Online: please answer in the chat

## **Check-in question**

Name a change-maker who inspires you. This can be a public figure, a family member or someone else.

# Mission-Oriented Innovation What brings us here?







CONNECTED

DIGITAL

INCLUSIVE

INNOVATION

SECURITY

SMART

**EVENTS** 

ABOUT

Search GovInsider



# How Asia's best drones project cut farmers' costs by 60%

Why did we give this small scheme from Indonesia a big award?

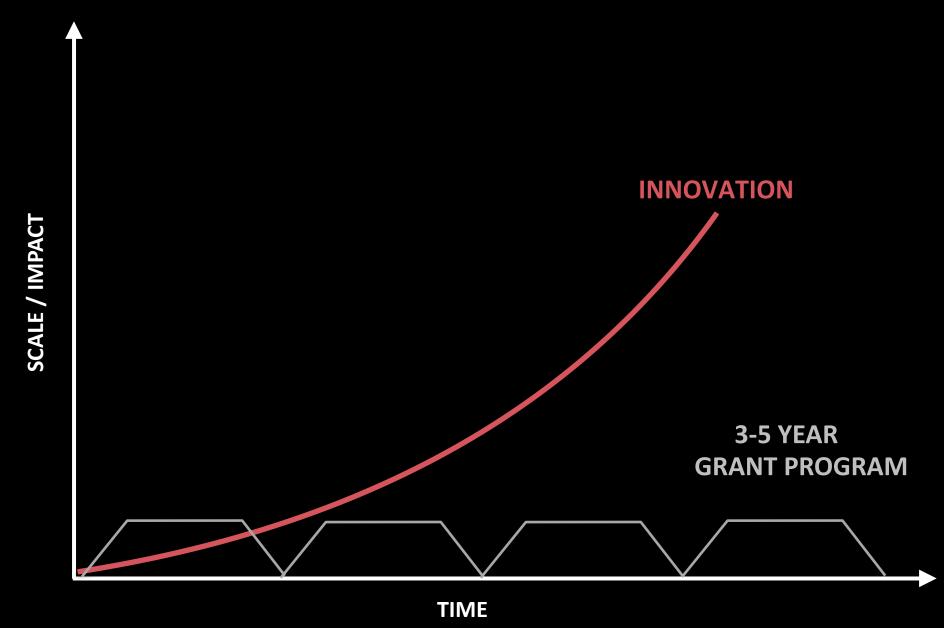


By Charlene Chin

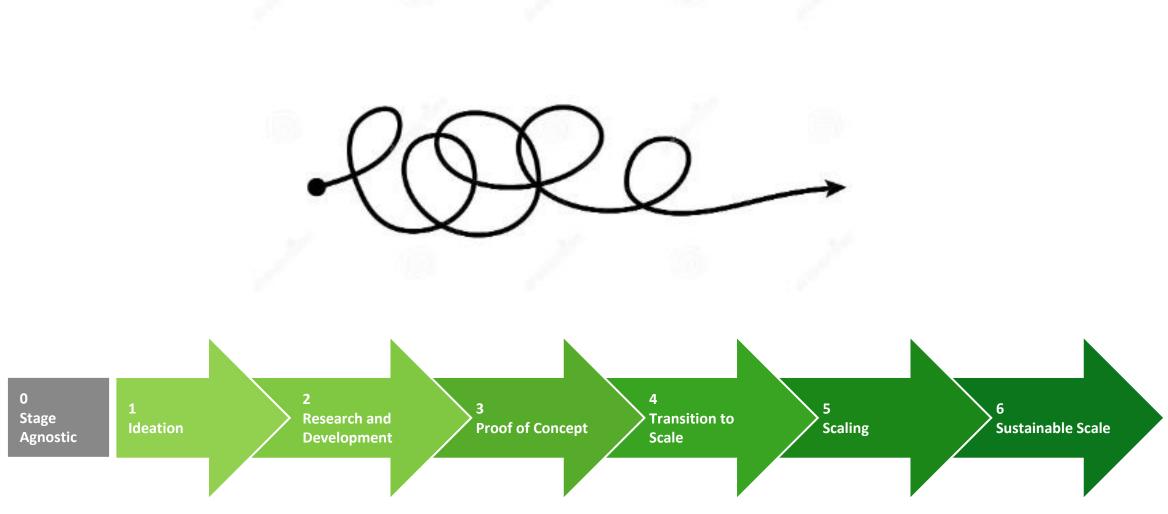
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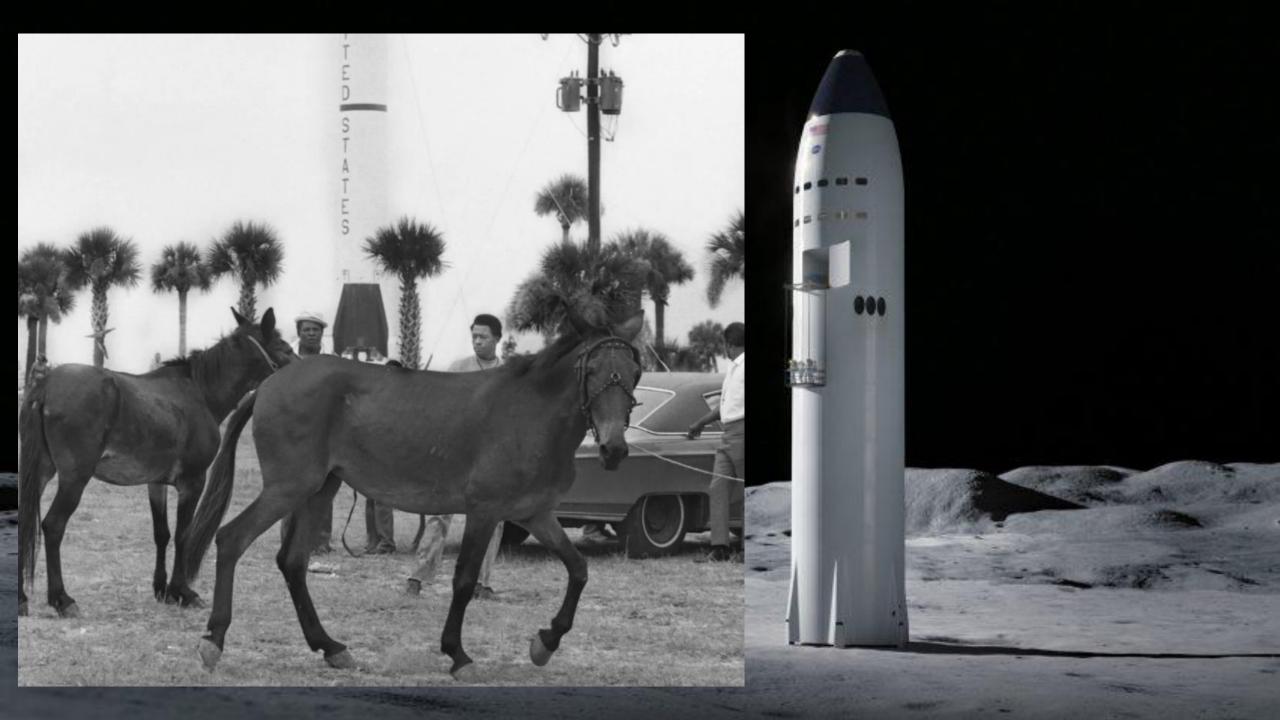
CONNECTED GOV





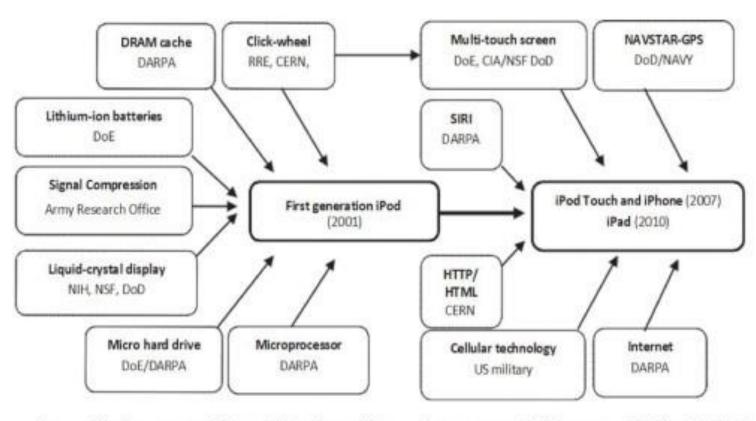
## **Scaling Innovation**



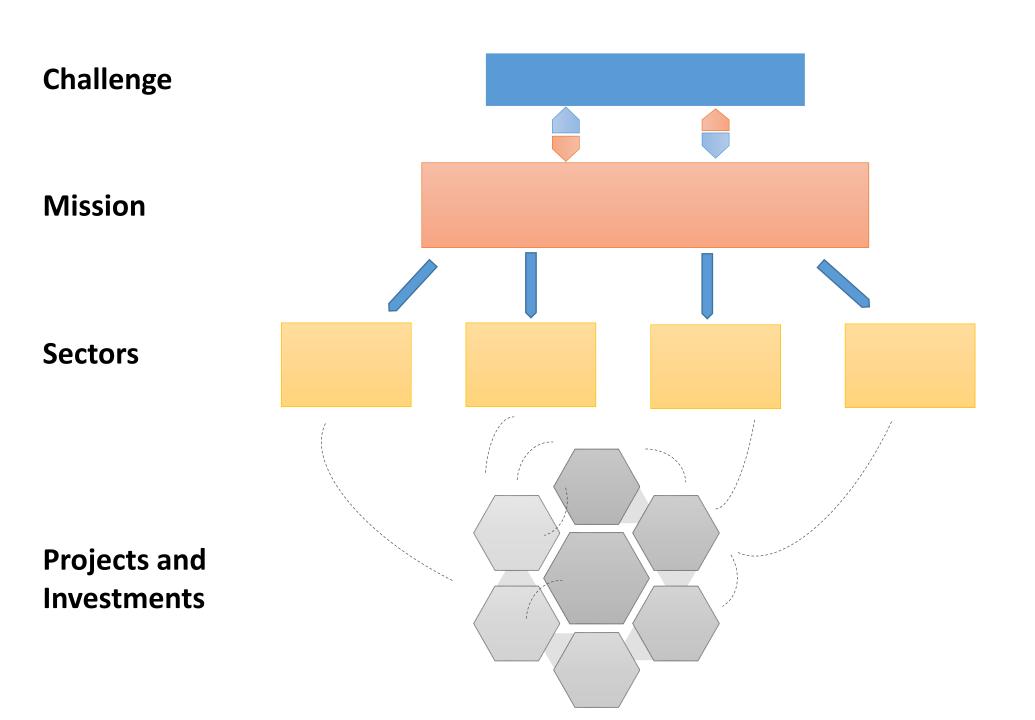


### What Makes the iPhone so Smart?





Source: The Entrepreneurial State: debunking public vs. private sector myths (Mazzucato, 2013), p109. Fig 13



# Mission-Oriented Innovation in Low and Middle-Income Countries

There are multiple missions but very few mission-oriented innovation policy initiatives. In a number of countries, proto-missions exist: initiatives that feature the main characteristics of mission-oriented innovation policies but that were not designed specifically as such.

Measurable: it about achieving an unambiguous outcome

Ambitious and time-bound: accountability is defined and a deadline is set

Cross-sectoral: complex challenges cannot be solved by one actor or sector

**Cross- disciplinary**: diverse policy instruments are used and many disciplines are involved



#### **Funding Trends**

Overall funding across





23% YOY

22% YOY

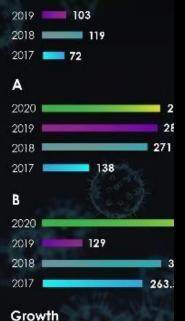
63 Rounds 2017

84 Rounds 2018

#### Capital Goes To (

Total capital raised by





2020 ■ 2019

OF ISRAEL'S BOOMING ENTREPRENEURIAL ECOSYSTEM

# FROM STARTUP NATION TO SCALE UP NATION



#### **Funding Rounds**













rounds in 2020)

#### **Exits**

#### <) FORESCOUT.

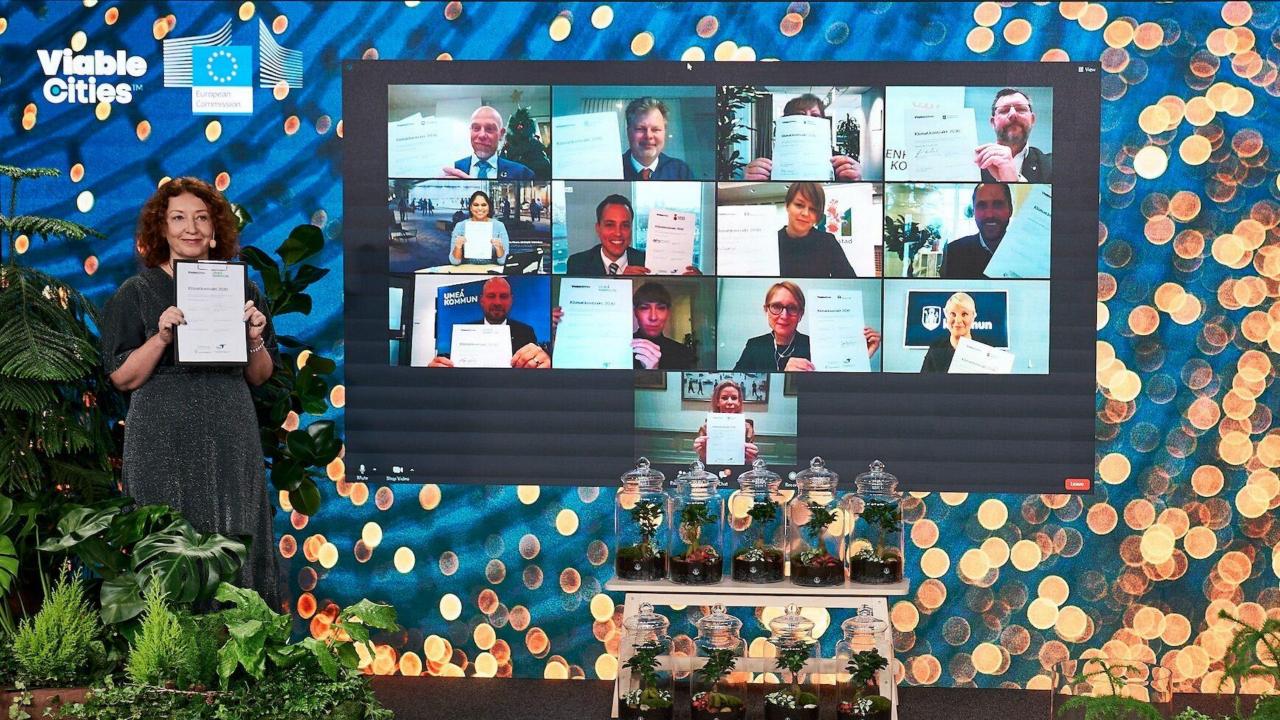
ent and Crosspoint Capital Partners

Checkmarx man and Friedman



ght Partners and CapitalG

CYBERX



# Mission-Oriented Innovation

A typology of mission-orientation in international development cooperation



**ABOUT** 



#### BY THE NUMBERS

# **Our Commitments**

An FP2030 Commitment is a public financial, policy, or programmatic pledge to advance rights-based family planning. Our global partnership network includes:

**Countries that have made** commitments

Organizations that have made commitments



#### A fairer start

We're working to narrow the outcome gap between children growing up in disadvantage and the national average.



## A healthy life

We're working to increase the average number of healthy years lived in the UK, while narrowing health inequalities.



### A sustainable future

How we work ∨

We're working to accelerate the UK's transition to a low-carbon, productive economy by cutting UK household emissions, and reducing skills mismatches in the labour market.

## For discussion

How might this be different to what GIZ and the German cooperation have done before and doing now?

What difference and similarities do you recognize?

# Mission-Oriented Innovation

Selected methods and approaches

#### **Key activities**

This is in the network of suppliers and partners that will make the mission w Which sectors, organisations, and individuals need to believe in the mission? What sources of legitimacy and support authorise the organisation, or wider

#### Value proposition (Public)

Are risks and rewards tolanced with the private sector? What activoting rule will government play in the wider mission

#### Beneficiary relationship(s)

How will you build support and buy-in with each of them? How will you balance risks and rewards between sectors and beneficiaries?

#### Beneficiaries

Primary

Secondary

Who are the individuals or communities that will directly benefit?

Who are the individuals or communities that will benefit indirectly?

#### Key resources & capabilities

How will core capabilities levaluation, etc.) need to function-differently? What suitable working methods do you need to work in a mission-oriented way

#### (Private)

What is/are the private sector valueb) or purposeb) of your mission? Who might benefit or take advantage of the opportunity? Are risks and rewards balanced with the public sector?

#### Messaging

How will you keep stakeholders inspired and engaged?

Feedback loops

#### Tertiary

Who might be officind indirectly or in the future? Who might be officind by unint miled consequences?

#### **Budget & cost structure**

Key partners & support

How will the mission be funded, now and in the longer term? What kind of investments are needed to direct transformational changes

#### Outcomes to be evaluated

What outcomes do you expect to see as a result of the mission? for will the impact of the mission be evaluated, both in the short and long term

Short-term



#### > Unequivocal support > Institutions e.g. > Regulatory framework > Social legitimacy Invest-ment, support Incentives e.g. > Open door for advocate > Financial support e.g. Tax benefits > Entrepreneurship strategy R&D, jump start funds > Research institutes > Urgengy, crisis and challenge **EARLY CUSTOMERS POLICY** > Early adopters for NETWORKS FINANCIAL CAPITAL proof-of-concept > Expertise in productizing > Entrepreneur's networks > Micro-loans > Diaspora networks > Angel investors, friends > Reference customer **MARKETS** FINANCE > Multinational corporations and familiy > First reviews > Zero-stage venture capital > Debt > Distribution channels ENTREPRENEURSHIP LABOR **EDUCATIONAL INSTITUTIONS** SUCCESS STORIES SOCIETAL NORMS > Skilled and unskilled > General degrees > Visible successes > Tolerance of risk, mistakes, failure HUMAN CULTURE > Serial entrepreneurs (professional and academic) > Wealth generation > Innovation, creativity, experimentation CAPITAL > Later generation family > Specific entrepreneurship > Social status of entrepreneur for founders > International > Wealth creation training reputation > Ambition, drive, hunger **SUPPORTS** INFRASTRUCTURE SUPPORT PROFESSIONS NON-GOVERNMENT INSTITUTIONS > Telecommunications > Legal > Entrepreneurship promotion in non-profits

GOVERNMENT

> Business plan contests

> Entrepreneur-friendly assiations

Conferences

LEADERSHIP

> Transportation & logistics

> Zones, incubation centers, clusters

Energy



> Venture-friendly legislation

e.g. Bankruptcy, contract

enforcement, property

rights, and labor

> Venture capital funds

> Public capital markets

> Private equity

Accounting

> Investment bankers

> Technical experts, advisors

# 66

# Every innovator, every venture needs a line of sight.





# CONNECT & CREATE Strengthening Entrepreneurial Ecosystems An interactive Guide for development professionals





### **IGL** Trials Database

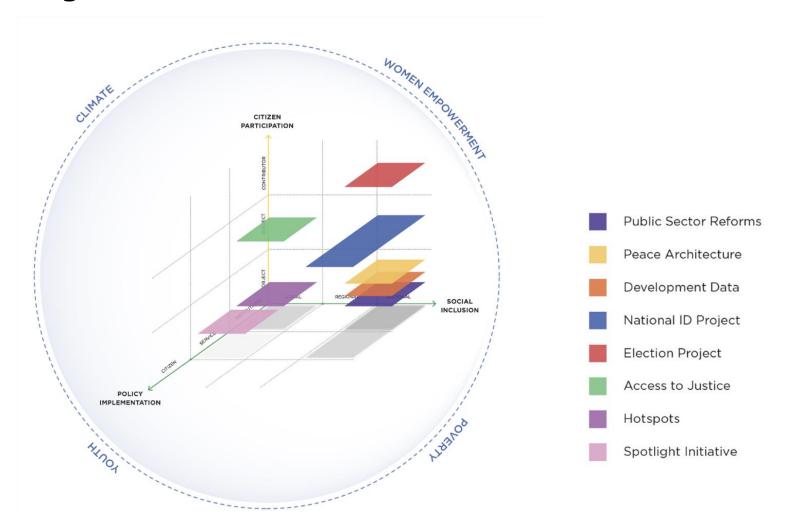
IGL curates a database with randomised controlled trials in the field of innovation, entrepreneurship and growth. Browse our list of topics, see it as a map, or use the search function below.

All Access to Finance **Business Training Economic Incentives** Encouraging Management Entrepreneurship **Practices** Rural Development **Technology Adoption** University-Business Nudges Social Inclusion Promoting Innovation Collaboration

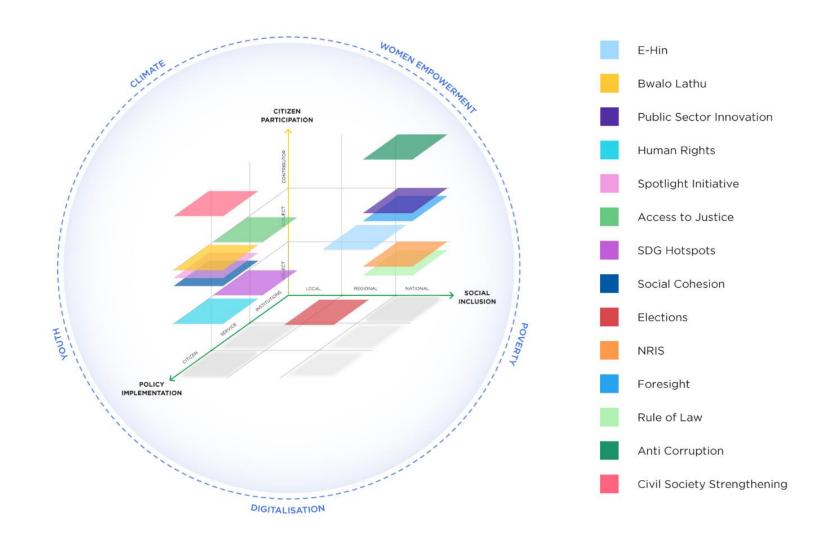
Source: innovationgrowthlab.org

There is no best practice to stimulate innovation ecosystems and encourage innovation and entrepreneurship. Testing what works requires experimental policy and programme design.

## **Existing Portfolio**

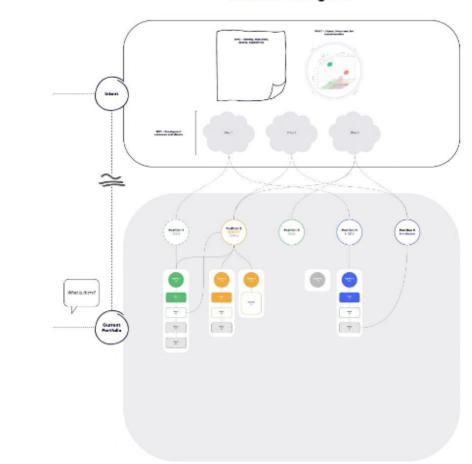


## **New Integrated Portfolio**



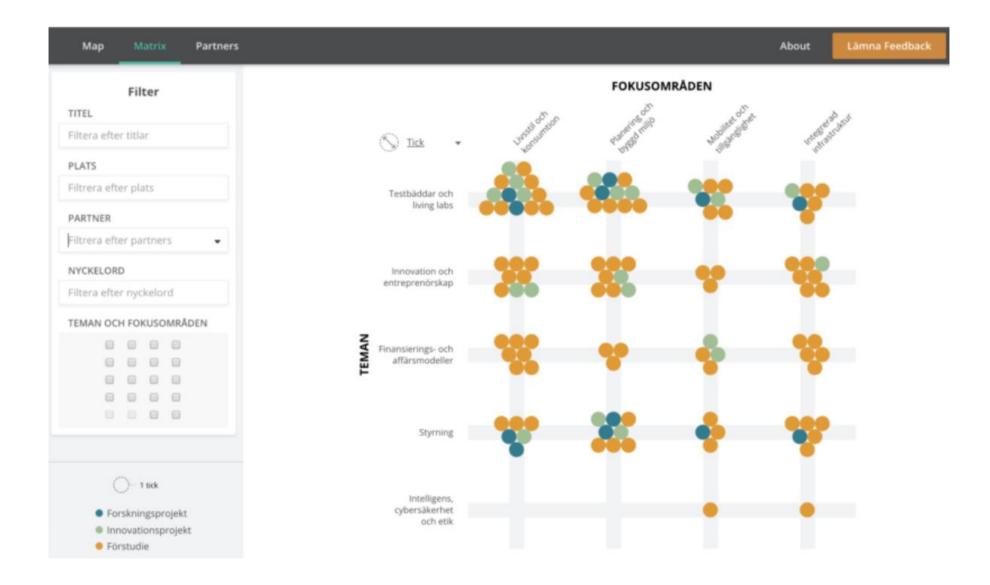
#### **Portfolio Navigator**

Instruction



intelligence

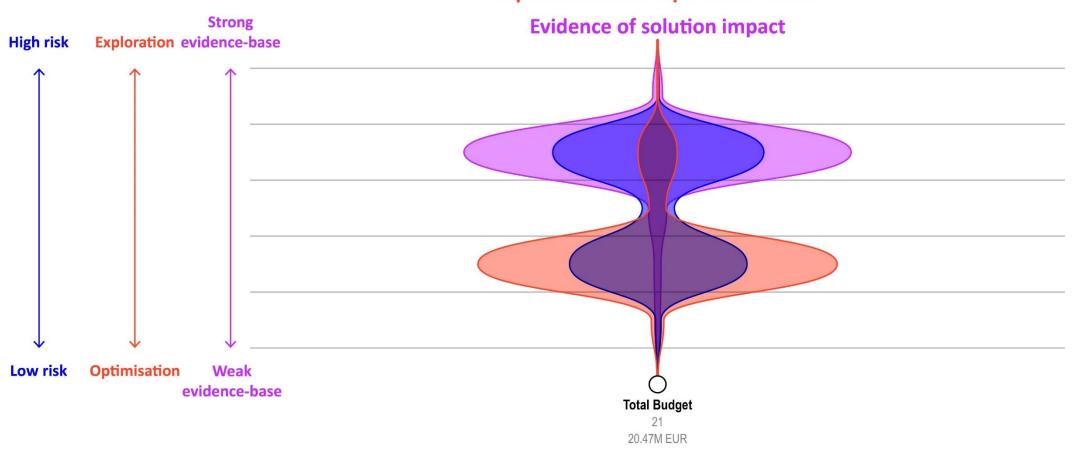




## MFA Iceland – Aggregated Innovation Portfolio View

#### **Risk of stagnation**

#### **Optimisation or exploration event**







## For group discussion

#### **Group 1:**

To make missions work, we need sustained commitment, structured cooperation between ministries and across sectors. What have you observed works well in partner countries? What role can GIZ play to support the needed sustained commitment and donor & governmental coordination?

#### Group 2:

To make missions work we need new financing modalities and ways of working. What are your experiences and/or opinions with development cooperation beyond projects?