Expert Meeting on

Investment, Innovation and Entrepreneurship for Productive Capacity Building and Sustainable Development

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Inclusive Business Action Network

by

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD
Unlocking the power of Inclusive Business
What is Inclusive Business - *Movie*
Background

- Combined purchasing power of BoP equals 5 trillion US $5,000,000,000,000,00 US$
- High interest in affordable, good quality products
- Spending increases with growing income
- By 2050 population growth by 85%, mainly in developing countries
- 3 billion people live in extreme poverty
- Lack of access to clean drinking water, safe and sustainable energy, healthcare and services
Win-Win through Inclusive Business models
A solution for development challenges

Inclusive business models:

- Benefit for low-income populations in developing and emerging markets
- Create decent employment and regular income-generating opportunities
- Are profitable and sustainable solutions

→ Trigger future middle classes and enterprise growth in new markets
Inclusive Business offers a new role for the private sector in development

- **Philanthropy**: Contribution of financial or in-kind resources to development projects.
- **CSR / Social investment**: Social investments that further business objectives and may contribute to development objectives.
- **Inclusive business and market development**: Core Business activities and inclusive markets with systemic impact for accelerating the achievement of the MDGs.

Source: UNDP
Inclusive Business Models - EXAMPLES

„Mobisol“

**Challenge:** access to affordable energy in rural areas

**Solution:** decentralized solar systems with mobile payment, easy installation and maintenance

**Impact:** 3,000 systems installed in Kenya, Ghana and Tanzania (2013)

„Nazava water filters“

**Challenge:** access to affordable and clean drinking water

**Solution:** Development of inexpensive water filters

**Impact:** Access to clean drinking water for 80,000 people in Indonesia
Inclusive business entrepreneurs face high barriers:

- Scarcity of low accessibility to local market information
- Lack of adequate financing mechanisms / access to finance
- Difficult legal and regulatory framework
- A complex business and support environment
The need for collective action

- Existing facilitator approaches usually address only one particular barrier (multilateral & bilateral organisations, bilateral donors, initiatives and networks, public as well as corporate foundations, investors)

- Any single industry facilitator is unlikely to be able to address all challenges, barriers, the ecosystem

- Scaling barriers are often inter-related across different levels and may require a combination of interventions

  Creation of a global action-oriented facilitation network
The IB Action Network – A global facilitator approach

The IB Action Network is an entry point for and to the global inclusive business community, it:

- **Links inclusive businesses** (corporates and entrepreneurs), **existing initiatives & support mechanisms** of different stakeholders, investors, and business accelerators around the world

- Facilitates **access to knowledge and information**

- Enables **peer-learning and exchange formats** and provides specific **tools** to scale and replicate inclusive business models (e.g. BoP Sector Dialogues, Innovative Roundtables)

- Offers **local support** in Africa, Asia and Latin America

- Fosters partnerships and triggers collective action

- Engages and facilitates **dialogue with policy makers** in developed, developing and emerging markets
Knowledge Sharing & Learning

Networking & Partnerships

Access to local hubs

Focus regions SEA, MENA, SSA (via the RIBHs) plus LAK
IBAN‘s range of services in the future

You want to start or strengthen your engagement in IB/BoP markets!

We offer:

• Access to information on market conditions, to successful business models, experts, funding instruments, etc.;

• Exchange of knowledge with other companies e.g. in the context of BoP Sector Dialogues;

• Support of innovative small-scale measures for the development and exploration of BoP markets through consultancy and structures on the ground;

• The opportunity to participate in our ‘innovative roundtables’, which bring corporate actors together with representatives of international organisations in order to identify new fields of actions in IB markets.
The IB Action Network –
A global solution for all STAKEHOLDERS

- Inclusive Businesses
- Companies and private sector associations
- International & multilateral organisations
- Bilateral donors
- Initiatives and networks
- Public as well as Corporate Foundations
- Investors, private funds
The Responsible & Inclusive Business Hubs – Concrete support on the ground

- Are regional focal points for companies and startups – in South East Asia, the MENA region, Southern Africa

- Give advice for the implementation and mainstreaming of inclusive business (and responsible business – corporate responsibility)

- Provide information, have implementation know-how and extensive networks related to inclusive business in and among partner countries

- Support the replication of successful inclusive business models
Launch of the IB Action Network: 18-20 November 2014, Berlin, Germany

“Great event!!! I take home: contacts, new tools, glance on the actual news on IB.”

“You have done a great job bringing people able to take commitments on next steps.”

“Timely and successful initiative. Thanks a lot.”

“Keep up the great spirit. Wonderful event.”

“Make the IBAN website as the one-stop-shop online platform for information exchange, integrating existing tools such as practitioners hub, BoP innovation centers' matchmaking device.”
Events 2015

• Sankalp Forum Africa 2015 from 5 – 6 February 2015, Nairobi, Kenya

• BASE III Forum from 29 June – 1 July 2015, Mexico City, Mexico

• SEED Africa Symposium from 9 – 10. September 2015, Nairobi, Kenya

• Ashoka Globalizer in September 2015, Buenos Aires, Argentina

• IB Asia Forum, November 2015, in Manila, Philippines
The IB Action Network – CoCreation & Partnering

• Strengthen the role of the private sector in fostering development worldwide
• Leverage private sector engagement and investment
• Scale up and replicate inclusive business impact
Thank you for your attention!

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