



## **GLOBAL ICT ENTREPRENEURSHIP INITIATIVE<sup>1</sup>**

### **Scaling ICT entrepreneurship for social impact**

#### **THE ROLE OF ICT ENTREPRENEURS AND SMEs IN ECONOMIC GROWTH**

Small medium-sized enterprises (SMEs) and entrepreneurs are critical to ensuring economic growth in a sustainable and inclusive manner. SMEs represent an essential source of economic growth in advanced industrialized countries, as well as in emerging economies. According to the OECD, SMEs represent more than 95% of enterprises and ensure 60-70% of the jobs globally. SMEs are also the biggest contributors to national GDP. In countries like Japan or China 60% of GDP comes from SMEs, while in the USA and European Union that percentage represents to 65% and 52% of GDP, respectively.

ICT entrepreneurs and start-ups have a particularly relevant role among SMEs, since they are involved in the development of innovative ICT-enabled solutions that are key to drive innovation, have a unique potential to make a long-lasting impact in global, regional and national economies and are a fundamental source of new jobs, especially for youth, in the current knowledge economy.

The fundamental role of ICT innovators and SMEs was already reflected in the outcomes of the World Summit on the Information Society (WSIS), which recognized the economic potential of ICTs for SMEs as well as their specific needs, such as increasing their competitiveness by adding value to their

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<sup>1</sup> Branding (including the title) for this initiative is being developed (some options include "Innovate2Impact" or "Emerge"). Suggestions for the appropriate title and branding are welcome.

products and services, streamlining administrative procedures, facilitating their access to capital, and enhancing their capacity to participate in ICT-related projects.

However, in many countries these technological start-ups and SMEs face significant obstacles to access finance, expertise and fulfill their potential to innovate, grow and create jobs. This is further aggravated by the current macroeconomic environment. Despite recent monetary easing, credit availability is still a constraint for most SMEs and credit conditions remain tighter for SMEs in relation to large corporations.

In this context many governments introduced a number of instruments to support SME development, such as the creation of technology incubators and hubs. However, there is a lack of an international platform to enhance such efforts and enable both governments and SMEs to benefit from the global pool of expertise, finance and markets.

### **CONVENING STAKEHOLDERS TO ACCELERATE DEVELOPMENT THROUGH INNOVATIVE ICT SOLUTIONS**

The GLOBAL ICT ENTREPRENEURSHIP INITIATIVE aims at unlocking the potential of ICT-related innovators and entrepreneurs, innovative SMEs, start-ups and technology hubs as drivers of innovative (but practical) solutions for catalyzing progress to achieve the sustainable development goals, with a focus on small and medium enterprises (SMEs) from developing countries.

Through this initiative ICT-related entrepreneurs, SMEs, start-ups, innovation hubs, technology centers, high-tech parks, academia, venture capital, policy makers and regulatory agencies, markets, and established companies will be brought together in a global network (supported by an annual global event) focused on scaling up and maximizing the benefits that innovative ICT solutions can make to society at large, putting special emphasis on the role that these business play to create new and more stable jobs.

## **SPECIFIC NEW TARGET AUDIENCE<sup>2</sup>**

This unique initiative will specifically target entrepreneurs, small and medium enterprises in the ICT sector, academia, research centers, technological innovation hubs and high tech parks working in the development of ICT solutions for social good. By joining this initiative these participants will benefit from a networking platform for the cross-fertilization of ideas, improved collaboration, ability to interact with policy makers, improved access to investors/capital, and increased access to new markets.

The initiative will primarily seek to engage entrepreneurs and SMEs, linked with technology centers and innovation hubs supported by governments or academia.

## **KEY OBJECTIVES OF THE INITIATIVE**

1. Build political momentum to enable and accelerate sustainable development through innovative ICTs, as well as showcase and leverage relevant national and regional strategies and initiatives to promote ICT-related SMEs;
2. To foster and discover new technological solutions to accelerate sustainable development (especially through SMEs), including in such areas as education, health, agriculture, market development, financial inclusion, transport, trade, disaster management and climate change mitigation, among other, with particular focus on under-connected regions, South-South and triangular cooperation, and resolving developmental challenges through ICTs;

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<sup>2</sup> Through this initiative ITU will strengthen its value in the face of radical transformations in the ICT sector, fuelled by distributed rapid innovation, increasingly originating from a multitude of new small and agile players. These new trends have been reflected in various areas of the ITU (including ITU-D work on entrepreneurship, innovation and youth and the Dubai Action Plan (WTDC- 14); ITU-T FG Innovation; ITU Young Innovators Programme; etc). This initiative will build on such activities and experience.

3. Promote and boost national and regional efforts to facilitate ICT innovation as a tool to accelerate development through ICTs, including by supporting innovation hubs and technology centers, by providing them with a platform to:

- (a) exchange knowledge and best practices;
- (b) showcase the strategies and results of national innovations hubs;
- (c) provide their ICT entrepreneurs, start-ups and SMEs with access to broad expertise, capital and markets;
- (d) enhance regional platforms and clusters maximize synergies within specific regions; and
- (e) identify areas of action for international collaboration with a view to scaling up.

4. To leverage the positioning and value of the ITU platform by focusing on the ICT innovation as a driver of social good, and mobilizing and connecting high level decision makers from government, industry and academia together with new actors in the ICT ecosystem.

5. To share best practices and cross-fertilization of innovative ideas for development and promotion of entrepreneurship in ICTs and strengthen the capacity of ITU Membership to adapt suitable practices and solutions in their local context to support SMEs.

## **PARTNERSHIPS**

Multistakeholder partnerships will play a key role to advance the objectives of the initiative. Accordingly, ITU will put special emphasis at highlighting its role as convener of the Platform, inviting relevant organizations and personalities to become partners, champions, advisers, and promoters of the initiative. The active engagement of these organizations and persons will

allow for a more efficient and effective use of resources, as well as ability to scale in a reasonable timeframe.

Examples of such potential partners are the World Bank, UNCTAD, UNIDO, ILO, WIPO, CERN, USAID, DFID, the European Commission, Omidyar Network, Bill and Melinda Gates Foundation, Seedstars, Ashoka, Skoll Foundation, LIONS@AFRICA, as well as ICT industry partners. Additionally, this model allows for potential partnerships with Universities and Academia.

### **GLOBAL EVENT**

The key component of the initiative will be an annual global event as a core focus of ITU Telecom World.

The event would include a high-level policy track to enable Ministers to showcase the achievements of their countries in promoting ICT innovation and entrepreneurship; discuss and identify challenges and opportunities for utilizing ICTs for sustainable development; and gather momentum for further action. In addition to high-level government participants (ministers), this track would also target industry, investors and other stakeholders (C level),

The event would also be an annual forum and showcase for the initiative as a key enabler for acceleration of socio-economic development as well as to promote the creation of new sources of jobs. In addition to participants of the high-level policy track, it would also bring together young entrepreneurs, SMEs, start-ups, innovation hubs, technology centers, academia, venture capital, policy makers and regulatory agencies, and established companies; and would feature such elements as:

1. national pavilions, featuring top ICT-related SMEs and start-ups;
2. a marketplace of innovative solutions for social good;
3. interactive dialogues and networking sessions;

4. young ICT innovators competition;
5. pitching sessions for potential investors and partners;
6. other elements to enable refining and developing ideas, as well as mentoring; matchmaking between entrepreneurs, capital and countries/markets; and interactions/conversations with policy makers and regulators.

It would be encouraged to use the event for forging and launching new collaborative initiatives and partnerships. This combination of elements will make ITU Telecom World a unique event in its nature, providing the key platform to accelerate sustainable development through ICTs.

## **NETWORK**

A distinctive element of the GLOBAL ICT ENTREPRENEURSHIP INITIATIVE will be the establishment of a network of technology hubs, high-tech parks, innovation centers and entrepreneurs as well as universities to facilitate the exchange of experiences and collaboration.

This network will be built on the basis of current national and regional ICT-related innovation initiatives/networks. The network would also support the creation of regional “chapters“ to maximize the synergies between the different efforts undertaken by neighboring countries within a specific region or subregion as well as the organization of national and regional events in the context of existing platforms (e.g. Transform Africa summits and the Smart Africa initiative).

The network would also include the introduction of exchanges, mentorship programmes, study visits, and fellowships to allow entrepreneurs to gain additional skills and knowledge, among other elements.