

TFM IATT Work Stream 6 on Capacity-building  
and

Southern African Development Community

Module 7, Session 3, 8th December 2020

## Part 3. Understanding innovative entrepreneurs – 4 cases



UNITED NATIONS  
UNCTAD

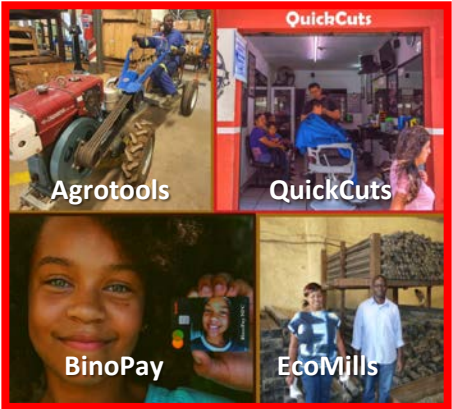
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# Some questions...

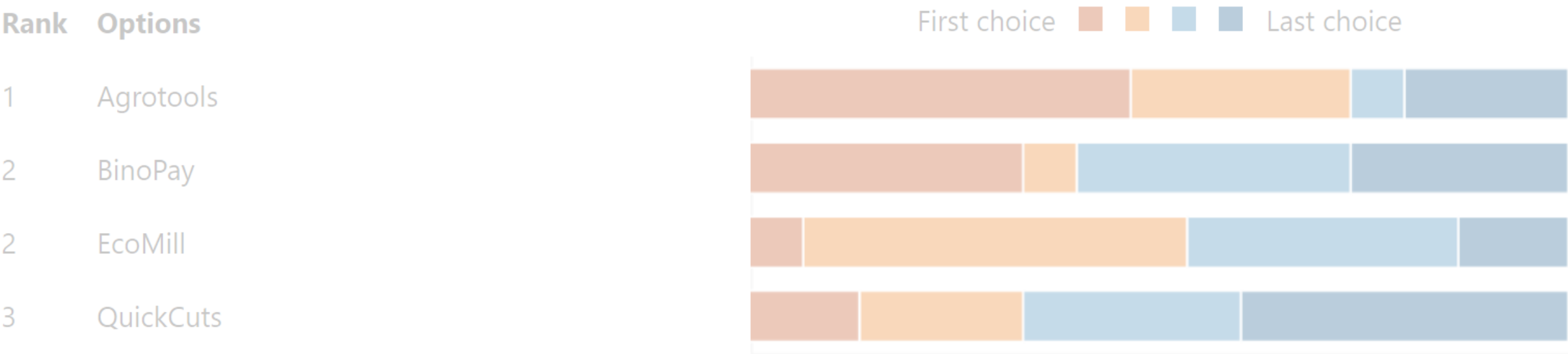
Q1: Which firm or entrepreneur is the most innovative? Which is the least innovative?

Rank Options



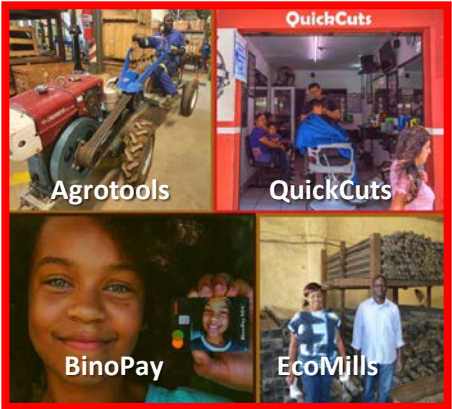
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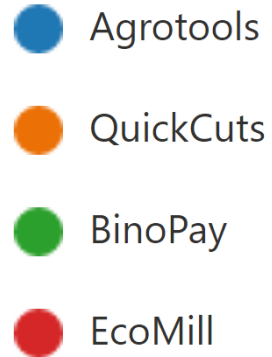
Q2-Q5: What is the underlying innovation?

• A product or service	48	30
• A tech process or technology in production/delivery	28	22
• Soft technology innovation in marketing, logistics etc.	23	12
• Business model innovation	19	23
• There is no innovation	2	3



# Some more questions...

## Q6-Q10 Which firm is innovating by ...



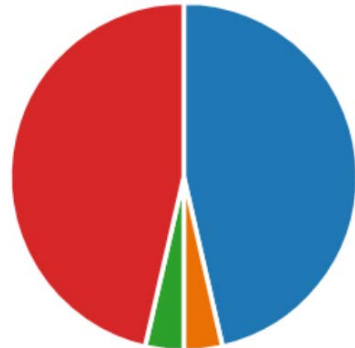
replacing existing products  
or services or sectors



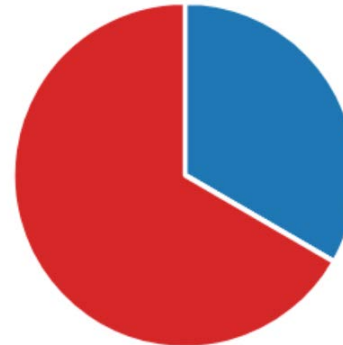
taking market share away from  
existing firms, products or services



seeking an opportunity  
for import substitution



reacting to changes in  
the natural environment

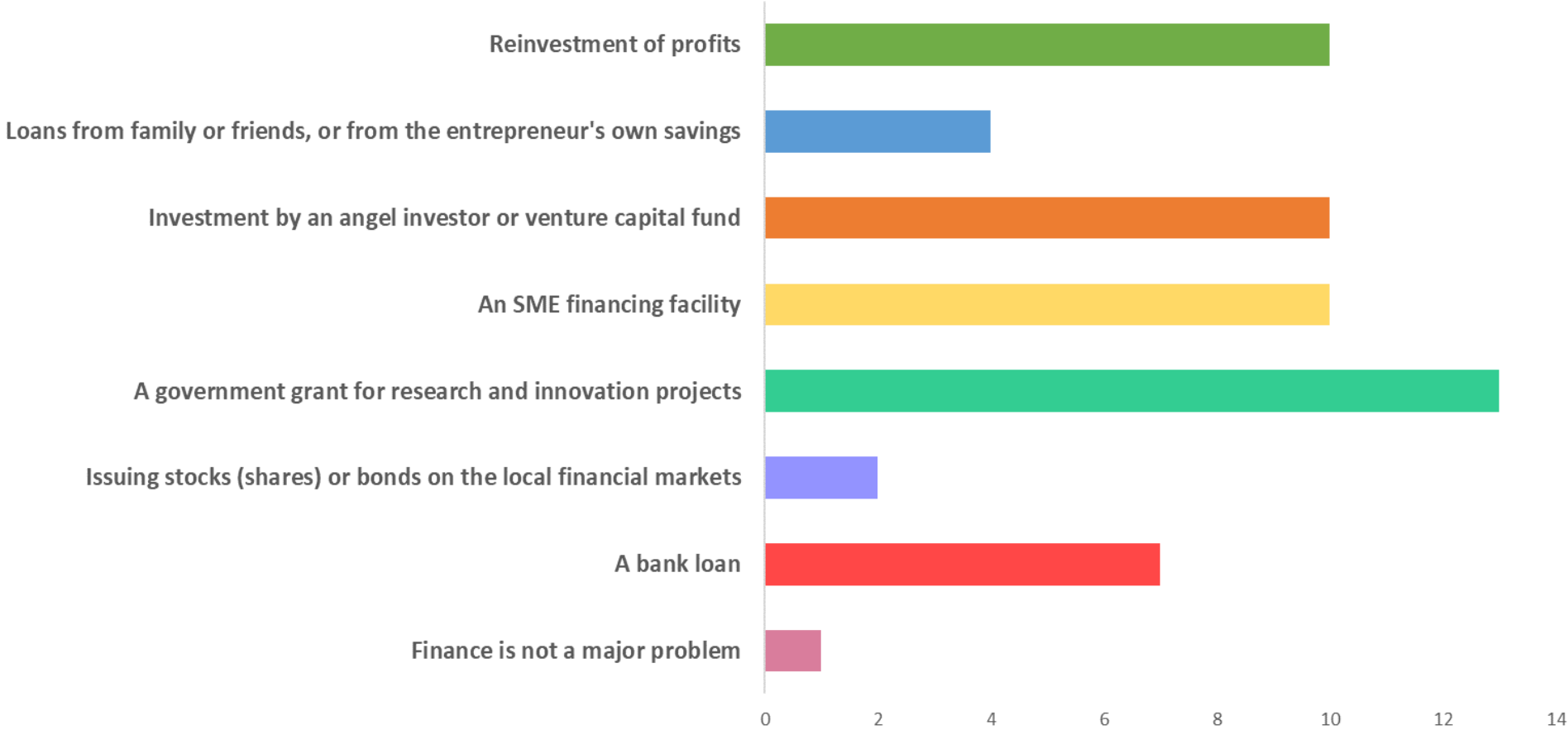


reacting to changes  
in society



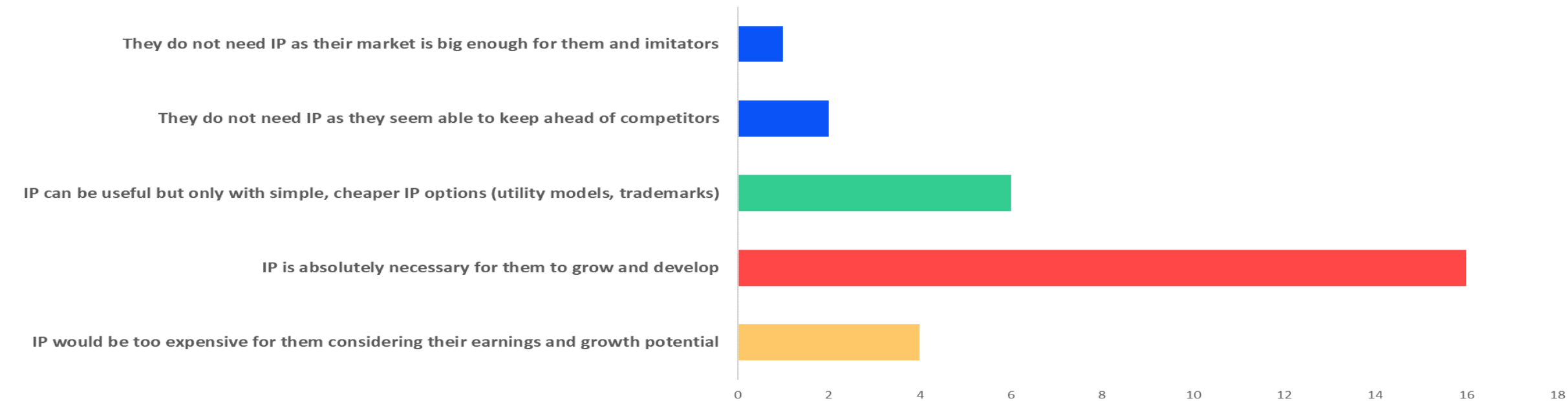
# Some more questions...

## Q11: What type of finance would best support their activities and ambitions

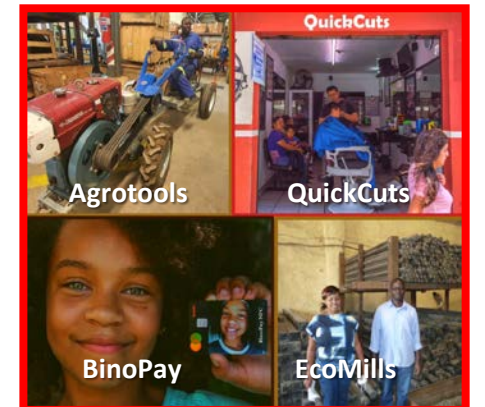


# Some more questions...

## Q12: What about IP - intellectual property?

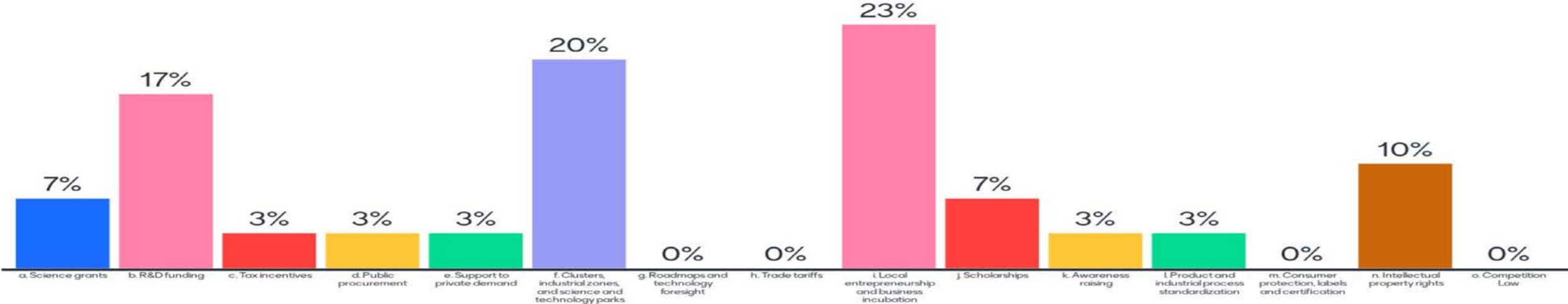


- **Q13: Which policies would be relevant for any or all of the firms and entrepreneurs?**
- **Yesterday:** What are the two key policy instruments in your country?

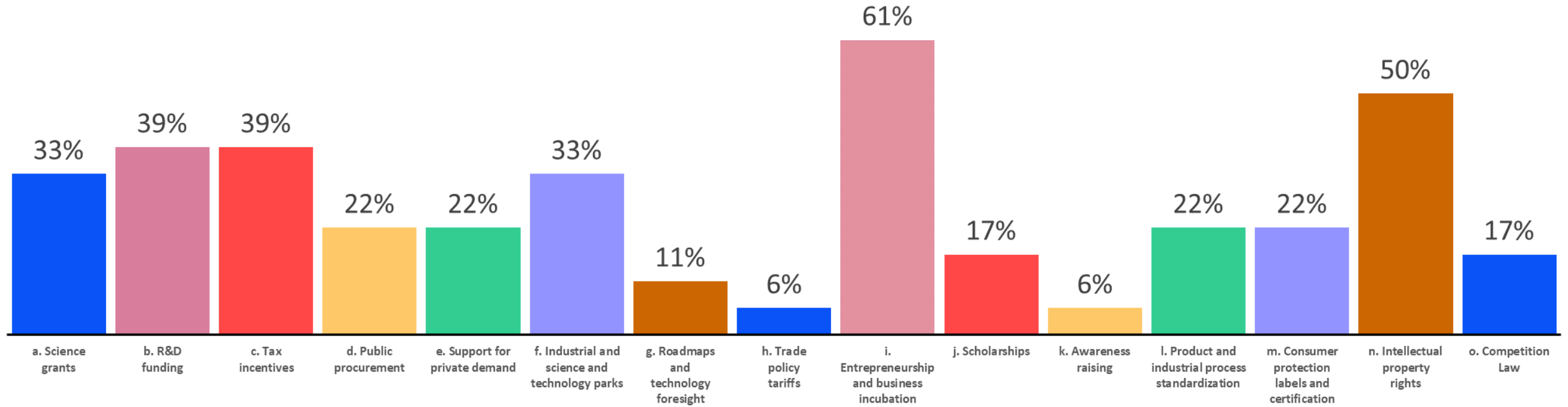




What are the top two key STI policy instruments in your country?

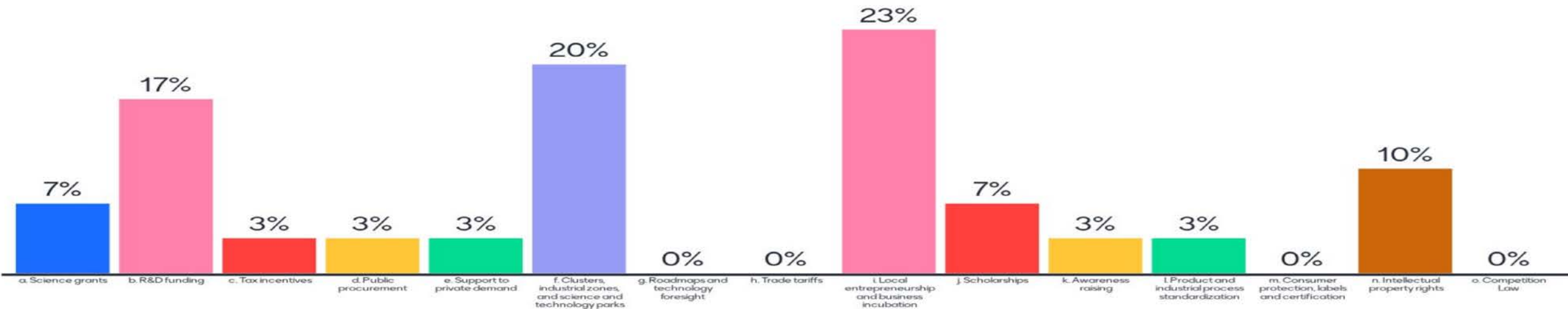


Which policy instruments would be relevant for any or all of the firms and entrepreneurs?

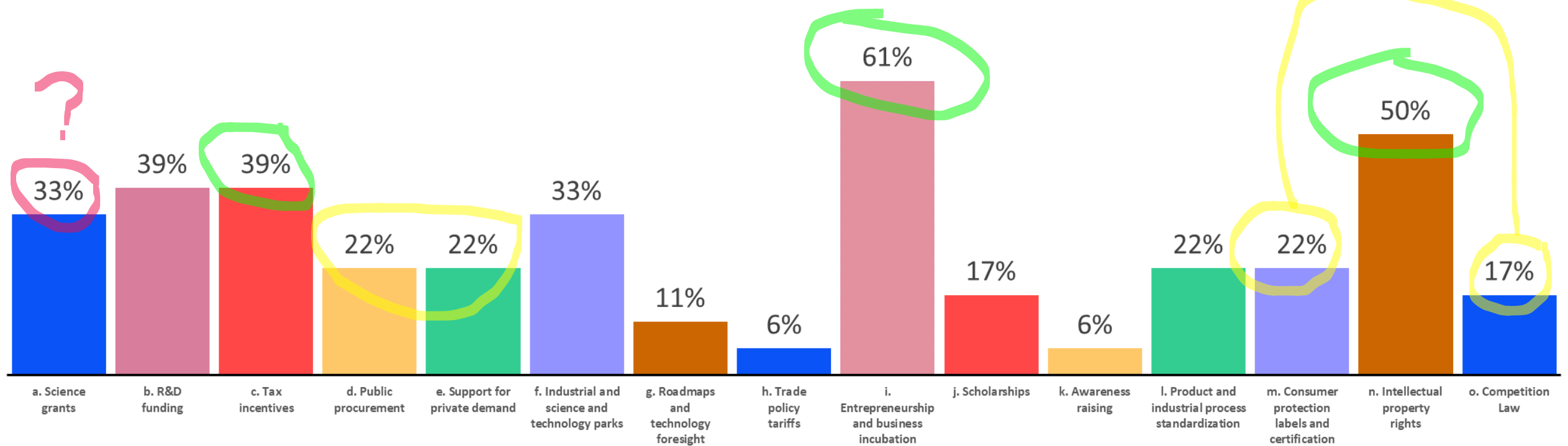




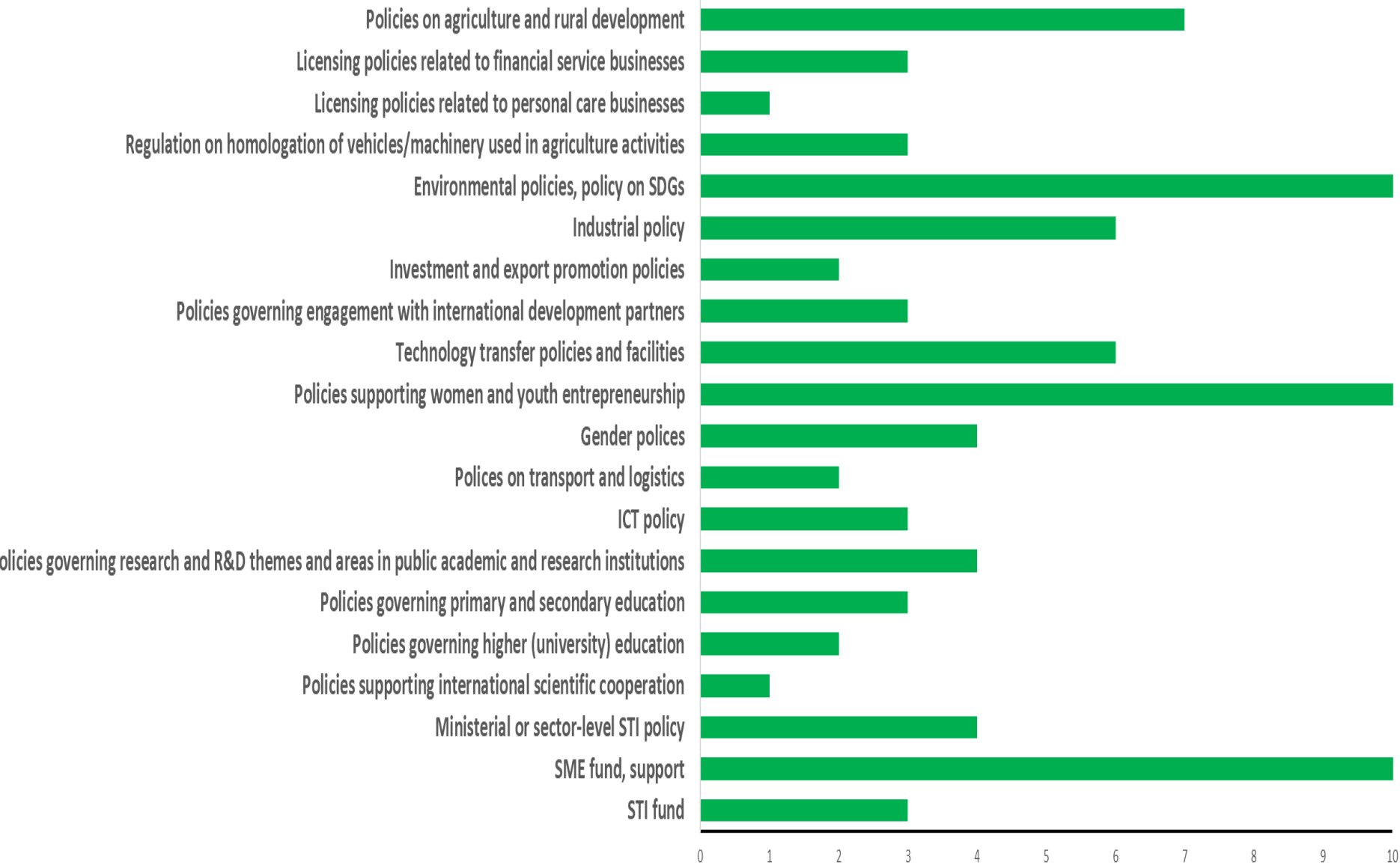
What are the top two key STI policy instruments in your country?



Which policy instruments would be relevant for any or all of the firms and entrepreneurs?



# Q14: Which policies would be relevant for any or all of the firms and entrepreneurs?



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## Case A: Agrotools

- Manufacturer, importer, of farming tools
- Nation-wide aftersales network
- Clients: medium/small commercial, also subsistence farmers
- Manufacturing attachments for best-selling 2-wheel tractor
- Similar low-tech is produced in India and Thailand
- **Opportunity:** Increasingly older women and men are working the fields; with age, the two-wheelers are getting too heavy for them to handle on foot
- 4-wheel tractor cost 3 times more
- Technicians developed/tested prototype
- Prototype now used to take measures for manufacturing
- Farmers/users report faults for improvement
- Current production is 10 units per week
- **Policy request?** More stable tax regime (fewer changes)





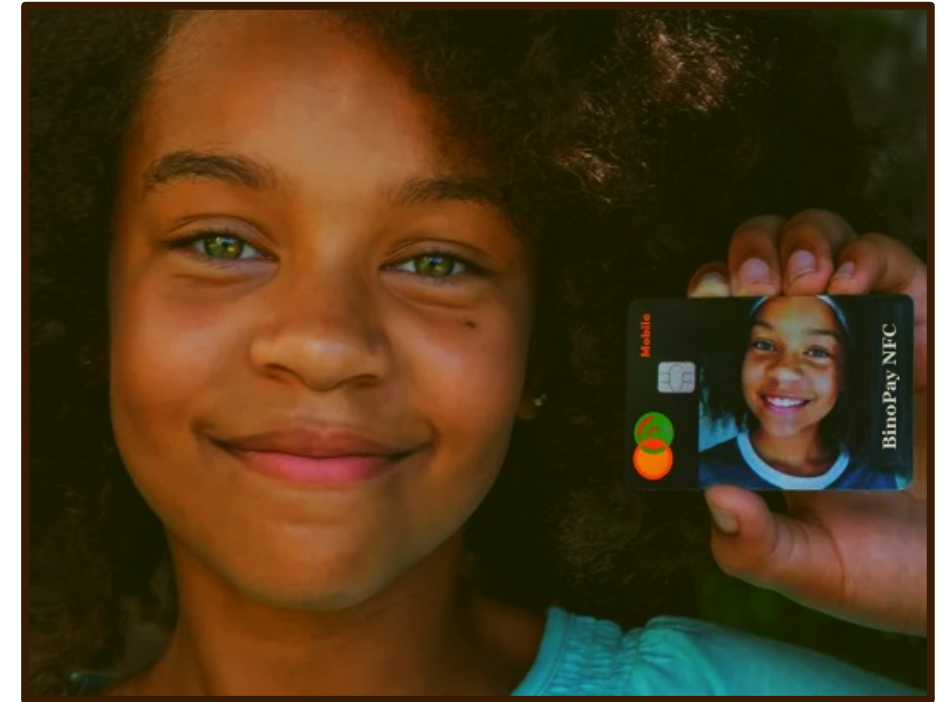


## Case B: QuickCuts

- Increasingly popular men's barbershop chain
- **Opportunity:** cheap, one-style only haircut at ¼ of salon price
- **Necessity:** youth unemployment
- Appointments by mobile texting
- Training takes 2 weeks (not months), anyone can do it
- Practise in own poor community by providing free service
- Training and development of second style for and by women under way
- All profits reinvested into expanding shops chain, 11th shop recently opened (after 3 years of first)
- Native language appointment/booking app under development, procured from abroad
- **Policy request?** Train for better IT skills at university and tevet schools

## Case C: BinoPay

- BinoPay provides fintech solutions for children+
- **Opportunity:** Schoolchildren in boarding have no pocket money; not allowed coins or cash, nor mobiles (mobile money)
- Product: mobile money wallet using a tap-and-pay card loaded from parents mobile money wallet (handset)
- Motivated by own schooldays experience
- Developed skills at university, working for major IT firms
- Benefited from coaching on management at accelerator
- Recognizes downsides of mobile money use – *sports betting among children*
- Learning accountability and personal finance management
- Outreach to NGO and IGO community who work with women and youth, poor farmers, and refugees
- BinoPay employs 18 staff; 100-thousandth card will probably be issued next month
- **Policy request?** Better understanding of tech & innovation among government policymakers, regulators



## Case D: EcoMill

- Recycles plastic waste into “green” wood alternative: EcoLumber
- Childhood experience: poverty and environmental degradation
- **Opportunity: eco-business waste recycling**
- Own funding, international grant; bank loan rejection, public STI funding refused (not R&D or science)
- Raw material: waste plastic bags and water bottles
- Process/recipe is kept offsite in a safe
- Research cooperation refused by University (no academic potential)
- Clients: individuals, private companies; *Competitors: lumber importers*
- Unable to compete in public tenders
- Developing waste management app (knowledge of how city generates and disposes waste)
- More than 6,000 mostly women collectors, *in 5 years: 150 staff and 20,000 collector jobs*
- Forests under threat from logging, restrictive logging regulations, rising timber prices
- **Policy request?** Increase focus on the innovation end of STI







**THANK YOU!**