

# Business Incubators for Sustainable Development in the SPECA Sub-region



**UNECE**



**76 YEARS  
OF ECONOMIC INTEGRATION  
AND COOPERATION**

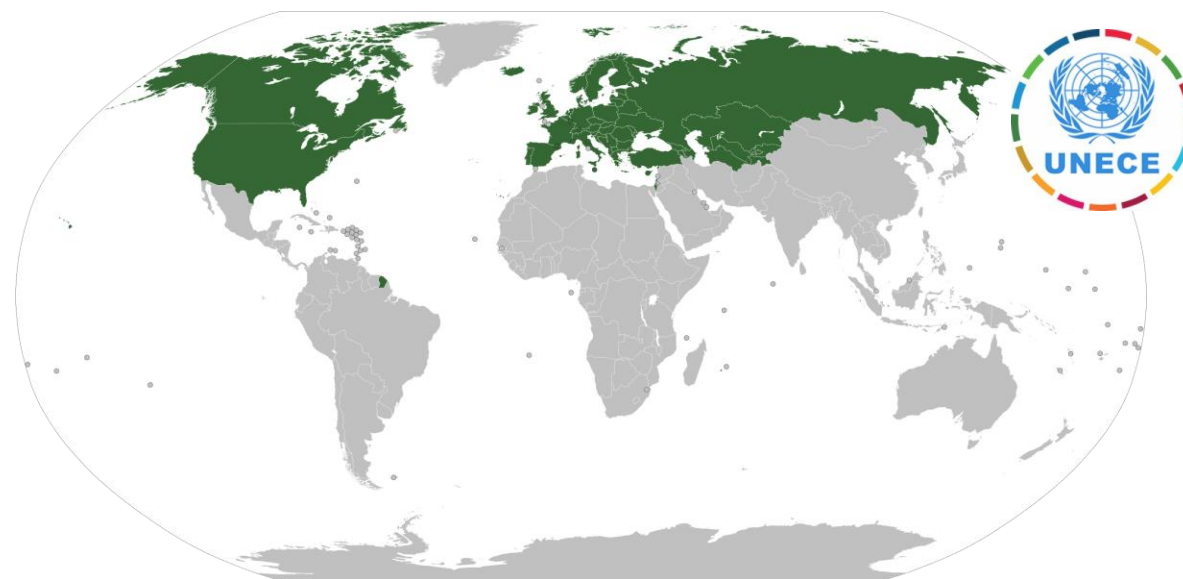
## About the UN Economic Commission for Europe

UNECE is one of five regional economic commissions of the United Nations

Aims:

- Economic integration and cooperation
- Exchange and application of best practices as well as economic and technological expertise
- Technical cooperation for transition economies

The Innovative Policies Development Section (IPDS) is one of four sections of the Economic Cooperation and Trade Division



The Commission is composed of 56 member States, most of which are based in Europe.

# Special UN Programme for the Economies of Central Asia (SPECA)



UNECE

The programme for the SPECA participating Countries (Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) aims to strengthen sub-regional cooperation in Central Asia and its integration into the world economy.

## Research

- Innovation for Sustainable Development Reviews (I4SDR) - explore in detail a number of important factors that enable and promote innovation
- SPECA Reviews



## Capacity-building

- Contributes to the countries' reform process and implementation of I4SDR recommendations and other publications



## Sub-regional political dialogue

- Contributes to reform processes in the region (through policy dialogue, guidelines and analytical publications) and implementation of Review recommendations

# Business incubators (BI) as a tool to foster innovation, support green and sustainable development



Green and circular economy transition requires doing things differently, re-imagining how we produce and consume → innovation is crucial

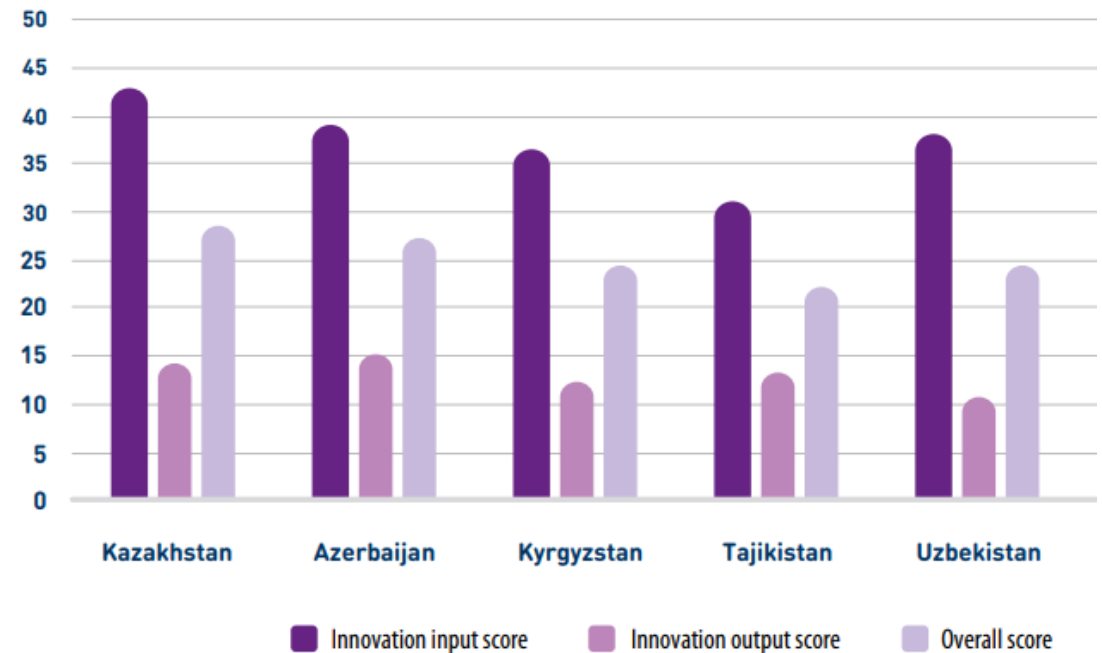


BIs as critical part of innovation support infrastructure are a powerful tool to catalyze innovative entrepreneurship (more than 7000 worldwide and number growing)



BIs provide incentives, support, connections, and an enabling environment for experimentation

## Global Innovation Index, 2020 (results)



# BIs in the transition context

## The example of the SPECA sub-region



- In the SPECA sub-region, BIs and other innovation support institutions have proliferated over the last decades BUT:
  - Are yet to play a systematic, catalytic role in enabling and supporting broad experimentation
  - Development of the private sector absorptive capacities for innovation (focus on absorbing and adapting existing ideas, technologies, and business models) is needed
  - Broader structural reforms are critical (e.g. protection of property right, competition, regulatory frameworks for investment, entrepreneurship, governance)
- The success of BIs in support to new and innovative ventures depends on:
  - Overall environment for doing business
  - Development of the national innovation system
- In the transition context, often, BIs are regarded as *safe havens* for new ventures struggling to develop in challenging business environments and under-developed innovation system → among the reasons for BIs failure to catalyze innovation broadly

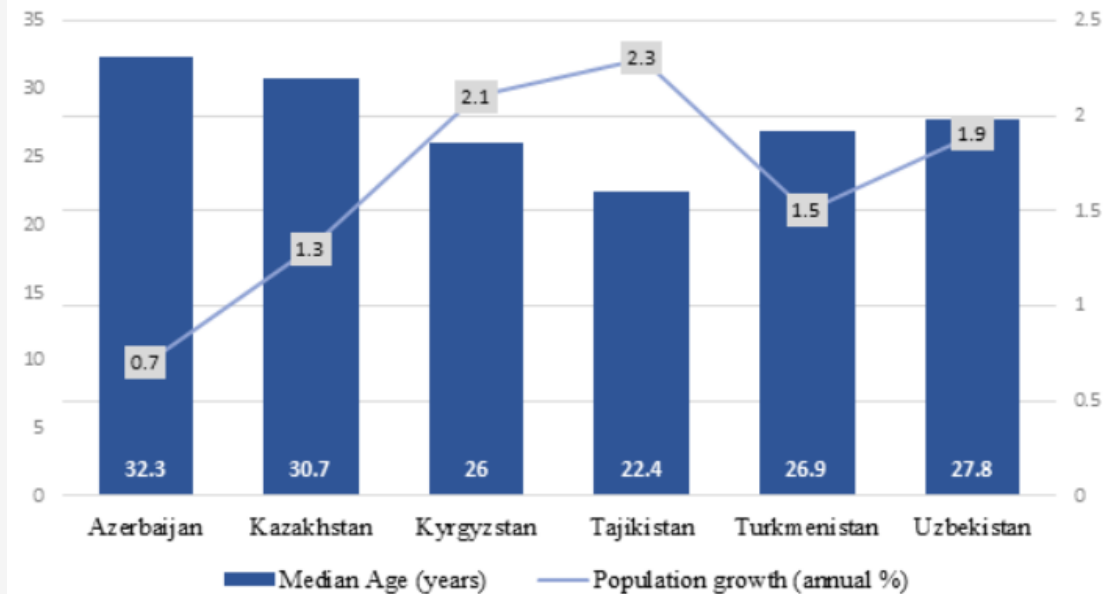
# BIs face a set of operational challenges and lack of entrepreneurial skills

Leveraging the human capital potential in SPECA



- In addition to challenges in business environment and weaknesses in innovation systems, SPECA participating Countries often encounter issues related to operating a BI as such:
  - A lack of necessary skills and competences of BI staff to support innovative ventures → need to further strengthen the capacities of the BI staff;
  - Sustainability issues related to unrealistic financial models of BIs, a lack of market intelligence, unstable or insufficient financial support
- Lacking entrepreneurial mindset and innovation culture among the young population → huge potential to build on given demographic and education trends
  - Adult literacy rate – 99%;
  - Average population age – 28 y.o (compared to over 40 for the majority of OECD economies)

Median population age (years) and annual growth (%) in SPECA participating Countries, 2020

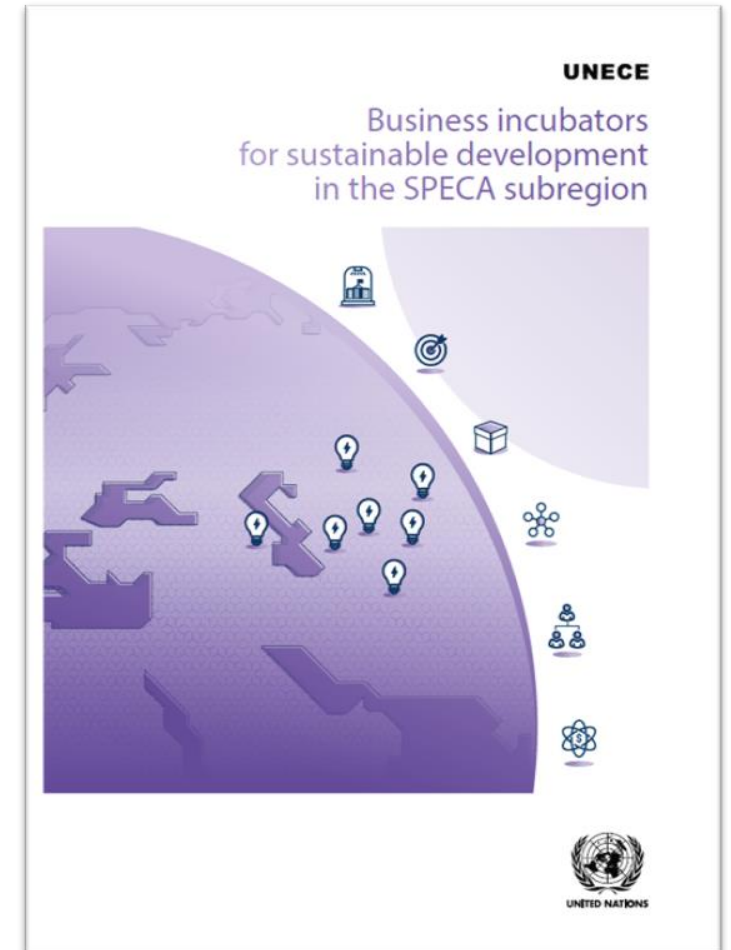


# Handbook “Business incubators for sustainable development in the SPECA sub-region

UNECE Handbook



- This handbook seeks to provide guidance on key steps and considerations to set up, run, and evaluate business incubation programmes;
- Its recommendations and tools target national and local governments, universities, as well as those developing and running business incubators (BIs) and similar institutions (e.g. pre-incubators, accelerators, entrepreneurship support centres) and present step-by-step guidance on business incubator operation;
- The handbook features the experience from Russian Federation and Kazakhstan in BIs (MGIMO, Strogino TP, MOST) and builds on international expertise in the field.;
- Published in October 2021;
- Available in [ENG](#) and [RUS](#).



**Thank you for your attention!**

If you have any questions please  
contact [ekaterina.guznova@un.org](mailto:ekaterina.guznova@un.org)



**UNECE**



**76 YEARS  
OF ECONOMIC INTEGRATION  
AND COOPERATION**