

Key Achievements

- Grants to 65 business incubators in 47 developing countries
- 70% have leveraged the infoDev grant to obtain funds from additional sources
- In 2006 incubators assisted more than 2,600 entrepreneurs;
- infoDev reached over 1,000 practitioners, policy makers and donors through regional and global learning events.



Developing Strategic Partnerships

"Incubators in India have so far graduated about 1,600 enterprises and another 1,000 are at various stages of execution. Our partnership with infoDev has helped the incubators in India to develop cross-cultural ventures and partnerships."

H. K. Mittal, Adviser and Head, National Science and Technology Entrepreneurship Development Board, Department of Science and Technology, Government of India

Business Incubator Initiative

- Scaling Up ICT-enabled Innovation & Entrepreneurship

Background:

Throughout the developing world, innovative entrepreneurs are working to establish businesses that are "ICT-enabled"—offering ICT services or, in some way utilizing ICTs as a fundamental aspect of their business model.

Technology entrepreneurship is key to innovation, employment, and national competitiveness. However often times the obstacles facing such start-ups seem insurmountable. Common barriers to converting an innovative idea to a viable business venture include limited and costly access to information and communication services, burdensome business regulations, the absence of basic business support services, the lack of advice, mentoring and best practice guidance, limited market knowledge, and lack of access to appropriate financial services.

With financial support from the Governments of Japan and Finland, and through a partnership with the Government of India, *infoDev* launched the Business Incubator Initiative in 2002 to respond to these challenges. This Initiative aims to foster ICT-enabled entrepreneurship and private sector development in developing countries.

About the Initiative:

The Incubator Initiative has supported more than 70 business incubators in over 50 developing countries worldwide with financial and technical assistance, leading to the establishment of five **regional networks** in Africa, Asia and the Pacific, East and Central Europe, Latin America and the Caribbean, and the Middle East.

infoDev's incubators focus on helping entrepreneurs to build competitive businesses through the early, high-risk stages of development, and provide **support services, infrastructure**, such as offices, electricity, and internet access, and linkages with other tenant businesses, mentors, and financiers.

infoDev Services:

infoDev's Business Incubator Initiative provides the following services:

Financial and Technical Assistance to Incubators, including planning, capacity building and advice to existing incubators to improve and expand their operations, as well as to entities keen to establish a new incubator.

Knowledge-sharing and Networking between incubators to share lessons and ideas for how to best operate and affect change. *infoDev's* web-based toolkit (www.idisc.net) includes good practice on establishing and operating sustainable business incubators.

Monitoring and Evaluation, to assess the impact of the incubators and to assess good practice techniques.

Research on understanding of local challenges and opportunities for ICT-enabled private sector development, including: **Financing Technology Entrepreneurs, International Best Practice for Information Technology Parks, Country-level competitive assessments and Frameworks for evaluating the key drivers for the development of an ICT-enabled service sector (ITES).**

What's Next:

In a recent evaluation of the Incubator Initiative, 85% of the incubators said they could not have carried out their activities had it not been for *infoDev*. The same assessment revealed that while *infoDev* and the incubators have had a significant impact, important barriers to technology entrepreneurship and ICT sector development remain.

The 2nd Global Forum held in November 2006 concluded with a participant call for further action and a call on *infoDev* to be an **"incubator of incubators,"** extending its reach to the broader technology entrepreneurship **"eco-system."**

infoDev sees an opportunity to leverage the significant achievements of the Incubator Initiative to launch **a program focused on enabling sustainable and competitive technology entrepreneurship and ICT sector development.**

Core areas of focus will be:

- **Sustainable incubation** business models; up-scaling of successful incubators; and incubator models targeting youth, small island states, and post-conflict societies.
- **Government policy**, regulations and programs conducive to technology entrepreneurship and ICT sector development.
- **Facilitating access to appropriate financing** for technology entrepreneurs.

infoDev aims to catalyze action among donors and partners by demonstrating impact through practical interventions, while also developing a core set of good practices and tools in these three areas.

Asia and the Pacific Regional Workshop on Business Incubation:

infoDev's Asia and the Pacific Regional Workshop on Business Incubation, will be held in **Hanoi, Vietnam in October 2007.** Business incubator managers, policymakers, financiers, donors, and other regional partners such as the Asia Association of Business Incubators (AABI) will discuss the role of business incubation in promoting innovation and entrepreneurship.

infoDev: Linking ICT Knowledge and Action

infoDev, a global partnership of international development agencies works to maximize the impact of ICTs in development efforts.

- *Using its cutting edge research and analysis, infoDev is a global resource of knowledge on ICT for development.*
- *Through innovative pilot projects, support for training and capacity building, and action-oriented toolkits and handbooks, infoDev helps policy makers and donors turn ICT knowledge into action*

2nd Global Forum on Business Incubation

Participants Call for Action:

"We the assembled delegates call for:

- *Enhancing policy-maker's knowledge, understanding and support for Business Incubation and its crucial role in facilitating the creation and growth of innovative SMEs for social and/or economic benefit*
- *Addressing the financial and fiscal needs of growth enterprises, SMEs and Business Incubators*
- *Building incubator capacity, leadership and management through training, mentoring, exchanges and secondments*
- *Maintaining and enhancing quality to enable continuous improvement*
- *Facilitating regional, national and global networking of incubators"*

Over 400 delegates from more than 40 countries gathered in Hyderabad, India, November 2006.

infoDev-supported Incubators:

Asia and the Pacific: China; India; Indonesia; Malaysia; Mongolia; Nepal; Philippines; Sri Lanka; Thailand; Vietnam

Eastern Europe & Central Asia:

Armenia; Azerbaijan; Bulgaria; Georgia; Kazakhstan; Kyrgyz Republic; Romania; Turkey; Ukraine; Uzbekistan

Latin America & the Caribbean:

Bolivia; Brazil; Chile; Colombia; Costa Rica; Dominican Republic; Ecuador; Mexico; Panama; Paraguay; Peru; Uruguay

Middle East & North Africa:

Iran; Jordan; Morocco; Tunisia; West Bank/Gaza

Sub-Saharan Africa:

Angola; Ghana; Kenya; Mauritius; Namibia; Rwanda; Senegal; South Africa; Tanzania; Uganda