

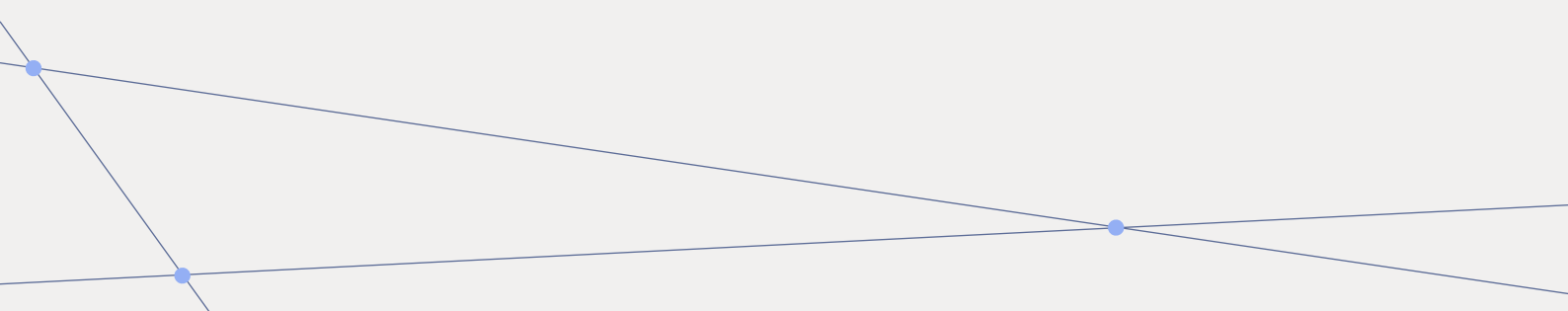
Fostering Economic Innovation in Transition Contexts: The Promise of Collaborative Ecosystems and Private Sector Partnerships

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Acknowledgments

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Introduction

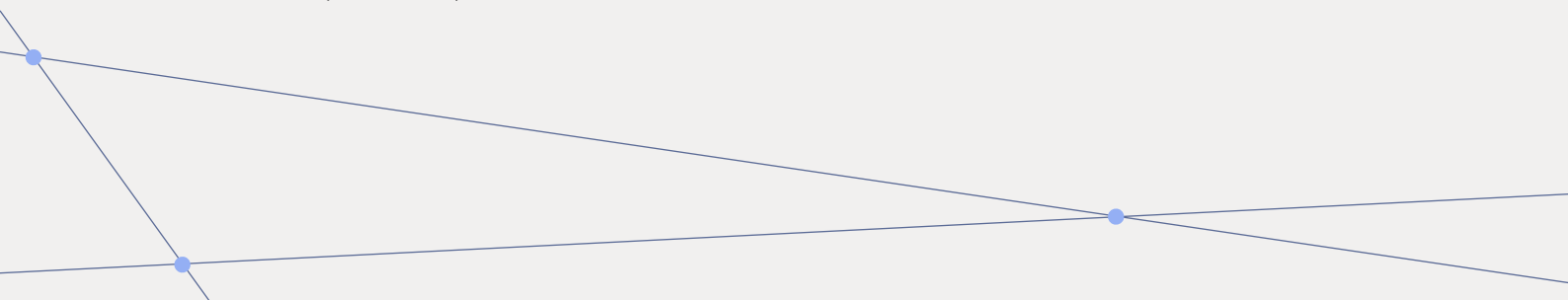
Communities in fragile and transition contexts are increasingly rethinking how to generate inclusive and sustainable growth amid mounting social, economic, and environmental pressures and the collapse, in parallel, of international aid. Traditional approaches to development and recovery, often led solely by governmental or external actors, are failing to meet the complexity of today's challenges. By contrast, collaborative ecosystems that bridge various sectors (including the state, private enterprise, academia, and civil society) show comparatively greater promise as engines of growth and innovation.

In this report, we use the term *collaboratory* to describe such collaborative ecosystems. These are partnerships created via agreements that often include physical incubator facilities to encourage in-person collaboration between key nodes in the ecosystem. A typical collaboratory brings together public, private, civic and academic sectors in an interconnected environment that fosters the sharing of ideas, pooling of resources, and co-creation of solutions.¹ It may include financing mechanisms, public and private research institutions, social networks, entrepreneurs, and organisations and leaders providing intermediation services.

A well-designed collaboratory ecosystem, based on a shared stakeholder vision and a common agenda for joint action, assumes a circular and sustaining activity that builds on economic development gains, learns from feedback loops, and attracts participants who can contribute to the identification and commercialisation process. Such an ecosystem supports creative and inventive people to start something new, guided by visions for economic and social prosperity and fuelled by local needs. Of course, collaboratories can be difficult to establish in fragile and transitioning economies, where safety concerns, institutional weakness, historical trauma, and political fragmentation are often present. Yet, collaboratories can precisely help fill institutional gaps by providing a safe, interconnected environment for relationship-building, experimentation, collective problem-solving and continuity.

As such, this paper explores why collaboratories matter and how they can be designed and implemented – even if only initially at a small scale – to stimulate innovation and foster resilience in fragile and transition settings. Part I examines why collaboratories matter as catalytic spaces to promote innovation and deliver greater levels of trust and collective impact amongst ecosystem actors, and Part II discusses how to use them to build and align bottom-up innovation with broader policy and development frameworks.

At the same time, the feasibility of collaboratory ecosystems varies significantly across fragile and transition contexts. The approaches discussed in this paper are most applicable and feasible in settings where enabling conditions exist, such as Nigeria, Rwanda, Nepal and Jordan. In these contexts, collaboratories can serve as practical mechanisms to gradually strengthen coordination, experimentation, and innovation despite broader systemic constraints. In contrast, in environments marked by extremely weak institutions, ongoing conflict, or severe infrastructure deficits, such as Syria, South Sudan, Myanmar, and Haiti, the conditions necessary to establish these ecosystems may be absent.



Why Collaborative, Bottom-Up Ecosystems Matter

A. Collaboratories as Drivers of Economic Growth and Cooperation:

Collaboration among public institutions, universities, research centres, policy think tanks, the private sector, civil society, and traditional institutions, amongst others, can play a vital role in driving innovation and economic development. At the same time, doing so effectively requires a supportive ecosystem that brings diverse actors together, creates an enabling environment for investment, and connects entrepreneurs with the finance needed to test ideas and scale them. Once in place, the ecosystem can foster strategic coordination and pool diverse expertise, helping transform fragmented efforts into coherent, problem-solving initiatives—particularly where institutional trust is weak and state capacity is limited.

In this sense, collaboratories can function not only as instruments of innovation but also as confidence-building interventions. By convening government, business, and civil society around concrete development challenges, they can offer positive examples of shared learning, governance and practical cooperation—an essential ingredient for stability and transition. Jordan’s Oasis500 accelerator, for example, illustrates how early-stage collaboratories can bridge public policy and entrepreneurship in constrained environments.² By providing seed funding, mentorship, and investor linkages to startups in sectors such as technology and the creative industries, Oasis500 shows how coordinated multi-stakeholder efforts can nurture innovation ecosystems³ even under limited resource and market conditions.

Collaboratories also enable fragile and transition states to participate more fully in a dynamic, networked global economy. They often serve as entry points for new partnerships and access to international funding mechanisms, including those focused on climate innovation, digital transformation, and diaspora engagement.

More broadly, collaboratories can support the development and scaling of ideas that address local challenges that may be transferable to markets facing similar conditions. In stronger economies, such ecosystems drive the creation of new industries and the renewal of existing ones, facilitating technology transfer and cross-sector knowledge sharing. Where, by contrast, local demand is insufficient, collaboration can connect local talent and ideas to global markets, as seen in the rise of India’s business process outsourcing industry.

While many prominent examples of collaboratories come from advanced economies, the core principles are broadly applicable and can be adapted to more challenging contexts, typically beginning as pilots with a clear pathway to scale. In South Africa, for example, the University of Cape Town’s Solution Space demonstrates how a public university in the Global South can anchor an innovation ecosystem. Located within the Graduate School of Business, Solution Space mobilises student talent, applied research, and partnerships with private and development actors to support early-stage, impact-oriented enterprises. Despite operating under tight constraints, the collaboratory relies on the same core drivers—human capital, shared infrastructure, and a culture of experimentation—to translate academic knowledge into innovation, market-based solutions and social value.

B. Bridging Institutional Gaps through Placemaking:

Effective innovation ecosystems and collaboratories bring research, market opportunities, and finance into closer proximity, creating channels for knowledge-sharing between institutions and individuals. In contexts where institutions are fragmented or weak, collaboratories can help bridge these gaps by providing structured spaces for interaction, experimentation, and problem-solving.

One innovative organisation in Denmark, Volcano, calls this process “placemaking.”⁴ Volcano creates spaces that bring together actors from the business and social sectors in urban settings, enabling collaboration around shared development challenges. By deliberately designing environments that encourage interaction across disciplines and sectors, placemaking helps overcome institutional silos and stimulates collective innovation.

In fragile or emerging economies, collaboratory designs, whether urban or rural, can draw inspiration from existing models. For example, The Innovation Hub (TIH) – another example from South Africa, in this case a science and technology park – links government, universities, and private business and capital to stimulate entrepreneurship and innovation.⁵ TIH has helped establish a Climate Innovation Centre in partnership with the World Bank’s infoDev and the Development Bank of Southern Africa’s Green Fund, which in turn supports startup activity in the energy, water, and waste management sectors.

Placemaking of this sort is essential for bringing together diverse interests and perspectives to stimulate innovation – often in an open shared workspace. In the absence of physical locations or dependable digital networks that connect individuals and institutions over time, innovation ecosystems and collaboratories are likely to be less successful. That said, distributed innovation networks can still play a complementary role by facilitating access to knowledge, markets, and partnerships across borders. One notable example is the WIPO GREEN initiative, an online marketplace that connects providers and seekers of green technology solutions, helping accelerate the commercialisation and licensing of green innovations.⁶

Where safety concerns or mobility constraints limit access to physical innovation spaces (for example, in or near universities or incubators), geographic constraints may be overcome through “tribes of affinity” that organise and leverage international networks around shared values and goals. The Carnegie African Diaspora Fellowship Program (CADFP) provides a clear example of this hybrid approach.⁷ The programme funds African-born scholars living in the United States and Canada to collaborate with universities in Ghana, Kenya, Nigeria, South Africa, Tanzania, and Uganda, as well as with members of the African Research Universities Alliance (ARUA).⁸ By connecting African institutions with diaspora expertise, CADFP exemplifies how virtual and physical collaboratories can reinforce one another to build research capacity and foster innovation.

C. Advancing Inclusive, Sustainable Growth:

Inclusive economic growth is a critical stabilising factor in fragile and transitioning contexts. When access to markets, finance, and high-growth sectors is concentrated among a narrow set of actors, economic gains risk reinforcing inequality and exclusion,

which can in turn fuel social and political grievances. Collaboratories can help mitigate these risks by widening participation in innovation ecosystems and aligning growth with broader development priorities.

The Kenya Climate Innovation Centre (KCIC), a public–private initiative backed by the World Bank, offers a clear example. KCIC supports climate-tech startups through business incubation, mentorship, and access to funding, bridging government policy, research institutions, and the private sector. To date, the Centre has supported more than 12,000 enterprises across Africa, mobilised over US\$55 million in climate finance across the continent, and contributed to the creation of more than 100,000 green jobs, alongside the establishment of 60 new collaborations.⁹ By targeting early-stage entrepreneurs – particularly youth-led and small enterprises operating outside established business networks – KCIC expands access to growth sectors that typically remain out of reach for many firms.

South Africa’s Black Industrialist Scheme, launched in 2016, is another relevant example. Designed to redress historical inequalities and promote inclusive industrial growth, the programme provides targeted support to Black-owned businesses through financing, market access, and capacity building in priority sectors, with the explicit aim of expanding ownership and participation in the formal economy. In 2022, it was reported that around 900 black industrialist businesses were funded over US\$2 billion, contributing to the creation and support of more than 70,000 jobs and has become a cornerstone of South Africa’s inclusive economic development strategy.¹⁰

D. Grassroots Entrepreneurship and Locally Driven Solutions:

Entrepreneurship typically requires stimulation at the grassroots level in fragile and transition countries because institutional, financial, and geographic barriers may otherwise exclude potential innovators. In such contexts, collaboratories can serve as enablers, linking local initiatives to mentorship networks and financing mechanisms.

One example of a collaboratory model designed to stimulate local innovation is the UNDP Accelerator Labs.¹¹ Operating in 91 locations across the globe, the Labs help reimagine sustainable development for the 21st century by accelerating learning on what works and what doesn’t, testing new ways of addressing social and environmental challenges, and equipping decision-makers to explore, experiment, and grow portfolios of mutually reinforcing solutions to tackle today’s challenges.¹² The Labs deliberately seek out grassroots innovation and community-led collaborative problem-solving efforts.

While typically operating with limited financial support, grassroots entrepreneurs often demonstrate resilience, adaptability, and a deep understanding of community needs. An illustrative case comes from Tanzania, where community-led collaboratories have introduced biomass briquettes production as a safer and more efficient alternative to traditional charcoal-based cooking fuel.¹³ Beyond improving efficiency and safety, this innovation creates employment opportunities and stimulates local economic activity, showing how small-scale collaboratories can simultaneously address environmental and livelihood challenges.¹⁴

These examples highlight the untapped potential of grassroots entrepreneurship when connected to larger innovation systems.

E. Promoting Social Empowerment and Cross-Community Collaboration:

While inclusive growth at the ecosystem level is essential, sustainable recovery in fragile and transitioning contexts also depends on whether economic opportunity translates into social empowerment, agency, and trust at the community level. Collaboratories can help ensure this by enabling marginalised actors to participate meaningfully in economic life and by fostering cooperation across social and communal divides.

The Uganda Women’s Network (UWONET), for example, is a grassroots initiative dedicated to empowering women economically and politically through cooperatives that promote income-generating activities while simultaneously shifting community views on gender roles.¹⁵ By combining livelihoods with collective organisation, UWONET strengthens women’s agency and social inclusion.

Collaboratories can also support cross-community cooperation in contexts shaped by historic division. In Bosnia and Herzegovina, for example, the MADI Poultry Company has established a mini collaboratory with a wide range of Bosnian Serb suppliers from Republika Srpska to jointly manage production, standards, logistics, and market access, linking firms and growing supply chain partners in the process. By creating economic interdependence across ethnic lines in a region long marked by division,¹⁶ such forms of practical cooperation rebuild trust through shared economic interests, offering an economic pathway to peacebuilding.

Another example is the Tony Elumelu Foundation (TEF), which provides training, mentorship, and seed capital to young African entrepreneurs who are frequently excluded from formal employment and business ecosystems.¹⁷ By lowering structural barriers to entry, such collaboratories help integrate marginalised groups into formal economic systems, contributing to social cohesion and stability.

Taken together, these examples show how collaboratories complement inclusive growth strategies by translating economic opportunity into social empowerment, trust-building, and cooperation across community divides. When designed intentionally, they can promote financial inclusion and help rebuild social trust by linking marginalised entrepreneurs to formal systems of support, regulation, and opportunity.

F. Rebuilding Trust and Essential Services:

In fragile and transitioning contexts, public services are often absent or inadequate, creating gaps local entrepreneurs and private actors sometimes step in to fill. However, while such initiatives can temporarily meet urgent needs, they may also inadvertently deepen divisions if implemented without a cooperation framework that builds trust between public and private actors by distancing public responsibility and action from communities.

Collaboratories can help address this by creating structured spaces for coordination and trust-building between public institutions, private actors, and civil society. By convening stakeholders around shared objectives and embedding transparency, account-

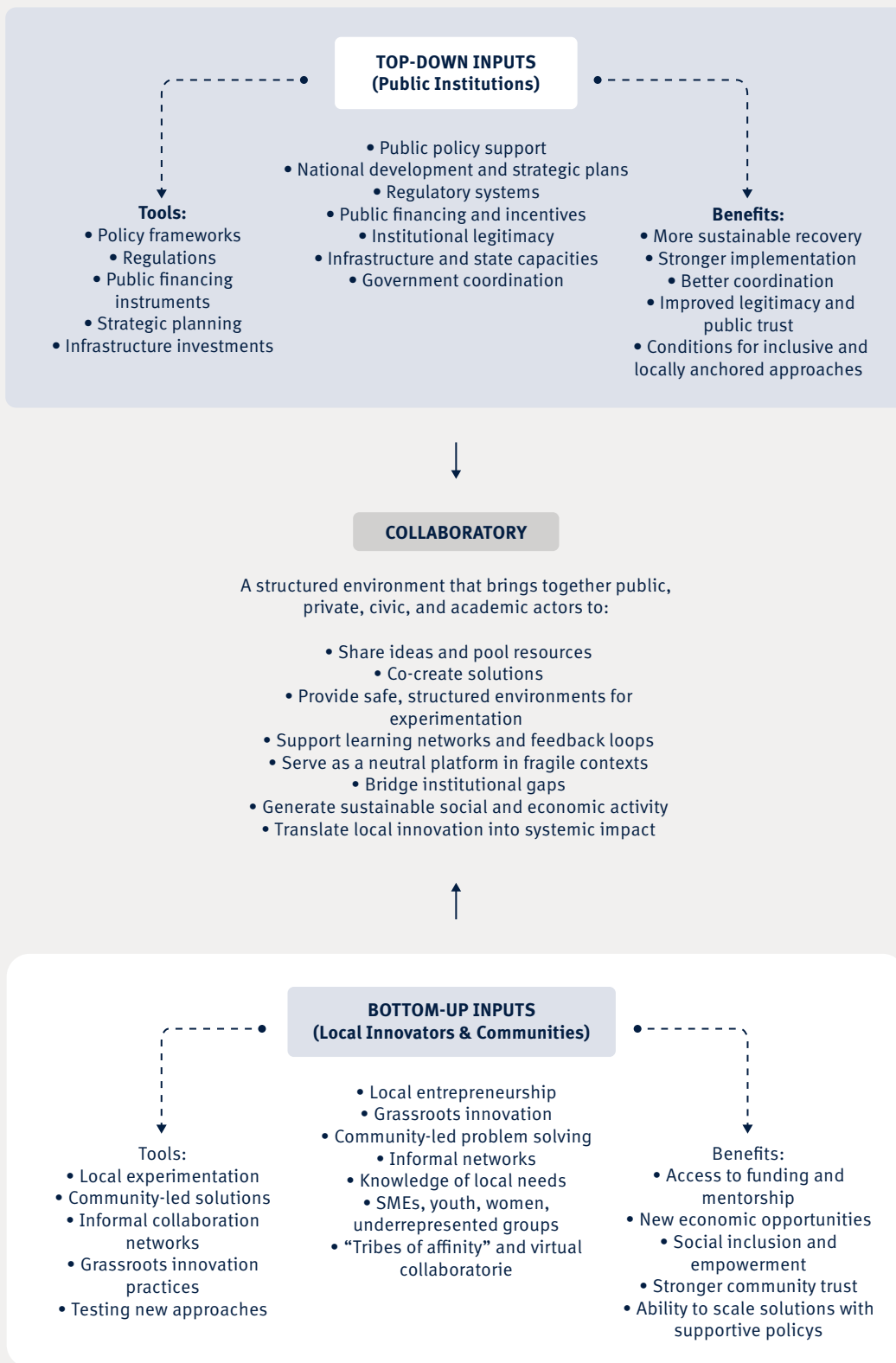
ability, and joint planning into their design, collaboratories can ensure that entrepreneurial solutions complement rather than replace public service delivery, reinforcing rather than undermining public legitimacy.

In the education sector, for example, collaboratories have helped bridge service gaps in ways that complement public systems. Nigerian entrepreneur Ogechi Benyeogor launched Fidema's Children Academy with support from the Tony Elumelu Foundation (TEF) to address unmet local education needs.¹⁸ Operating within national education regulations and standards, the school expands access to schooling where public provision is limited, while remaining aligned with broader public education objectives. The academy demonstrates how philanthropic funding combined with entrepreneurial initiative can expand access to essential services and create local employment.

In addition, Rwanda's off-grid electrification strategy, backed by initiatives such as the government's Rwanda Renewable Energy Fund (REF), has moved from planning into implementation, with private mini-grid systems operating in districts such as Kirehe and Nyamasheke and roughly 25% of households accessing electricity through off-grid solutions as of mid-2025.¹⁹ By aligning private delivery models with national electrification plans, regulatory oversight, and public financing mechanisms, this approach expands access to essential services while reinforcing public authority and trust.

These examples illustrate how policy-aligned, collaboratory-enabled partnerships can deliver immediate social benefits while laying the groundwork for more durable public-private partnerships. Rather than operating in isolation, such collaboratories function within, and help activate, broader innovation ecosystems by coordinating actors, reducing fragmentation, and linking local initiative to policy and market frameworks. Building on this analysis, the following section turns to how collaboratories can be used as practical coordination platforms to align bottom-up innovation with top-down policy frameworks and national development priorities.

Convergence of Top-Down and Bottom-Up Approaches Within a Collaboratory



Using Collaboratories to Align Bottom-Up Innovation with Top-Down Policy Frameworks

Effective collaboratories benefit from supportive public policies and resources, ideally anchored in clear national development and strategic frameworks that provide direction and legitimacy. In fragile and transition contexts, however, such frameworks are often incomplete or unevenly implemented. In these conditions, collaboratories can still play a bridging role, serving as practical coordination platforms through which grassroots entrepreneurs, informal sector actors, policy think tanks, educators, and public authorities co-design and align ecosystem-building efforts. The result can be more cohesive, realistic, and scalable approaches that reflect local needs while remaining connected to national priorities.

Collaboratories can play a bridging role in this process. By connecting the bottom-up approach of entrepreneurs with the top-down planning capacity of public institutions, they help operationalise broader ecosystem strategies rather than replacing them. This alignment ensures that innovation is not an isolated activity but part of a broader national transformation effort that reinforces stability, trust, and inclusive growth.

A. Practical Steps - Key Strategies to Enable Entrepreneurial Ecosystems:

For entrepreneurial ecosystems to deliver long-term impact in fragile and transitioning contexts, they must be intentionally designed around collaboration, rather than focusing solely on individual enterprise support. Collaboratories provide a practical mechanism for this by creating shared spaces – physical, digital, or institutional – through which public authorities, private actors, academia, and civil society can jointly identify challenges, coordinate action, and align resources.

In this sense, the role of public policy is not simply to enable markets, but to convene actors, lower coordination costs, and support collective experimentation. Investments in skills, infrastructure, and finance are most effective when embedded within such collaborative arrangements and linked to national transition, economic development, and international engagement priorities. Rather than discrete policy reforms, the strategies below illustrate how governments and partners can use collaboratories as coordination platforms to pilot reforms, align incentives, and connect grassroots entrepreneurship with national development objectives.²⁰

1. Create Enabling Environments: Government policies and programmes can encourage entrepreneurship by simplifying business registration processes, offering targeted tax incentives, and promoting regulations that support private innovation, impact organisations and public-private partnership arrangements.²¹ The country of Georgia, for example, has consistently ranked among the top 10 in the World Bank’s “Ease of Doing Business” report thanks to its simplified registration processes and clear regulatory frameworks that make it easier to start and operate businesses.²²

Within a collaboratory framework, such enabling reforms are most effective when co-designed with entrepreneurs, investors, and public agencies, allowing regulatory adjustments to be tested, refined, and scaled through shared platforms rather than applied in isolation. In Nigeria, until recently, the Pioneer Status Incentive provided

tax exemptions for up to five years to attract investment in high-potential non-oil sectors such as fintech, agri-tech, and renewable energy.²³ Complemented by the Finance Act 2020, which introduced tax exemptions for small companies, these reforms have helped stimulate growth in Nigeria's fintech ecosystem, increasing the number of startups from 144 in 2021 to 217 in 2023, alongside rising investor inflows.²⁴

2. Facilitate Access to Finance: Access to appropriate financing is a critical enabler of collaboratory-based entrepreneurial ecosystems, particularly in fragile and transitioning contexts where private capital is risk-averse and financial markets are underdeveloped. Public financing can unlock access to credit for underserved entrepreneurs while complementing grassroots financial sources such as diaspora investment, remittances, and community savings. When channelled through collaboratories, these resources can be coordinated with mentorship, technical support, and market access, increasing their effectiveness. Collaboratories can play an intermediary role by coordinating finance with mentorship, technical assistance, and market access, helping translate fragmented funding flows into investable pipelines.

In early stages, small grant programmes can help pilot new models and test market demand. However, in some contexts, grant-funded initiatives struggle to scale sufficiently to attract investor capital. Impact investors, therefore, typically seek portfolio-based approaches, such as supply chain models or cooperative set-ups, that aggregate small businesses and can absorb a large amount of capital. Collaboratories can facilitate this transition by organising entrepreneurs into investable groupings, aligning business models, and linking them to anchor firms, off-takers, or public programmes, effectively translating fragmented initiatives into coordinated investment pipelines.

Support from financial services institutions is also necessary to ensure that enterprises can access payment systems, credit, insurance, and other products required to reach markets and sustain growth. Public policy plays a central role in enabling this progression through clear legal frameworks, deploying de-risking mechanisms and targeted incentives. The Central Bank of Nigeria's Anchor Borrowers' Programme (ABP) provided subsidised loans to smallholder farmers, reaching over 4.8 million farmers by 2022.²⁵ This helped strengthen agricultural value chains, improve food security, and enhance economic resilience. Broader access to diverse financial products, including de-risking mechanisms such as insurance, remains crucial for sustainability.

3. Strengthen Ecosystem Infrastructure: From a collaboratory perspective, ecosystem infrastructure is not only about physical assets, but about creating shared spaces for interaction, coordination, and joint problem-solving. Supporting institutions such as incubators, accelerators, co-working spaces, and innovation hubs can provide startups with access to mentorship, technical support, and professional networks. In some contexts, underutilised facilities, such as former warehouses or public buildings, can be repurposed into innovation spaces. From a collaboratory lens, such infrastructure functions less as commercial real estate and more as shared space for coordination, experimentation, and joint problem-solving.

Kenya's Konza Technopolis (Silicon Savannah) exemplifies this approach.²⁶ As a government-led smart city designed to host research institutions, startups, and investors, it has attracted over 140 investors and secured US\$1.2 billion in investments as of January 2025, attracting global tech giants, such as IBM, Intel, and Microsoft, to join the

ecosystem, demonstrating how public vision can mobilise private capital and attract global partnerships.²⁷

4. Invest in Human Capital and R&D: Innovation ecosystems require skilled and adaptive talent. Collaboratories help align skills development and research agendas with entrepreneurial demand by convening academia, industry, and public actors within a single coordination framework. Through partnerships focused on skills development and applied research, such arrangements promote innovation, address workforce needs, and help ensure that investments remain demand-driven.

In Rwanda, a strategic partnership between the government and Carnegie Mellon University led to the establishment of CMU-Africa, a graduate institution designed to cultivate the next generation of African engineers, entrepreneurs, and researchers.²⁸ Despite national economic contraction during the global pandemic, Rwanda's information and communication technology (ICT) sector grew by 29%, illustrating how innovation-focused ecosystems can build national resilience.²⁹ Complementing this, Rwanda's Integrated Polytechnic Regional Centres (IPRCs) provide vocational and technical training aligned with industry needs, with overall TVET enrolment growing from around 80,000 trainees in 2018 to over 100,000 by the early 2020s.³⁰

5. Align Strategies for Scalable Impact: When collaboratories are embedded within national development plans, they can help identify, test, and scale grassroots innovations while preserving local relevance. This alignment fosters national ownership and sustainability while preserving the contextual relevance of locally generated solutions, as demonstrated by the UNDP Accelerator Labs.³¹ Similarly, the UAE's Khalifa Fund for Enterprise Development aligns financing and capacity-building with national economic diversification and youth employment goals, supporting over 1,200 businesses and creating more than 15,000 jobs.³²

6. Combine Policy Incentives with Local Innovation: Some of the most successful ecosystem strategies merge national-level policy support with grassroots entrepreneurship. Policy tools such as tax breaks, regulatory exemptions, and targeted funding mechanisms can empower local businesses to drive community-based development. Here, collaboratories function as a method to enhance communication and formal and informal coordination between policymakers and local innovators, ensuring that government action bolsters rather than undermines the capacities and incentives driving locally grounded experimentation and uptake.

Climate Innovation Centres illustrate this approach by providing incubation, access to finance, technical support, and policy engagement, serving as intermediaries between local innovators, policymakers, and markets while advancing national sustainability priorities.³³

7. Incentivise Private Sector Participation: Governments can use de-risking tools such as blended finance, guarantee funds, risk management and insurance to attract private investment into high-risk or underserved markets. When embedded within collaboratories, these tools function as coordination platforms, aligning public authorities, investors, developers, and local stakeholders around shared objectives.

South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) demonstrates this approach, mobilising over US\$16 billion in private-sector investment across 79 projects, including many that are focused on rural development.³⁴ By guaranteeing power purchases, the programme encouraged private companies to invest into the country's renewable energy sector, aligning public policy goals with market incentives and encouraging sustained participation in the renewable energy sector. Together, such approaches illustrate how deliberate collaboration can transform fragmented economic activity into more cohesive and resilient innovation ecosystems, even in fragile and transitioning contexts.

While these strategies highlight what governments and partners can do to enable collaborative-based ecosystems, their effectiveness ultimately depends on how actors work together in practice. Experience shows that partnership-building in fragile contexts is rarely straightforward and requires deliberate design, facilitation, and sustained effort.

Experience shows that effective partnership building in fragile contexts can be undermined by multiple factors, including command-and-control leadership behaviours and competitive institutional cultures. Drawing on its experience supporting partnership processes, the Cape Town-based Economic Development Partnership (EDP) produced the following practical lessons for aspirant partnership builders seeking to design and sustain collaborative processes in complex environments.³⁵

Practical Lessons for Aspirant Partnership Builders

Start with the Problem and Align Early



- Co-planning → co-implementation
- Start with the problem, not the mandate; identify who needs to work together

Focus on Achievable Priorities



- Focus on specific issues and geographies
- Avoid long wish lists; get the basics right first

Balance Planning and Implementation



- Pay as much attention to the “who” and the “how” as you do the “why” and the “what”
- Clarify responsibilities and mutual accountability

Define Clear Roles and Responsibilities



- Agree on a clear division of labour in the partnership
- Identify who ‘steers’, ‘rows’, and ‘cheers’

Bring in the Right People and Leadership



- Get the right people in the room
- Ensure leaders are willing to align and collaborate around a common agenda for joint action

Build Trust Through Action



- Build trust through action
- Step into action ASAP; do not wait for perfect plans

Communicate Clearly and Consistently



- Set communication protocols early
- Promote all partners’ work, not just your own

Create Space for Experimentation



- Enable experimentation and innovation
- Prioritise learning over risk avoidance

Ensure Internal Readiness First



- Get your own partnering house in order
- Align internally before engaging externally

Based on its experience facilitating partnership processes, the Cape Town-based Economic Development Partnership (EDP) identified the above practical lessons for those seeking to design and sustain collaborative initiatives in complex environments.

B. Establishing Enabling Conditions in Fragile and Transition Contexts:

Establishing enabling environments can be both politically and institutionally challenging. Governments may face incentives that favour regulatory control, short-term revenue extraction, or the protection of politically connected firms, rather than broad-based private sector development. This often results in reform processes that are gradual and uneven, requiring sustained engagement between public authorities, private actors, and other stakeholders. In such contexts, ecosystem-building efforts must be approached incrementally, with a focus on practical entry points that can operate within existing constraints rather than relying on comprehensive reforms from the outset. One such entry point is the use of collaboratories as lower-risk platforms for experimentation and partnership. In the absence of fully functioning markets and institutions, collaboratories can facilitate small-scale collaboration between local innovators, public actors, and international partners. This enables testing of approaches, builds trust, and generates early momentum without requiring fully enabling conditions.

Data and financial constraints further shape what is feasible. The availability and effectiveness of tools to support private sector participation often depend on basic data systems and financial infrastructure, which are frequently underdeveloped in fragile settings. Limited risk data, outdated census information, and weak financial markets can constrain the use of instruments such as insurance, guarantees, or blended finance. At the same time, traditional impact investors are often unwilling to engage at early stages due to high perceived risk. As a result, catalytic sources of funding, including overseas development assistance (ODA), philanthropic capital, and diaspora finance, play a critical role in initiating ecosystem activity and de-risking early engagement.

A key factor in determining when and how to expand these efforts is the presence of early recovery signals. The emergence of construction and infrastructure financing flows, for example, often indicates a shift toward economic reactivation and can create opportunities to align innovation initiatives with broader reconstruction processes. These signals can help guide the introduction of more targeted policy support and ecosystem investments over time.

Importantly, this approach is not universally applicable across all fragile contexts. It is most effective in settings where a minimum level of institutional functionality, security, and economic activity has already been re-established. In fragile and transitional contexts, with limited infrastructure, constrained market access, weak institutional capacity, and, in some cases, predatory regulatory environments or elite capture, these enabling conditions may be impossible to establish. In highly volatile or actively conflict-affected environments, ecosystem-building efforts will remain limited, with priority instead given to stabilisation and the restoration of basic systems.

Conclusion

In a world that continues to experience conflict, civil unrest and natural disasters, re-starting economies emerging from these difficulties is more essential than ever. The best way to achieve this is through ecosystems that encourage both investment and entrepreneurship as drivers of social and economic opportunity. Such ecosystems can provide a pathway to inclusive growth, stability, and long-term resilience in fragile contexts. When built with intentionality and supported through collaborative efforts, they unlock the talent and creativity of local communities while providing greater access for those who are often left behind by change processes. The strategies outlined in this paper show how stakeholders can take meaningful steps toward building economies that are not only more dynamic, but also more just and sustainable.

Public agencies that foster cross-sector collaboration between public institutions, universities, businesses, and civil society provide opportunities to co-design policies and align innovation goals. Using the power of placemaking in ecosystem design, governments can help provide space to strengthen entrepreneurial infrastructure and incubation, expand access to finance and advisory expertise, and create educational programmes to leverage local and international programs and resources. If done well, these policies will enable many more citizens to contribute to social and economic development, reconstruction, and recovery goals by harnessing innovation to strengthen small and medium-sized enterprises.

Endnotes

1. The term “collaboratory” was originally coined by William A. Wulf (1989) to describe a “center without walls” enabling distributed collaboration. The concept has since been expanded by scholars such as Cogburn (2003) to encompass broader sociotechnical environments that integrate multiple institutions for collective problem-solving, which aligns with the usage adopted in this paper.
2. For more information, see: <https://oasis500.com/>
3. For more information, see: <https://www.gsb.uct.ac.za/solutionspace>
4. Volcano designs creative urban collaboration spaces that foster cross-sector engagement. <https://www.volcano.nu/>
5. South Africa’s first science and technology park, linking universities, government, and private capital. <https://www.theinnovationhub.com/>
6. WIPO GREEN is a global marketplace connecting providers and seekers of green technologies. <https://www.wipo.int/green/>
7. CADFP connects African-born scholars in the diaspora with African universities for collaborative research and innovation. <https://www.linkedin.com/company/carnegie-african-diaspora-fellowship/>
8. Ibid.
9. For more information, see: <https://www.kenyacic.org/>
10. Government’s report card on black industrialist programme shows 900 businesses were given R44bn. <https://www.dailymaverick.co.za/article>
11. See: <https://www.undp.org/acceleratorlabs>
12. See: <https://www.undp.org/acceleratorlabs/about-us>
13. For more information, see: <https://www.undp.org/tanzania/blog/breaking-obscurety-grassroot-solutions>
14. Ibid.
15. For more information, see: <https://untoday.org/the-ripple-effect-of-grassroots-partnerships/>; see also Women Leaders for Climate Action in Zambia at <https://www.womenclimate.org/what-we-do>; founded in the margins of the UNFCCC COP26 Summit in Glasgow, Scotland, as an impact-driven organisation empower African through advocacy for *climate finance access, ecosystem restoration, and sustainable livelihoods, with a strong focus on supporting Small and Medium-sized Enterprises (SMEs) and rural communities most affected by climate change.*
16. Company integrating cross-ethnic supply chains across the Federation and Republika Srpska. <https://www.madi.ba/>
17. For more information, see: <https://www.tonyelumelufoundation.org/>
18. For more information, see: <https://www.tonyelumelufoundation.org/news/transforming-education-in-nigeria-ogechi-benyeogors-inspiring-success-story>
19. Rwanda Energy Group <https://www.reg.rw/>
20. Note: Because the case studies span a wide range of country contexts, strategies may vary depending on setting.
21. Rwanda’s One-Stop Registration System, reduced business registration time to six hours moving Rwanda to 2nd place in Africa in the Ease of Doing Business Index. This policy reform enabled thousands of informal entrepreneurs to create entities and enter the formal economy.
22. World Bank – Ease of Doing Business at <https://archive.doingbusiness.org/en/rankings>

23. Nigeria's Pioneer Status Incentive (PSI) provided time-bound corporate income tax exemptions (up to five years) to firms in designated priority sectors. Under the Nigeria Tax Act 2025, the scheme is being phased out and replaced by a new Economic Development Tax Incentive, with existing beneficiaries retaining their approved tax relief periods. See: <https://nipc.gov.ng/pioneer-status-incentive/>; KPMG (2025) <https://assets.kpmg.com/5b40ac16d7-0350072010/original/Climate-Innovation-Centres.pdf>
24. For trends in Nigeria's fintech growth, see PwC's report, Growing the Nigerian Technology Ecosystem through the Capital Markets <https://www.pwc.com/ng/en/assets/pdf/growing-the-nigeria-technology-ecosystem-cm.pdf>
25. Data on the Anchor Borrowers' Programme is available from the Central Bank of Nigeria. See CBN: <https://www.cbn.gov.ng/DFD/agriculture/ABP.html>
26. For more information, see: <https://konza.go.ke/>
27. See more on Konza Technopolis investments: ITWeb Africa; FurtherAfrica. <https://itweb.africa/article/kenyas-silicon-savannah-attracts-140-investors-12bn-investment/LLn147mQYPA7J6Aa>; <https://furtherafrica.com/2024/11/11/silicon-savannah-africas-thriving-tech-ecosystem/>
28. Graduate institution advancing engineering and ICT talent in Africa. <https://www.cmu.edu/africa/>
29. For more information, see: <https://rdb.rw/wp-content/uploads/2022/05/ICT-Skills-Snapshot.pdf>
30. National Institute of Statistics of Rwanda. <https://statistics.gov.rw/statistical-publications/vocational-and-technical-education>
31. Global network of labs supporting experimentation, learning, and local innovation. <https://acceleratorlabs.undp.org/>
32. Fund providing financial and advisory support to SMEs. <https://www.khalifafund.ae/>
33. See World Bank at <https://thedocs.worldbank.org/en/doc/e745077a58ec6a4094560d->





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