Request for Expression of Interest

Innovation and Entrepreneurship in Developing Countries:
Impact Assessment and Lessons Learned from
infoDev’s Global Network of Business Incubators

Country: International
Notice/Contract Number: 1265
Publication Date: Thursday, December 22, 2005
Deadline: Monday, January 30, 2006
Funding Agency: infoDev
Implementing Organization: infoDev

Eligibility of Bidders: The Consultants are expected to be a team of experts with the ability to complete a multifaceted assignment within a short timeframe and with a minimum of 8 years of experience working with business development service organizations to promote innovation and entrepreneurship in developing countries, implementing and analyzing evaluation impact assessments, particularly for ICT-enabled small and medium size enterprises (SMEs), and developing action-oriented policy recommendations to address impediments to innovation and entrepreneurship in developing countries.

Expression of Interest (EOI):
infoDev invites eligible consultants to indicate their interest in providing expert services to perform the following study on the “Innovation and Entrepreneurship in Developing Countries: Impact Assessment and Lessons Learned from infoDev’s Global Network of Business Incubators.” Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may associate to enhance their qualifications.

In 2002, with support from the Government of Japan, infoDev launched its Incubator Initiative aimed at fostering entrepreneurship and private sector development in developing countries. This Initiative is dedicated to establishing a network of incubators to facilitate the emergence and devel-
opment of small and medium size enterprises (SMEs) in developing countries that utilize ICT to improve performance and expand operations. The Incubator Initiative complements and leverages the efforts promoted by the Government of Japan and infoDev’s other donors, including the World Bank Group, in assisting developing countries by sharing international experience with them on ICT-enabled business incubators and providing initial funding supporting the establishment of local incubators. For more information about this initiative please visit the infoDev website. http://www.infodev.org/section/programs/scaling_up_icts/global_network_of_incubators/

infoDev’s supports this global network of incubators by: (i) providing the necessary financial and technical assistance to help existing business incubators improve and scale up their operations; (ii) facilitating the development of new business incubators in areas that are not currently served; (iii) encouraging innovative uses of ICT and entrepreneurship at the local level and based on local needs; (iv) establishing a network of knowledge sharing among business incubators that supports SME development, and (v) providing opportunities for the realization of economies of scale by enabling access to international markets. This network currently includes over 40 business incubators and similar institutions that facilitate local innovation and entrepreneurship by incubating new businesses in developing countries. With the expected completion of a new round of grant allocations in January 2006, infoDev’s global network of business incubators is likely to grow to 60 or more organizations.

This assignment aims to: (i) draw lessons from the business incubators in supporting innovation and entrepreneurship in developing countries; (ii) produce a report that describes this initiative, the global network of business incubators it supports, its impact and opportunities for expanding both the network and infoDev’s support under this initiative; (iii) conduct 10 detailed case studies of business incubators; (iv) implement and analyze a monitoring and evaluation survey to incubators supported by this initiative; (v) assess the impact of this initiative, draw lessons learned on key challenges such as how to sustainably and effectively support the development of a vibrant and sustainable network of innovators and business incubators globally, build capacity within business incubators and similar institutions that provide services to entrepreneurs, and share lessons on issues such as the enabling environment; policies and regulations.

For this assignment, we specifically request the submission of Expressions of Interest which should include: (i) details on the qualifications of the consultants, (ii) demonstration of the consultants ability to meet the deadlines and deliverables as noted in the indicative activities below, (iii) brief description of the approach and a process by which the selected case studies, and the monitoring and evaluation of infoDev’s network of business incubators will be conducted, and (iv) brief summaries of key personnel to be involved in the work, particularly their experience that directly relates to the needs of this study. We suggest that the Expression of Interest should not exceed 25 pages in length.

Timeline: The assignment is expected to be completed within 8 months from the date of signing the contract agreement. The assignment is expected to be completed within the available budget of US$500,000 which includes all fees, travel, audit, and all other related expenses.

infoDev now invites eligible consultants to indicate their interest in providing their services. Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may associate to enhance their qualifications. Consultants will be selected in accordance with the procedures set out in the current edition of the
Indicative Activities

1. Analysis of infoDev’s Business Incubator Initiative
The Consultants will review and analyze infoDev’s business incubator initiative, including the analytical work produced by the network of incubators supported by this initiative, as well as infoDev’s own research, including ongoing studies on issues such as financing ICT-enabled SMEs. This analysis will form the basis for an initial report describing and assessing the initiative, its impact and lessons learned thus far. It will also provide input into the design of the case studies and the MEIA survey tool and process. A final report will be prepared once the case studies and MEIA are completed.

2. (10) Business Incubator Case Studies
The Consultants will prepare case studies that evaluate the various business models deployed by business incubators in developing countries and how these models have been designed to adapt to the environment in which the business incubator operates, to deliver the services needs to tenants, and to ensure sustainability of the business incubator itself.

Each case study should:
• Describe the business incubators model for operation, including the key components of the model and the use of ICT.
• Analyze the principal characteristics of the broader enabling environment (institutional, policy, economic, etc.) that the business incubator has been able to either leverage or overcome;
• Outline the services provided in support of innovative entrepreneurs and small businesses (i.e. tenant companies);
• Develop a typology to describe the entrepreneurs and small businesses benefiting from the incubators' services, e.g., in terms of the market served, level of revenues and employment, and number of years of experience upon initiating contact with the incubator.
• Analyze the principal impediments facing these entrepreneurs, such as access to financial resources and management expertise.
• Describe the nature of any partnerships with other organizations in the financial, banking, or retail sector, and indicate where the value for such partners lies.
• Draw lessons that can be shared with other business incubators nationally and if applicable, with other business incubators and entrepreneurs globally.

3. Monitoring, Evaluation and Impact Assessment (MEIA) of Business Incubators
Monitoring and evaluation of the business incubators must encompass a reasonable level of depth and breadth to provide relevant information to intended audiences and uses. In this context, infoDev has designed an instrument for use within the overall Monitoring, Evaluation, and Impact Assessment Framework. This MEIA tool incorporates key sections including the organizational profile of the incubators, the partnerships, the local environment, facilities and services provided, client data, incubator achievements, challenges, outcomes and financial performance.

Process for MEIA:
• The consultant will work closely with infoDev in implementing the MEIA tool that has been initially designed and will be refined as part of this assignment based on the consultants analysis of existing information from the initiative to capture preliminary information.
• Initial implementation will begin with the 10 case studies, and the feedback and learning will be incorporated in preparation for the full implementation.
• Full implementation of the MEIA tool will follow – this will include on-site working sessions with each of the institutions in the infoDev network (approximately 50) to develop a shared understanding of the principles, goals and objectives, audiences and outcomes of monitoring and evaluation, and to complete the MEIA instrument.
• MEIA Report: Review and analyze the survey, and summarize the findings. The goal is to determine the impact from infoDev’s support for business incubators, the lessons from the business incubators on facilitating entrepreneurship and innovation in developing countries and the challenges facing business incubators including sustainability and the broader environment in which they operate. The report should also synthesize the findings on key indicators particularly in the area of innovation, types of business incubator models, relevance, sustainability and impact.

4. Impact Assessment, Lessons Learned and Recommendations for Next Steps
Based on the aforementioned (3) activities, the consultants will synthesize all of the information and data collected into a final report that will not only capture the impact of, and lessons from the infoDev incubator initiative to date, but also provide recommendations on opportunities building on infoDev’s global network of business incubators to support innovation and entrepreneurship.

Indicative Phases of Work
• Phase I.
  ○ Begin by analyzing the reports submitted by infoDev’s existing business incubators to determine on both a regional and global level the challenges facing ICT-enabled entrepreneurs
and business incubators in developing countries and how infoDev’s support has been used to address and possibly overcome these challenges. This analysis will form the basis for the following: (i) development of a report on the impact of, and lessons from, the infoDev’s business incubator initiative; (ii) the selection of 10 business incubators in discussion with infoDev that will be the subject of detailed case studies; and (iii) fine-tuning the monitoring and evaluation survey for business incubators.

- **Phase II.**
  - Select incubators in 10 countries (in consultation with infoDev) that are representative of each region as defined by the World Bank, and conduct in-depth case studies that evaluate the business model of the incubators, the environment in which they operate, the services provided, the client companies, specific challenges being faced, and the strategies adopted by the organizations to meet the objectives.
  - While conducting the case studies, assist the incubators in completing the MEIA instrument; and prepare a preliminary report on the findings from this initial MEIA implementation; and revise the instrument as appropriate in preparation of full implementation across infoDev’s network of incubators.

- **Phase III.**
  - Prepare an initial report synthesizing the findings from the case studies, the preliminary MEIA from the 10 countries, and other reports from studies that infoDev has commissioned (Such infoDev include: (i) study on financing challenges faced by ICT and ICT-enabled SMEs in developing countries; and (ii) a framework paper on ICTs, Poverty, and the Global Economy: Challenges and Opportunities for Developing Countries.)
  - Present this initial report at a workshop in June 2006.

- **Phase IV.**
  - Implement MEIA, with on-site working sessions with each of the institutions in the infoDev network to develop a shared understanding of the principles, goals and objectives, audiences and outcomes of monitoring and evaluation, and to complete the MEIA instrument.

- **Phase V.**
  - Review and analyze the survey, and summarize the findings. The goal is to determine the impact from infoDev’s support for business incubators, the lessons from the business incubators on facilitating entrepreneurship and innovation in developing countries and the challenges facing business incubators including sustainability and the broader environment in which they operate.

- **Phase VI.**
  - Based on the aforementioned activities, the consultants will synthesize all of the information and data collected into a final report that will not only capture the impact of, and lessons from the infoDev incubator initiative to date, but also provide concrete and actionable recommendations on opportunities building on infoDev’s global network of business incubators to support innovation and entrepreneurship.

**Indicative Timeline & Deliverables**
The consultants should be aware that this assignment will require significant time commitments, and the ability to work in multiple sub-groups, within the given timeframe. The timeline is critical, and the consultants will be required to deliver accordingly:

- **March 15, 2006** Target date for infoDev to have selected the consulting team
- **March 24, 2006** Submission of detailed work program. infoDev would prefer to
meet with the key members of the consulting team in Washington, DC to discuss the work program and delivery of the study.

- March 27, 2006  Selection of the eight countries for the incubator case studies.
- April 17, 2006  Submission of first draft of the initial report as described in Phase I, and the first 2 case studies as described in Phase II.
- May 22, 2006  Submission of the remaining 8 case studies, a final version of the initial report as described in Phase III.
- June 5-6, 2006  Presentation of the initial report as described in Phase III.
- September 4, 2006  Submission of a draft Final Report on Monitoring, Evaluation, and Impact Assessment (MEIA) as described in Phases IV and V.
- October 2, 2006  Submission of the Final Report for the study, including an executive Summary as described in Phase VI.

About infoDev

infoDev is a consortium of international development agencies, working in close cooperation with partners from civil society and the private sector, and assisted by an expert secretariat housed at the World Bank. Its mission is to help developing countries and their international partners use information and communication technologies (ICT) broadly and effectively as tools of poverty reduction, sustainable economic growth, and empowerment of individuals and communities. Its work is rooted in the conviction that information and communication are indispensable elements of effective and responsive institutions (including governments), markets and societies. [www.infodev.org](http://www.infodev.org)