAP-RE aims to launch an accelerator for innovative businesses in African countries in the sustainable energy sector. Considering the landscape analysis of existing initiatives around Africa, as well as internal and external consultations, different structure models are envisioned.

Approval

Date	By
2023-04-18 12:34:46	Mr. Antti AUTIO (UHEL)
2023-04-19 13:05:18	Mr. Léonard LéVêQUE (LGI)

LEAP-RE

Long-Term Joint EU-AU Research and Innovation Partnership on Renewable Energy

Research & Innovation Action

March 2023

D4.8 Detailed description of the Innovation Accelerator

Version N°2

Authors:
Luc Berman (LGI)
Samir Brairi (PAUWES)
Pierre Cattoire (LGI)
Amazigh Dib (PAUWES)

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Disclaimer

The content of this report reflects only the author's view. The European Commission is not responsible for any use that may be made of the information it contains.

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Document information

Grant Agreement	963530
Project Title	Long-Term Joint EU-AU Research and Innovation Partnership on Renewable Energy
Project Acronym	LEAP-RE
Project Coordinator	Vincent Chauvet (Vincent.chauvet@lgi.earth) – LGI
Project Duration	1st October 2020 – 31st December 2025 (63 Months)
Related Work Package	WP4
Related Task(s)	T4.3
Lead Organisation	LGI
Contributing Partner(s)	PAUWES
Due Date	31/03/2023
Submission Date	31/03/2023
Dissemination level	PU

History

Date	Version	Submitted by	Reviewed by	Comments
10/03/2023	1	Luc Berman (LGI)		
31/03/2023	2	Luc Berman (LGI)	Elli Stepanovic (FFG) Leonard Lévêque (LGI) Antti Autio (UH) Kibibi Ndope (AESG) Vincent Chauvet (LGI)	

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Table of contents

1. Introduction 9
2. Market study: success factors and challenges faced by existing African accelerators 9
2.1 Success factors to running an innovation accelerator 9
2.2 Challenges that need to be addressed in the design of the accelerator 10
2.3 Other market research results: stakeholder mapping and engagement 11
3. Programme framework 12
3.1 Selection criteria of businesses to be accelerated 12
3.2 Possible services provided by the accelerator 12
3.3 Financing options 15
3.4 Structure of the accelerator: possible options 15
3.4.1 Option 1: Joining forces - an activity dedicated to innovative businesses in sustainable energy created within an existing accelerator programme 15
3.4.2 Option 2: A consortium-led accelerator programme 16
3.4.3 Option 3: New entity - creation of the accelerator as an independent entity 18
4. Annex 21
Detailed benchmark results 21
Interview guidelines 24

List of figures

Figure 1: Stages of a business's maturity and possible technical and financial support services to be provided by the accelerator programme 14
Figure 2. The governance structure for Option 2: Consortium-led initiative externally funded with no legal status 16
Figure 3. The governance structure for Option 2: The accelerator programme as an international organization with a legal status 19

List of tables

Table 1. Success factors reported by studied accelerator programmes 9

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Table 2. Challenges reported by studied accelerator programmes 11

Table 3. Examples of possible financing options for the funding of the accelerator programme 15

Table 4. Tasks of the Governing Board in Option 2 17

Table 5. Tasks of the Management Board in Option 2 17

Table 6. Additional governance structure elements under Option 3 19

Table 7. Overview of studied organisations with information on their legal status, users segments, geographical reach and sector.....22

Table 8. Legal status of studied organisations 23

Table 9. Types of revenues 23

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Abbreviations and Acronyms

Acronym	Description
ADB	African Development Bank
AECID	Spanish Agency for International Development Cooperation
AFD	French Development Agency
FCDO	Foreign, Commonwealth and Development Office
GIZ	German Agency for International Cooperation GmbH
IP	Intellectual Property
IPO	Initial Public Offering
JICA	Japan International Cooperation Agency
LuxDev	Lux-Development, aid and development agency of Luxembourg
ROI	Return On Investment
SE	Sustainable Energy
SI	Sustainable Innovation
SIDA	Sweden's government agency for development cooperation
USAID	United States Agency for International Development
WP	Work Package

Summary

As the final deliverable of task 4.3 of the LEAP-RE programme, this document serves as support material for the creation of an innovation accelerator programme targeting sustainable energy solutions for Africa.

LEAP-RE aims to launch an accelerator for innovative businesses in African countries in the sustainable energy sector. Considering the landscape analysis of existing initiatives around Africa, as well as internal and external consultations, different structure models are envisioned.

The accelerator aims at:

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

1. **Providing acceleration services to facilitate uptake and replication of innovative social and technical solutions in sustainable energy:** Developing services related to business, scaling pathways, IP advisory, business models, innovator pitch, etc. for project owners, essentially arising from the LEAP-RE project portfolio.
2. **Serving as liaison with multiplier networks to facilitate access to local entrepreneurs**, given organising technology brokerage (connecting tech owners to entrepreneurs to conclude business deals).
3. **Connecting innovators** with actors and networks able to support their upscaling and replication, including finance actors.

A market study and the analysis of 16 initiatives led to the identification of a list of success factors and challenges to feed into LEAP-RE's discussions on the design of its accelerator programme.

From the benchmark, this report presents 1) different selection criteria, 2) types of services, 3) financing options, as well as 4) different options for the future programme structure.

1) The selection criteria for businesses to be supported by the accelerator programme include:

- Scalability
- Innovativeness
- Market potential
- Team strength
- Financial potential
- Interest in accessing coaching / support
- Maturity of the business

2) On services, based on benchmarks of similar existing organisations, as well as internal and external consultations, five main lines of services were identified:

- Stimulating innovation,
- Supporting entrepreneurship,
- Building capacity,
- Accessing finance,
- Scaling up.

3) Financing options are listed and include:

- Public subsidies
- Sponsorship (foundations/philanthropy, international organisations)
- Revenues from services (training programmes, consultancy)
- Other types of revenue streams (membership fees, events, crowdfunding).

4) On structure, three options are explored and presented:

In option 1, LEAP-RE supports an existing accelerator to jointly operate a programme dedicated to innovations in sustainable energy.

Option 2 would facilitate a short-term programme evolution into a consortium-led initiative, within the framework of the future LEAP-RE platform, externally funded without legal status. This option allows for quick implementation and flexibility for developing services

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

in the long term. A proposed Management Board would allow for decentralised operational management with low financial costs.

In option three, the accelerator programme becomes an international not-for-profit organisation with legal status. This option envisions the programme as a mature organisation, with advanced services and long-term economic consolidation. This would entail the incorporation of a legal entity to directly apply for grants, private funding, and centralised secretariat functions.

Within the framework of this deliverable, long-term reflections on a hypothetical CCSE secretariat are not addressed nor taken into account. This would be updated in D4.9 Analytical Report: Good Practices on Innovation Acceleration, integrating the progress made in WP6 activities which will contribute to answering long-term questions. As such, D4.9 will serve as an update of this deliverable D4.8.

Keywords

Sustainable innovation, accelerator, Africa, sustainable energy, business strategy, EU-AU partnership

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

1. Introduction

As the final deliverable of task 4.3 of the LEAP-RE project, this document serves as support material for the creation of an innovation accelerator programme targeting African businesses innovating in sustainable energy.

The purpose of LEAP-RE's innovation accelerator is to foster innovation and entrepreneurship in the sustainable energy sector while addressing the unique challenges faced by African businesses in accessing capital, technology, and markets. Overall, the goal of the innovation accelerator for African businesses in sustainable energy is to promote sustainable economic development and support in addressing some of the key challenges faced by the continent today, such as energy poverty, inadequate clean energy transition, lack of energy investments and the climate crisis.

This document 1) provides recommendations and evidence emerging from a benchmark study, 2) presents a programme framework with possible selection criteria, potential services, possible financing options and structure options the LEAP-RE consortium could investigate to launch an innovation accelerator programme.

The elements presented in this document will be further developed in D4.9, integrating key decisions made in the context of WP6. This includes the validation and reinforcement of structure and activity options for the future innovation accelerator.

2. Market study: success factors and challenges faced by existing African accelerators

This section provides the findings of the market research carried out by LGI and PAUWES in 2022 on existing African accelerators. The research, performed in the form of a benchmark, consisted of identifying key challenges faced by innovation accelerators in Africa and surveying the success factors supporting their operations. A detailed methodology of the benchmark, as well as further details on the structure and activities of studied programs, can be found in this document's Annex.

The purpose of the market research is to feed into LEAP-RE's work to design its accelerator programme.

2.1 Success factors to running an innovation accelerator

The success factors reported by programmes analysed during the market research are compiled in Table 1:

Table 1. Success factors reported by studied accelerator programmes

Success factors	Takeaways
1. **Proactivity within a strong network of stakeholders**	- **Adopt a collaborative approach** to innovation, bringing together a diverse range of stakeholders such as entrepreneurs, investors, researchers, and policymakers. - **Build partnerships and networks**, promote knowledge sharing, and leverage expertise from different sectors - **Learn from other actors**, ability to change scales, contacts among investors, a pool of mentors

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

2. Access to finance & managing budget efficiently	- **Provide** start-ups and entrepreneurs with **access to seed funding, venture capital, and other forms of finance** - **Support entrepreneurs** in developing business models and securing investment - **Mixed funding streams** to secure budget (e.g.: international grant + rental fee + events fee) - **Partner with local institutions** to limit operational costs
3. Having a small, dedicated and experienced team	- **Precise the number of staff in the initiation phase** of the programme
4. Access to technical expertise	- **Connect experts in sustainable energy technologies**, energy efficiency, and energy storage for evaluating the viability of innovative solutions and guide entrepreneurs
5. Providing capacity building and training on finance	- **Provide training** on topics such as business planning, marketing, financial management, and technology commercialization - **Emphasize on financial education** when providing training
6. Understanding local contexts	- **Compose staff and teams of experts coming from the country** with local knowledge and experience
7. Availability of regulatory support & local institutional connections	- **Work closely with policymakers** to create an enabling environment for sustainable energy innovation - **Advocate for policies** and regulations that support innovation, addressing regulatory barriers, and promoting standards and best practices
8. Establishment of a robust monitoring, evaluation and learning framework	- **Track the progress and impact** of the program - **Track key performance indicators**, conducting impact assessments, and using feedback to continuously improve the programs
9. Being pioneers in a new market	- **Partner** with reputed and established organisations
10. Benefiting from a local entrepreneurial culture	- **Catalyse entrepreneurial ambitions** by providing mentoring support

By focusing on these success factors, the innovation accelerator can help to drive sustainable energy innovation, support entrepreneurship and job creation, and contribute to the transition towards a low-carbon economy.

2.2 Challenges that need to be addressed in the design of the accelerator

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

The challenges reported by programmes studied through the market research are compiled in Table 2:

Table 2. Challenges reported by studied accelerator programmes

Challenge	Takeaways
1. Adapting to local contexts when monitoring several hubs	- **Staff should be composed of local people** - **BMs and activities may differ** from one hub to another
2. Selection of the right staff and managing high turnovers	- **Select a team of experienced personnel** in accelerators - **Invest in training and capacity building** to develop the necessary human capacity.
3. Tackling the gender gap both in staff and candidates	- **Implement gender policies** in hiring and selecting
4. Coping with possibly unstable political contexts	- **Take into account geopolitical tensions** when assessing possible markets where to launch the programme by performing a risk analysis
5. Operating within an absence of policy support/inadequate legislation(s)	- **Engage with national and local authorities** to report needs - **Advocate for policy changes** to support sustainable energy innovation
6. Confronting the aftermaths of measures taken for COVID-19/Russian invasion in Ukraine	- **Secure budget** by seeking international grants and mixing funding streams - **Prepare** for possible new drastic societal disruptions such as pandemics, environmental disasters or armed conflicts by enacting a dedicated procedure
7. Finding applicants and quality candidate projects	- **Prioritise countries with a mature innovation ecosystem** (universities, investors, market) when launching the programme. Seek expansion in less mature ecosystems once the programme is operating stably in an initial location.
8. Scaling up in an undergrown innovation ecosystem	
9. Weak infrastructure	- **Prioritise locations where the necessary infrastructure is** already in place and robust - **Consider integrating a focus on solving weak infrastructure** in businesses selection criteria.

Overall, innovation accelerators in sustainable energy face a complex set of challenges, requiring significant resources, strategic planning, and collaboration with stakeholders to overcome.

2.3 Other market research results: stakeholder mapping and engagement

The benchmarking activities conducted for this document allowed for initiating contact with an extensive **local ecosystem of established actors to** who LEAP-RE should engage **when approaching the market with its finalised plan.**

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

This task also **created an extensive mapping** of stakeholders of the African innovation ecosystem, accessible for future purposes.

3. Programme framework

This section aims at presenting a possible program framework that outlines the structure of the accelerator, including the selection criteria for businesses, the types of support provided, and the expected outcomes. The program should be designed to help businesses develop their products and services, build their capacity, and access financing and international markets.

3.1 Selection criteria of businesses to be accelerated

The selection criteria for businesses to be incubated within the accelerator programme include:

1. **Scalability:** Accelerator programmes typically aim to support high-growth businesses with the potential to scale rapidly. As such, businesses with products or services that have the potential for rapid growth and expansion are often preferred.
2. **Innovation:** Many accelerator programmes are geared towards supporting businesses that are developing new and innovative technologies or products. As such, businesses with unique and innovative ideas that have the potential to disrupt the market are often favoured.
3. **Market potential:** Businesses with products or services that address a large and growing market with significant demand are often preferred. Accelerators may look for businesses that have a clear understanding of their target market and have identified a niche that they can serve effectively.
4. **Team strength:** Accelerator programmes often prioritize businesses with a strong and experienced founding team. They may look for teams with a diverse set of skills and backgrounds, as well as a track record of successfully executing their plans.
5. **Financial potential:** Accelerator programmes may also consider the financial potential of a business, including factors such as revenue potential, margins, and funding needs. They may look for businesses with a clear and realistic plan for generating revenue and achieving profitability.
6. **Coaching potential:** Finally, accelerator programmes typically prioritize businesses that are open to feedback and guidance from mentors and coaches. They may look for businesses that are willing to learn and adapt, and that demonstrate a commitment to growth and development.
7. **Maturity of the business**: The accelerator programme will need to decide at which stage of business maturity it will provide support. The types of technical and financial support may differ for each stage, as illustrated by Figure 1.

3.2 Possible services provided by the accelerator

The services provided by the accelerator could include:

- **Stimulating innovation:** The accelerator can help to stimulate innovation in sustainable energy by providing funding, mentorship, and technical assistance to entrepreneurs and start-ups developing new and innovative solutions.

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

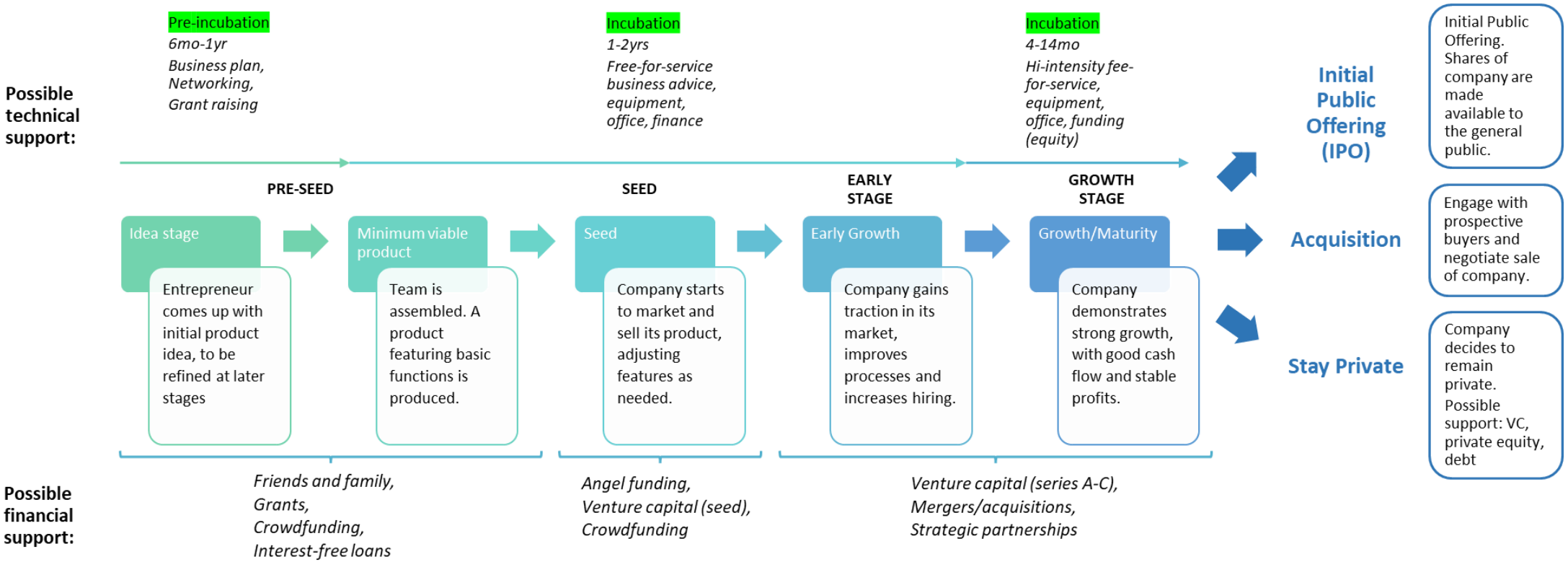
- **Supporting entrepreneurship:** The accelerator can help to support entrepreneurship in sustainable energy by providing resources such as training, networking opportunities, and access to market insights.
- **Building capacity:** The accelerator can help to build the capacity of African businesses in sustainable energy by providing technical assistance and training on key issues such as energy access, policy, and regulations.
- **Accessing finance:** The accelerator can help to connect African businesses in sustainable energy with sources of finance, including venture capitalists, nationally and internationally, impact investors, and other funding sources.
- **Scaling up:** The accelerator can help to support African businesses in scaling up their operations, by providing access to new markets, strategic partnerships, and other growth opportunities.

The chart of Figure 1 presents the common stages of a new business's maturity. Different possible technical and financial support could be provided by the accelerator programme throughout the business's growth cycle. Technical support includes:

- business planning, networking and grant raising at the **pre-seed stage**,
- business advice, possibly facilitated access to equipment and office space, and access to finance at the **seed stage**,
- fee-for-service and equity in **later stages**.

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Figure 1: Stages of a business's maturity and possible technical and financial support services to be provided by the accelerator programme



Adapted from Laure, A. and Duchatelet, S., 2018

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

3.3 Financing options

This section presents the financing opportunities identified for LEAP-RE's accelerator programme. A list of options is summarised in Table 3.

Table 3. Examples of possible financing options for the funding of the accelerator programme

Category	Examples
Grants and subsidies	International funders (World Bank, ADB, FCDO, USAids, JICA, AFD, GIZ, AECID, SIDA, BTC, LuxDev, Cassa Depositi e Prestiti, Business Finland Energy Aid, Team Finland, etc.) EU programmes grants National funding Government departments/government bodies Subsidies from municipalities
Sponsorship	Research institutes Foundations Charity donations and involvement Sponsorship from (a) international organisation(s) Corporate social responsibility from actors of the sustainable industry
Revenue from services	Deliver training programmes Sell reports, data, or other research materials Provide consultancy services to businesses Rental of office space
Other	Loans Membership fees Selling of dissemination material (t-shirts, cups, etc.) Crowdfunding Events (paid events with discounted tariffs for specific profiles)

3.4 Structure of the accelerator: possible options

3.4.1 Option 1: Joining forces - an activity dedicated to innovative businesses in sustainable energy created within an existing accelerator programme

This first option sees LEAP-RE's ambition to develop an accelerator programme for innovative businesses in sustainable energy being fulfilled by an existing accelerator that does not yet have a project dedicated to innovation in SE.

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

In this option, LEAP-RE would provide its co-financing knowledge and tools to an existing accelerator programme active in Africa. This existing programme would benefit from LEAP-RE's capacity of bringing about innovative projects in sustainable energy. The programme would support those projects by providing services such as training, mentorship, networking opportunities or access to finance. LEAP-RE could also feed the accelerator pipeline with innovators or startups arising from its portfolio and its community.

This first scenario has been highlighted as a preferred option by consortium members and further investigations will lead to in-depth strategy development, of which decisions made will be reported in D4.9 Analytical Report: Good Practices on Innovation Acceleration.

3.4.2 Option 2: A consortium-led accelerator programme

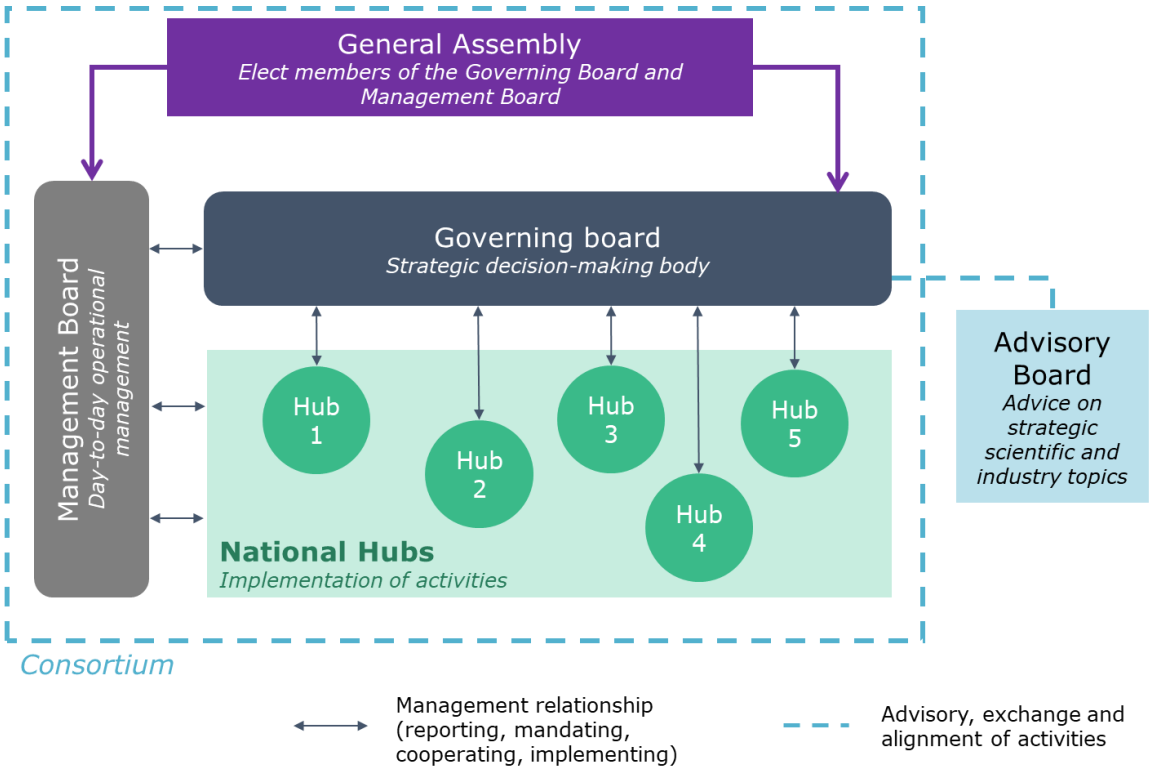
A second option is for the accelerator to become an ad hoc purpose-built consortium-driven initiative with no legal status, within the framework of the future LEAP-RE platform. This last aspect depends on the nature of the funding sources and the scope of services developed, but the benchmarking exercise indicates that some similar organisations do not have a legal status and, nevertheless, operate properly. However, this arrangement restricts them as they cannot apply for funds directly as an individual unit. Instead, one or several consortium members must be mandated to seek and redistribute funding on behalf of the accelerator.

This option allows for rapid implementation in the short term and flexibility to further develop the programme in the long term.

3.4.2.1 Governance structure

A tentative structure of the governance model in Option 2 is illustrated by a schematic representation in Figure 2. A description of each element, as well as their roles and the relations in place between them, is given in the parts that follow.

Figure 2. The governance structure for Option 2: Consortium-led initiative externally funded with no legal status



This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

3.4.2.2 Governing board: a strategic decision-making body

Option 2 gives the Governing Board strategic responsibility and the ultimate decision-making body for the accelerator program. The Board provides direction and guidance to the strategic research and innovation agenda, defining action plans, and all internal operations and processes. The members of the Governing Board are elected by a General Assembly which is composed of the representatives of the consortium partners. The Governing Board will serve as the Management Board's soundboard, and Governing Board members will contribute to the visibility of the Accelerator by fostering activity and collaboration.

The Governing Board is advised on strategic decisions by an Advisory Board and receives operational support from the Management Board.

Table 4. Tasks of the Governing Board in Option 2

Role and structure of the Governing Board	
Main roles and responsibilities	• Electing the Chairman of the Board • Updating the governance structures and processes for operational activities • Appointing the Advisory Board members • Appointing the Director of the Management Board
Members	• Elected by a General Assembly of consortium partners • Ruling decision-making for the programme
Meetings	• Ordinary meetings could take place four times a year • Participation of all Governing Board members • Extraordinary meetings may be requested by the Chairman or by any member of the Governing Board
Decision-making	• Making decisions in the Governing Board could be represented by consensus decision-making • Otherwise, decisions could be adopted by majority voting from the present members

3.4.2.3 The Management Board

The Management Board represents the operational level of the program and acts as a decentralized secretariat. The decentralized structure of the Management Board of directors is advantageous for minimal funding scenarios, allowing essential services to be implemented while maintaining flexibility.

Table 5. Tasks of the Management Board in Option 2

Role and structure of the Management Board

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Main roles and responsibilities	• Advising the Governing Board • Implementing the Governing Board's strategy • Coordinating and supporting hubs • Monitoring the implementation of the activities
Members	• Elected by the General Assembly composed of representatives of the consortium partners

Management	• Coordinated by a Director appointed by the Governing Board
	• Governing Board to delegate, to selected members of the consortium, essential management functions and responsibilities:
	  ○ Strategy and coordination,
	  ○ Communication and dissemination,
	  ○ Coordination of working groups,
	  ○ Stakeholder involvement.

3.4.2.4 Advisory Board

To properly address strategy priorities, the added value for the program's stakeholders must be considered. An Advisory Board of experts in Sustainable Energy, Innovation Management, and Finance provides impartial, non-binding, external advice on issues raised by the Governing Board and Management Board to guide the progress of the accelerator programme's activities.

3.4.3 Option 3: New entity - creation of the accelerator as an independent entity

This third option envisions the accelerator programme as a mature organisation with advanced services and solid long-term financial integration. Such a deployment may require a legal entity and a centralized secretarial function. This third option challenges the first. The second option may be a good option for the short-term implementation of the programme as it would be a simple extension of the LEAP-RE structure as it currently exists.

3.4.3.1 Legal status

As alluded to in the introduction of Option two, the programme will be required to be set up as a legal entity if it is to be directly financed. To resort to some of the financing options presented in Part 3.3, the programme would need to transition from a consortium-supported initiative to having a legal entity, as it is required for any initiative that wants to operate as an autonomous organisation, with its accounts, its ability to raise funding, and the ability to hire its staff.

3.4.3.2 Governance structure

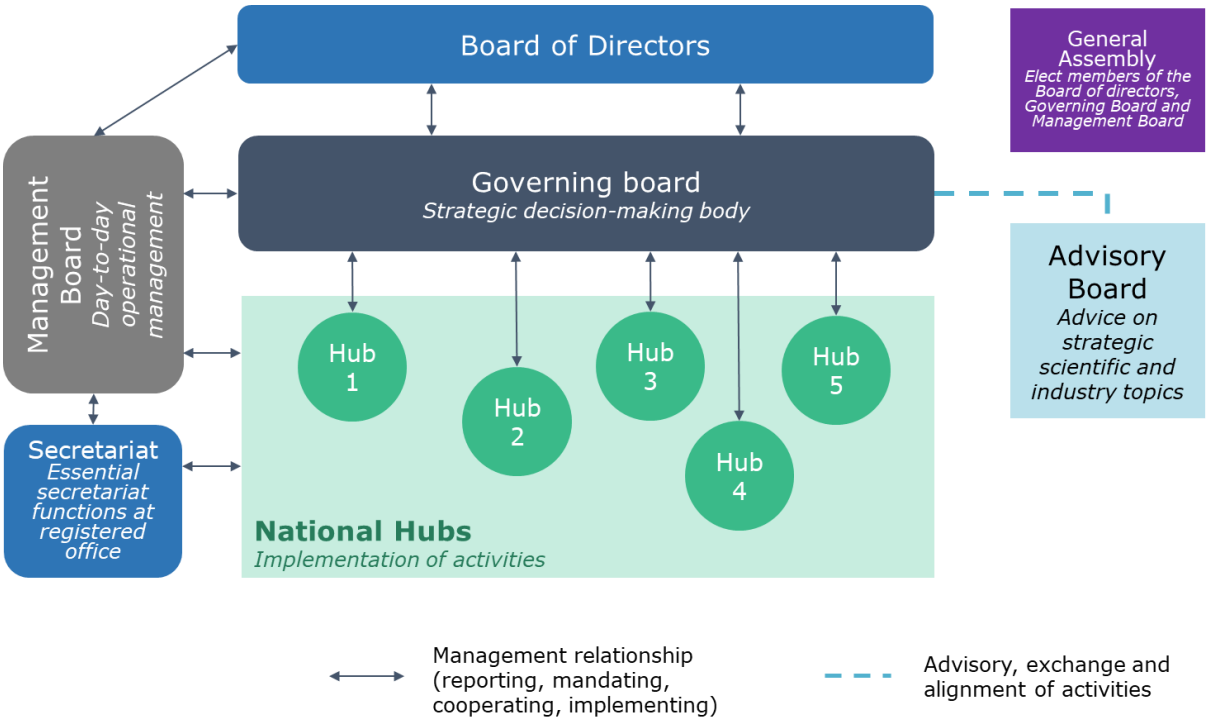
This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

The third option, which envisions the accelerator programme as a self-funded legal entity, has the same elements as the governance structure shown in the second option:

- A Governing Board,
- A Management Board,
- Hubs,
- An Advisory Board.

The structure of the governance model of Option 3 is illustrated in Figure 3.

Figure 3. The governance structure for Option 2: The accelerator programme as an international organization with a legal status



Establishing the programme as a legal entity (for example, an international non-profit association) requires the legal existence of two governance bodies: a general assembly and an administrative body (secretariat).

What Option 3 adds to the governance structure, due to the creation of a legal entity, is the legal necessity of establishing a central secretariat and the operational necessity of creating a board of directors. These two added elements are highlighted in dark blue in Figure 3.

Table 6. Additional governance structure elements under Option 3

Additional governance elements	Description
Central secretariat	• The registered office of the accelerator programme with a specific location • Fulfils the central administrative and daily secretarial duties of the association, handles human resources and growth

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

	• Directly sustained by the external funding for the association • Collaborates and directly supports the Director of the Management Board as well as the hubs
Board of Directors	• Ensures the mandate of the organisation is fulfilled • Has responsibility for all major decision-making • The Chair of the General Assembly is represented in the Board of Directors, along with elected representatives who can be dismissed by the General Assembly • Can present proposals for resolutions and work programmes to the General Assembly

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

4. Annex

Detailed benchmark results

Benchmark methodology

The definition of business and governance model scenarios for LEAP-RE's innovation accelerator was performed in 2 steps:

1. **A benchmark of existing innovation support providers in Africa**, which was implemented by taking the following actions :
    - Listing initiatives that match the selection criteria (through online research and the collection of datasets provided by PAUWES and consortium partners). This action resulted in a list of 485 actors,
    - Selecting a smaller group showing a greater potential,
    - Analysing the smaller group after interviewing programme leaders to gather more thorough inputs on the success and failures using interview guidelines (see Annex),
    - Analysing trends and outstanding elements in the report, providing recommendations based on the results of the success factors and challenges analysis.
2. **An internal discussion on possible business and governance options for LEAP-RE:**
    - Seeking inspiration in the learnings and recommendations of the benchmark,
    - Developing possible options for LEAP-RE and prioritizing scenarios.

Selection criteria of benchmarked initiatives and characterisation

A set of criteria was established earlier on during the benchmarking process to select the stakeholders that will form the topic of the study. Those criteria were the following:

1) Being active in at least one African country;
2) Being an incubator, accelerator, start-up studio, etc.;
3) Demonstrating a certain level of activity (recent publications, projects, etc.).

After their selection, each studied project (N=16) was characterized in a dataset by filling the following information:

4) Overview (name, website, country, city, sectoral focus, gender policy),
5) Services/activities
6) Financing model
    a. Private funding (ex: membership fee, service fee, event-based revenue, etc.)
    b. Public funding (ex: EU or national funding in the form of grants or subsidies)
    c. Other sources (ex: sponsorship, return on investment)
7) Governance structure
    a. Funding partners
    b. Governance model system of rules, practices, and processes by which each initiative is directed and controlled

Overview of studied projects

The 16 projects that were studied during the benchmark were located in 12 different countries. Although they all focus on providing support to innovative businesses, from idea stage to early growth, they differ in several aspects. These aspects include the range of

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

their services, their legal status as well as their financing model and governance structure. The differences are addressed later in this document. Table 7 gives a quick overview of the studied projects (sorted in alphabetical order).

Table 7. Overview of studied organisations with information on their legal status, users segments, geographical reach and sector

Name	Location	Geographical reach	Date of creation
AfriLabs	Abuja + 300 hubs	Pan-African	2011
EBN - BIC Africa	Bruxelles	Pan-African	2021
Growth Africa	Nairobi	Kenya	2011
Habaka Innovation Hub	Antananarivo	Madagascar	2015
Ideialab	Maputo	Mozambique	2010
iLab	Monrovia	Liberia	2011
Innovate Venture	Somaliland	Somalia	2012
Jokkolabs Cameroon	Douala	Cameroon	2010
Mzuzu E-Hub	Mzuzu City	Malawi	2018
Ogooué Labs	Libreville, Port-Gentil	Gabon	2013
StArfrica - Startup Germany-Africa	Koblenz	Pan-African	2020
Startup Incubator Gambia	Serrekunda	Gambia	2015
StartHub	Kampala	Uganda	2020
The Hub	Morija	Lesotho	2015
Ventures Platform	Abuja	Nigeria	2018
Wennovation Hub	Ibadan, Abuja, Lagos	Nigeria	2005

Services and activities

The types of activities and services provided by the case studies are listed below *(number of mentions):*

1) Mentoring (13)
2) Training (13)
    a. Basic IT training (2)
3) Networking (10)
    a. Access to funding (10)
4) Co-working spaces (10)
5) Initial investment (2)
6) Fab Lab (2)

The projects that provided the most services, as reported during interviews, are:

1) Ventures Platform (6, Nigeria)
2) Growth Africa (5, Kenya)
3) Ideialab (5, Mozambique)
4) Startup Incubator (5, Gambia)

Focus on benchmarked organisations' legal status, governance models and business models

Focus on legal statuses

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Table 8 lists interviewed organisations by type of legal status. Roughly a half of the organizations were non-profit entities, which represents the most common status in the sample.

Table 8. Legal status of studied organisations

Type of legal status	Organisation
Non-profit	AfriLabs Growth Africa Habaka Innovation Hub iLab Innovate Venture Ogooué Labs Startup Incubator Gambia The Hub
Private company	Ideialab Jokkolabs Cameroon Mzuzu E-Hub StartHub Wennovation Hub
No status	StArfrica - Startup Germany-Africa
Hybrid status Non-profit for incubating activities for-profit for business management activities	Ventures Platform

Focus on the Financing Model

A total of eight different sources of revenue were reported.

Table 9. Types of revenues

Internal revenues	External funding
1) Membership fee	**6)** International grants (AFD, GIZ, USAID)
2) Co-working space rental	**7)** National grants
3) Contracted services	**8)** Donations
4) Return on Investment	
5) Events fee	

From the data collected, most projects (12 out of 16) reported relying on a mix of funding streams to support their activities. For example, one project could require a membership fee while renting a co-working space and benefiting from international grants.

Three organisations relied on internal revenues only, while one relied solely on external funding (via a mix of international and national grants).

Focus on the studied programmes' gender policy

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

Most interviewed organisations (11) reported having put in place formal measures to tackle gender differences

1) quotas, women only programmes, set objectives, targeting campaigns in universities,
2) a few organisations put in place gender equality plans specifically to be able to follow social requirements set by international funding programmes.

Reasons given for not putting in place formalised gender plans were:

3) a lack of need to do so due to an equal or over-representation of women in cohorts,
4) an equal treatment of candidates and supported projects, regardless of socio-economic profiles.

Interview guidelines

1. **Activities and users segments**
    a. What are the initiative's **key activities** ?
    b. What **value** do you create for your members?
    c. Which users' need(s) hasn't been answered so far?
    d. Are you a kind of generalist institution or are you targeting specific sectors like: Agritech, Fintech, Greentech, Fashion, ... ?
    e. Do you have any dedicated initiative targeting female entrepreneurship? More broadly: how do you take gender aspects into account?
    f. What is your most successful/promising project?
2. **Financing**
    a. How is your organisation **financed**?
    b. What are the **revenue streams (single, mix)**? Please provide details

    e.g., public funding, private funding (VC, membership fee, service fee, event-based revenue etc), other?
3. **Governance and legal status**
    a. What is the **governance structure**[1] of the organisation? Do you have a executive/steering board, advisory board, elected representation, secretariat etc.?
    b. What legal status[2] does your organisation have?
4. **Success factors**

[1] The system of rules, practices, and processes by which each initiative is directed and controlled

[2] The registered legal identity of the initiative, as recognised by legal courts

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.

a. Could you state the **3 key success factors** of your organisation? What do you think is the reason of you organisation's success? *i.e., long term financial sustainability, stakeholder engagement, selection process, etc.*

5. **Challenges**

   a. Could you tell us **3 challenges** your organisation has faced/is facing? *i.e., related to service delivery, stakeholder engagement, financing...*

6. **Lessons learned**

   a. To what extent has your organisation met its **objectives**?

   b. Have you **objectives** changed since the start of the organisation?

   c. Is there anything that should be **improved** or **changed**?

   d. Are there any **big lessons** you have learned from your experience in this organisation?

Follow up questions

- Would you know of an interesting accelerator programme we could interview?

This project has received funding from the European Union's Horizon 2020 Research and Innovation Program under Grant Agreement 963530.