

VIRTUAL WORKSHOP SERIES

Implementing the AU-EU Innovation Agenda

2 Access to Finance
29th May 2024



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Virtual Workshop Series: Implementing the AU-EU Innovation Agenda

Report

Access to Finance

29 May 2024

The African Union (AU)-European Union (EU) Virtual Workshop focusing on Access to Finance took place on 29 May 2024. It was the second edition of a series of Virtual Workshops developing around the implementation of the AU-EU Innovation Agenda, that will stretch through the next three years as part of the short-term actions of the Agenda, with two Workshops taking place every year. The first edition took place on 28 November 2023 and focused on [Intellectual Property Rights](#). This second edition of the Virtual Workshop gathered 325 participants in the plenary sessions, and 75 innovators participated in the break-out rooms moderated by technical experts.

The Workshop was conducted at high-level by the European Commission and the African Union Commission, moderated by the European Commission and the African Union Development Agency (AUDA-NEPAD) and the members of the AU-EU Innovation Agenda Working Group of the AU-EU High Level Policy Dialogue on Science, Technology and Innovation. The Workshop was an opportunity to take stock of the implementation status of the AU-EU Innovation Agenda so far, including Deep Tech Training sessions on Access to Finance for Innovation, and ended with a Virtual Coffee allowing for networking in three thematic break-out rooms, focused on specific topics: i) Limited funding opportunities and lack of venture capital; ii) Technology transfer: bridging the gap between universities and industry; iii) Access to finance for Artificial Intelligence (AI) start-ups.

The Deep Tech Training's recordings and the Workshop's presentations will be made accessible online, more information can be found on the [AU-EU Innovation Interface](#).

1. Opening remarks

The opening sessions was kicked off with the remarks from [Dr Tidiane Ouattara](#), Head of the Science, Technology and Space Division at the Department of Education, Science, Technology and Innovation at the African Union Commission. In his intervention, Dr Tidiane Ouattara highlighted that the AU-EU Innovation Agenda is a key priority for the Africa Union that aligns with the aspirations set in the [Agenda 2063](#), serving as a valuable instrument to contribute to its implementation. Dr Ouattara outlined the need to strategically align actions and activities between the AU-EU Innovation Agenda and the Agenda 2063 to optimise investments and avoid duplication in terms of fundings and human resources mobilisation at national, regional and continental level. Lastly, Dr Ouattara acknowledged the role played by the European Commission, representing an essential partner in Research and Innovation cooperation.



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Ms Nienke Buisman, Deputy Director for International Cooperation in Research and Innovation (R&I) at the European Commission, highlighted the AU-EU Innovation Agenda as a joint policy initiative to be implemented with a co-creational approach for the next ten years, aiming at translating research results into tangible and positive outcomes in terms of products, services, businesses and jobs. In this framework, the Virtual Workshop series aims to contribute to the *capacity building* and *training* components, tailored to stakeholders' needs. Moreover, the Workshops foster a participatory approach by actively engaging R&I stakeholders in the community developed around the joint Agenda's implementation, enabling the setting up of new collaborations, while providing actionable opportunities and resources to navigate funding schemes.

The opening remarks were followed by an **interactive Q&A and polling session**, aimed to actively engage participants online, focusing on their provenance and background. The Virtual Workshop gathered a high participation rate mainly from Belgium, France, Germany Italy, Spain amongst EU countries, and Ethiopia, Ghana, Kenya, Nigeria and Uganda amongst AU countries. Looking at the background, the majority of the participants was representing the private sector (30%), academia (23%) and public and private research organisations (17%), followed by national or international policy making-institutions (10%), NGOs (7%), Civil society (4%).

Poll's results showed that half of the respondents were not aware of the AU-EU Innovation Agenda, and have not participated in previous events related to its implementation. Poll's results highlighted also attendees' interest in the Agenda's priority areas, which has been ranked as follows i) Innovation and Technology (53%); ii) Green Transition (40%); iii) Capacities for Science (33%); iv) Cross-cutting issues (25%); v) Public Health (19%). Lastly, participants were asked to express their opinion on how they would like to contribute to the implementation of the AU-EU Innovation Agenda. The main results can be summarised as follows: (i) capacity building; (ii) establishing partnerships both at international and regional level; (iii) collaborative projects; (iv) facilitating access to funding opportunities; (v) business development trainings.

The opening session included an introductory presentation on the AU-EU Innovation Agenda, including the latest policy updates on its implementation, given by the Co-chairs of the AU-EU Innovation Agenda Working Group **Dr Vincenzo Lorusso**, Policy Officer at the European Commission, DG Research and Innovation (DG RTD) and **Lukovi Seke**, Programme Officer at AUDA-NEPAD.

The AU-EU Innovation Agenda aims to translate innovative capacity and achievement into tangible outputs, ensuring the generation of socio-economic impact for the whole R&I African and European community and ecosystems through short, medium- and long-term actions. The foreseen actions focus on four Priority Areas: (i) Public Health, (ii) Green Transition, (iii) Innovation & Technology, (iv) Capacities for Science and an additional Cross-cutting issues, in line with the joint thematic priorities for R&I announced during the First Ministerial Meeting of the AU and EU R&I Ministers in July 2020. The analysed gaps, actions and priorities described in the AU-EU Innovation Agenda have been defined through a collaborative and bottom-up approach, bringing together all stakeholders, from institutions to civil society, from Higher Education Institutions (HEIs) and researchers to private sector across Africa and Europe, in order to engage the innovation ecosystem in fruitful discussions. Events such as the November 2022 [Stakeholder Event](#) in Nairobi and the June 2023 [AU-EU Innovation Festival](#) provided encouraging contexts to foster this kind of exchanges.

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Moreover, the speakers highlighted key achievements in the implementation process reached by the AU-EU Innovation Agenda Working Group so far, especially the [Dashboard of Initiatives](#), launched in March 2024 at the EU R&I Days in presence of the AU Commissioner for ESTI Mohammed Belhocine. The Dashboard represents a one-stop-shop for projects, programmes, partnerships and scholarships currently contributing to the implementation of the AU-EU Innovation Agenda, with the final goal to foster collaboration and synergies amongst similar initiatives. Secondly, fine-tuning of the Key Performance Indicators (KPIs) to successfully monitor, evaluating and assessing the impact of the implementation of the Agenda is currently being carried out, starting from what has been indicated in the [Roadmap](#) document. The results of this assessment, based on the first year of implementation of the AU-EU Innovation Agenda, will be conveyed with the community in the second half of 2024, along with a first update of initiatives featured in the Dashboard. Engaging, communicating and sharing were highlighted as main actions to concretely contribute to the implementation of the AU-EU Innovation Agenda.

Eleonora Rella, Programme Manager at the European Commission, Directorate General for International Partnerships (DG INTPA), provided the audience with an introduction on [the Global Gateway Initiative](#), focusing on its objectives, priorities and main features. Launched in December 2021 as a response to emerging complex challenges, the initiative has a two-fold aim. On one hand, it supports investments in key sectors such as digitalisation, climate and energy, transports, education and health, while connecting Europe and Partner Countries to advance on common objectives and boost smart, clean and secure links. The Global Gateway is value-driven, aligning with international standards, democratic values and the UN Sustainable Development Goals (SDGs), and aims to implement a 360-degree approach, entailing a combination of hard (infrastructures) and soft investments (regulatory framework, technology transfer, know-how). To reach these objectives, the Global Gateway is mobilising 300 billion euros in investments between 2021 and 2027, mainly oriented towards Africa through financial instruments (e.g., grants, concessional loans and guarantees to de-risk private sector investments) and operational tools (e.g., technical assistance, policy dialogues, standardisation agreements to create better conditions for quality investments). The [Global Gateway Africa – Europe Investment Package](#) focus on strengthening sustainable links between the two continents, especially on inclusive green and digital transformation, sustainable growth and decent job creation, health system and improved education and training, in close synergy with the AU-EU Innovation Agenda.

2. Experience sharing – Taking stock on the AU-EU Innovation Agenda

This session provided first-hand experiences related to the AU-EU Innovation Agenda by innovators who were awarded at the [ENRICH in Africa's](#) “Open Innovation Challenges” during the AU-EU Innovation Festival in Cape Town in June 2023.

Testimonials shared their success stories by highlighting the concrete opportunities gained from the participation in the AU-EU Innovation Agenda Stakeholders community, and proposing possible actions to be taken to further contribute to the Agenda’s implementation.

Dr Hajjami Ayoub intervened as a representative of ARIR Morocco, whose mission is to advance research and innovation in radiology, enhancing the quality and accessibility of radiological services and reinforce collaborations to develop cutting-edge technologies. ARIR won the ENRICH in Africa



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Open Innovation Challenge launched by [Sothema](#) in the priority area of Public Health. Thanks to this experience, ARIR gained a major visibility in the healthcare sector which facilitated the access to potential funding sources, both national and international, and to a broader network of innovators, researchers and policy makers. Moreover, Dr Hajjami provided suggestions on how to improve access to finance by i) developing financial literacy programmes for innovators; ii) fostering stronger public-private partnerships; iii) Implementing mentorship and training programmes to guide start-ups in securing funding; iv) advocating for policy changes that facilitate access to finance for innovators.

Mr Valentine Nnamani, co-founder and CEO at [OneGrid Energies](#), shared his experience as winner of the Open Innovation Challenge launched by [United.b](#) under the Green Transition priority area. OneGrid Energies is a Nigeria-based business that manufactures low-cost rechargeable energy solutions using locally-sourced recycled materials Mr Nnamani highlighted that participating in the AU-EU Innovation Festival and winning the challenge represented a validation for his start-up, enabling an easier access to partnerships and funding opportunities, while consolidating its business model.

3. “Deep Tech Training Transformation Scheme” – Access to Finance for Innovation

This session was designed to provide participants with a strong training and capacity building component, valuable background information from the basics to specific aspects of access to finance, financial skills, helping stakeholders acquire useful tools to navigate R&I funding opportunities. The Deep Tech Training Session was divided into three sub-sessions covering different aspects linked to Access to finance as a driver for innovation, and moderated by **Mr Rok Kozelj**, Desk Officer for Africa at the European External Action Service, and **Prof Rasigan Maharajh**, from the South Africa’s Institute for Economic Research on Innovation.

3.1 Access to risk finance for all - Building financial literacy for researchers and innovators

Prof Lukas Menkhoff, Professor of Economics at Humboldt-University Berlin introduced the concept of financial literacy, outlining its basic elements to provide the audience with a common understanding and background. The intervention started from the definition of financial education as a specific human domain measurable by the so-called “Big Three” (compound interest, inflation, risk diversification), which aim to empower individuals or entrepreneurs to take informed decisions, contributing to improve their financial and overall well-being. Prof Menkhoff highlighted a close relation between financial literacy and the general degree of financial education and income, meaning that financial literacy is positively related to the degree of education, knowledge, income, wealth. Additionally, Prof Menkhoff presented the results of an empirical research on the impacts of financial education and its possible spillover-effects, emphasising the need to include financial education in business trainings and related activities, since it helps improving knowledge, inclusion and behaviour.

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3.2 Navigating public and private R&I funding schemes for innovators

3.2.1 Access to finance in Africa: A critical reflection on barriers and challenges

Dr Tomi Davies, collaborator in chief at TechnoVision and founding President of the [African Business Angel Network](#), explored the current state-of-the-art of the African innovation ecosystem and the existing challenges. Amongst the major barriers to access finance, the lack of financial inclusion (namely, only 43% of adults in sub-Saharan Africa have access to a bank account) affects especially the marginalised groups and women, limits the formal financial system and creates a domino effect that reduces opportunities to secure fundings, hinders economic growth and perpetuates poverty. Inconsistent regulations, limited reach of banks in rural areas, underdeveloped financial institutions, lack of economic stability, limited internet access and cultural and social barriers linked to a low rate of financial literacy, as well as a general lack of trust in using formal banking services are urgent challenges to be addressed. Dr Davies underlined possible concrete solutions that would allow to ensure an equal and affordable access to financial products and services in Africa, such as the growth of fin-tech and digital banking, focusing on sustainable and green investments; building capacity for local financial institutions through ad-hoc trainings and financial literacy programmes; implementing macroeconomic policies to reduce volatility; investing in digital and physical infrastructure.

The intervention of **Dr Houda Ghozzi**, co-founder and Programme Director of the [Open Start-up Tunisia](#), offered another perspective on the challenges affecting the African landscape, with a focus on deep tech investments. Compared to the trend worldwide, less than 5% of deep tech investment goes to Africa, meaning that deep tech start-ups which do not move to the international market have a small amount of fundings available. Through a [study](#) held in Africa on 329 active start-ups, Dr Ghozzi identified bottlenecks and challenges limiting investments in deep tech, including weak linkages with incubators, limited engagement with universities, limited availability of mature start-ups, lack of clarity on IPRs regulations. In order to create a thriving deep tech ecosystem in Africa in ten years' time, it is crucial to foster investments by intervening, also with governments' support, on the following aspects: i) develop educational programmes that provide with a clear understanding of and openness to the international ecosystem; ii) promote the language of commercialisation; iii) foster the ideation in labs; iv) catalyse the efforts in the creation of associations and in further networking opportunities.

3.2.2 Driving successful and responsible innovation in Europe and Africa: opportunities, fundings and trainings from local networks and ecosystems

The intervention of **Ms Krisztina Dax**, Project Manager at the European Business and Innovation Centre Network (EBN), focused on the [BIC Africa](#) project financed under the 11th European Development Fund, composed by five different projects in Angola, Comoros, Ethiopia, Madagascar and Somalia with a budget of approximately 5 million euros. BIC Africa, implemented by EBN, is the regional network that interconnects these five country projects, aiming at establishing and consolidating business incubators in these countries, with the long-term goal of creating jobs and supporting sustainable livelihoods. While the final beneficiaries are entrepreneurs, small- and medium-sized enterprises (SMEs) and start-ups, the project activities involve a number of other partners such as policymakers, business angels, and EU delegations. Services provided to business incubators include capacity building activities (e.g. on-site bootcamps in Africa with the involvement of European experts); quality assessment activities; networking actions between successful diaspora entrepreneurs and innovators from their countries of origin, to share their success stories and act as mentors; awareness-raising campaigns about available

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business opportunities. Moreover, BIC Africa fosters the exchange of best practices between AU and EU business incubators through mutual visits and meetings.

3.2.3 The Global Gateway Initiative: funding opportunities for the African and the European R&I ecosystems

Mr Carl Elmstam, Policy Officer at the Directorate-General for International Partnership at the European Commission, complemented the introduction of the Global Gateway Initiative, providing insights on the mobilisation of resources in the digital sectors (e.g. digital infrastructure such as fibre optic backbones, data centres, digital services) with the aim to support investments in scaling up successful start-ups. This is done mainly through two key instruments. Firstly, a guarantee programme under the [European Fund for Sustainable Development Plus](#) (EFSD+) to support investments by de-risking through guarantees, which provided more than five billion of guarantees so far through 40 different programmes, with the expectation to generate more than 50 billion in investments in the key sectors of Global Gateway. Secondly, providing support through capacity-building initiatives to increase access to funding (e.g. the “African European Digital Innovation Bridge”) and to the regulatory environment. Lastly, also EU development projects contribute to foster the innovation ecosystem. As general recommendation, in order to access the fundings provided by the Global Gateway, it is pivotal to link up with the European Union delegations in each country, who can provide guidance. Moreover, an additional option comes from the private sector, through the so-called [Digital for Development \(D4D\) Hub](#), a strategic platform that aims to strengthen digital cooperation between the European Union and partners in Africa, Asia-Pacific, Latin America and the Caribbean to foster multi-stakeholder collaboration, boosting investments, and facilitating dialogue.

3.2.4 National funding: the perspective of the Member States

Mr Patrice Léger, as representative of the [Fund for Innovation in Development \(FID\)](#), outlined the functioning and the opportunities offered by the fund, which was created in 2020 with the aim to bridge the gap and address the issue of early-stage funding for innovations with a promising potential and impact. Applications to the fund can be submitted online, with calls that are open to all sectors and divided according to different stages of development and level of maturity (e.g. pilot grants; experimental; scaling up) ranging from 200,000 up to 4 million euros. Projects are evaluated based on three selection criteria: i) evidence of impact; ii) cost effectiveness of the innovation; iii) potential for scale up and sustainability. To date, the fund selected 66 projects for a total of 31 million euros. 90% of these projects are based in Africa, while 70% of them includes at least one African research partner in their team. Lastly, FID organises bi-monthly interactive information sessions during which all services and opportunities are presented.

Mr Luyanda Matlala, on behalf of the [Development Bank of Southern Africa](#) (DBSA), provided an overview of the investment priorities and services offered to stakeholders. Considering infrastructure, a central sector in sustaining an inclusive economic growth, the DBSA participates across the infrastructure value chain with an offer that spans across planning (e.g. identifying development areas), ideation and conceptualisation assistance to municipalities and governments for the preparation of infrastructure projects (e.g. pre-feasibility, bankability). Moreover, the DBSA develops its own programmes and offers financing instruments including direct equity investments into projects. As key sector, the DBSA developed a specific climate financing function, which mobilises funding and incentives aimed at achieving climate objectives. Other priority areas of intervention include



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transports and logistics sector, renewable energy, environment with a focus on water security and climate resilience, Information and Communications Technology (ICT) and education infrastructures. To sum up, funding opportunities offered by the DBSA are oriented towards the facilitation of the just transition, addressing energy and water security to improve the quality of life on the continent, in line with the UN Sustainable Development Goals (SDGs).

Dr Maria Maia, Senior Scientific Officer at the [Foundation for Science and Technology Portugal](#), highlighted the key strong points for the cooperation, leveraging on the lessons learnt from previous experiences. To ensure a fruitful cooperation, it is pivotal to i) boost a multi-level cooperation bringing together different type of stakeholders (ministries, entrepreneurs, SMEs, academia); ii) fostering capacity building and mutual learning activities; iii) sharing values, institutional and governance principles between the two countries; iv) bridging together public and private funding sources; v) building trust and involve all relevant actors in the ecosystem. Additionally, Dr Maia identified the political kick-off of the Europe-Africa cooperation in the first [Africa-Europe Youth Summit](#) held in 2007 in Lisbon. Still today, the policy dialogue and initiatives are based upon the Summit's outcomes, complemented with additional funding instruments to bring together R&I stakeholders, generating co-ownership, co-leadership and co-funding between Africa and Europe. Moreover, the presentation pointed out the urgent need to foster not only the cooperation between Europe and Africa, but also boosting intra-Africa cooperation.

3.3 Develop the critical financial skills to anticipate future problems and capitalise on new opportunities

Dr Björn-Sören Gigler, Head of Data Economy, Digital and Green Twin Transition at GIZ GmbH, presented the [Data Governance in Africa Initiative](#) (2020-2026), a programme supported by the European Commission together with the African Union, with an overall budget of 60 million. The objective of the programme is to support a human-centered and sustainable data economy, following specific inputs from the African leadership. In this framework, the Digital Investment Facility has been developed as a joint action working on three key aspects: i) enabling the environment for more investments in digital infrastructure in Africa; ii) identifying new opportunities for investments in green and secure data infrastructure; iii) developing bankable investment programmes and data centres, as pivotal enablers for the expansion of digital services. Moreover, the facility offers technical assistance sessions on access to finance for data and digital infrastructure in Africa, open to all kind of stakeholders searching for advice on potential investment opportunities and capacity building activities, guidance on policy, standards and green data centres, direct links with financial institutions, including technical design, business planning, pre-feasibility studies, project promotion strategy. Lastly, Dr Gigler highlighted the importance of working closely with the African partners (so far Kenya, Senegal and South Africa) to enable a fruitful environment for finance, defining programmes and projects that truly benefit citizens through on-site hubs.

Mr Tendai Pasipamire outlined the services provided by [ENRICH in Africa](#) Center (EiA-C) to innovators, starting from the Digital Back Bone, which serves as a one-stop-shop to advertise funding opportunities from all ecosystem players, disseminated through the network on a weekly basis. This is complemented by several other [services](#), which include mentoring and advisory support; matchmaking opportunities to connect with investors; peer-to-peer interactions; bootcamp trainings delivered through the Virtual Academy; twinning programmes for technology and knowledge exchange. The

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services provided align with the core mission of ENRICH in Africa, namely to enhance the AU and EU tech and innovation ecosystem by facilitating activities and collaboration among innovators, connecting incubators and accelerators as well as investors, corporates, policymakers to achieve possible positive social impact and fostering interactivity between the two regions. Lastly, the added value of EiA-C relies on its active contribution to the AU-EU Innovation Agenda, by providing timely [analysis](#) of the funding landscapes and identifying the main gaps, as well as by launching Innovation Challenges, which create an opportunity to identify disruptive innovations at an early stage, as happened during the AU-EU Innovation Festival.

[Dr Rukaya Jamal](#) and [Dr Arafat Mukasa](#) intervened as representatives of [Swahilipot Hub Foundation](#), a non-governmental organisation specialised in fundraising, launching and scaling development programmes to support and mentor young people (18-35 years), tackling local challenges and economic conditions. As a key priority, Swahilipot Hub Foundation aims to establish partnerships amongst academia, private sector, development partners and local organisations, working together on the running programmes to facilitate the access to fundings for innovators and young people. the foundation provides informative hybrid sessions on the available fundings opportunities, followed by technical assistance sessions (e.g. one-to-one support, reviewing business plans, pitch deck) on how to successfully apply and secure fundings. These sessions enabled 39 impact ventures secure 324,000 euros in financing in the last two years. Moreover, starting from 2021, the foundation reached about 10,000 young people improving their life through access to upskilling opportunities and to funding opportunities.

4. Closing remarks

Before joining the break-out rooms, participants were invited to join Slido and elaborate in one word on the key takeaway from the Virtual Workshop and their expectation from the Networking and Matchmaking Session. Keywords included “opportunities”, “networking” and “collaboration”. During the closing remarks, [Dr Vincenzo Lorusso](#) and [Dr Lukovi Seke](#), highlighted the collaborative approach at the core of the AU-EU Innovation Agenda by inviting the participants to be actively part of the community and submit their expressions of interest for the [Dashboard of Initiatives](#), which has the aim of fostering synergies and networking between stakeholders, and promoting a continuous dialogue and collaboration beyond the Workshop series. Regular updates on the next steps would be provided on the [AU-EU Innovation Interface](#).

5. “Virtual Coffee” – Matchmaking and Networking Session

5.1 Limited funding opportunities and lack of venture capital

Under the moderation of [Ms Vanessa Miani](#), European Commission, the discussion started with a leading question to [Mr Bruce Nsereko-Lule](#) from [Seedstars Africa Ventures](#). The Technical Expert emphasised the need for businesses to have a clear strategy to raise fundings, along with a comprehensive knowledge of the entire financing ecosystem, following key steps to overcome the existing challenges, such as: i) understanding internal and external needs; ii) identifying the right type of investor and financial instrument based on the business model; iii) demonstrating sustainability,

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profitability, and a solid exit strategy to attract venture capital. However, when funding is very limited, reliable exit opportunities include acquisitions, global funds, EU investment banks, as well as a growing trend of equity exits in Africa and business families seeking expansion into new sectors. Additional potential sources of funding are represented by local capital, Development Finance Institutions (DFIs) supporting emerging economies, programmes providing technical assistance, corporate investors and high-net-worth individuals. Looking at the European level, the European Investment Bank delivers multiple outcomes, such as supporting a portfolio of African start-ups across emerging markets and helps start-ups to create jobs and grow their businesses, while ensuring environmental sustainability and generating returns on investments. The dialogue with attendees ended up with a reflection on the sustainability to pursue Venture Capital in Africa, pointing out how it can be profitable considering challenges faced by the continent and the existing opportunities not addressed by traditional markets. Moreover, the pivotal role of technology as an enabler to connect, interact and address existing challenges has been highlighted, as well as the need to include it in business models to easily attract investors.

5.2 Technology Transfer: Bridging the gap between universities and industries

The session dedicated to Technology Transfer addressed key challenges in this field, while diving into possible solutions and sharing best practices on how to successfully bridge the gap between universities and industries. The discussion was guided by **Ms Nolene Singh**, Deputy Director of the Technology Transfer Office (TTO) at Stellenbosch University and **Dr Vincenzo Lorusso**, European Commission. The main challenges identified encompasses i) lack of incentives for TTOs in Universities and Higher Education Institutions (HEI) and their traditional role as teaching institutions; ii) researchers' mindset, seeing publications as the only outcome and being protective towards research results; iii) language barrier between research and industry and failure in underlining the key benefits that technology could bring for business; iv) TTO culture differs not only from one country to another, but also within countries and between research institutions; v) lack of a widespread entrepreneurial culture, to be stimulated through its inclusion in curricula. On the other hand, tentative solutions were highlighted: i) the pre-definition of a proper sharing of revenue from Intellectual Property (IP) between the HEI and the researcher(s); ii) strengthening the role of incubators as an interactive platform to connect with key innovation players (e.g. researchers, business, government) and provide pitching sessions; iii) clusters as useful instruments to establish science-business links (e.g. matchmaking events); iv) synergy between HEI and TTO to facilitate researchers to set up start-ups; v) ad-hoc training programmes for TTO staff; vi) stimulating industry investments in challenge-driven R&I projects to overcome IP issue and facilitate the commercialisation phase. Moreover, the discussion further emphasised the pivotal role played by the TTOs as mediators, presenting the situation in South Africa as best practice, following a clear regulation of IP allocation and revenue distribution between HEI and researchers.

5.3 Access to finance for AI start-ups

The discussion in the break-out room dedicated to Access to finance for AI start-ups, moderated by **Dr Rachel Chikwamba**, Council for Scientific and Industrial Research (CSIR) started with the intervention of **Mr Darlington Akogo**, founder and chief Executive Officer at minoHealth AI Labs, who gave an introductory inspirational speech focused on his personal story underlining, however, the uniqueness of each experience, which can diverge and take different paths. The discussion focused on the potential



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of AI start-ups, which could leverage on more funding opportunities compared to normal start-ups. However, the African landscape provides only few success stories, due to the fact that Africa is still applying a traditional approach related to generative AI. Thus, investors do not have enough confidence to invest millions of dollars in AI start-ups. Moreover, relying on incubators could be challenging, and it is crucial to verify who is actually managing the incubator and its track record and outputs, meaning which are the start-ups that have accessed specific incubators, their paths and final results. Lastly, the discussion focused on the role that the European Union could play to foster investments in AI start-ups. For example, the EU could support the creation of an African Union AI funds composed by blended finance, such as grants and equity funds, in order to be ready to support with fundings AI start-ups and bridging the gap related to AI application. In fact, visibility is crucial to secure fundings all over the continent. For that reason, the validation coming from a reputable institution, such as the EU institutions and EU programmes, is extremely important to access finance. Their approval will be automatically understood as a proof that the solution is scalable and promising, giving credibility to start-ups.