CLIMATE INDUSTRY SPOTLIGHTS

Collaboration and Networking in Climate Entrepreneurship in Africa: Benefits and Policy Pathways

GIDEON OFORI OSABUTEY, WILLIAM OHENE ANNOH

ASHESI UNIVERSITY

In partnership with Canada

Ghana Climate Innovation Centre

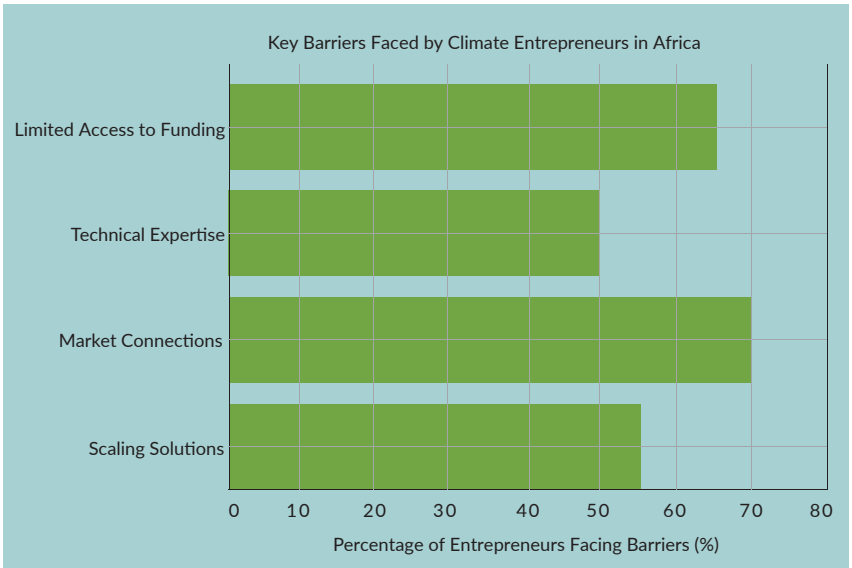
ASHESI UNIVERSITY

Introduction

Climate entrepreneurship in Africa stands at a critical juncture, with growing awareness of environmental challenges driving new market opportunities for sustainable solutions. The International Finance Corporation projects $23 trillion in climate investment opportunities in developing economies between 2016 and 2030, highlighting the potential for growth in this sector (International Finance Corporation (IFC), 2016). However, climate entrepreneurs across the continent face significant barriers in scaling their impact, including limited access to resources, technical expertise, and market connections (See Figure 1.0).

Social capital, encompassing the networks, relationships, and shared norms that enable effective collaboration, serves as a fundamental pillar for climate entrepreneurs in Africa. These networks create pathways for entrepreneurs to access vital resources, connect with potential investors and partners, and gain crucial market insights. This brief examines how strengthening social capital through enhanced collaboration and networking can support business development, facilitate knowledge sharing, and promote learning opportunities for startups, micro, small and medium enterprises (MSMEs), and other climate-focused ventures across Africa.

Figure 1.0
Key Barriers Faced by Climate Entrepreneurs in Africa



Source: African Development Bank Study on Climate Entrepreneurs in Africa, 2024

Why Social Capital Matters for Climate Entrepreneurs

Through collaborative relationships, entrepreneurs can share knowledge, exchange best practices, and develop technical expertise. Furthermore, when climate entrepreneurs band together, their collective voice becomes more powerful in policy discussions, enabling them to advocate more effectively for supportive regulatory frameworks. The complex nature of climate challenges requires collaborative approaches.

To mainstream and accelerate this support, development partners, donors, civil society, the private sector and national governments must come together to build capacity, policies, enabling environments and collaborative approaches that will ensure the sustainability of climate change programming in Africa (United Nations Development Programme, 2018). Your success as a climate entrepreneur often depends on accessing diverse expertise and resources.

Networks can develop naturally through business associations and industry events, but you can also build them strategically through incubators, accelerators, and industry platforms focused on climate solutions. Recent studies from (WRI, 2023), (Brookings, 2023), (WOCAN, 2021) among others demonstrate that entrepreneurs with strong networks are more likely to:

1. Secure Strategic Financing: Networking enhances access to diverse funding sources, allowing climate entrepreneurs to connect with relevant investors who understand and prioritize sustainable ventures. This strategic financing supports projects' growth and longevity.

Your success as a climate entrepreneur often depends on accessing diverse expertise and resources.

2. Integrate Effective, Cutting-Edge Technologies: Networks provide exposure to the latest technologies, enabling climate entrepreneurs to adopt innovative solutions that boost efficiency, reduce costs, and increase environmental impact.

3. Achieve Sustainable Growth: Networking aids in scaling operations by connecting entrepreneurs with industry leaders, resources, and knowledge that support sustainable expansion and minimize ecological impact.

4. Drive Innovation in Climate-Smart Solutions: By collaborating within industry networks, entrepreneurs can exchange insights and best practices, fostering the development of novel, climate-smart approaches tailored to evolving environmental needs.

Strengthening Support Systems through Collaborative Networks: GCIC's Approach

The gap in climate innovation support is evident in the low number of climate-focused incubators and accelerators in developing regions, with about 25 such entities spread across the developing world, including parts of Africa. This highlights a significant deficiency in the necessary infrastructure to nurture and scale climate technology in these regions. Developing countries face challenges including but not limited to weak entrepreneurial support systems, fragmented connections to markets, and insufficient financing. Addressing these gaps requires increased investment and tailored support for early-stage ventures focused on both adaptation and mitigation technologies (ANDE, 2024).

The landscape of support for climate entrepreneurs in Africa requires significant development. Currently, only about 25 climate-focused incubators and accelerators exist across developing regions outside industrialized countries, revealing a substantial gap in support infrastructure. Effective capacity development must encompass both general business education and climate-specific knowledge sharing, alongside technical training and financial literacy programs. Network development proves equally crucial, requiring intentional efforts to bridge gaps between entrepreneurs and academia, foster industry partnerships, and create international networking opportunities. These connections enable knowledge transfer, market access, and collaborative innovation essential for addressing climate challenges.

The Ghana Climate Innovation Centre (GCIC) has intentionally cultivated relationships with the Nigeria Climate Innovation Centre (NCIC) and the Aspen Network of Development Entrepreneurs (ANDE) to strengthen support systems for climate entrepreneurs across West Africa.

This collaboration is aimed at enhancing the regional ecosystem for green entrepreneurship by providing entrepreneurs with crucial resources, mentorship, and funding opportunities. Through their partnership, GCIC and NCIC share best practices and create opportunities for cross-border cooperation, enabling entrepreneurs to scale their innovative climate solutions (Ghana Climate Innovation Centre, n.d.). Additionally, GCIC's collaboration with ANDE connects small and growing businesses (SGBs) with the tools and resources necessary for success. Through ANDE's expansive network of investors, entrepreneurs, and technical experts, GCIC can offer tailored business development support, technical assistance, and access to financial resources, further strengthening the ecosystem for sustainable business practices (Aspen Network of Development Entrepreneurs, n.d.).

GCIC's work with Farmerline, a technology company providing digital solutions for farmers in Ghana, is a prime example of how these partnerships contribute to strengthen support systems. Through this collaboration, GCIC helps Farmerline scale its climate-smart agriculture solutions, improving agricultural productivity while promoting environmental sustainability. This partnership enhances the capacity of smallholder farmers to adapt to climate change, fostering resilience in the agricultural sector while simultaneously driving sustainable business growth (Farmerline, 2023).

These strategic collaborations between GCIC, NCIC, ANDE, and Farmerline demonstrate a concerted effort to build a more robust support system for climate entrepreneurs, enabling them to scale their innovations and make a meaningful impact on climate change mitigation and adaptation across West Africa.

1. Strengthening Networks Through Policy Action: The path forward for climate entrepreneurship in Africa depends heavily on our ability to build strong collective networks and shared resources. Policy frameworks should focus on creating environments where entrepreneurs can easily connect, collaborate, and build social capital together. This requires a shift from traditional top-down policy approaches to more collaborative models that empower entrepreneurial communities. In Ghana, the experience of the GCIC indicates that the Government of Ghana through its Ministries, Departments and Agencies (MDAs) participate in roundtable discussions, for example, to engage stakeholders in the climate entrepreneurship ecosystem, to encourage collaborative ways of developing relevant policies. The main challenge, however, has been the uptake by governments of suggestions that arise out of such collaborative meetings.

2. Creating Collaborative Infrastructure: Policy initiatives should focus on establishing and supporting physical and virtual spaces where climate entrepreneurs can naturally congregate and collaborate. This includes:

i. Supporting innovation hubs and climate technology centers that serve as meeting points for entrepreneurs, investors, and technical experts. These spaces become natural incubators for social capital, where informal connections lead to formal collaborations.

ii. Developing digital platforms that connect entrepreneurs across regions, enabling knowledge sharing and collaboration beyond geographical boundaries. These platforms can facilitate peer-to peer learning, resource sharing, and joint problem-solving among climate entrepreneurs facing similar challenges. According to Ms. Rukayatu Sanusi, Executive Director of the GCIC, it can be observed that collaborative infrastructure exist – from the NEIP to GEA – in Ghana, and they need more robust capabilities, knowledge and internal structures to make them more effective. Financial constraints can be tipped as one of the barriers to their effectiveness in enabling collaboration amongst stakeholders in the climate entrepreneurship ecosystem.

3. Building Financial Networks: Financial policies should move beyond individual funding mechanisms to support network-based approaches to financing. This includes:
i. Encouraging the formation of entrepreneur collectives and cooperatives that can access financing
together, sharing both risks and opportunities. These collective structures build stronger negotiating positions with financial institutions while creating support systems for individual entrepreneurs.

4. Strengthening Learning Networks: Policies should support the creation of learning ecosystems that enable knowledge sharing and capacity building through:
i. Establishing mentorship programs that connect experienced climate entrepreneurs with newcomers, creating channels for

knowledge transfer and relationship building. These programs help preserve and share valuable lessons learned within the entrepreneurial community. There exist programmes such as the earstwhile GCIC Peer Exchange and Knowledge Brokerage platform, Orange Corners, SDF, Innohub etc. They are to be strengthened to make them more effective in facilitating knowledge exchanges and relationship building amongst climate entrepreneurs.

ii. Supporting industry associations and professional networks focused on climate solutions, providing platforms for regular interaction, knowledge exchange, and collective advocacy. These networks can become powerful voices for policy reform while building social capital among members.

5. Building Market Connections: Market development policies must focus on creating opportunities for collaboration and collective market access through:

i. Supporting the development of climate business clusters where entrepreneurs can share resources, collaborate on projects, and build stronger market presence together. These clusters create natural ecosystems for social capital development while strengthening market opportunities.

ii. Encouraging partnerships between established companies and climate entrepreneurs, creating pathways for market access and knowledge transfer. These relationships help build bridges between different parts of the market while strengthening the overall entrepreneurial ecosystem.

6. Institutional Capacity for Network Building: Success requires strong institutions that can facilitate network building and collaboration through:

i. Institutional capacity for network building is critical to fostering collaboration and ensuring the success of entrepreneurial ecosystems. Strong institutions must prioritize training programs that integrate both technical knowledge and the development of collaborative and networking skills. Such programs are essential for equipping entrepreneurs with the soft skills necessary to build and sustain meaningful professional relationships. In Ghana, initiatives such as the Skills Development Fund and Orange Corners, alongside other government-led programs, have taken significant steps toward providing entrepreneurs with these essential skills. However, these efforts require further study to assess their effectiveness, scalability, and potential for improvement. By analyzing and scaling these initiatives, policymakers and stakeholders can enhance their impact, ensuring that a larger number of entrepreneurs benefit from improved networking and collaborative capacities.

ii. Support services that help entrepreneurs identify and connect with potential collaborators, whether they be fellow entrepreneurs, investors, or technical experts. These services act as network facilitators, helping build connections that might not occur naturally.

Moving Forward Together

The future of climate entrepreneurship in Africa depends on our ability to build strong, resilient networks that support innovation and growth. Policy frameworks should focus on creating environments where social capital can flourish, enabling entrepreneurs to build collective power through collaboration and mutual support. Success requires moving beyond traditional policy approaches to embrace more collaborative models that recognize the power of networks. By focusing on building social capital alongside other forms of support, we can create stronger, more resilient entrepreneurial ecosystems capable of addressing Africa's climate challenges.

Conclusion

The success of climate entrepreneurs in Africa depends critically on their ability to build strong collaborative capabilities and extensive networks. As the urgency of climate action grows, enhanced support mechanisms become increasingly vital, from expanding incubator and accelerator programs to improving access to finance and strengthening policy frameworks. Progress requires coordinated action from governments, development partners, private sector actors, and entrepreneurs themselves.

Future success will depend on scaling ecosystem supports while balancing both adaptation and mitigation solutions. Patient capital mechanisms must be developed to support longer development cycles, while knowledge sharing systems ensure lessons learned benefit the broader community. Gender-responsive support systems and enabling policy environments will ensure these benefits reach all segments of society.

By strengthening collaboration and networking capabilities, climate entrepreneurs in Africa can position themselves to lead the continent's transition to a more sustainable future, creating economic opportunities while addressing urgent environmental challenges.

References

Abane, J. A., Adamtey, R., & Kpeglo, R. (2024). The impact of social capital on business development in Ghana:
Experiences of local-level businesses in the Kumasi Metropolitan Area. Social Sciences & Humanities Open,
9, 100775.
African Development Bank. (2024). Innovation & entrepreneurship for climate action in Africa. African
Development Review, 14(9).
Aspen Network of Development Entrepreneurs (ANDE). (2024). The role of incubators and accelerators in
supporting climate innovation in Africa. Andeglobal.org. Retrieved from https://www.andeglobal.org
Brookings Africa Growth Initiative. (2023). Accelerating access to energy: The role of technical assistance
in Africa's energy sector. Brookings Institution. Retrieved from https://www.brookings.edu/research/
Climate-KIC. "How can technology-driven solutions change the way Africa addresses the climate crisis?"
(2022). Available at: www.climate-kic.org.
Council on Foreign Relations. (2024). How climate change is a collective action problem. Retrieved from
https://education.cfr.org/learn/video/collective-action-problem-climate-change
EIT Climate-KIC & Briter Bridges (2022). Adapt, Mitigate and Grow: A Review of Africa's Climate Tech
Ecosystem.
Women Organizing for Change in Agriculture & Natural Resource Management (WOCAN). (2021). Women
Climate Entrepreneurs: Challenges and Opportunities for Women's Climate Entrepreneurship in Africa.
WOCAN. Retrieved from https://www.wocan.org/resources/wce-report/
World Bank. (2012). Connecting green technology entrepreneurs: Implications for public program design.
Retrieved from
https://documents.worldbank.org/en/publication/documents-reports/documentdetail/434281470900048448/Connecting-green-technology-entrepreneurs-implications-for-public-programdesign
World Bank. (2016). Kenya Climate Innovation Center: How it operates and lessons for clean technology
incubation. Climate Technology Program In Brief No. 2.
World Resources Institute (WRI). (2023). Unlocking the potential of Africa's green entrepreneurs: Climatefocused
innovation and financial resilience. World Resources Institute. Retrieved from https://www.wri.org/.

ghanacic.ashesi.edu.gh

Ghana *Climate* *Innovation* Centre

ASHESI UNIVERSITY