

Entrepreneurship Program for Innovation in the Caribbean

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IN PARTNERSHIP





ABOUT EPIC

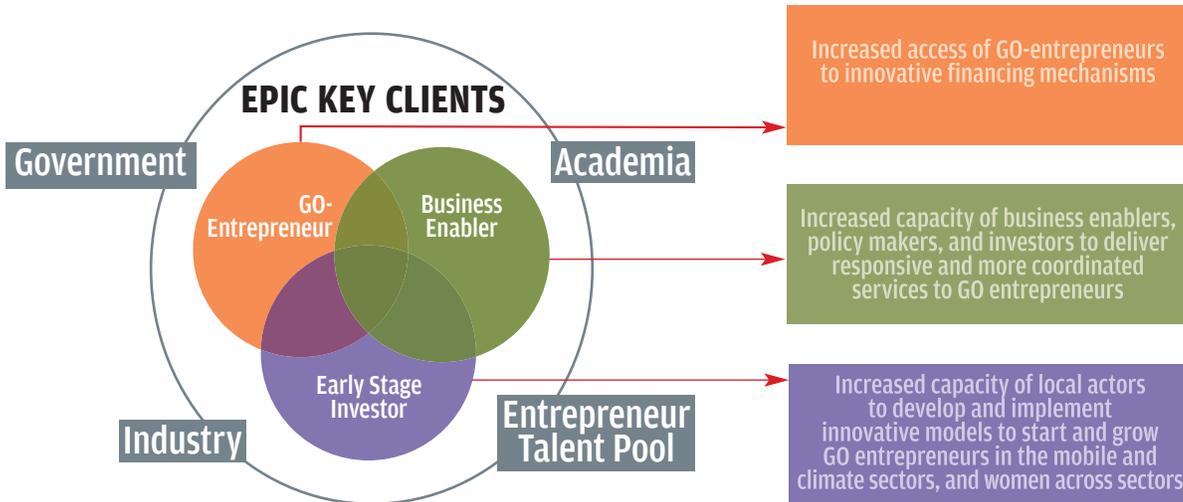
infoDev's Entrepreneurship Program for Innovation in the Caribbean (EPIC) is a seven-year CAD\$20M program funded by the Government of Canada that seeks to build an enabling ecosystem to foster high-growth and sustainable enterprises throughout the Caribbean. EPIC has three core activity pillars: digital innovation, climate technology, and women-led entrepreneurship. These pillars are complemented by an access to finance program for Caribbean entrepreneurs, and a skills upgrading and capacity development program for all ecosystem stakeholders. These stakeholders include entrepreneurs, business enablers, policy makers, universities, seed and early stage investors, and other private sector partners.

ABOUT INFODEV

infoDev, a global program in the Global Practice on Trade & Competitiveness of the World Bank Group, supports growth-oriented entrepreneurs through path-breaking business incubators, accelerators and innovation hubs. It assists entrepreneurs secure appropriate early-stage financing and convenes entrepreneurs, investors, policymakers, mentors and other stakeholders for dialogue and action. infoDev also produces cutting-edge knowledge products, closely linked to its work on the ground.



The EPIC program covers all CARICOM countries except Haiti: Antigua & Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, Saint Lucia, Saint Kitts & Nevis, St. Vincent & the Grenadines, Suriname, and Trinidad & Tobago.



ADVANCING INNOVATIVE ENTREPRENEURSHIP IN THE CARIBBEAN

Although Caribbean economies are currently challenged by low growth, there are signs that long-lasting impact is possible for increases in employment, skills upgrades and overall economic growth. The Entrepreneurship Program for Innovation in the Caribbean (EPIC) by infoDev / World Bank Group is learning from and responding to region-specific challenges, engaging a diversity of ecosystem stakeholders in a variety of ways and through a variety of mechanisms. Thanks to several pilot initiatives, EPIC has also developed a more detailed requirements profile of both Caribbean entrepreneurs and angel investors, which allows for creation of tailored support programs. EPIC is implementing several innovative incubation and outreach methods in order to reach optimal regional coverage with lowered operating costs.

EPIC's pool of growth-oriented (GO) entrepreneurs is taking advantage of vital training, support services and grant financing that will help establish viable enterprises and support their growth. Partnerships have been developed to build local business-enabler capacity and to enlist angel investors and other partners within the innovation ecosystem. This accelerated outreach is impacting hundreds of EPIC-connected entrepreneurs and business enablers in all 14 CARICOM territories, with newly trained entrepreneurs setting in motion a critical deal flow for business enablers and investors in the region.

As a result, the **Caribbean Mobile Innovation Project (CMIP)** and the **Caribbean Climate Innovation Center (CCIC)** have formed partnerships with local entities to deliver responsive, high-quality business enabling services. It has supported 260 high-potential entrepreneurs in the Caribbean with tailored training, financing, and support services. The **Women Innovators Network in the Caribbean (WINC)** has reached over 350 women entrepreneurs and certified numerous trainers and facilitators across the region. EPIC is also acting as a catalyst in the creation of several angel investing networks by establishing pilot angel groups that are matching GO entrepreneurs with early stage investors.





\$1.6T

will be invested in clean tech directly to SMEs in emerging markets such as CARICOM by 2024. Caribbean enterprises are taking advantage of these opportunities.

Source: The World Bank

Coastal erosion, rising sea levels and natural disasters can have catastrophic effects for the Caribbean's poorest and most vulnerable people.



In Dominica, Ngai Scott makes biofertilizer and animal feed from River Tamarind using a solar drier.

CARIBBEAN CLIMATE INNOVATION CENTER

Opportunities for Impact: Climate change poses a significant threat to the Caribbean, both in terms of physical damage sustained from intensified weather patterns and rising sea levels, as well as subsequent losses to economies and industries such as tourism. However, there are opportunities in the Caribbean to mitigate these threats by investing in green technologies, as the region is rich in abundant clean energy sources and offers numerous incentives to develop energy efficiency solutions. There is also a growing need for climate-smart agricultural approaches and technologies in the region.

EPIC Response: EPIC, in partnership with infoDev's Climate Technology Program, has established a Caribbean Climate Innovation Center (CCIC) to support innovative Caribbean SMEs involved in developing locally-appropriate solutions for climate change mitigation and adaptation. Through its activities, the CCIC provides a country driven approach to climate change and support the region's economic development, job creation and industrial competitiveness in clean technology sectors.



Entrepreneur Elliot Lincoln is producing industrial biofuel from microalgae in Antigua.

Status & Next Steps: With its business plan and regional partner consortium in place, the CCIC is the new business hub for climate technology, engaging and supporting promising local entrepreneurs. With offices in Jamaica and Trinidad since 2014, the center has identified and partnered with local hubs to provide support services to entrepreneurs across the region on areas like seed financing, business advice, market intelligence and international connections. In August 2014, the CCIC selected 11 winners from more than 300 entries in its first Proof of Concept (PoC) competition and is supporting them through grants and marketing consulting. EPIC will continue to identify outstanding innovators via PoC grants.

Energy from Castor Beans

High energy costs in most of the Caribbean region lead to high consumption of trees for charcoal production. EPIC is supporting technology and sustainable sources that will mitigate harmful environmental effects.



A grant from the CCIC is helping Shirley Lindo develop sustainable high-energy briquettes made of castor oil byproduct, dry maringa pods and charcoal dust.

The Maynex H2-Flex Hydrogen Hybrid Kit

Developed by Harlo Mayne in Jamaica, this innovation converts water, under any condition, into 100% hydrogen gas on demand. When applied to automobiles, the unit reduces gasoline consumption and has the potential for use as a stand-alone generator.



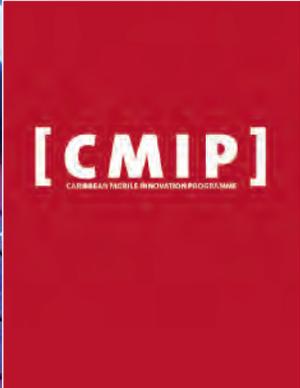
The H2-Flex hybrid hydrogen generator is being developed with a CCIC Proof of Concept grant and won the Jamaican government's highest science and innovation award for 2014.



12%

of the world's 4 billion mobile phone subscribers live in Latin America and the Caribbean. There is already significant activity among enterprises developing mobile applications, promising major impact on everyday problem-solving, productivity and employment.

Source: The World Bank



The CrimeBot app, a mobile crime data tool for everyday use, first emerged as the grand prize winner at the EPIC-sponsored Digital Jam 3.0 in 2014 (below).



CARIBBEAN MOBILE INNOVATION PROJECT

Opportunities for Impact: Because of geographic and economic fragmentation as well as a lack of mentorship and seed financing, digital entrepreneurs have had difficulty turning their mobile app ideas into profitable ventures. With a rapid increase in the use of smart phones, network expansions, and a growing number of mobile app entrepreneurs, the Caribbean region demonstrates that it can support a strong mobile innovation ecosystem.

EPIC Response: The Caribbean Mobile Innovation Project (CMIP) is a multi-faceted approach designed to enable the growth of sustainable and competitive mobile enterprises. The CMIP consists of a series of regional and local ecosystem activities managed by a central mobile innovation hub with support from six additional hubs (mHubs) throughout the region. Successfully implemented across the globe by infoDev, mHubs are multi-stakeholder networks that organize informal gatherings on topics related to mobile technologies, competitions for entrepreneurs, local businesses, individual users, and peer-learning sessions. The hubs also run training and mentorship programs, as well as networking events.

Status & Next Steps: The University of the West Indies is the partner organization selected by CMIP and the program is continuing the establishment of the six local mHubs. In collaboration with the World Bank Group's Social Development and ICT departments, the EPIC team spearheads a number of activities, including app competitions, bootcamps, specialized training, webinars and investment readiness clinics.



AgroCentral: A Matchmaker for Produce

When things go well on Jamaican farms, the rich soil, ample rainfall and wide range of produce can bring a bonanza to rural communities. Bountiful harvests, however, bring challenges. Farmers and agricultural cooperatives sometimes struggle to find markets as they race against time to sell within the crop's freshness window. Moreover, some farmers claim they also lose revenue by depending on middlemen to close the sale with hotels, restaurants and supermarkets.

To the rescue is AgroCentral, the island's first produce clearing house that matches farmers with motivated buyers. For a commission on the final sale, the creators of the dual web and mobile SMS innovation collect requests and match them with ready suppliers. Preferential payments to farmers allow the growers access to capital more readily and produce more consistently.

The World Bank through infoDev helped AgroCentral with feasibility and financial modeling, allowing the enterprise to move forward more rapidly. The developers plan to take the model to regional and other markets.

*AgroCentral
co-founder
Janice McLeod*



An AgroCentral client tends pumpkins in Jamaica. If his fruit have white skins, traditional brokers ignore them in favor of green ones. AgroCentral connects his produce to agroprocessors who know that both varieties taste the same.





ACCELERATE CARIBBEAN

Early in 2015, and following an assessment of the EPIC's needs during its second half, infoDev launched **AccelerateCaribbean**, a program designed to enhance the capacity and skills of existing business incubation centers, and their key people, in the region.

Intended as a program to support business enablers and upgrade their skills, **AccelerateCaribbean** will select ten business enabling centers throughout the Caribbean to run workshops and targeted clinics.



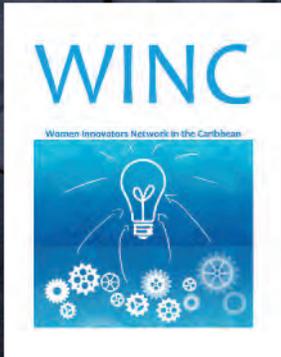
Opportunities for impact: It is a hard fact of business that most startups fail. Even many successful entrepreneurs have stories of personal challenges, unsuccessful companies, and difficulties along the way. Business enablers (such as incubators) can be important economic instruments to foster and boost the growth and survival of firms, from early startups to more established companies if their lack of capacity is addressed. Moreover, the incubation landscape has changed significantly in the 21st century with new models, such as maker-spaces, co-work spaces, hubs and accelerators. Because of the growing awareness on the valuable role these new models can play, it is important for Caribbean business enablers to be exposed to the newest trends in entrepreneurship support by attracting significant human capital, private sector interest and resources to their operations.

EPIC response: Accelerate Caribbean is aimed at making great business enablers even greater, through a tailored package of world-class training and mentorship. By 'business enablers', we mean existing or new organizations which provide entrepreneurs and start-ups with support and motivation. This support might take the form of training and mentoring; seed capital; professional advisory services; technology and workspace or events and networking opportunities. By participating in the program, enablers can expect to boost their skills and tools, market linkages and networks so that they are able to provide enhanced services to the entrepreneurs they serve.



Status and Next Steps: Accelerate Caribbean will be launching a 12-month Business Incubation Clinic for 10 enablers from across the region by summer 2015. The clinic will match each enabler with an internationally renowned entrepreneurship mentor who will provide bi-weekly, one-on-one coaching and advice. Mentoring will take place both face-to-face and virtually. In addition to a tailored support program, each enabler will also take part in mentor-led online workshops for all clinic participants and participate in study tours. This will bring like-minded enablers from the region together and support peer-to-peer learning and networking opportunities for all the selected enablers.





As many as
43%
 of Caribbean women-owned SMEs have unserved loan needs, while as many as 24% have a loan, but face financing constraints.
 Source: The World Bank



WINC training team



An entrepreneur makes a presentation to her peers at a Grow Your Business training session.

WOMEN INNOVATORS NETWORK CARIBBEAN

Opportunities for Impact: Gender stereotyping and misconceptions are still prevalent in the Caribbean. Women entrepreneurs find their sector options, support and access to finance restricted, thereby limiting avenues by which to bring ideas to market or their businesses up to scale. Many have few female role models and business networks compared to their male counterparts. Targeted support for their participation in growing technology- and knowledge-intensive fields is considered a powerful regional engine for economic growth, with multiple positive spinoffs.

EPIC Response: In 2013-14, infoDev's Women Innovators Network Caribbean (WINC) program identified entrepreneurs who break the mold. These innovative technology-enabled/-oriented businesswomen are working in higher-growth sectors, focusing on both their local and export markets, as well as actively establishing and leveraging their networks for business success. Through a multi-faceted holistic approach, WINC provides the methods, tools, and access to appropriate expertise, improving their competitiveness making them more investment-ready. WINC also seeks to encourage more female involvement in sectors such as mobile and climate innovation through close collaboration with the CMIP and CCIC.

Status & Next Steps: Since 2013, WINC has conducted regional 'Grow your Business' (GyB) workshops where entrepreneurs reflect on and innovate for accelerated enterprise growth. The workshops are now being delivered by infoDev-certified GyB trainers across the Caribbean. For the entrepreneurs committed to fast-tracking their growth trajectory, an Acceleration Program offers peer-learning, personal development, one-to-one mentoring, technical workshops, and motivational sessions led by successful women entrepreneurs. In parallel, WINC offers business development webinars on topics considered most important by its community of entrepreneurs.

Fine Paper from Banana & Other Fibers

In St. Lucia, where bananas and other tropical fruit are abundant, handmade artisanal paper is made from the trees' fiber, bringing new life to available organic material like okra, cotton, breadfruit, breadnut, sugarcane, hibiscus and mango.

This out-of-the-box approach, encouraged through WINC's Grow your Business (GyB) workshops, was described by another business owner as "truly an eye-opener to the potentiality of an existing product to do so many other things."

In less than a year following these workshops, almost 60% of the GyB women entrepreneurs had introduced a new product or service into their business, 50% had altered an existing process, and 50-55% reported increased turnover as well as profitability.



Pat Joshua works banana pulp in St. Lucia. Below, one of her outlets



Pig Manure makes Biofuel Power

Suzanne Thomas and her husband Victor Alexander run Pinnacle Farm, an aquaponics and farming consultancy in Trinidad. After testing their idea for producing sustainable biofuel from pig manure, they are using funding from EPIC to build a more efficient bio-digester using a repurposed 40-foot freight container.

This 400-pig farm in Fyzabad, South Trinidad is slated for spectacular growth and is an example of the enormous potential for raw material available to Pinnacle. This cooperation with Pinnacle will eventually take up the current manure run-off which has contaminated local river ways in the past. A new biodigester, which will sit at the farm, will also help provide cheaper energy for the pig-rearing operation.



Pinnacle Farm's mobile biogas digester concept won a CCIC Proof of Concept grant



In Trinidad, Suzanne Thomas shows how a 40-foot trailer is turning pig manure into biofuel.

Regional Access to Finance is Key

85%

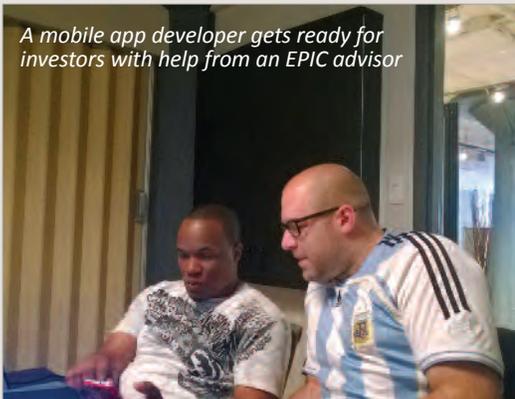
of the Caribbean diaspora say they are willing to invest in their motherlands, but only about 13 per cent have actually invested in the Caribbean. If regional conduits to this funding source can be established, new and existing enterprises will have new channels to raise the capital they need.

Source: The World Bank

A2F



Investor readiness training



A mobile app developer gets ready for investors with help from an EPIC advisor

ACCESS TO FINANCE SERVICES

Opportunities for Impact: Because of the fledgling nature of risk capital culture in the Caribbean, seed and early financing investment have been limited. Most private investors avoid non-traditional, risky sectors after years of promising capital returns from safe government investment products and traditional industries. Angel investing (from local and diaspora investors) is emerging as an important component of early-stage financing, with new local angel groups being developed to serve as a financing mechanism for promising entrepreneurs.

EPIC Response: EPIC is taking a multi-pronged approach to enable high-potential enterprises in the Caribbean to raise capital from innovative financing mechanisms, and develop a culture of angel investing in the region. Building on the region's significant interest in angel investing, EPIC is supporting the development of new angel investing groups in the region through hands-on training and technical assistance to the management and membership of these groups. At the same time, in partnership with business enablers, EPIC is training entrepreneurs on how to more effectively engage investors and other sources of capital.

Status & Next Steps: Aiming to build the foundation for angel investing in the Caribbean, A2F has supported the establishment of the first 3 regional angel investor groups, which have a total of 30 active angel members, "Investor Engagement" training has been provided to enablers and entrepreneurs who will comprise the emerging 'ecosystem'. The angels have begun to evaluate investment opportunities and hold 'pitch' meetings. First Angels Jamaica approved its first investment early in 2015.

Using the emerging angel investment scene for economic impact, infoDev's Access to Finance program helps growth-oriented entrepreneurs gain access to the early-stage capital and mentorship they need to launch and thrive.

By setting up angel investor networks and opportunities for crowdfunding, enabling mechanisms can emerge for creating enterprises, employment and growth that benefits the wider regional economy.

The First Angels investor network established by a group of Jamaican business leaders has begun its work. By directly working with this and other new angel networks in the region, EPIC is laying the foundations of an angel investing eco-system in the region.





Connect with the World Bank Group's Entrepreneurship Program for Innovation in the Caribbean (EPIC)

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