

# INTERNATIONAL TELECOMMUNICATION UNION TELECOMMUNICATION DEVELOPMENT BUREAU

## WORLD TELECOMMUNICATION DEVELOPMENT CONFERENCE (WTDC-98)

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For action

Agenda item 4.3

## PLENARY MEETING

Brazil

## INCUBATOR PARTNERSHIP PROJECT

## AN INTERNATIONAL COOPERATIVE PROJECT, PROPOSED BY BRAZIL TO ITU, FOR PROMOTING THE GROWTH OF INDUSTRIAL AND SERVICE COMPANIES IN DEVELOPING COUNTRIES THROUGH TRANSNATIONAL PARTNERSHIPS OF ENTERPRISE INCUBATORS

At the dawn of the "knowledge-based society", humankind is developing a new mechanism -"knowledge-based enterprise incubators", associated with universities and research centres - which is becoming recognized worldwide as an effective tool for promoting the creation and development of competitive products and companies, and as a way of creating jobs in a world plagued by unemployment.

The reasons for the success of such ventures include the innovative environment which the incubators provide to their resident and associated emergent companies, and the fact that the companies in question develop new products and services targeting market niches outside the area of immediate interest of existing companies.

In addition, knowledge-based incubators are no longer focusing solely on high-technology domains. Instead, they are beginning to accept initiatives in a wide variety of areas and to promote synergy among them, as illustrated by an incubator where a computer engineering applications start-up is associated with craftsmen's workshops or educational toys start-ups.

In this perspective, initiatives associated with knowledge-based incubators in developing countries may be of particular importance for the industrialization and job creation process in those nations. Furthermore, specific national conditions or the need to enhance the performance or prolong the life of existing public telecommunication equipments, in many developing countries, may increase the range of potential new products and services within the reach of small start-ups in local incubators.

However, many developing countries are failing to trigger a successful knowledge-based company incubator process. A lot of them lack the required conditions, which depend on a wide range of factors (the necessary know-how to set up an incubator calls for adequate human, scientific and financial support) that are unlikely to be put together easily in the calls for short or medium term in most of the developing countries.

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In this context, and with that aim of helping to overcome the above-mentioned difficulties that are hindering the industrialization process in many developing countries, Brazil submits to the Telecommunication Development Bureau (BDT) of the International Telecommunication Union (ITU) a proposal for an international cooperative project, based on Brazilian experience with the establishment and operation of enterprise incubators<sup>1</sup>, as follows:

## TITLE: INCUBATOR PARTNERSHIP PROJECT

## Objectives

- 1) To promote transnational partnerships of knowledge-based enterprise incubators, in the telecommunication sector, involving developing countries.
- 2) To promote transnational partnerships of emergent companies, in the telecommunication sector, involving developing countries.
- 3) To promote education and training, in developing countries, on the complete industrial cycle, from the design of products and services to the establishment and operation of the corresponding companies.
- 4) To promote, in the developing countries, the conditions required for a successful knowledge-based enterprise incubator process.

## Setting up and initial operation of the project

- 1) The countries interested in participating in the Incubator Partnership Project should inform BDT/ITU of their respective "national focal point".
- 2) The national focal point should preferably be an institution (or pool of institutions) directly related to the process of setting up and operating incubators.
- 3) Once there is a minimum number of interested countries and they have nominated their national focal points, BDT/ITU invites one of them to be the first *General Coordinator* of the project.
- 4) The General Coordinator of the project should be an institution with sufficient experience in the area and sufficient resources to enable it to formulate the *project document* and to carry out the initial project activities, described below, even without any external financial and technical support.

http://anprotec.org.br

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<sup>&</sup>lt;sup>1</sup> The Brazilian experience on knowledge-based enterprise incubators may be assessed through ANPROTEC - The Brazilian Association of Technology Parks and Poles and Incubators, at the following address:

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- 5) The project document should describe the philosophy of the project, its initial activities and goals, its sources of financial and technical support, etc. It is understood that the project document would be drawn up cooperatively by the General Coordinator, the other national focal points, BDT/ITU and other international and regional bodies and financial agencies.
- 6) Once the project document is approved by BDT/ITU, the project is started.
- 7) In the first phase of the project, special attention would be given to putting existing companies and successful incubators in countries where they exist in touch with potential companies and emergent incubators in relatively less developed countries. This would be done directly by interested companies, potential entrepreneur groups and incubators, counting on the assistance of BDT/ITU, the national focal points and the General Coordinator.
- 8) It is anticipated that this sharing of experiences and technology would promote the creation of incubators and companies in the relatively less developed countries, as well as fostering the creation of *multinational joint ventures* linking companies of the participating countries.
- 9) In order to bring together companies and incubators in different countries, simple and feasible "pilot projects" may be used. The national focal points, the General Coordinator and BDT/ITU would identify those pilot projects and use them to design and test the tools required to develop the work further.
- 10) Those tools might include, for instance, a "virtual venture-capital agency", through which major worldwide telecommunication service companies and suppliers would cooperate with or participate in the emerging partnerships of companies, joint ventures and incubators described above.