The African Incubator Network
facilitating technology entrepreneurship and innovation for inclusive growth, competiveness and employment

Valerie D’Costa
infoDev Program Manager, The World Bank

3rd Euro-Africa Cooperation Forum on ICT Research
Helsinki, Finland
December 7, 2010
About infoDev
### infoDev’s Mission:

*To promote the growth of technology enterprises to enhance sustainable inclusive growth, competiveness and employment.*

### infoDev’s Goals:

- **Commercialization of technologies**
- **Creation of sustainable enterprises**
- **Promoting enabling environments for innovation**

### infoDev Contributes to:

- **Growth in technology enterprises at the SME level**
- **Diffusion new product/services in local and global markets**
- **Creation of sustainable jobs**
The ecosystem of industry competitiveness

- **InfoDev**
  - SMEs, Entrepreneurship, Innovation
  - R&D & tech support
  - Infrastructure development
  - Business environment

- **Finance**
  - Government financing
  - VC and equity capital
  - Banking sector

- **Infrastructure**
  - Power, transport, water
  - Communications, ICT
  - Industrial land/zones

- **Education & Skills**
  - Formal education
  - Vocational training
  - In-firm training
  - Expatriate access

- **Gov Policies**
  - Fiscal policy
  - Trade and FDI
  - Legal environment
  - Stimulus, domestic and foreign

**Outputs**
- Employment opportunity
- Increased productivity
- Diffusion of improved technologies

Competitive enterprise creation
infoDev delivers results through six product offerings

| 1. Technology commercialization | -Facilitating technology transfer to market. |
| 2. Sustainable enterprise growth | -Facilitating the creation and growth of sustainable enterprises that are technology-based and enabled. |
| 3. Enabling environments | -Promoting an enabling environment for innovation and adoption of appropriate technologies. |
| 4. Research | -Disseminating research and best practices on issues relating to ICTs and technology for development. |
| 5. Capacity building | -Building capacity to enhance sustainability of institutions, regulators, innovators, policymakers. |
| 6. Technical assistance | -Providing technical assistance to accelerate companies to reach Access to Finance (A2F) and Access to Markets (A2M). |
# How does infoDev work?

1. **Multi-stakeholder**
   - Government, private and financial sector, academia, intermediation

2. **Innovative, public-private partnerships**
   - Combining the technology know-how of the private sector with the skills and contributions of other innovative partners

3. **Bottom-up, consultative**
   - Local capacity and buy-in at all levels, building on and tapping into a large global network

4. **Linked to broader World Bank and IFG work**
   - Leveraging the scope, scale and comprehensive activities and projects of the World Bank and IFG

5. **Web-enabled**
   - Disseminating research and best practices
   - Establishing communities of practice, peer to peer learning and business contacts
infoDev leverages private and public sector partners to deliver high impact programs.

**Finland**

Public-Private Partnerships

**Climate**

Vast local stakeholder networks

**Global Forum on Innovation and Entrepreneurship**

Strong relationships with governments
37% of infoDev.org users say our products supported development of new policy or regulation.

87% of infoDev.org users say our products provide important background knowledge.

>14,000 unique users a month visit www.infoDev.org

"It gives a sense of authenticity, when the facts and figures are from infoDev."

User discussing broadband debate in India, infoDev Website User Survey 2010
About the infoDev African Incubator Network
Focus on enterprises that use technology to deliver innovative solutions or to increase their competitiveness and market reach.

Snapshot of Results
- 300+ incubators globally
- 100% locally owned and operated
- 6 Regional Networks
- 80+ developing countries
- 20,000+ SMEs assisted
- 220,000+ Jobs created
- 90% success rate of incubators
- 75% survival rate of incubated SMEs 3 years after graduating
- ~1:1 leverage with local partners

Regional Networks: Asia, Africa, ECA, Middle East / North Africa, Latin America / Caribbean
Global Communities of Practice: Youth, Women, ICT, High Growth, Agribusiness
African Incubation Network (AIN)

Secretariat hosted by the South Africa Enterprise Development Agency
http://www.ainportal.org

GOALS:
• to develop a collaborative network of African incubators and other business development service providers,
• to facilitate the provision of appropriate knowledge to support the development of innovative small enterprises.

Regional Snapshot
• 40+ incubators in Sub Saharan Africa
• 14 countries
• 100% locally owned and operated
• 1,000+ SMEs currently assisted
• 200+ graduated companies creating 5,000 jobs
1. Trinitair faced a range of start-up challenges that Technology Incubation Center (TIC) Benin helped to overcome. Trinitair was given a manufacturing unit and is now planning to acquire a larger manufacturing facility to increase productivity and accommodate more staff. The incubator also organized training on financing, bookkeeping, business records, analysis and management.

2. Being part of the Ghana Multimedia Incubation Center has been an unmatchable opportunity for Step Technologies, especially in the early days when it was critical to start building the company’s reputation. Access to infrastructure in a central location is key to successfully starting up a business, and links to GMIC partners, such as UNDP, have helped in business referrals. Step Technologies also benefitted from GMIC’s market surveys and research. These gave the company the information it needs to better understand the Ghanaian market and to effectively position Step Technologies’ products.

3. RedButton has benefited from being an incubatee of Bandwidth Barn in a number of ways, including direction and help with strategic thinking, business education, as well as mentorship and guidance. Having access to people who are experts in the field has been a tremendous benefit and RedButton was also able to consult with family and friends who had experience and contacts within the industry.
Africa Open Innovation Summit, Kenya, November/December 2010

in association with Nokia: convened 200 African thought leaders around 4 "Challenge streams" to identify skills and services needed for building innovative societies in Africa and how modern technologies can be used to accelerate this process:

1. Ecosystem for Innovation
2. Sustainability Models for Base of pyramid
3. Mobile information Society
4. Human Capital – Education for all

Business incubation management training, South Africa, February 2011: will convene business incubator managers from the continent

infoDev Global Forum on Innovation and Technology Entrepreneurship, Helsinki, May 2011: will convene infoDev’s entire incubator and tech community for discussions on issues of interest to the network and how innovation and entrepreneurship spur development and sustainable private sector development

1. The Open Africa Innovation Summit held last week in Kenya welcome most of the members of AIN. These had the opportunity to agree with African policy makers to improve their approach to entrepreneurship and innovation on the continent by notably getting actively engaged in innovation systems in order to overcome entrepreneurship barriers. The attendees plan to meet again next year to assess the results of activities agreed upon at the summit.

2. The aim of the training session to be held in South Africa early next year is notably to implement a train the trainer session in order to empower and identify trainers to implement the training program in the African region and hence build the capacity of African business incubator managers.
Other infoDev Initiatives
Finland-Nokia-infoDev program Creating Sustainable Business in the Knowledge Economy

1. **Regional M-Apps Labs:**
   - Testing and training facilities for developers
   - Incubation services for entrepreneurs
   - Locally owned and operated PPP

2. **Mobile Social Networks:**
   - Communities of practice for developers and entrepreneurs

Results:

- **M-Apps:** 1. Mobile Application Labs USD5m, 5 labs in 3 continents incubating 50 SMEs by 2012. 2. Social Networking Hubs, 7 cities, 1000+ participants from 400 organizations by 2012.
Building a network of 30 Climate Innovation Centers (CICs) that serve multiple priorities

CIC pilots launching in Kenya and India, CIC business plans underway for other countries

CICs are virtually or physically hosted centers that deliver:
- Risk financing
- Technology information
- Business advise
- Capacity building
- Market analysis
- Policy advocacy
- Testing facilities

Results:

Kenya CIC: Over 120 stakeholder consulted, 26 market gaps analyzed USD 15.2m over 5 years, USD 9m in investments, 100% leverage, over 70% sustainable after 10 years, over 70 new ventures supported over 24,000 jobs over 10 years at cost of <USD 850 per job, 1.5m tons of CO2 mitigated, Increased energy access to over 300,000 Kenyans
Leveraging infoDev’s global incubator network to design and deliver program for the Caribbean

**Results:**

1. **Component I:** Support and expand the Caribbean Network of business incubators, including establishing 6 new business incubators in the region.

2. **Component II:** Provide job related skills upgrading for incubator managers and resources for policymakers.

3. **Component III:** Develop a regional MSME Seed Fund

Scale up Caribbean incubator network (CBIA) to 15 countries, establish 6 new incubators incubating over 180 companies, deliver programs targeting women entrepreneurs and clean technology, finance 35 companies via MSME seed fund, train 100 incubator professionals, support 40 incubator exchanges.
infoDev is responding to growing client demands through new business lines.

1. **SME internationalization and SME access to finance** by leveraging global network
2. **Policy advice and frameworks** to facilitate technology entrepreneurship and markets
3. **Broadening sectoral emphasis** from ICT to technology, e.g. cleantech, agribusiness

<table>
<thead>
<tr>
<th>Number of Centers in Network</th>
<th>Jobs created</th>
<th>Value of Network</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Launched Incubator Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50+ Incubators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1st Global Forum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>130 + Incubators, 1,800 SMEs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2nd Global Forum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>300+ Incubators, 20,000 SMEs</td>
<td>220,000 Jobs</td>
<td></td>
</tr>
<tr>
<td>3rd Global Forum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,000 Participants from 70+ Countries</td>
<td>7,000 Jobs</td>
<td></td>
</tr>
</tbody>
</table>

infoDev established in mid-1990s primarily as a grant making agency.

Launched the incubator program under Japanese grant.

InfDev transformed itself into an ICT4D Think Tank in mid-2000s but continued to implement the incubator program under Japanese funding.

Adopted a new business model (core funding from multi-donors as well as vertical partnership as infoDev existed DGF support. The focus shifted from ICT4D to technology entrepreneurship, enterprise creation and grass root innovation starting in 2008.
infoDev

infoDev online incubator support center: www.idisc.net

AIN website: www.ainportal.org

Thank you!