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| **Telecommunication Development Advisory Group (TDAG)**  **30th Meeting, Geneva, Switzerland, 19-23 June 2023** | A close up of a sign  Description automatically generated |
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| Director, Telecommunication Development Bureau | |
| Innovation and Entrepreneurship Alliance for Digital Development | |
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| **Summary:**  This document provides an overview of the [Innovation and Entrepreneurship Alliance for Digital Development](https://www.itu.int/itu-d/sites/innovation-alliance/) established to respond to significant unmet needs of ITU membership in the area of innovation, as articulated in the Kigali Action Plan adopted at the World Telecommunication Development Conference 2022 (WTDC-22 ) and the relevant resolution of the ITU Plenipotentiary Conference 2022 (PP-22) as referenced below.  The Alliance will contribute to the implementation of the five WTDC-22 Priority areas and, the one on Digital Transformation.  The document presents the objectives of the Innovation and Entrepreneurship Alliance for Digital Development and gives insights into the progress that has already been made in its implementation. As all the regions identified innovation and entrepreneurship as a priority area, this initiative will contribute towards the successful implementation of projects under the Regional Initiatives.  **Action required:**  TDAG is invited to note this document and provide any guidance as deemed necessary.  **References:**  WTDC Resolutions 90, 89 and 85 (Kigali, 2022).  ITU Regional Initiatives AFR4, AMS3, ARB4, ASP4, CIS3, CIS5, EUR5.  PP Resolution 205; ITU Strategic Plan (PP Resolution 71, Rev. Bucharest, 2022). | |

1. **Background**

At the World Telecommunication Development Conference (WTDC-22), the Membership identified innovation and entrepreneurship as of high priority with the aim of putting in place new, more resilient, and forward-thinking approaches to guarantee that they can safely navigate a digital world that is increasingly Volatile, Uncertain, Complex and Ambiguous (VUCA) within the framework of the Kigali Action Plan.

Many developing countries aspire to become innovation-driven digital economies based on world-class exports, high-growth industries and highly skilled talent. Despite massive investments in information and communication technologies (ICTs), entrepreneurship and innovation, many struggle to:

* Adapt to the fast-changing digital environment;
* Become an effective adopter of emerging digital technologies;
* Become a driver of digital innovation that creates socio-economic impact;
* Leverage entrepreneurship-driven digital innovation as a driver of job creation;
* Gain access to a network of likeminded change-makers and their best practices; and
* Develop innovative local, regional or global partnerships to accelerate digital development.

The Innovation and Entrepreneurship Alliance for Digital Development will build critical local enablers to lead in the changing digital environment. It will also enable BDT to develop new organizational and human excellence capabilities, deliver new products and services for ITU Membership and strengthen the engagement of the private sector and academia in the critical work of BDT.

The work of the Alliance is aligned with:

* WTDC Resolutions 90, 89 and 85 (Kigali, 2022) providing clear guidance on the role of innovation in digital transformation of society;
* ITU Regional Initiatives for all regions further calling for greater attention to this area;
* PP Resolution 205 (Rev. Bucharest, 2022) on ‘Fostering ICT-centric innovation to support the digital economy and society’ reiterated the leading roles of BDT in innovation for digital development; and
* ITU Strategic Plan (PP Resolution 71 (Rev. Bucharest, 2022)).

Building on the previous innovation work of BDT, including bridging the digital innovation series of toolkits ([Toolkit for strengthening ICT centric ecosystems](https://www.itu.int/pub/D-INNO-TOOLKIT.1-2018) and [Toolkit for developing sustainable ICT-centric ecosystem projects](https://www.itu.int/pub/D-INNO-TOOLKIT.2-2020)), and the [iCodi general innovation 100-day toolkit](https://www.itu.int/itu-d/sites/i-codi/co-design-playbook/), the Alliance will continue strengthening capacity building of countries with a more institutionalized approach that strengthens local innovation capacity, share best practices and ensure impact with outcomes.

1. **Objectives and Strategies**

The Alliance will support the achievement of the following outcomes under the ITU-D Priority’ on Digital Transformation’:

* Strengthened capacity of the ITU membership to integrate telecommunication/ICT innovation and digitalization in their national development agendas and to develop strategies to promote innovation initiatives, including through public, private and public-private partnerships.
* Enhanced human and institutional capacity of the ITU membership in telecommunications/ICTs to foster digital transformation.
  1. **Strategic objectives**

The Alliance will fast-track five strategic objectives to accelerate countries’ journey towards an innovation-driven digital economy.

Countries need access to cutting-edge innovation approaches at their fingertips, which entail developing new capacities and localizing these capabilities for sustainability:

* Trends research readiness – to enable countries to be ahead of the curve and make sense of the evolution of technology, policy and innovation dynamics.
* Open technology innovation – to harness technological know-how into global goods through open innovation and multistakeholder mechanisms, accelerating access to emerging technology for all.
* Entrepreneurship and SMEs growth - to accelerate the uptake of digital innovation-driven entrepreneurship and opportunities for talent to achieve socio-economic inclusion in their communities.
* Policy experimentation - to develop agile policies that provide stakeholders with safe space for experimentation, encouraging innovation and attracting investment in the digital ecosystem.
* Ecosystem initiatives acceleration - to promote collaboration and synergies that scale digital innovations and achieve cross-cutting sectoral value for a competitive digital economy.
  1. **Main Vehicles**

The Alliance will help strengthen countries’ capabilities to integrate ICT innovation into national development agendas and build human and institutional capabilities at the country level where it is most relevant and sustainable.

The Alliance will operationalize the needed capabilities through three main vehicles:

1. A Digital Transformation Lab: The Digital Transformation Lab (DT Lab) will support the design and implementation of the network of centers and provide technical assistance, upon request, to enable countries currently lacking key capabilities in sandboxing and developing initiatives to accelerate digital development. The Lab will be located in Geneva, accessible virtually and offering innovation services to BDT staff and countries. BDT will benefit from improving its products and services, enabling the Bureau to be the premier agency supporting developing countries in digital transformation.
2. **A Network of Acceleration Centers**: The Network will enhance global, regional and national innovation capabilities for technology, policy and flagship initiative development. The various centers will accelerate digital transformation through a unique ecosystem-thinking approach that combines the best of three recognized methodologies: Sense Making, Systems Thinking and Design Thinking. The centers will also amplify local capabilities to accelerate local innovation. Entrepreneurship and the digitalization of economies to improve the competitiveness of economic sectors.
3. **A Digital Innovation Board:** This Board will guide the work of the Alliance and ensure its effectiveness, accountability, and sound decision-making toward accelerating the implementation of the Kigali Action Plan. The Board will facilitate high-level coordination and engage in global advocacy at the UN level and with regional and international organizations. Leveraging its reach, it will help mobilize resources and partnerships, share lessons learned and create a global learning community.
   1. **Additional information about Acceleration centers and Alliance**

There are several types of acceleration centers to meet the need of members – the model is flexible, and the actual name of a center will depend on the requestor.

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| **Type of center** | **Ownership** | **Scope** | **Strategic Capabilities** | | | | | **Resources** |
| ***Trend Research Readiness*** | ***Open Technology Innovation*** | ***Entrepreneurship and SMEs Growth*** | ***Policy Experimentation*** | ***Ecosystem Initiatives Acceleration*** |
| **Technology Acceleration Centers** | ITU-owned and managed or host country | Global or Regional | Checkmark with solid fill | Checkmark with solid fill | Checkmark with solid fill | Checkmark with solid fill |  | Host country sponsored, managed by ITU staff or host country. |
| **Research and Entrepreneurship Excellence centers** | Country owned. When regional, it acts as a focal point for ITU on a topic in a region. | Regional or National | Checkmark with solid fill | Checkmark with solid fill | Checkmark with solid fill |  |  | Academia Member sponsored in partnership with multistakeholder with academia staff |
| **Innovation and Digital Transformation Acceleration Centers** | Country owned. When regional, it acts as a focal point for ITU on the topic in a region | Regional or National |  |  | Checkmark with solid fill | Checkmark with solid fill | Checkmark with solid fill | Host country sponsored, managed by host country staff |
| **Initiative Acceleration Centers** | Within an existing institution | Regional or National |  |  |  |  | Checkmark with solid fill | Leverages existing resources from the hosting organization |

The guidance above is not prescriptive of centers but is meant to serve only as an example. ITU will validate each expression of interest and advise on the right strategic objectives and scope to meet the overall goals of the Alliance, the requestor resources and their ecosystem capabilities.

Each center will have its governance system fit for purpose, independent of the Digital Innovation Board, given the separate functions. Center selection and qualification will be based on open, transparent calls, and more information will be publicly available on the [Alliance website](https://www.itu.int/itu-d/sites/innovation-alliance/).

Initial Terms of Reference have been developed for the Alliance, and up-to-date information will be provided on the Alliance website, including ToR for the Digital Innovation Board, the selected and prospective centers, and Frequently Asked Questions.

1. **Key Actions and Results**

Since the launch of the initiative on 25 January 2023 with a call for expression of interest, the following milestones were achieved:

* BDT developed and launched the [first global Innovation Center](https://www.itu.int/hub/2023/03/itu-opens-area-office-and-innovation-centre-in-new-delhi/) as part of ITU Area Office for South Asia and Innovation Centre in New Delhi on 22 March 2023. This center will be an integral part of the network of acceleration centers.
* A [Regional Innovation Forum for Asia and the Pacific](https://www.itu.int/en/ITU-D/Regional-Presence/AsiaPacific/Pages/v2/RD%27s%20Corner/2023/ITU-South-Asia-Presence-for-Inclusive-Digital-Transformation-.aspx) was held on 23 March in New Delhi during the opening of the ITU area office and innovation center. BDT held a co-creation session with the Indian ecosystem to identify and showcase the playbooks developed for a typical center in the Alliance.
* A voluntary contribution of USD 304,000 was received from the Ministry of Communications (MIC) of Japan to support the operationalization of the Alliance.
* Hybrid WSIS Community events: BDT held two events during the WSIS forum on 15 and 16 March 2023: A high-level ministerial session ([Accelerating Innovation and Entrepreneurship for Digital Development](https://www.itu.int/net4/wsis/forum/2023/Agenda/Session/395)) and an expert power session ([Innovation and Entrepreneurship Alliance](https://www.itu.int/net4/wsis/forum/2023/Agenda/Session/394)). These sessions allowed BDT to share information about the Alliance and seek further input from a global audience. The power session was conducted jointly with UNWTO with the intent to further partner in the initiative.
* Virtual Community event: BDT held a virtual event on 4 April 2023, [Innovation and Entrepreneurship Alliance for Digital Development](https://www.itu.int/itu-d/sites/innovation-alliance/events/news/community-event-innovation-and-entrepreneurship-alliance-for-digital-development/), where simultaneous AI interpretation was available for over 100 languages to present the concept of the Alliance and answer additional questions on the global stage.
* A [Declaration of Intent on Digital Transformation and Technology Innovation](https://www.itu.int/en/ITU-D/Innovation/Pages/declaration-of-intent-digital-transformation-technology-innovation.aspx) was signed on 3 April 2023 between the Office of ICT of the United Nations and ITU on the development of a joint programme to support the work of the Alliance and accelerate the achievement of the SDGs. A workshop was also held with OICT to develop this joint programme’s framework.
* A [Declaration of Intent on Innovation, Entrepreneurship, and Capacity Building](https://www.itu.int/en/ITU-D/Innovation/Pages/declaration-of-Intent-ITU-Smart-Africa.aspx) between Smart Africa and ITU to help streamline cooperation and collaboration and support the countries of Smart Africa with the Innovation and Entrepreneurship Alliance for Digital Development. This declaration will be turned into a joint programme between the two organizations to leverage synergies and impact.
* Two [study group workshops](https://www.itu.int/net4/ITU-D/CDS/sg/blkmeetings.asp?lg=1&stg=&sp=2022&blk=28224) were held for Study Group 1 Rapporteur meetings on 8 and 10 May to share information on the new initiative of the Alliance, and to brainstorm with the study group participants about how ITU-D Study Group 1 products could be more effectively used. This was achieved through co-creation using innovation processes.

At the close of the first deadline for Expressions of Interest (EoIs) for the Alliance on 15 April 2023, over 70 EoIs were registered from over 55 countries. Over 40 requests to establish or strengthen centers have been registered, and work is ongoing to validate and support their development. Centers will be self-financing with ITU providing expertise.

1. **Way Forward**

BDT will follow up with each expression of interest and is in the process of building, testing and implementing the playbooks, systems and tools needed to operationalize the Alliance. Discussions are ongoing for initiatives that can be quickly onboarded using the India center or the DT lab before other centers are activated. Discussions are also ongoing to ensure coherence between the iCodi initiative and the Alliance’s work.

BDT will continue to strengthen the development of the Alliance and its initiatives with the following activities, to cite a few:

* Announce the first centers by the end of June 2023 and start working with each center;
* Develop playbooks and capacity building for the Alliance members;
* Continue discussions with other Sectors of ITU to ensure coherence and benefits from the ITU-wide standpoint;
* Continue strengthening the Innovation Center in the ITU Area Office for South Asia;
* Ensure coherence with activities under the iCodi initiative and the iCodi P2C pledge;
* Officially launch the DT lab with the cross-cutting support for ITU-wide approach;
* Develop comprehensive resource mobilization, communication and partnership strategies;
* Establish the Digital Innovation Board and conduct the first board meeting;
* Conduct an Alliance Members’ Forum to share initial outcomes of the network, share best practices and connect stakeholders to accelerate a BDT4Impact;
* Onboard internal innovation initiatives to accelerate human capacity development; and
* Develop further partnerships with UN and other relevant international organizations.

TDAG is invited to note this report and provide advice as deemed necessary.

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