

THE ICR FACILITY'S INNOVATIVE FINANCE RESOURCES

Access to finance has long been acknowledged as a major barrier for the growth of companies with higher risk profiles, such as Micro, Small and Medium Enterprises (MSMEs), start-ups and impact driven businesses. This is true all around the world, and in African, Caribbean and Pacific (ACP) countries in particular. Though this phenomenon occurs globally, it is particularly prevalent in ACP countries (Africa, Caribbean & Pacific). Therefore, the Investment Climate Reform (ICR) Facility has developed resources to support business environment reforms which will ease access to finance for companies in these regions.

This series looks at the regulatory aspects of innovating financing instruments such as honour loans, crowdfunding and start-up acts. It presents concrete examples from several countries in the ACP region, general regulatory shortcomings and corrective measures. It includes three ICRReports which were presented at Live Events and the Policy Hackathon, which is a practical tool which has been successfully used to support Public-Private Dialogues (PPDs) around Start Up Acts.

THE ICREPORTS AND LIVE EVENT EXCHANGES

The ICRReports provide recommendations to policy makers and private sector representatives to shape their strategies on Innovative Finance instruments such as honour loans, crowdfunding, and startup acts.

These ICRReports were presented at Live Events and discussed with leading experts from ACP countries and can be accessed [here](#).



The ICR Facility has also produced a *series of resources* to support the social economy

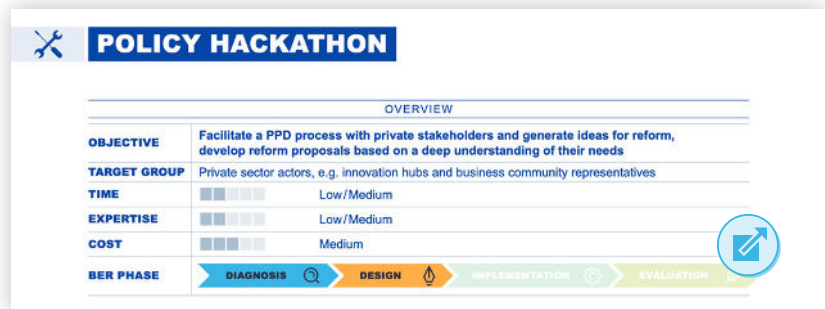
The ICR Toolbox

The *ICR Toolbox* – which includes specific tools targeting Innovative Finance – is designed for policymakers and business membership organisations in ACP countries and beyond to support business environment reforms (BER). It has straightforward and practical tools that require limited resources and time to apply, with step-by-step guidance and lessons learned from applying the tools in practice, as well as hands-on materials.



Business Environment Reform (BER) for sustainable development (*Tools for Reformers*)

Policy hackathons are a common format for fast-cycle idea generation across a variety of sectors and issues. Originating from the programming community where they have been used as competitive design-sprint events for software development, hackathons are now widely used to quickly generate ideas for a range of policy issues as well, both with and without the use of technology.



This tool for PPD has been applied successfully in the development of several Start-Up Acts across Africa.

EXAMPLES OF THE SUCCESSFUL APPLICATION OF THE POLICY HACKATHON TOOL TO SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF “START-UP ACTS”

NIGERIA

The Nigerian policy hackathon began with a facilitated brainstorm about the constraints to ideating, starting, and growing innovative businesses in Nigeria. Then participants brainstormed solutions to come up with policy intervention ideas over the lunch break.

Policy recommendations were then collected and organized along broad themes such as tax relief, startup funding, broadband infrastructure, procurement, education, research and development, etc., which were then prioritized by the participants.

Facilitators supported participants to further develop the most popular policy themes into legislative templates for policy interventions, including various time frames (quick wins and long-term solutions), as well as different formats of government action (laws, regulations, executive orders etc.).

These proposals were then presented to and discussed with selected public sector officials leading on innovation within the government, e.g. from the Office of ICT, Innovation and Entrepreneurship (OIIE).

SENEGAL

In Senegal, the hackathon led to a policy proposal which was then refined with the Presidential Commission for Rapid Entrepreneurship (DER), and debated by the wider population during an online consultation that leveraged an AI-based social media chatbot. After these inputs were received, the proposal was revised through multi-stakeholder co-creation sessions led by a public-private committee, reviewed by local legal experts and finally presented to the Senegalese President in a televised public meeting. In early 2020, the Start-Up Act was passed into law by the national assembly.

The ICR Facility provides fully funded and easy access to expertise to reach your goals

Are you a policy-maker or a private sector organisation in an ACP country and would you like support to improve your business environment to develop stronger financing processes? We can offer easy access and targeted on-demand expertise to support your organisation. Tell us what you need. We can work on it together.

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