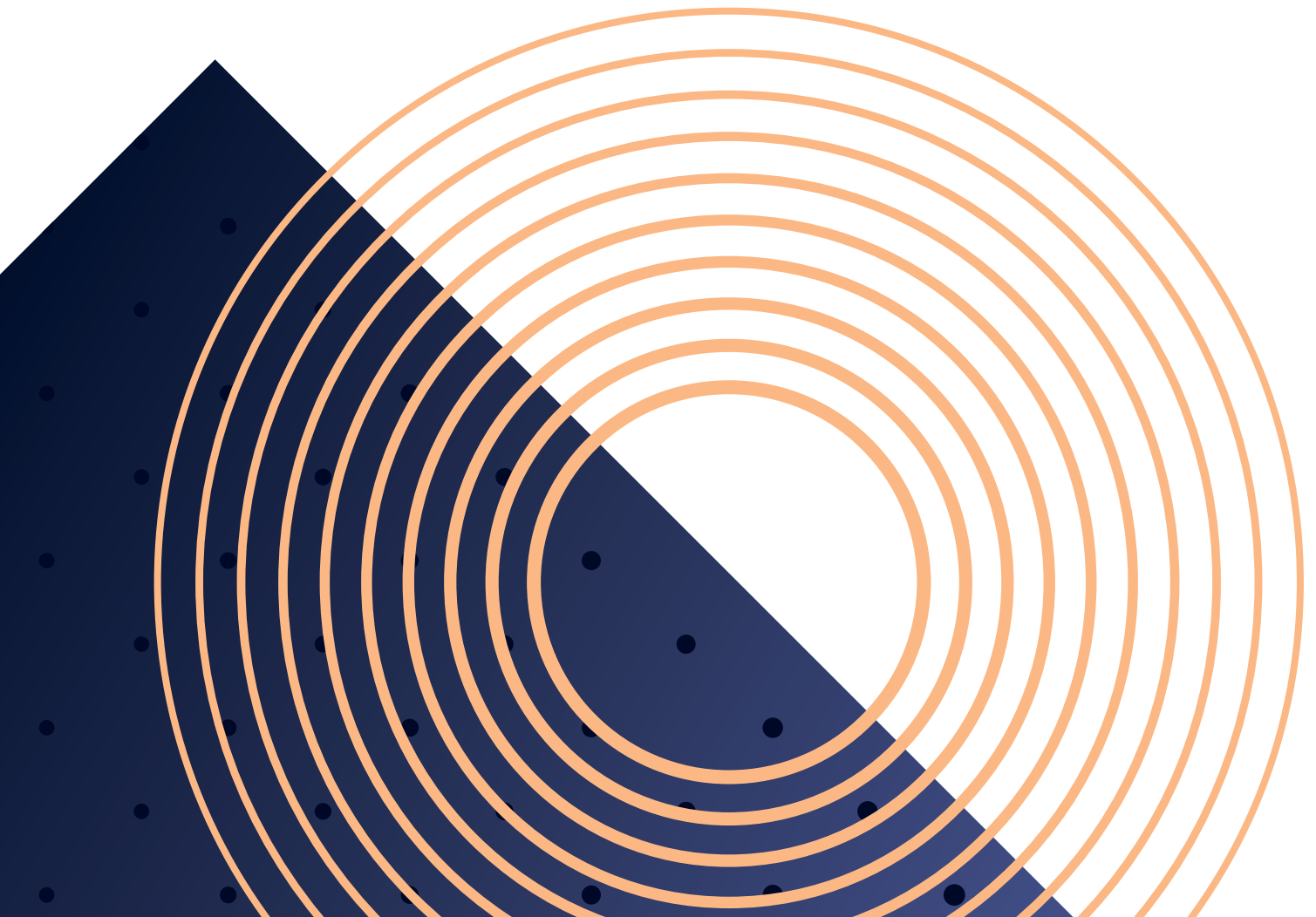




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A Roadmap to Interconnected SDG-Driven Innovation Ecosystems



The Purpose of this Document

This document presents recommendations for developing a roadmap to promote, strengthen, and expand SDG-driven innovation ecosystems. The approach and suggested steps presented are a result of the work done by the [Consortium for SDG-Driven Tech Innovation Ecosystems](#), a practice-based consortium comprised of GSG Impact and affiliated National Partners in France, Italy, Portugal, and Israel, and with ancillary support from researchers in Central European Countries. As part of the EU-funded "SDG-Driven Innovation Ecosystems" project, the partner organizations have researched and worked jointly to collect, analyze, and discuss case studies and methodological concepts with diverse stakeholders in multiple ecosystems across Europe and Israel.

Background

This roadmap aims to build on the knowledge and understandings developed through our work on the "SDG-Driven Innovation Ecosystems" project. In this project we have collected insights from 7 European countries and Israel, regarding the status, needs, and potential for the development of such ecosystems, and the efficient utilization of tech-based innovation, to generate economic, social, and environmental value. Among the project deliverables, we designed a framework to assess the composition of SDG-Driven innovation ecosystems. We have also identified best practices for cross-sector collaboration to further develop and contribute to the addition of new participants who comprise the ecosystem.

With these tools, the data, know-how, and findings of the SDG-Driven Innovation Ecosystems project can be translated into action and replicated in additional ecosystems.

The Content

The roadmap detailed in this document proposes a process for identifying and amplifying the thematic strengths of different local innovation ecosystems, leveraging them as a foundation for collaboration with other ecosystems, and accelerating the growth and proliferation of SDG-driven, tech-enabled solutions.

In this way, countries, regions, and municipalities can differentiate themselves, further strengthen local advantages, including policy, and attract talent, funding, and other resources from and with other ecosystems, as well as learn from best practices already executed elsewhere, and finally – identify mutual opportunities for further ecosystem development.

In this way we believe each ecosystem can generate internal focus and success stories, as well as generate more resilient connections with other ecosystems in the region, providing even greater value as interconnected ecosystems driving SDG innovation.

Project Insights Guiding Our Approach

Through the research, discussions with stakeholders, and design thinking sessions carried out throughout the project, we have identified the following elements as the foundation for the development of this roadmap:

1. Aggregating the local ecosystem research [SDG-Driven Tech Innovation Ecosystems](#) (GSG Impact, 2023), we developed the Building Blocks Framework which outlines

the essential roles and components of SDG-driven tech innovation ecosystems. This framework is useful in mapping an ecosystem, identifying its strengths and gaps, zeroing in on the best candidates to lead initiatives, as well as the potential for implementing best practices that have already been implemented in other ecosystems and have been found useful in addressing similar challenges or gaps.

Figure 1 The Consortium for SDG-Driven Tech Innovation Ecosystem's Building Blocks Framework

| | |
|---------------------------|--|
| Market Participant | Key actors and entities providing impact capital (supply) or organisations championing impact-tech or digital social innovation (demand). These include public, private and philanthropic actors. |
| Market Facilitator | Actors, programmes, initiatives, and systems that produce, collect and share information and/or educate about SDG-driven tech innovation (i.e. the centre of expertise within government, for-profit and non-profit intermediaries, academic, and research institutions).. |
| Market Regulator | Legal and regulatory frameworks that dictate the direction of travel by providing clear definitions, standardisation, and enforceability, while fostering support and recognition of the importance of SDG-driven tech innovation . |

Figure 2 The Building Blocks Framework

| Market Participant | | | | | | | | |
|-----------------------|---|------------------------------------|-------------------------|---|---------------------------------|----------------------------|--------------------------|-----------------------|
| Supply | | | | | | | | |
| Impact Tech Financing | | | | Digital Social Innovation (DSI) financing | | | | |
| Public financing | Private Financing | Public-private partnership | Philanthropic financing | Public financing | Private Financing | Public-private partnership | Philanthropic financing | |
| Demand | | | | | | | | |
| Impact start-ups | | | | Digital social economy organisations | | | | |
| Market Facilitator | | | | | | | | |
| | | | Intermediary Report | | | | | |
| Central unit | National and municipal level strategies | Research, think tanks and academia | Impact advisory firms | Networks | Impact accelerators/ incubators | Market data | Tech transfer programmes | Deal-making platforms |
| Market Regulator | | | | | | | | |
| Public procurement | | Fiscal incentives | | | Impact reporting and disclosure | | | |

2. Analysis of Best Practices As a basis for identifying successful models to implement in other ecosystems, according to gaps identified through our building blocks framework, we created a Best Practices analysis, the Guidebook. In this sense – collaboration between ecosystems can be based on similarities in stakeholder types which can be encouraged to implement a best practice already demonstrating success in one ecosystem.

3. Deeper, ongoing collaboration between peers across the ecosystem (i.e. policymakers, VCs, charitable foundations, incubators and accelerators, etc.) is needed to allow cross-pollination and learning, greater exposure to opportunities of stakeholders from each ecosystem,

and the potential for growth and expansion through tangible collaborative initiatives.

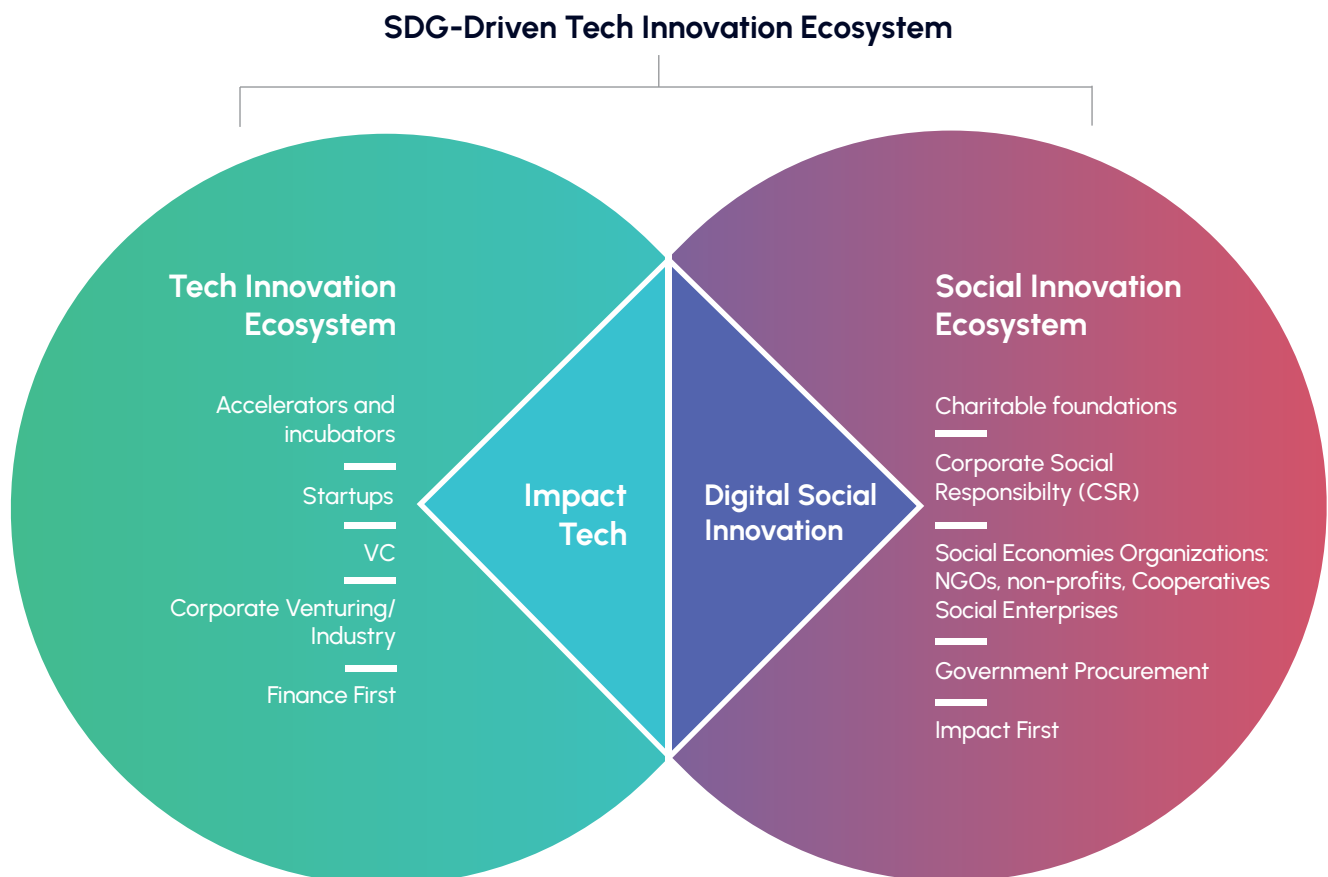
4. Engaging diverse stakeholders such as market regulators, facilitators and participants who can provide support in a broader way, which will benefit the ecosystem, this is why the roadmap emphasizes engagement with multiple, diverse stakeholders such as national and municipal policymakers and functions, as well as corporates and private sector professional organizations which represent the demand side and can provide diverse resources and market access.

A meaningful added value of the activities suggested is the expansion of the SDG-driven innovation

ecosystem, and the identification of additional needs, interests and goals of those stakeholders as a basis for future collaboration, within and outside the local ecosystem.



Figure 3 Visualising the scope of SDG-Driven Tech Innovation Ecosystems



5. Innovating through tech - There is growing use of technology across the globe, as it serves as a crucial driver of economic growth and offers efficient solutions to various challenges across sectors. We have identified three distinct ways in which different SDG-driven innovation ecosystems utilize technology for these purposes:

Case 1

As a solution provider for social or environmental challenges within tech companies;

Case 2

As a change agent for social and public sectors through the digitization of performance and processes;

Case 3

As an engine for social equity through tech-related employment schemes and opportunities for under-represented populations, communities, and groups.

However, the current global impact arena lacks dedicated efforts for the systemic change needed to harness technology's potential fully. The focus

going forward should be on creating a comprehensive ecosystem that interconnects stakeholders across different sectors and geographies to catalyze the development and implementation of technology and innovative tech-based solutions. Our approach focuses on enhancing cross-sector collaboration to ensure a more systemic, cohesive, and effective path for development, and the implementation of innovative technologies delivering positive social and environmental impact.

Roadmap Fundamentals

1. Innovation themes

Innovation themes are topics which are of interest to vertical industries, posing challenges and business opportunities for different types of organizations – thus creating a potential for cross-sector collaboration around a joint need for innovative solutions. For example: an innovation theme can be successful aging and longevity, healthcare services in the community, sustainable agricultural practices, or inclusive financial systems.

The process presented here focuses on supporting ecosystem facilitators in identifying a specific innovation theme in which their ecosystem has an advantage in, and could leverage such a focus to differentiate itself, attract talent and companies addressing these issues, and strengthen their innovation, tech, and investment abilities in it.




2. Innovation clusters

Around each of the above examples for innovation themes there are multiple, diverse organizations which have a need for solutions around different aspects of the topic. These organizations will form an innovation cluster, where there is added value in learning from each other and working together to identify and embed a solution. The innovation cluster provides a platform for discussions and joint work in a process of defining a challenge, screening potential best practices, and embedding a selected model to address it.

3. Innovation challenges

The innovation cluster will go through a short, facilitated process, to identify mutual needs and issues that – if addressed – can accelerate the progress of the industry and have a meaningful impact. The partners of the innovation cluster will define 1-3 challenges which will then be shared with other ecosystems, in a search for a fitting best practice which could be learned and implemented.

Figure 4 Roadmap Overview

| | | |
|-------------------|---|---|
| Prep Stage |  | Defining scope and partners Selecting local ecosystems to participate, identifying local leading partners to facilitate and run the research, challenge and implementation in each ecosystem. |
| Stage 1 |  | Local ecosystem analysis Ecosystem mapping according to the Building Block Framework, gap assessment, stakeholder engagement, identifying the innovation theme. |
| |  | Forming local SDG innovation clusters Gathering cross-sector stakeholders to form a cluster of diverse organizations that have an interest in innovative solutions to different challenges under the innovation theme. |
| |  | Defining impact challenges Through joint discussions, round table and design thinking sessions, the innovation cluster will define 1-3 challenges to focus on in the process to identify, support and implement innovative solutions to. |
| Stage 2 |  | Collaborating across ecosystems Identifying best practices and working together with other ecosystems to learn and replicate them, collaborating to call for innovative solutions addressing the innovation challenges defined, facilitated discussion on next steps in collaboration to further address the innovation challenges posed. |
| |  | Interconnected innovation ecosystems Event gathering the ecosystem innovation facilitators, sharing lessons learned, case studies, and insights. Facilitated workshops to formulate additional best practices, consider further collaborations and discuss impact. |
| Stage 3 |  | Assessing results and continued work Summary event, assessment of success, manuals and content kits and discussion on additional initiatives and collaboration. |

The Roadmap: A Detailed Step-by Step Process

Preparation

1. Defining the geographic scope and duration of the initiative and securing the funding to back it.

2. Gathering the leading partners – Receiving confirmation and commitment from the local ecosystems taking part in the initiative, each represented by a local market facilitator.

STAGE 1

Local action

3. Local research – Each facilitator uses the methodology to map the existing building blocks in their ecosystem, highlight gaps and identify the highest-potential innovation theme for the ecosystem, based on specific needs and characteristics of the region, existing ecosystem actors, and regional policy.

4. Innovation clusters – each ecosystem facilitator will form a cross-sector innovation cluster made up of local players, around the selected innovation theme. These local players are organizations to whom the innovation theme is relevant in their activity, and who might be either active members of the ecosystem, or organizations making their first steps in engaging with SDG-driven innovation.

a. Learning how to engage new stakeholders – as part of the process, experts will work with the ecosystem facilitator to attract, raise awareness, and guide organizations that are making their first steps in engaging with SDG-driven innovation. These sessions will serve as a gateway to expanding and strengthening the local ecosystems.

5. Innovation challenges – Through a set of round table meetings the cluster will frame 1-3 innovation challenges they would like to focus on. These challenges should reflect the needs of the ecosystem around the specific theme selected, signaling to innovative tech entrepreneurs, investors, researchers, and policy makers the demand from the field.

a. Capacity-building workshops for stakeholders – Each group of ecosystem players involved in the innovation challenge will go through a series of workshops to provide them with the understanding, tools, and tailor-made guidance to generate the most value for themselves, and the alliance around them (examples: promoting innovation, cross-sector collaboration, impact measurement, innovation theme-specific content, and more). The groups are business organizations, policymakers and public institutions, investors, and startups.

b. Each ecosystem facilitator who will be leading the work in the innovation regions will receive mentorship throughout the process, to best design and facilitate the innovation challenge, the relationships, and the ongoing work post-project.

STAGE 2

Regional Collaboration

- 1. Identifying best practices** – the ecosystems participating in the initiative will all support dissemination and outreach to explore potential best practices which could fit the different innovation challenges defined.
 - 2. Innovation clusters hold a selection process** – screening the best practices and selecting the one that best fits the innovation challenge, the unique attributes of the local ecosystem, the partners, and other criteria decided upon.
 - 3. Forming a collaborative process** – the innovation cluster will reach out to the facilitator of the best practice selected, to learn from their experience in developing and implementing the best practice.
 - a. Mentoring and process design support in forming the collaboration and leading it to success.
 - 4. Planning and implementation of the best practice** – the innovation cluster will adapt the best practice, design a pilot process, and execute it. After an assessment and summary of learnings from it, a decision will be made if and how to scale the implementation of the model in their local ecosystem.
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STAGE 3

Assessing Results and Continued Work

- The project will be summarized by an all-inclusive event, engaging all the innovation clusters, through which we will provide:
 - a. Exposure to insights and lessons learned to be shared.
 - b. Networking opportunities through innovation themes, through local contexts, and through stakeholder workshops.
 - c. Roundtable discussions to raise continuity ideas and paths.
 - Alongside the innovation regions' ongoing work after the project, deliverables will also consist of manuals and content kits guiding additional ecosystem facilitators on how to form innovation challenges and clusters, and how to identify and enhance innovation thematic identities for their own regions. Additionally, the regional ecosystem facilitators, and other ecosystem players engaged in the project, will have built new know-how which will remain in the 'emerging' ecosystems. Each innovation cluster will receive support to ensure the continuity of their work together toward future innovation challenges activities.
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Main Stakeholders

The initiative involves 3 types of partners:

- 1. Project Lead** – an organization and dedicated individual who will lead the initiative, monitor, and manage the processes and communication with the different ecosystem facilitators.
- 2. Ecosystem Innovation Facilitators** - ecosystem builders, accelerators, or hubs that will lead the local work to form and operate the innovation cluster, lead learning processes, and coordinate implementation processes.
- 3. Professional Advisors** - Technical experts in innovation and cross-sector collaboration for each stakeholder type (startup companies, ecosystem facilitators, corporate innovation, policy and public sector innovation, investors)

Expected Outcomes

1. Supporting startups in scaling and entering new markets
 - Establishing new business relationships with actors from different ecosystems.
 - Raising capital and exposure to new funding sources.
 - Enhancing innovators' toolkit and skills to further scale their activities.
2. Increasing the effectiveness and strength of the local and regional ecosystem
 - Engaging new actors in collaborative, cross-sector, ecosystem activities.
 - Cultivating new relationships between cross-sector actors.
 - Strengthening existing connections between actors.
3. Increasing inclusivity in tech ecosystems
 - Strengthening the positioning, reach and toolset of local ecosystem players in addressing innovation challenges, attracting talent and solutions, and implementing innovative solutions.
 - Strengthening relationships and platforms for cross-sector, interconnected collaboration between local ecosystems, forming regional collaborative projects and initiatives.
 - Enabling more innovators from underrepresented populations to innovate, promote their startup, and scale successfully.

For more on the Consortium for SDG-Driven Tech Innovation Ecosystems, see sdgtechmarkets.org.