



**2nd Latin American and Caribbean Conference on Business Incubation
Santiago de Chile, July 24-26, 2007**

Valerie d'Costa, Opening Ceremony speech

Muy buenos dias y bienvenidos a todos.

- His Excellency, Mr. Andrés Velasco Brañes, Minister of Finance of Chile
- Mr. Carlos Gianella, President of the International Association of Science Parks for Latin American Region
- Mr. Alvaro Bustos Torreblanca, President of ChileIncuba,
- Distinguished colleagues and friends,

I am pleased to welcome you to the 2nd Latin American and Caribbean Conference on Innovation and Incubation, which is jointly sponsored and organized by the Information for Development Program of the World Bank -infoDev- and ChileIncuba.

Mister Minister, I am especially pleased that this event is being held in the beautiful city of Santiago de Chile. Here in Chile, business incubation is increasingly being recognized as an important tool for economic and social development, for grassroots innovation and for fostering a spirit of enterprise and entrepreneurship. Chile, long an economic leader in this region, was the top ranked Latin American country in this year's World Bank Group report on Doing Business, which ranks 175 economies on the ease of doing business, yet the entrepreneurial potential in Chile has not been fully realized. Innova Chile of CORFO noted at the ChileIncuba meeting yesterday that under 10% of the population between the ages of 18 to 64 is involved in entrepreneurial activities, which it says is critical to developing new markets and sectors for growth. Chile, along with other emerging markets, is actively considering how to use business incubation to address this challenge by encouraging local innovation and entrepreneurship, particularly in new, high-growth sectors.

Let me take a moment to tell you all more about infoDev. infoDev implements programs and projects to utilize information and communications technologies or ICTs for development. infoDev's work is funded by the World Bank as well as by several donor countries. infoDev's work is centered around three themes: Enhancing Access to ICTs in developing countries, fostering the use of ICTs in key sectors such as Education and Rural Development and finally, enhancing Innovation & Entrepreneurship in developing countries. In each of these areas, infoDev strives to create analytical knowledge products and to support communities of best practice on key issues.

In 2002, infoDev launched its Business Incubator Initiative to foster ICT-enabled entrepreneurship and innovation among business incubators and the development of small and medium sized enterprises as engines for socio-economic growth.

With support from the World Bank, as well as the governments of Japan, Finland and India, infoDev has mobilized approximately USD 20 million for this Initiative, which has benefited more than 70 business incubator institutions in over 50 developing countries across the world. In the Latin American and Caribbean region, infoDev has provided over USD 3 million in financial grants and technical assistance to business incubators in 12 countries and to regional knowledge-sharing networks.

Over the past 5 years, infoDev has gained tremendous insight into business incubation issues. Last year, we undertook a comprehensive study of our effort. Let me tell you what we found:

Business incubators are launching sustainable businesses and creating jobs in both high-growth sectors as well as in underserved communities, which demonstrates the flexibility of business incubation as tool for economic as well as social development. infoDev's incubators have worked with more than 8,000 businesses and entrepreneurs. For example, in Mexico, a business incubator we support there has helped generate more than 6,000 new jobs and USD \$150M in revenue. In Brazil, an infoDev-supported business incubator has trained 80 cooperatives, which have in turn, created more than 1,200 jobs in marginalized communities.

An issue often faced by entrepreneurs is their inability to afford financial services or to find appropriate financing products for small businesses. Our business incubators are helping these small businesses access the financial resources they need to grow, In Costa Rica, the infoDev-supported business incubator is collaborating with a local bank to establish a financing fund for small businesses. Here in Chile, our business incubators have established a network of over 50 angel investors.

Our study has also found that business incubators help inform the development of sound policies on entrepreneurship and innovation. infoDev-supported business incubators report that intellectual property protection laws are not strongly enforced in their countries. In some countries, regulatory, legal or policy incentives for research and development do not exist. In response, our incubators have been advocating for policy and legal reforms that will benefit entrepreneurs and small business owners. In Peru, our business incubator formed an association to advocate for public policy changes on SME issues.

How can infoDev serve the Latin American and Caribbean Business Incubator community?

Let me give you four ideas for Latin American and Caribbean countries to consider at this week's conference:

1. Leverage the infoDev network for knowledge sharing and global good practice. Through regional events such as this, infoDev facilitates knowledge sharing among business incubators and policymakers. We are capturing good practices from this region, as well as from around the world via a web-based resource called iDISC, which can be accessed through our website at www.infodev.org. Please use iDISC to your advantage.
2. Explore which models of incubation can be most successful in your local environment. infoDev has learned over the past five years that business incubation models are not static - they evolve to respond to dynamic business environments. infoDev's network of incubators across the globe represents a rich repository of experiences and models for you to consider and learn from.
3. Use infoDev's monitoring and evaluation tools to track the outcomes and impacts of your incubators and incubator support programs. infoDev has developed tools for business incubators, associations and policymakers to better track critical performance indicators such as job and business creation, training and skills development and effective policy formulation. Please use our tools and let us know if we can provide specialized assistance to you here.
4. Leverage infoDev's links to help create cohesive policy frameworks for ICT-enabled innovation and entrepreneurship. infoDev's knowledge and advisory services can help policymakers address many important regulatory, legal and policy issues.

This conference is one of seven regional and sub-regional events that infoDev is supporting around the world this year. Meetings have been held in Africa and later this year conferences will be held in Asia, the Middle East, Eastern Europe and Central Asia. These events are our way of building networks and facilitating knowledge-exchange. All these events will of course, culminate in the holding of the 3rd Global Forum on Business Incubation, in the fall of 2008 at a venue to be decided.

From this you can see that it is a priority for infoDev to grow networks at national, regional and global levels. Business incubators find strength in numbers and in exchanging views and sharing experiences. For this reason, infoDev will continue to support the Latin America and Caribbean regional network, called RedLAC/RELAPI and which consists of national incubator associations from Argentina, Brazil, Chile, Peru and Uruguay, as well as individual business incubators from across the region. I encourage you to become a member of your national incubator associations, if one exists, and to participate actively in RedLAC/RELAPI. It is your network and you should use it to the fullest.

I hope that this conference will yield greater insights into national and regional business incubation issues. Please don't hesitate to let me know how infoDev can continue to be responsive to your needs. Let me close with a word of sincere thanks to ChileIncuba for its strong support and hard work to organise this meeting.

Señor Ministro, el programa infoDev y el Banco Mundial ofrecen al gobierno y al pueblo Chileno su mas sincero agrade cimiento por organizar este evento.