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Remarks

Mr. Daniel Best
Director of Projects
Caribbean Development Bank

Caribbean Tech Entrepreneurship Programme
Stakeholders Summit

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CDB Conference Centre, St. Michael, Barbados

The Hon. Dwight Sutherland, Minister of Small Business, Entrepreneurship and Commerce,

Ms. Lisa Harding – Coordinator of the MSME Program at Caribbean Development Bank,

Mr. Byron Gibson, Director of Orbit Innovation

Specially invited guests, members of the media, ladies and gentlemen:

On behalf of the President and Staff of the Caribbean Development Bank, welcome to this stakeholder summit of the Caribbean Tech Entrepreneurship Programme – or CTEP as it is also known.

CDB is pleased to support Orbit Innovation in the execution of this incubator programme which we believe presents opportunities for integration of technology in entrepreneurial ventures.

First, I want to touch on the theme of digital transformation and CDB.

Our President Dr. William Warren Smith would have spoken about this just two weeks ago at our annual news conference where he noted that digital transformation and innovation have moved to the top of our agenda here at the Bank. This is because the incorporation of technology in product and service solutions stands to increase the competitiveness of the MSMEs in our Borrowing Member Countries or BMCs.

The investment that CDB makes in the CTEP initiative and other programs is part of the Bank's strategy to both strengthen the performance of enterprises in the Region and extend their reach across the globe. We as an organisation see that the use of technology offers a significant opportunity for BMCs to 'punch above our weight' and in so doing transform our economic future through digital transformation that is both targeted and innovative.

The example of this happening the world over is compelling. In its 2019 World Development Report, titled, '**The Changing Nature of Work**', the World Bank highlighted that in comparison to traditional companies, digital companies are able to scale up faster and at a lower cost. The report drew on the example of the Swedish furniture giant IKEA, founded in 1943 and which achieved annual global sales of USD 42 billion after some seven decades in existence. By comparison, the Chinese conglomerate Alibaba which was founded in 1999, was able to reach annual sales of USD700 billion within 15 years.

The Bank is also interested in providing support to projects that focus on the use of technology because of the opportunity inherent for increasing the resilience of MSMEs in BMCs. Most Caribbean states face vulnerability to external shocks and natural disasters. In the past 10 years, there has been no less than a combination of 13 major storms and hurricanes affecting the Caribbean basin. The International Organisation for Standardisation (ISO) has broadened the scope of business continuity management from that of business continuity planning to building resilience by moving from a *sense of reacting to recover from an event to becoming impervious to the event*.

MSMEs can move closer to achieving this standard by using technology such as cloud backup services in day to day business operations. By employing technical solutions like virtualisation and cloud services, which essentially move services off site, a businessperson will be able to remain operational or recover quickly, in the event of a natural disaster.

The use of technology can also bring about innovation that is transformative. Micro, small and medium enterprises have experienced innovation in positioning from using accessible technology such as social media to market their products and services, e-commerce platforms to host their sales presence and facilitate sales and e-payment services to get paid.

In this, we are encouraged by the approach of CTEP which focuses not simply on turning those who are already tech-adept into entrepreneurs but in helping those who are

entrepreneurial to incorporate tech which can propel their business or business idea forward.

It is just as necessary to equip Caribbean entrepreneurs with the ability to spot opportunities in the business market as it is to equip them with the technological skills to be able to capitalise on them.

In this I am reminded of M-pesa, the Kenyan mobile money pioneer which found a solution to a common problem by innovatively building on what was already there and being used – mobile phones and text messaging.

It is this kind of innovation which CTEP is intended to foster, through critical capacity building and targeted mentorship for the programme's participants.

In addition to CTEP, CDB is already at work in the Region in implementing projects which hone in on innovative solutions and use of technology to strengthen enterprises and even create new ones.

Closer to home in Jamaica, the Bank is supporting a project where farmers in water scarce districts are being trained to use a system that ensures high levels of controlled water recirculation and that saves 80% of water while recycling nutrients.

By the end of the project, farmers will also be able to use this technology to rear crops and fish side by side in a symbiotic relationship. What is particularly noteworthy is that the use of technology in this area now creates the opportunity for persons with disabilities to engage in sustainable farming as there is no land to plough.

These are real ways in which technological entrepreneurship widens the gateway for all members of society to become gainfully employed and allows for a more sophisticated mix of services and products to be offered.

Before I close, I also want to highlight another factor which makes the integration of technology into entrepreneurship especially valuable to the Region. Certainly, access to information and communication enables entrepreneurs to connect with other business owners and create a knowledge community. It also allows them to scale up rapidly and offer goods and services more widely. However, technology entrepreneurship also forces our business ecosystem to evolve.

Merging technology with products and services stimulates innovation in business modelling. These new business models can trigger change as systems work to accommodate these new models – leading to changes in legislation, financial policies, lending instruments and even our education system and in so doing bringing about the transformation the Region's economies need.