



**RTB | RWANDA
TVET BOARD**

**GUIDELINES FOR THE ESTABLISHMENT AND
OPERATIONALIZATION OF BUSINESS INCUBATION CENTERS
IN TECHNICAL SECONDARY SCHOOLS AND VOCATIONAL
TRAINING CENTERS (TSS&VTC)**

October 2024



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FOREWORD



Business Incubation centers and TVET, are expected to contribute to the socio-economic development of Rwanda. Entrepreneurship in education and trainings contributes to addressing a wide range of socio-economic challenges, including unemployment and underemployment.

Therefore, the Rwanda TVET Board is promoting the development of business incubation centers to support and foster a learner-centered environment that creates a vibrant entrepreneurship culture and nurtures viable business ideas for boosting youth resilience and employability.

The establishment and operation of both, stand-alone business incubation centers and school-based business incubation centers, is expected to integrate practical entrepreneurship and incubation services in training to provide career guidance, counselling, mentorship and employment services, geared towards equipping youth with the capacity to run their own business, from the initial stages of a startup to the commercialization level, which is also expected to support job creation.

The successful implementation of these guidelines requires the establishment of a strong coordination mechanism for its impact optimization and to allow key stakeholders, such as business incubation centers and schools and relevant partners to share their experiences, generate new ideas, identify relevant challenges and advocate for change.

These guidelines are aimed at supporting TVET schools in the effective establishment and management of their business incubation centers. Therefore, we call upon all concerned institutions for their proactive involvement.



Digitally signed
by RTB(Director
General)

Dipl- Ing. Paul UMUKUNZI

The Director General/Rwanda TVET Board

ACRONYMS

BDF:	Business Development Fund
BIC:	Business Incubation Centre
DCO	District Cooperative Officer
DPs:	Development Partners
FRW	Rwandan Francs
GEM	Global Entrepreneurship Monitor
GoR:	Government of Rwanda
HEC:	Higher Education Council
HR:	Human Resources
ICT:	Information and Communication Technology
IPRC:	Integrated Polytechnic Regional College
IPRs	Intellectual Property Rights
MIFOTRA:	Ministry of Public Service and Labour
MINECOFIN:	Ministry of Economic Planning and Finance
MINEDUC:	Ministry of Education
MSMEs:	Micro, Small and Medium Enterprises
NEP:	National Employment Program
NST:	National Strategy for Transformation
Pk:	Packet
PSF:	Private Sector Federation
R&D:	Research and Development
RDB:	Rwanda Development Board
RTB:	Rwanda TVET Board
SMEs:	Small and Medium Enterprises
SWOT:	Strength, Weaknesses, Opportunities and Threats
TVET:	Technical and Vocational Education and Training
VC	Venture capitalist
YEGO:	Youth Empowerment for Global Opportunity

TABLE OF CONTENTS

FOREWORD.....	ii
Acronyms.....	iii
LIST OF FIGURES	v
LIST OF TABLES	vi
LIST OF ANNEXES.....	vii
GLOSSARY	viii
1. INTRODUCTION AND GENERAL OVERVIEW.....	1
1.1 INTRODUCTION	1
1.2 BACKGROUND OF BUSINESS INCUBATION CENTERS	2
1.3 INNOVATION AND CREATIVITY	3
1.4 ENTREPRENEURSHIP PROCESS.....	3
1.5 RATIONALE	4
1.6 SITUATION ANALYSIS	5
1.6.1 Current situation	5
1.6.2 SWOT Analysis	6
2. BUSINESS INCUBATION CENTER FRAMEWORK.....	8
2.1. POLICIES AND STRATEGIES LINKED TO THE BUSINESS INCUBATION CENTERS .	8
2.1.1 Entrepreneurship Development Policy.....	8
2.1.2 Vision 2050	8
2.1.3. National Strategies for Transformation 1 (2017-2024)	8
2.1.4. Education Sector Strategic Plan (ESSP) 2018/2019 to 2023/24.....	8
2.1.5. National Skills Development and Employment Promotion strategies (NSDEPS) 2019-2024	9
2.1.6 Private Sector Development and Youth Employment Strategy (PSDYES) 2018-2024.....	9
2.2 ESTABLISHMENT OF BUSINESS INCUBATION CENTERS	9
2.2.1. Budget implication for establishing a new BIC within a TVET school ¹	11
2.3 INSTITUTIONAL FRAMEWORK OF BUSINESS INCUBATION CENTERS(BICS).....	12
2.4 BUSINESS INCUBATION PROCESS AND STAGES.....	13
2.4.1 Pre-incubation	13
2.4.1.1 Selection process.....	14
2.4.2 Incubation	16
2.4.2.1 Services delivered in incubation	16
2.4.3 Post-incubation / Business acceleration	18
2.4.4 Activities & Programmes.....	19
2.5 LEGAL STATUS OF BIC	20

2.6. BIC MANAGEMENT	21
2.6.1. Organizational Structure of the Incubation	21
2.6.2 The management committee	22
2.6.3 Human resources management	22
2.7 FINANCING MODEL	23
2.8 BIC PARTNERSHIP	25
2.9 ROLES AND RESPONSIBILITIES OF STAKEHOLDERS.....	25
2.9.1 Key responsibilities in summary.....	25
2.10 BIC PRODUCTION UNIT	26
3. MONITORING AND EVALUATION	27
ANNEXES.....	29
Annex 1 : Application for	30
Annex 2: Template- Business plan	36
Annex 3: Evaluation grid.....	44
Annex 4: Self -evaluation criteria.....	46
Annex 5: Job description	48
Annex 6: License Agreement.....	52
Annex VII: BIC Monitoring and Evaluation Matrix	57

LIST OF FIGURES

Figure 1 Entrepreneurship Process.....	13
Figure 2 Evaluation/ Selection process.....	21
Figure 3 Incubation Process.....	22
Figure 4 Organizational Structure of the incubation.....	24
Figure 5 BIC's Cost and Income model.....	26

LIST OF TABLES

Table 1 SWOT Analysis.....	14
Table 2 Cost Implication for a new TVET school linked incubator.....	18

LIST OF ANNEXES

Annex 1 :Application form.....	30
Annex 2: Template- Business plan	35
Annex 3: Evaluation grid.....	41
Annex 4: Self -evaluation criteria.....	43
Annex 5: Job description	44
Annex 6: License Agreement	48
Annex 7: BIC Monitoring and Evaluation Matrix	49

In these guidelines, the following terms will have their specific connotations:

Business incubation center also referred to as “Incubator” is a place where the incubation activities are carried out, and where the would-be entrepreneurs and the existing SMEs find a suitable place, in terms of facilities and expertise, to address their needs and develop their innovative business ideas, and transform them into sustainable realities. An Incubator could also focus on virtual incubation.

Education is defined as an act or process of imparting or acquiring general knowledge, developing the powers of reasoning and judgment, and generally of preparing oneself or others intellectually for mature life. It is also referred to the act or process of imparting or acquiring particular knowledge or skills, as for a profession.

Entrepreneurship refers to the process of creating a new enterprise and bearing any of its risks, with the view of generating revenues. A person who creates a new enterprise and embraces every challenge for its development and operation is known as an entrepreneur.

Entrepreneurship education is a collection of formalized teachings that informs, trains, and educates anyone interested in participating in socioeconomic development through a project to promote entrepreneurship awareness, business creation, or small business development.

Incubation is a process which tends to be activated whenever there is a need to support entrepreneurs in developing their own business.

Production unit is the engagement of educational institutions or business incubation centers in production activities.

School-based Business Incubation Centre refers to a Business Incubation Centre within and under a TVET school. It mainly provides services to residents or graduates, upon request.

Stand-alone Business Incubation Centre refers to a Business Incubation Centre not linked to any school. It mainly provides services to the community, upon request.

1. INTRODUCTION AND GENERAL OVERVIEW

1.1 INTRODUCTION

Business incubation formally began in the US in the 1960s, and later developed in the UK and Europe through various related forms (e.g. Innovation centers, technopoles / science parks). It is recognized as a way of meeting a variety of socio-economic needs, including employment and job creation, support for small firms with high growth potential, transfer of technology, promoting innovation, enhancing links between universities, research institutions and the business community, industry cluster development and assessment of a company's risk profile.

In general, a Business Incubation Center is a physical location that provides a defined set of services to individuals or small companies. This may include specific types of office space, flexible lease terms, access to technology, financing, and technical assistance (such as marketing, legal, finance, Human Resource, and other business development services). By locating similar or complementary entities in proximity to each other, the incubator may also play a critical role in promoting knowledge transfer, both formally and informally.

Aernoudt (2004) describes the term incubator as an umbrella concept which covers a heterogeneous group of institutions. There have been some studies aiming to classify Business Incubators; Business Incubators have been differentiated along various dimensions like; purpose (Bollingtoft&Ulhoi 2005), ownership structure-whether they are privately or publicly owned (Grimaldi &Grandi 2005), service portfolio and management features (Aerts et al, 2007) Accelerators are similar to incubators but they are involved in pushing the growth of already developed enterprises.

Sustainable inclusive economic growth, a strong competitive and innovative private sector and the creation of productive jobs are among the priorities of the economic transformation agenda.

The integration of entrepreneurship and incubation services in formal education and training is still a big challenge. As a result, youth often fails to make the transition from the initial stages of developing a business idea to gainful self-employment and job creation. There is still insufficiency of targeted career guidance, counselling, mentorship and employment services geared towards addressing the needs of young people. There are also limited opportunities for Micro, Small and Medium Enterprises (MSMEs) to study and define their own needs for skilled workforce.

To address some of the gaps mentioned above, these guidelines are aimed at supporting Technical Secondary Schools and Vocational Training Centers in Rwanda to establish Business Incubation Centres thus to put in place an enabling environment for sustainable development

of students' skills in entrepreneurship and business management. Those benefiting from the establishment and operationalization of Incubation Centres will have the opportunity not only to acquire skills, but also to implement them in practice by starting up their own businesses, collaborate with other start-ups and be mentored through the business incubator model.

1.2 BACKGROUND OF BUSINESS INCUBATION CENTERS

Sustainable inclusive economic growth, a strong competitive and innovative private sector and the creation of productive jobs are among the priorities of the economic transformation agenda.

Rwanda is one of the fastest growing economies in Africa and available data indicate that 70% of the TVET graduates and 67% of higher education graduates are able to secure paid employment, and that employers' satisfaction levels are high (MINEDUC, 2016). Through the Education sector strategic plan (ESSP) the government aims at identifying the changing requirements of employers to ensure training provides the relevant bridge to the world of work.

Since 2008, Rwanda developed and implemented national strategies through the Rwandan Economic Development Poverty Reduction Strategy I and II (EDPRS I&II) and both strategies focused on linking Technical and Vocational Education and Training (TVET) Schools with productivity and youth employment. Under the strategy, the government wishes to increase the number of micro, small and medium enterprises (MSMEs), which is a key cluster to job creation for youth. The mandate of TVET schools is to produce graduates who can be active at various MSMEs. However, it is difficult to expect competent micro, small and medium enterprises (SMEs), if adequate business development services, training, consultancy, and advert, history assistance are unavailable to them. Moreover, without effective programs or support, young entrepreneurs face a big challenge to develop and commercialize their innovative ideas and start their businesses.

To upgrade hands-on skills and enhance Entrepreneurship Development skills, RTB is initiating the establishment of Business Incubation Center in TVET Schools in order to achieve NST1 and equip students with business development skills by supporting innovative students to build and commercialize their innovative ideas helping those who lack minimum supportive facilities to start their own business.

TVET Schools Incubation center is an environment where TVET trainees are supported to turn ideas into viable business models, find investment opportunities and partners, gather skills to perform at higher levels, and gain the right experiences. Business incubation at TVET School level is meant to transform the mindset of aspiring young entrepreneurs among TVET trainees to be innovative, entrepreneurial, and commercially aware.

The center supports the successful development of start-up companies through an array of business support resources and services. The successful completion of a business incubation program increases the likelihood that a startup company will stay in business and grow exponentially.

When properly planned and managed, and with high-quality services, as well as facilities and infrastructures, business incubators have a strong potential for good return on investment and to produce entrepreneurs, who will through their enterprises provide employment and contribute to the national economy. Thus, TVET institutions should invest a lot of efforts in implementing an effective Business Incubation Model to produce competitive workforce for self-employment and job creation.

1.3 INNOVATION AND CREATIVITY

The TVET system in Rwanda promotes innovation and creativity among students and trainees by supporting them to nurture innovative ideas and transform them into real businesses. The incubations boost innovation and creativity by polishing young people's potential prototypes and supporting them to scale up their ideas to commercial level and make a positive impact in society.

The Incubation Centre plays an important role in harnessing the innovation and creativity towards commercialization. The backbone of harnessing innovations, in collaboration with the Incubation management, is to give innovators access to available workshops and support them in raising funds. Moreover, a trainer in Entrepreneurship offers technical support in practical Entrepreneurial Skills acquisition.

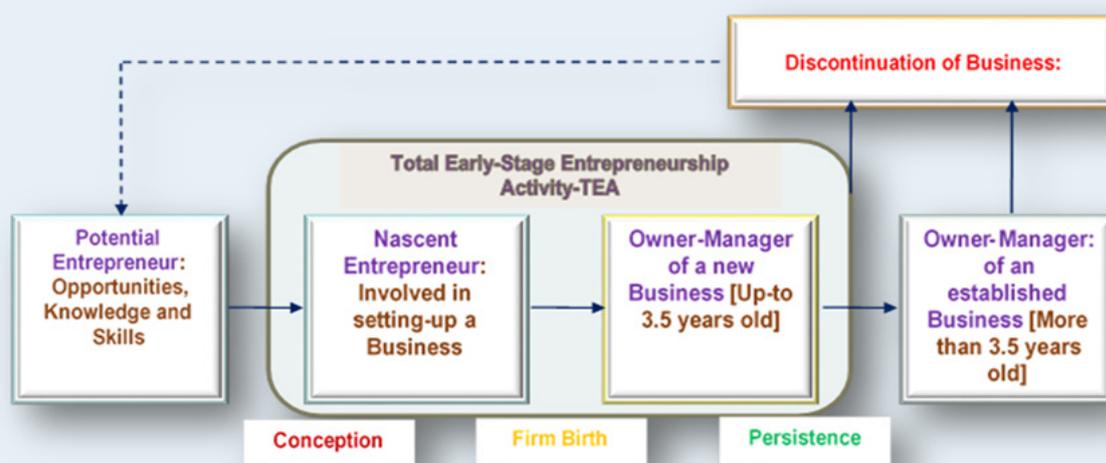
Incubation centers are expected to initiate a strong partnership with other TVET institutions, industries and companies to commercialize students' innovations, achieved through the learning by doing approach.

The incubation Centre contributes to the program "Made in Rwanda" by promoting locally-made products.

1.4 ENTREPRENEURSHIP PROCESS

The Global Entrepreneurship Monitor (GEM) divides the entrepreneurial process into four phases namely: the conception phase; the start-up phase; the persistence phase; and the established phase (Bosma & Levie, 2010).

- The conception phase is when entrepreneurs are nursing the idea to start a business.
- The start-up phase is when the business starts, that is, the first year of operation.
- The persistence phase is also referred to as the survival stage. It is the stage whereby the entrepreneur has made good progress and gained some experience. The business is growing, salaries and wages are being paid, running expenses and other operational costs are being incurred for up to three and half years.
- The established phase involves scaling the business, expanding into new markets, and optimizing operations. It involves strategic decision-making, resource allocation, and continuous innovation to sustain and increase market share



Source : <https://www.gemconsortium.org/wiki/1149>

Figure 1 Entrepreneurship Process

1.5 RATIONALE

In a rapidly changing global economy, small and medium scale enterprises are an increasing force for enhancing national economic growth and employment. Many government programs contain policy instruments addressing SMEs. New structures and strategies are being explored that will help small enterprises to grow and provide a promising future in the global market. In a number of more competitive economies, business incubation is one of the tools that have helped to create new entrepreneurial skills and new businesses.

As a dynamic process of business development, Business incubation Center in TVET system is an organization designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections. The business incubator target group includes small entrepreneurs that want to grow, new graduates and those who would like to develop their talent and ideas and commercialize them.

The need for business incubation is one of the outcomes of TVET ecosystem sponsored benchmarking exercise of the small and medium enterprise support structure in Rwanda.

Some TVET graduates will start a job as an employee, but some will become employers themselves. Therefore, the TVET system started establishing incubation centres in Technical Secondary Schools and Vocational Training Centres. However, a few challenges after having established the incubation centres are:

- 1) lack of capacity to develop and apply effective and transparent processes to select projects;
- 2) limited availability of funds to ensure selected projects are implemented in practice;
- 3) insufficient coaching support to transform the proto-types into investible projects.

To address these challenges, the National Skills Development and Employment Promotion strategy (NSDEPS) advocates for harmonized guidelines for incubation centres in TVET schools and stand-alone incubation centers to better serve their purposes. According to the Private Sector Development and Youth Employment Strategy (PSDYES) 2018-2024, Production and Business Incubation centres targeting high growth entrepreneurs will be developed and approved to guide the implementation process.

1.6 SITUATION ANALYSIS

1.6.1 Current situation

The promotion of entrepreneurship culture and mind set in business environment is one of trade policy objectives that were developed by Ministry of trade in 2010 to increase the challenge faced by small and medium Enterprises (SMEs). The trade policy states that the core action to address the challenge is Skills development and the promotion of entrepreneurship for those in programs that display entrepreneurial motivation including TVET school and PSF initiatives.

Currently entrepreneurship is being taught at different levels of education from secondary to university and even at different centers owned by government like YEGO centers. Different entrepreneurship development programs are in place to facilitate the youth like National Employment Program (NEP) Kora Wigire, Akazi Kanoze Access and others. The program is commonly known by the general population but in a theoretical manner than practical. This continues to be a challenge to some of youth who wish to start their businesses. The Incubation centers also have been introduced in Rwanda but they are still few as they exist in IPRCs and in Kigali City only and they are not able to provide the expected impact which is nurturing successful businesses.

1.6.2 SWOT Analysis

According to the relevant factor identified in Rwanda economic and social context, the dominant and determining factors likely to influence the success of an Incubator might be summarized as follows:

Table 1 SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong reputation of Incubation Centers for providing training and consultancy services in a wide range of business-related areas. • Existing programs could provide opportunities for incubation training programs. • Supportive management. • Availability of spaces to support/accommodate incubation activities. • Experience in collaboration with national and international institutions. • Strong connections with various stakeholders. • Well-equipped laboratories/workshops in TVET schools and existing BICs help them to provide training facilities (training rooms and laboratory) to both incubatees and external entrepreneurs. • Technical training on manufacturing techniques is intended to become a key driver for increased revenues and sustainability 	<ul style="list-style-type: none"> • Lack of support mechanisms and services to support students' business ideas and new business start-ups. • Lack of practical experience in entrepreneurship and business creation among TVET Trainers. • Theoretical-oriented teaching model; much focus is solely on teaching and inspiring students to the neglect empowering them to become entrepreneurs. • Inadequate involvement of different actors in the local entrepreneurship ecosystem (e.g., corporations, student-led entrepreneurial organizations, incubators) in teaching. • Existing BICs are not running any implementing action, or program projects related to an innovative incubation implementation program, especially regarding the creation of innovative SMEs. • Budget constraints to support the incubation program
Opportunities	Threats
<ul style="list-style-type: none"> • A favourable ecosystem for enterprise creation and development is created. Rwanda is one of the first countries in the Central Africa region to build an articulated institutional enterprise policy framework and to assign policy implementation to specialized government executive agencies • Availability of a wide range of institutions and stakeholders to partner with. 	<ul style="list-style-type: none"> • Lack of coordination and collaboration among the different Public Authorities involved in entrepreneurship development. Lots of them are working to create a new entrepreneurial culture, scouting new business ideas, offering grants and technical support, and even by establish Business Incubators each one independently from the other. Coordination and integration of resources is a critical issue.

<ul style="list-style-type: none"> • Government's commitment to encourage and support entrepreneurship development initiatives, Growing students' preference for business programs. • Growing demand for education which leads to self-employment • BICs might represent a very positive opportunity for Rwanda's economy to start successfully a growing process of diversification and innovation. A worldwide experience strongly recognizes the Incubator as a positive working economic development tool for economic contexts such as Rwanda ones 	<ul style="list-style-type: none"> • Lack of Students' enthusiasm to become entrepreneurs. • Demand for white-collar jobs among graduates. • The concept of Business Incubation Centres is not well understood among key actors. There is a general mislead about the incubator's role in a wider supporting enterprise policy and which kind of services the incubator has to provide in order to help people to start their businesses.
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2. BUSINESS INCUBATION CENTER FRAMEWORK

2.1. POLICIES AND STRATEGIES LINKED TO THE BUSINESS INCUBATION CENTERS

2.1.1 Entrepreneurship Development Policy

Entrepreneurship Development Policy's vision is to develop an effective entrepreneurship support ecosystem that creates the necessary conditions and enablers for Rwandan start-ups and MSMEs to unleash their entrepreneurial potential and to grow dynamic and competitive enterprises that will drive economic growth and job creation. EDP calls for private and public players dedicated to providing entrepreneurs with training, consulting, mentorship, networking, business development services, as well as basic premises and infrastructure, such as business incubators and accelerators as part of business support for young entrepreneurs including TVET graduates (MINICOM, 2020).

2.1.2 Vision 2050

Rwanda aspires to increase the incomes and well-being of all Rwandan citizens, because prosperity is a key element to quality life. Additionally, Rwanda's aspirations are translated in becoming an upper-middle-income country by 2035 and a high-income country by 2050.

To achieve this vision, Rwanda has developed a seven-year government program, the current one is National strategies for transformation (NSTI).

2.1.3. National Strategies for Transformation 1 (2017-2024)

National Strategies for Transformation (NST1) prioritizes inclusive economic growth and social development with the private sector at the helm. The NST1 stimulates that 1,500,000 (over 214,000 annually) decent and productive jobs will be created for economic development and the interventions will focus on Scaling up the number of TVET graduates with skills relevant to the labor market and supporting and empowering youth and women to create business through entrepreneurship and access to finance. In this regard the business incubation centers will be strengthened to support Students and other incubatees in their pursuit of technological or social innovations while nurturing entrepreneurship culture. (MINECOFIN,2017)

2.1.4. Education Sector Strategic Plan (ESSP) 2018/2019 to 2023/24

To increase TVET responsiveness to both labour markets and the socio-economic development of Rwanda, ESSP prioritized TVET to ensure its relevance to the labour market through the provision of an innovative, responsive training system.

Success will be monitored through graduate transition rates into the labour market and employers' satisfaction with the skills graduates demonstrate. Provision of careers guidance and counselling services will be provided at all TVET institutions to orient trainees towards potential opportunities in the rapidly changing Rwandan labour market. The use of the RQF and the competence-based curriculum will ensure improved employer satisfaction with graduates, as well as producing talented entrepreneurs that can incubate and generate new ideas and innovations – thus creating future jobs (MINEDUC,2018).

2.1.5. National Skills Development and Employment Promotion strategies (NSDEPS) 2019-2024

The NSDEP strategy recognized expansion and professionalization of business and innovation centres at TVET Institutions as market -led education initiatives to increase TVET responsiveness to both labour markets and the socio-economic development of Rwanda. The incubation center being established in TVET Schools will support students with interesting projects in developing their business plans and growing their businesses. NSDEPS proposed the interventions to support access to capital for start-ups graduating from incubation centres, the students with promising innovative projects, will be supported to access business development and financial support. (RDB,2019)

2.1.6 Private Sector Development and Youth Employment Strategy (PSDYES) 2018-2024

The PSDYE strategy recognized that the existing ecosystem for entrepreneurship development must be nurtured and encouraged to flourish and will contribute to the promotion of employment for youth. The collaboration with the private sector will be strengthened and for the promotion of youth employment. Two aspects to partnership for skills that need to be incorporated are the need for matching closely skills development programs with private sector demand and the central principle of workplace learning. Youth employment will be promoted through Skills Development and Entrepreneurship and Incubators will be identified and be strengthened or established to promote creativity and innovation culture especially among youth and support talented youth to realize their potentials as a way to promote massive and decent jobs. Those incubation centers will also be technology demonstration for standards compliance in the value chain for SMEs with production contents deficiencies (MINICOM,2017).

2.2 ESTABLISHMENT OF BUSINESS INCUBATION CENTERS

The Business incubation centers can be established by both public and private support with a common objective of promoting entrepreneurship development leading to employment promotion with significant emergency of MSMEs.

The key objectives of establishing the Business incubation centers are:

- To nurture entrepreneurial mindset by supporting students and trainees in their pursuit of technological or social innovations.
- To provide aspiring youth with a platform where they can generate, present and test their business ideas and develop their concepts into market ready products.
- To provide students and trainees with a platform where they can share experience and expertise in the field of entrepreneurship.
- To support students and trainees in developing entrepreneurial paths and managing their businesses taking into consideration relevant legal, financial, and social requirements.
- To support promising start-ups during their initial development when they are most susceptible.
- To provide access to markets.
- To engage participants in the process of designing and developing new products
- To offer resources (mentorship, equipment, etc.) as measured viable on case to case basis.
- To establish academia-industry linkages to evolve mutually beneficial solutions.
- To encourage disruptive innovations and partner in knowledge-based economy.
- To help participants start their business by reducing the related costs and risk.
- To hand-holding in commercialization of market ready products.
- To harvest organizations that graduate as a gainful business concerns.
- To provide business development support services to TVET business projects.
- To establish collaboration between incubates and stakeholders, especially financial institutions.
- To avail relevant equipment to incubates to make the Centre a suitable place for doing business.
- To stimulate the culture of entrepreneurship among TVET graduates and Rwandans in general.
- To support Students capable of exploiting business opportunities and creating successful businesses.
- To coach and mentor graduates or business starters in creating or managing their businesses.
- To host/ incubate new businesses up to their competitive maturity.
- To enhance job creation and employment opportunities.

Considering the macro-economic perspective, The Government should allocate resources as this initiative requires continuous and rigorous support given its nature of non-profit making and customer service oriented meant to avail more employment opportunities.

The following types of Business Incubation Centers exist:

a) TVET School Linked BICs

A TVET School linked BIC operates under an accredited TVET School. The BIC will have an office within the school and managed by one of the school staff but the later may vary

depending on the trades within the school. The managing team includes:

- Entrepreneurship trainer,
- Technical Staff
- Career Guidance Advisor
- Liaison Officer

b) Stand-alone BICs

The stand-alone Business Incubation Centre - *a Business Incubation Centre not linked to any school* - shall be completely autonomous since it has its own separate management working under RTB, whereas a TVET-linked Business Incubation Centre shall operate under the management of the school that it is attached to.

The stand-alone BIC to start its operations, it must fulfil the following requirements:

- Adequate infrastructure
- Machinery tools and equipment related to services offered
- Registration of the services offered in a competent institution
- RTB Recruitment of competent/qualified staff
- Availability of Resources of start-up cost
- Set the guidelines for the quality of the services offered referring to national policy of standardization

2.2.1. Budget implication for establishing a new BIC within a TVET school¹

In order to ensure suitable space for incubation to take place, some investments are needed, as well as equipment such as Desktop PC, Printer, Scanner Copier, Projector, Video conference, Office furniture, meeting room, internet connectivity, etc... Below are the requirements and estimated cost to meet standards of the TVET school linked incubator.

Table 2 Cost Implication for a new TVET school linked incubator

Item	Number	Unit Cost [FRW]	Total Costs [FRW]
1. Transformation works of available room into working offices	1	5,000,000	5,000,000
2. Office chairs	25	50,000	1,250,000
3. Office Tables with drawers	10	200,000	2,000,000
4. Office cabinet	5	120,000	600,000
5. Computers (Desktop/ laptop)	25	500,000	12,500,000
6. Projector	1	1,200,000	1,200,000
7. Whiteboards	1	300,000	300,000

¹ A feasibility study/market survey will be mandatory to determine the required budget for a specific BIC

Item	Number	Unit Cost [FRW]	Total Costs [FRW]
8. Markers	5 pk	50,000	250,000
9. Flip chart stands	1	200,000	200,000
10. Flip chart pads	5	15,000	75,000
11. Rubber	1	5,000	5,000
12. Reams of papers A4	20	10,000	200,000
13. Waiting Room furniture	1	1,000,000	1,000,000
14. Running Costs (Staff Remuneration, communication, advertisement, etc...)	One year	5,000,000	5,000,000
TOTAL per one school			29,580,000

2.3 INSTITUTIONAL FRAMEWORK OF BUSINESS INCUBATION CENTERS(BICS)

A Technical secondary school has potential candidates and opportunities for establishing a school based BIC, which means that the stand alone BIC, in addition to providing incubation services, should be also the acceleration centre to ensure the business growth of the best selected start-ups from different TVET BICs. It should support the start-ups to file for IPRs (Intellectual Property Rights), register for Rwanda Standard Board Certificate (RSB) and continue trainings on business growth and access to funds

The stand-alone BICs have their own premises, management structure; Management Committee that is headed by the incubation Manager. A TVET School linked BIC operates under an accredited TVET School and has an office within the school and managed by one of the school staff.

A stand-alone BIC has an autonomy in decision making to facilitate its functions and activities. Both TVET- linked and stand-alone BICs shall operate under the principle of non-profit making.

It is important to underline that the stand-alone BIC:

- Must be completely autonomous in terms of management and operating as an independent entity.
- Is managed in accordance with sound management principles of a private company, meaning that it must have a policy, objectives, plan of action and a budget for which the Manager is answerable to the RTB Senior management and to those providing the funds. The business Incubator is non-profit making, and it must close its balance without profit and losses.

- To achieve its mission and to be self-sustainable, business incubators need to be flexible enough, although there is necessity to internalize those qualifications which generate the added value in the local system for innovation and that are the basis of the core activities the BIC will undertake and of the core services it will deliver.

2.4 BUSINESS INCUBATION PROCESS AND STAGES

The incubation process, or parts of it, is put in place whenever there is a need of nurturing would-be entrepreneurs to think over and further develop the business idea and transforming it into a viable and sustainable activity.

There are three stages of incubation:

2.4.1 Pre-incubation

Pre-incubation relates to the overall activities needed to support the potential entrepreneur in developing his business idea, business model and business plan, to boost the chances to arrive to an effective start-up creation. It usually implies a first assessment of the idea, training, and direct one to- one assistance necessary to put the client in the conditions to write a fully complete business plan.

BICs should be clear about what kind of clients they need to target for the provision of services. Once the diagnostic phase is complete, BICs should implement an agreed strategy and procedure to govern the relationship such as an agreement with individual entrepreneurs' or start-up enterprises which should set out the services that have been discussed and agreed upon and that will be provided over a pre-determined (estimated and flexible) period.

In the provision of services to new individual entrepreneurs'/start-up enterprises, BICs should;

- Undertake risk analysis in the pre-incubation phase (technology, marketing, human resources etc.), using a structured and consistent method designed to give reliable results
- Provide guidance and support in the business planning process, using a structured and consistent method that addresses all the necessary elements of starting up a successful business.
- Help the individual entrepreneur/start-up enterprise to define his/her/its business model
- Support the individual entrepreneur/start-up enterprise with the financial planning for his/her enterprise and help him/her to access finance through e.g. public measures (tax incentives/relief, subsidies), alternatives to bank loans (business angels, seed capital, venture capital), Donors programs and appropriate private initiatives [competitions etc.],
- Provide access to general or thematic training as appropriate to the individual entrepreneur/start-up enterprise and the BIC mission, either directly or through appropriate

co-operation agreements BICs should also undertake the initial and ongoing analysis of the needs of individual entrepreneurs'/start-up enterprises.

- Provide mentoring and coaching primarily by the BIC's own staff or using outsourced professional consultants

2.4.1.1 Selection process

Considering the entire evaluation process (fig 2), the application form presented by any potential entrepreneur will be first screened by the Incubator evaluation committee and only after a meeting with the applicants the committee will be able to provide a positive or negative evaluation. The screening process will be conducted according to the selection criteria, which are fully consistent with the goals of the incubators. BIC's evaluation of the application will take more in consideration the professional and education background of the applicant, the understanding of market and growth potential, the product feasibility, and the coherence/innovativeness of the business/product idea. The screening must even be conducted in consideration of potential synergies among clients.

The Selection stage should be well planned with a high sense of competence and scrutiny. The applicant enterprises should be evaluated regarding their alignment with the incubator's characteristics, followed by more specific steps for evaluating the merit/quality of the enterprise. Key elements of the evaluation process are:

- **Preliminary evaluation:** the selection process's first stage must choose those enterprises most in line with the BIC incubator's characteristics.
- **Training and orientation:** the selection process must include a preparatory course for entrepreneurs, orientation that is focused mainly on the package of "Entrepreneurship development skills"
- **Interview:** it consists of a particular scheduled time with entrepreneurs to have a mutual understanding with entrepreneurs' business idea. It's fundamental clearly understand the project details and evaluate the management team's competence, coherence and commitment.
- **Evaluation Committee:** As already underlined, the involvement of different professionals is essential to the success of the selection process. In addition to the three planned members, specifically stand-alone BIC' evaluation committee might activate specific collaboration with professionals from outside the incubator depending on the business idea evaluation needs.

The first positive evaluation represents the first step after which the champion will be "tutored and trained" and have to redefine the business plan with the support of the incubator team: only when the business plan is ready and complete according the standard and form provided by BIC, the committee will express a definitive evaluation about the entrepreneurial idea.

If the evaluation is positive, the Business Plan will be submitted by BIC evaluation committee to the manager and then reports to BIC Management Committee for final approval.

After that time, the new entrepreneur will be admitted to benefit on the incubator services according to the formalized and standardized agreement, the benefits include; specification of incubation accommodation costs, access to BIC Incubator's facilities and opportunities, access to advices and other related support services aimed at strengthening the business start-ups.

In synthesis, each step is characterized from the following main contents, actions, output and procedures:

- **Step 1:** submission of an executive summary as a first step in the admissions process, the prospective company should submit an application form/executive summary according to the available BIC application format (Annex I). BIC will submit the executive summary to the Evaluation Committee. BIC does not require a final business plan at this step, but the incubator does require a written business idea that the clients have thought through the entire business process and, to some extent, have addressed essential issues which will affect the business success.
- **Step 2:** Presentation to BIC: If the initial evaluation of the business plan / executive summary is positive, BIC will arrange a meeting with the business founders, during which they will be expected to make a presentation describing critical aspects of the business plan to an evaluation committee. The presentation will be followed by question-and-answer session. After the presentation, a final determination will be made regarding the clients/incubate entry into phase 3 for due diligence assessment of the business idea.
- **Step 3:** Enterprise Due Diligence. Throughout the application process, based on the availability, BIC will perform research and due diligence of the incubatee, the management team, the industry, current and future competitive elements facing the business. BIC may require further information from the applicant, and may ask him or her to revise the executive summary and finalize a full Business plan according to a provided format by the incubator. The output of step 3 is a complete and comprehensive Business Plan according to the format (annex II). The applicant will be informed of final decision within a week after the presentation.
- **Step 4:** Start up establishment and incubator entry; the Time needed to complete all the evaluation process; the approval process may not go beyond four weeks. The length of the approval process is largely dependent on the preparedness of the prospective applicant. After successful completion of the admission process, the time between approval and the actual move-in date is flexible, due to varying conditions such as space requirements, paperwork, etc. The incubation entry must comply with an agreement duly signed between BIC and the entrepreneur (Annex VI).

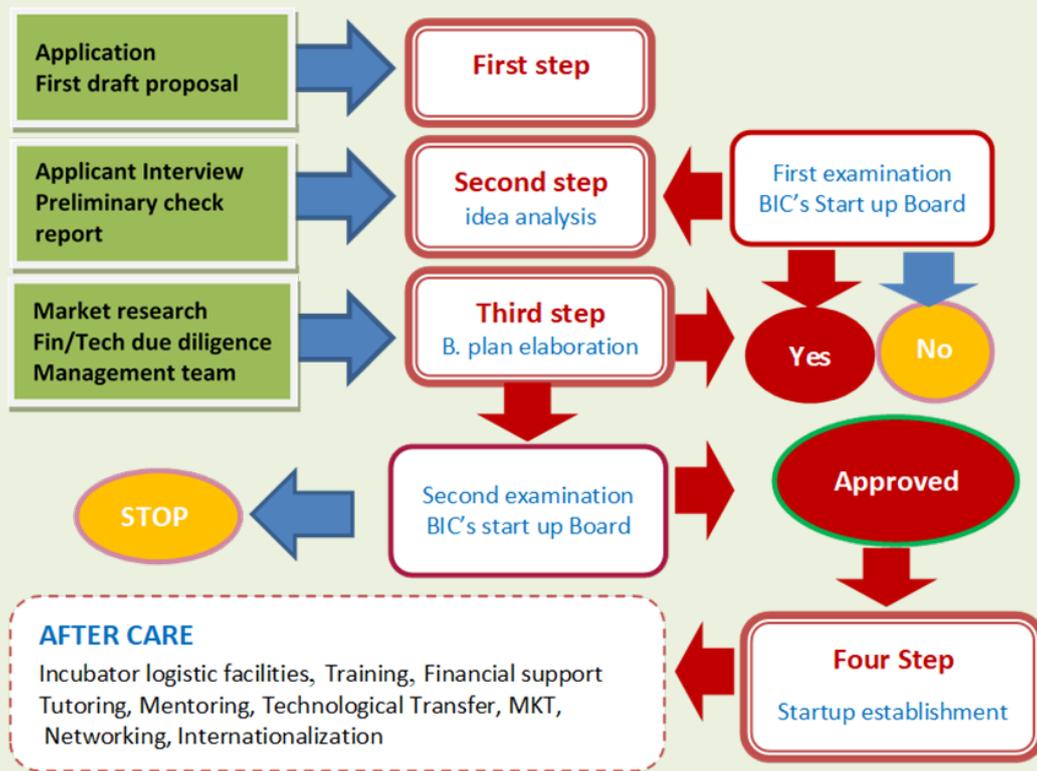


Figure 2 Evaluation/ Selection process

2.4.2 Incubation

Incubation concerns the support given to the entrepreneur from the start-up to the expansion phase. Typically, this is a mid-term process, lasting usually for the first three years of activity of the newly established company, which are the years in which it is safe to say whether the new venture is successful and has a good chance to develop into a fully mature company. The actions activated generally are access to finance, direct coaching and mentoring¹ services, as well as hosting services and specific training. Therefore, physical incubation, although a very important service, is a subset of the overall incubation process.

2.4.2.1 Services delivered in incubation

A Startups-incubator should have enough resources to ensure smooth and successful program implementation hence reducing the startup's failure rate. Every startup should be given equal opportunity to use, or access required resources. However, a project can be more demanding to the extent that a school/incubator must put in more resources which will later be counted as an investment of the school in the project.

2 A perfect mentor is a Good listener, Clear communicator, Clear thinker/decision maker, Good motivator Non-judgmental Experience/understanding of technical issues relevant to business proposal, or specific business related matters, or entrepreneurial issues, Realist Enthusiastic with a strong interest in individual self-determination, willing to share expertise, willing to share network contacts

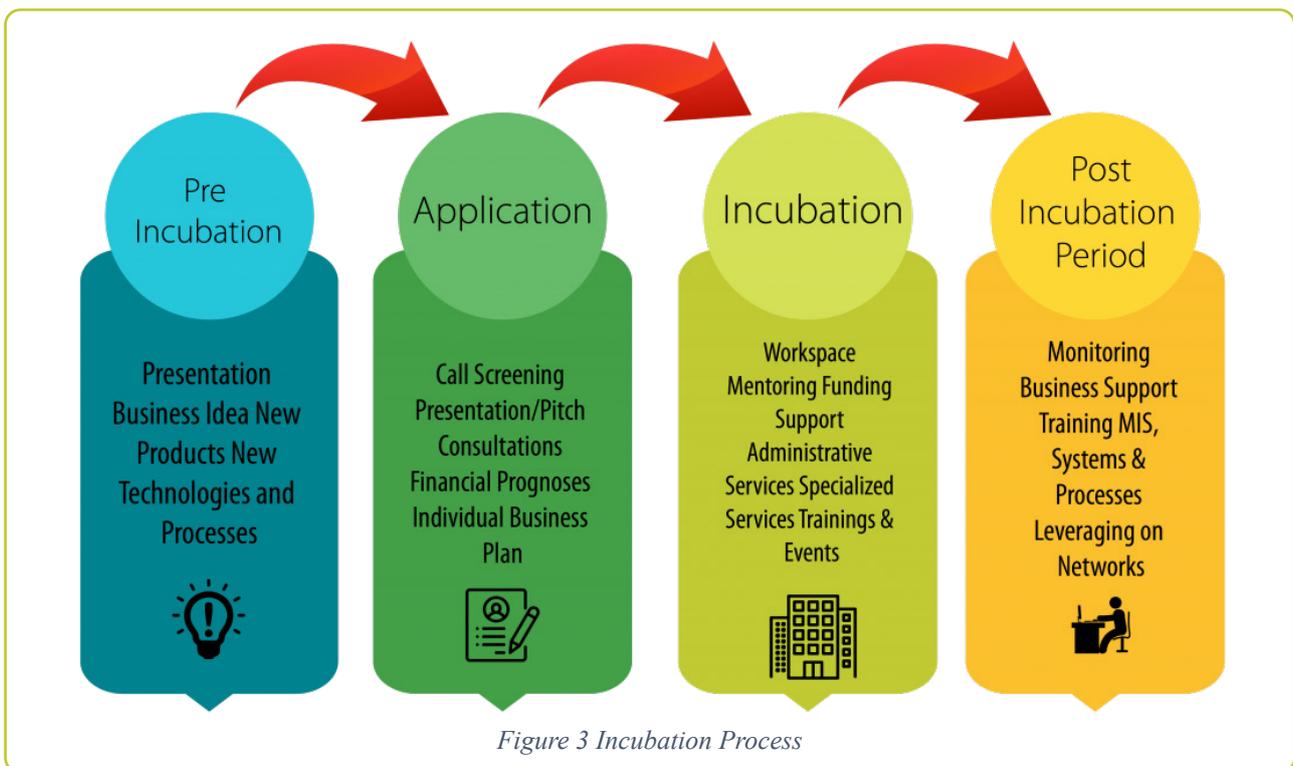
Below listed are key resources recommended to have for the incubation.

- **Training:** this aims at newly minted ideas, this will be developed to provide the proper molding of an idea into a feasible business plan capable of being a successful and a profitable business proposition which include building teams, developing an idea, dedicated and experienced trusted advisors and mentors, selection after two months of intensive workshops for creation of teams and ideas for the next program
- **Research and Development(R&D);** the program functions to build the company around the idea which best suits, its requirements, enhancing the chances of the idea realization; pivot and understanding the scale, support for people if their ideas do not work by joining alumni start-ups as an earlier employee, continued mentoring for building MVP (Minimal viable products), community events, time frame 3-6 months
- **Workspace:** A conducive environment is needed to make sure the incubatees are concentrating and co-work interactively to maximize the output. In the workspace, we expect to have tables, chairs, whiteboards and markers, Sticky Notes, papers, flipcharts, a drinking water tank, recreation space (for logical games), projector/screen, printer, trashcan, fast internet, and other accessories that are important for a conducive and interactive environment.
- **Workshop Materials:** Since all the projects will be technology-enabled or based solutions, a workshop will be equipped with required machines, software, and consumables for incubatees project development. Some of the recommended materials for the hardware prototyping may include but are not limited to; 3D Printers, CNC Machines, Electrical and Mechanical Tool Kits, Electronics Components, Software (Solidworks/Autodesk, Eagle software, Altair One™, etc....), other consumable materials, and other Machines.
- **Curriculum & Contents:** Startups Incubation follows different sets of content materials from different sources, being Universities, Innovation hubs, etc.... Even though all the sources might be giving almost the same direction, optimization and customization are important to align the program to the center of the existing problem. It is in this regard the 4Ds Metrics Curriculum and Contents are recommended due to how its content outline follows a logical and strategic setting to enable a startup to develop a desirable and feasible product or service for a profitable, scalable, and sustainable business.
- **Logistics:** Logistics support is essential, especially during market research and testing phases. The innovators will need to go on the field and meet customers or they will need to purchase some materials that are not available in the lab, transport facilitation should always be ready to support in case it's needed and approved by the Facilitators.

- **Seed Funding:** Seed funding is necessary to support where necessary Incubatees. This can be a fund that's there to fill any financial gaps that may be faced by any incubatees during the incubation or support the innovator in case the required materials are beyond what is available in the Incubation lab.

2.4.3 Post-incubation / Business acceleration

Post incubation relates to the activities to be carried out when the company has reached the maturity phase, and therefore is ready to walk on its own feet. It is the time when, if it has been physically incubated, the company will leave the incubator. Various services might still be needed by the SME for example to increment its sales or improve its productive processes, such as internationalization services or innovation introduction through scouting and detection activities. Incubators positioned as “post incubators” sometime rename themselves as “accelerators”.



Business acceleration program exists to help the company scale up into different markets or an adjacent offering, helping to extend the roots of the company; continued mentoring for scale up, commercial support and introductions to potential customers, hiring through talent platforms, signing agreements with public and private companies for implementation, hosting the companies into the BIC to use its premises, provision of financial support for the company, time frame 12-36 months.

2.4.4 Activities & Programmes

The incubation center needs to undertake multiple and sometimes parallel activities to achieve its objectives and milestones. Thus, activities become an important component of the operations plan. The choice of activities essentially depends on two basic factors namely, the stage of the start-ups the business incubation is targeting and the objective of the business incubation.

Activity / Program	Intent	Objective	Duration
Call for business incubation service	Map the existing and emerging start-ups	To inform all interested people with innovative start-ups/ideas in specific areas of intervention to apply. It is an opportunity to scan in the ecosystem and analyse the trends of the existing and emerging start-ups in the region	1 month (September)
Open days	Sensitize	To provide an idea about the incubator and its different activities towards start-up support	2 - 3 days
Business Plan Competitions	Activate & Engage	To scout innovative start-ups or ideas in any specific sector or region with some award as the final outcome	1 day
Capacity Building Workshops	Engage & support	To provide start-ups with various knowledge sessions, practical hands-on sessions and on imparting knowledge through practical approach	3 months
Business Accelerator	Engage & Support	To identify, nurture and support start-ups with the objective of making them investable.	3 - 6 months
Demo Day/ Pitching Sessions	Engage & Support	To provide start-ups with a platform to showcase their businesses to the investors and other stakeholders	½ day
Advisory & Mentoring Sessions	Support	To provide insights into any specific topic or issue through mentoring or advisory help	2 - 4 hours
Incubation/ Co-working space	Support	To provide the benefit of working in an incubation space with facilities of various common services	1 - 2 years

Portfolio Support	Support	To provide network connections, advisory and mentoring support, monitor and track the progress of the start-up	Continuous support
Post incubation	Support	To analyze how the start-up has evolved and study the possibilities for growth in the medium and long term	Continuous Follow-up

2.5 LEGAL STATUS OF BIC

The development of an appropriate institutional/legal framework supporting an effective policy on entrepreneurship and SMEs development will play an important role in the future success of BICs. The goal must be to create an institutional/legal oversight framework that supports flexible, market driven, and result oriented implementation of the Incubator Program.

The nature of the BIC can be a private body, a public body, or a mix public and private organization. The main factors influencing the decision are the activated partnership and the concrete involvement of the private and public sectors. Another concern is whether the BIC should be placed within an existing organization or if a new organization must be created.

Regarding the different type of legal identity, public body under special law represent the main important one related to BIC's in hosting organization, while Equity based one are the most important

BIC as independent unit has the following advantages:

- Flexibility in obtaining funding especially if it is an Equity based company with a large
- Number of shareholders representing the main Public and private actors.
- Managerial/decision-making agility.
- Lesser possibility of political interference.
- Flexibility/agility in complying with agreements/contracts.
- On the other hand, BIC hosted in existing organization:
- Use the administrative structure of the “maintaining body” (financial statements, finances, materials, etc.);
- Benefit from the “name”/credibility of the “host body”;
- Facilitate interaction with other departments of the “host body”

Considering the advantages listed above, Masaka BIC and Nyarutarama BIC should be transformed into new entities completely independent and autonomous under RTB, which might become a major shareholder.

The TVET schools' linked Incubators will be operating as non-profit making entities with at least three (3) full time staff that primarily execute developmental functions of orienting successful new enterprises within the institutional context.

Business Incubation as a stand-alone unit must be registered in RTB and bear the registration certificate as a stand-alone incubator while school linked BIC is under TVET school as an institution that is accredited by a competent organ.

2.6. BIC MANAGEMENT

In General, for the incubator to be sustainably run will require strong and passionate leadership and management. This team will manage to lead and successfully achieve the short and long-term goals. The short and long term goals made will drive the incubator to some steps forward with a strong motivation enhance more partnerships, Funding, and resource mobilization.

2.6.1. Organizational Structure of the Incubation

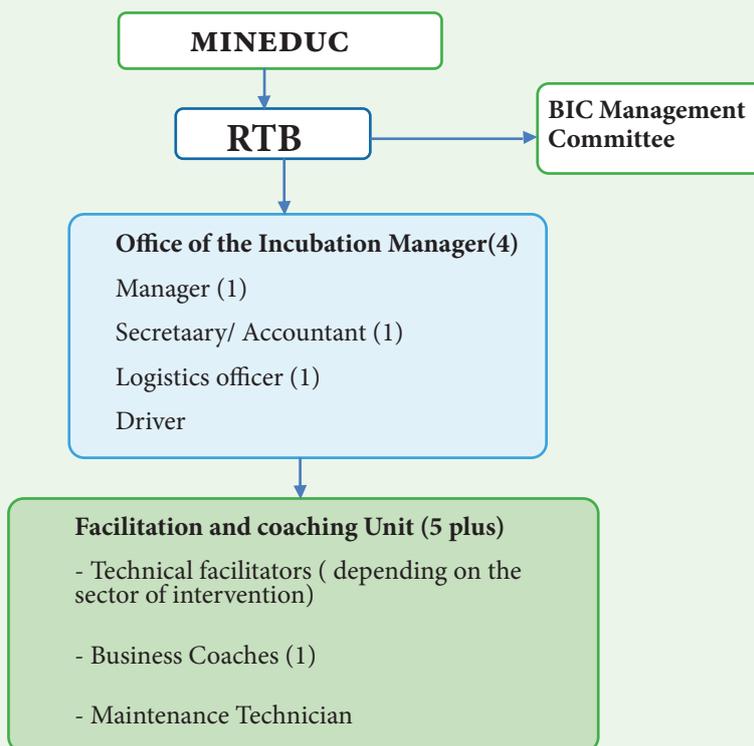


Figure 4 Organizational Structure of the incubation

For a TVET linked Incubation to be well functional a staff in charge of incubation and career guidance services can be helpful once available on the structure of TVET Schools

2.6.2 The management committee

The Management committee is equally composed by representatives from the private and the public sector.

The incubation Manager requests the representative personnel from RTB, RSB and R-FDA for being a part of incubation management committee to join the manager together with one facilitator from the centre.

The Management committee has ultimate responsibility for directing the activity of the BIC, ensuring it is well run and delivering the objectives. The management committee should provide leadership to the BIC by:

- Setting the strategic direction to guide and direct activities of the BIC;
- Ensuring the effective management of the BIC and its activities;
- Monitoring the activities of the BIC to ensure they are in line with the vision, mission and values.
- Participate in incubates selection,
- Review BIC strategy where necessary; and ensure financial sustainability, through among other seeking for external funds.

2.6.3 Human resources management

The human resource Management shall be run and operate without any external pressure being exerted from a private, political or any other sources; the Management has to strengthen the incubator through imparting the culture of entrepreneurship and professionalism, leading to the promotion of business start-up growth.

The human resources for stand-alone BIC are composed by the following personnel:

A. Manager

He/she shall oversee and coordinate all the operations, financial control and planning, HR, performance, quality, marketing and be responsible for the overall contribution that the Business Incubation Centre offers to SME's, and reports to the senior management of RTB with a copy to the BIC Management Committee.

B. The Technical facilitators

He/she shall have overall responsibility of accompanying and follow up of incubatees during research and development plus elaboration of their specific prototypes, facilitate short term trainings, provide a linkage with stakeholders for the BIC, facilitate the incubatees in accessing equipment at the BIC; they will also constantly innovate to ensure it is fit for the purpose to meet the needs identified by the clients.

C. Business Development and entrepreneurship coach

He/she shall facilitate in provision of entrepreneurship skills like; business plan elaboration, marketing, liaising, or linking with financial intermediaries, stakeholders, investors, and any other tasks relevant to the business start-ups.

D. The accountant/ Secretary

He/she shall hold an administrative function to support the Manager and the entire team by contributing to the overall effectiveness of the BIC.

E. Logistics officer

He/she shall take custody of all equipment and asset management, supply chain needs and services.

F. Maintenance Technicians

He/she shall be responsible for operating, testing, maintaining and repair, regular inspection, fixing faulty wiring and calibrating electro-mechanical equipment and any other related infrastructural tasks for the BIC.

2.7 FINANCING MODEL

The Stand-alone Business Incubators shall have an annual budget and the source of funds will be from Government, development partners, income share agreement which should be at least 30 %, start-ups and R&D support funds for the establishment, empowerment and operationalization linked to the national entrepreneurship development policy (NEDP) is likely to be essential for employment promotion. In consideration of the macro economic situation, The Government should recognize that Business Incubators require constant public and private support, with the prospect of becoming reasonably sustainable in service delivery.

The TVET Linked business incubators have their financial resources provided by the attached TVET School for daily operation which is envisaged through;

School fees: Part of the school courses outline, entrepreneurship is one of them! The business Incubator will introduce practical learning on how to develop a profitable, scalable, and sustainable business. If it's reasonable and impactful to students, an affordable amount can be added to students' school fees to support the incubation program.

Income Share Agreement: In case students exhibit a sound project and the school has invested more than what was planned, a certain number of shares will be given to the school and upon income generation dividends will be returned annually to support the business Incubator.

R&D and Startups Fund: Some of the Government Institutions and NGOs are mandated to support Startups and R&D activities promoting potential growth in terms of innovation on global, continental, regional and national perspective. The school must be positioned strategically enough to attract funds for business incubation services.

In return, business incubators will provide a variety of benefits, such as nurturing early-stage ventures to survival and success, diversifying national and regional economy and taking innovations to the market, with consequence direct and indirect employment, export and economic growth. Business Incubators benefit, not readily quantifiable benefits that include promotion of entrepreneurship and networking clusters all over the country and outside its boundaries.

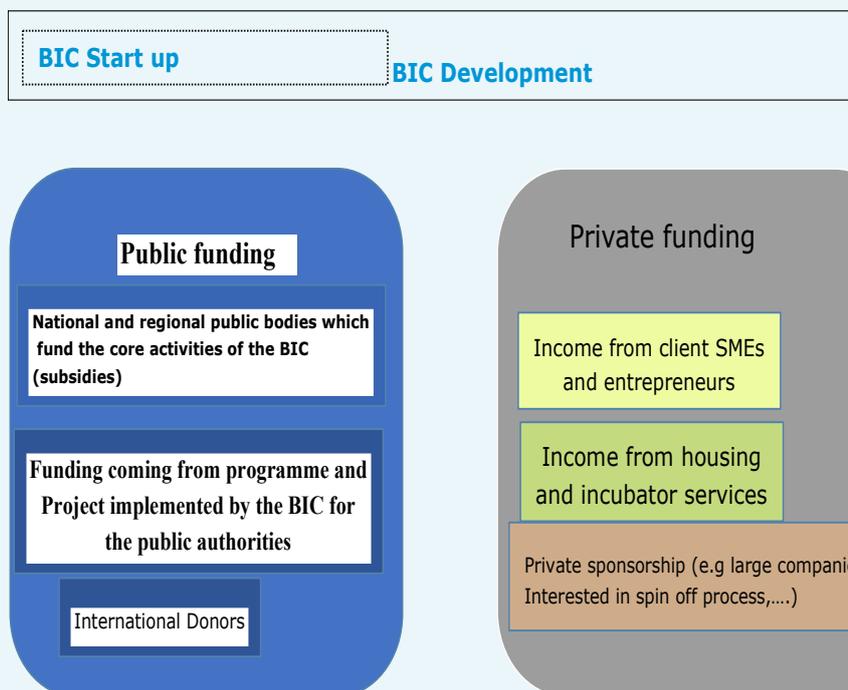


Figure 5 BIC's Cost and Income model

Financial management

BIC's financial status differs considerably from that of commercial company. It has no profit goals and its profitability must be measured even in terms of the number of innovative activities and of job created in relation to the financial and other resources made available. In the start-up phase, it's fundamental to secure the core activities more on the public sphere. A mixt private/public after start up is the most frequent situation. Public funding might be direct subsidies from national bodies which fund the core activities of the BIC or indirect income from programs and project implemented by the BIC for Public Authorities. Direct Financial support from stakeholders would be gradually reduced over a three-to-five-year period, as the Incubator become more service provider and largely self-financing. In case of Masaka and Nyarutarama BICs, an allocated budget from RTB is mandatory.

2.8 BIC PARTNERSHIP

Having strategic partners means, an increased and strategic network, and not only widening the incubator's network but partners could cover some heavy operating costs. One of the most important aspects of having strategic partners is that they create opportunities and market access to some of the students' products after the incubation.

With RTB governance and considering the public nature of the TVET linked or Stand alone Business incubations, the most suitable partnership might be at least with:

- MINICOM
- MINEDUC
- MIFOTRA
- RDB
- BDF
- DISTRICTS
- DPs
- PSF (The private side is strategically important to complete the innovation incubation chain).

A Business Incubation Centre needs to fit in the regional innovation system, it needs to fit as well as the national and regional strategies for innovation. Incubation process should be part of the current, or future, strategies which politicians envisage to use in the effort to create new innovative companies, new stable jobs and enhanced-value in the region. The territory and its actors Private and Public must endorse its activities and acknowledge the Business Incubation Centre as an actor within the system, supporting its activities also through financial efforts.

The incubation centre will work closely and interdependently with different organizations in the fields of Innovation, creativity and Skills Development respectively in accordance with their missions and mandates.

2.9 ROLES AND RESPONSIBILITIES OF STAKEHOLDERS

Stakeholders engagement plays a big role in the successful implementation of business incubation programs. Partnership building that is strengthened through public, private and civil society organizations is required to give strategic orientation in terms of proper implementation. It is significantly important to have a business incubators are self-driven entities within schools and those standing alone to ensure proper leadership and management.

2.9.1 Key responsibilities in summary

- **Government:** Empowerment of incubation management, financial, professional development, standardization, intellectual property rights and strategic support.

- **Development Partners:** Technical, financial, professional and infrastructural support.
- **Higher Institutions of Learning:** Sustainable source of projects and provision of professional expertise
- **Private Sector:** Expertise and experience sharing, financial support and investment
- **Incubatees:** Will respond responsibly to the incubation program

2.10 BIC PRODUCTION UNIT

According to some Stand-alone Incubation experience, a self-sustainable and efficient service policy approach might be to delegate the facility management to an external company, which following a public bid will be in charge to run the facility at fixed cost for Incubator customer. The company will have to provide the laboratory to the existing SME and the new one locate outside or outside the Incubator and it will take care of the equipment maintenance and technical efficiency. With high probability, the company might be a manufacturing company in sector related to the laboratory specialization with strong direct interest in the BIC manufacturing equipment. In consideration of the fact the laboratories are already well equipped and few further updating investments are required, the public call for services has to oblige the managing company to charge the laboratories use at competitive price. This policy price will grant Stakeholders about the original destination of the laboratories.

For the TVET-linked BIC, as well as the stand-alone BIC, the incubation staff (mentors and administrative) and incubates are given opportunities to improve their practical skills, become updated with the latest/appropriate technologies, and gain better understanding of the industrial and social needs by doing some consultancies and furthermore, the incubates will utilize the newly acquired skills and technologies to produce quality products through practice-oriented education aiming at exposing incubates to real world of work.

In addition to the capacity building of staff and incubates, the Production Unit has an important role to play within the institution to generate income. As instructed by the government, every TVET institution has to generate its own income to supplement the government budget.

For the sake of good management of income generation activities, the Production Unit should have a separate management to enhance good service delivery, and reports should be submitted regularly to the management of the incubation.

3. MONITORING AND EVALUATION

In order to increase the quantity and quality of new start-ups in Rwanda economy contest, the BIC incubation strategy has to create a favorable eco-system for incubation, addressing new perceptions about entrepreneurship and encouraging those with potential to think positively about creating a new business venture. It has also to create an institutional/legal oversight framework that supports flexible, market driven, and result oriented implementation of the business incubation center Program. Critical in achieving this aim, it is the creation of appropriate support networks, provision of an adequate, flexible, infrastructure and offer of a tailored range of services and facilities according high quality and efficiency standards.

The start-up priorities to be addressed in achieving this vision may be listed as follows:

- Cultivate entrepreneurial culture throughout the country and change attitudes and perceptions about entrepreneurship throughout Rwanda society.
- Establish new models of collaborative relations between public actors, Schools, University and business firms as a source of competitive advantage.
- Develop a new Incubation platform made of qualified entrepreneurial skills, tools, innovative ideas and talent that enables new business ventures to progress and grow rapidly, particularly cluster focused and knowledge-based projects.
- Provide a flexible and innovative system of support services for entrepreneurs and existing SMEs within the innovation fields and throughout the Incubation process (start-up creation, early stage, expansion)
- Support leading and growing economic sectors (agro-food, leather, diary, ICT, tourism.....) without losing sight of social empowerment need
- Develop a monitoring and evaluation system to measure the impact on the business and social environment.
- Create a data knowledge based system to disseminate information, advice and best practice and to ensure effective tracking of business proposals as part of an enhanced speed of response for entrepreneurs seeking support.

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ANNEXES

ANNEX 1 : APPLICATION FOR

CLIENT APPLICATION FORM²

I. General Information

Business Name _____ Taxpayer I.D. _____

Current Business Address _____

Telephone (home) _____ (office) _____

E-mail _____ Web site URL _____

Date Formed _____

Business Structure

Individual/ Sole Proprietor

Corporation

LLC

Partnership

Non-Profit Org.

Other type _____

Business License: Yes No Location _____

Principal Business Owner(s) [Use additional pages if required]

Name _____ Phone _____ Ownership % _____

Address _____

City _____

Name _____ Phone _____ Ownership % _____

Address _____

Is business currently in operation? Yes No

If yes, year business founded: _____

If no, where are you employed? _____

Do you have a business plan? _____ Yes (if yes, please attach) _____ No (If no, when will one be complete?)

II. Information on Business Product/Service

Briefly describe your product or service:

Briefly describe the market for your product/service (your target customer):

In what geographic areas are the majority of your customers located?

Who are your competitors? (*name at least two*)

Why do you think you have a competitive advantage?

How do you (or plan to) market and distribute your product or service?

Direct Mail

Personal Contacts Made by Owner

Sales Force

Publication Advertising

Other _____

III. Business Experience

Describe your experience that relates to your product/service and the length of that experience.
(Please attach update CV):

List the names and titles of any other officers or key personnel (attach resumes if available):

IV. Business Service Needs

Telecommunication needs:

How many phone lines? _____

How many internet access connections? _____

What types of support services are you interested in?

_____ Receptionist	_____ Secretarial
_____ Copier	_____ Fax Machine
_____ Mail Handling	_____ Conference Room
_____ Computer	_____ Other

Do you currently have an accountant? _____ Yes _____ No

Do you currently have an attorney? _____ Yes _____ No

Do you need management assistance? _____ Yes _____ No

If yes, what type? _____

Do you need marketing assistance? _____ Yes _____ No

If yes, what type? _____

All clients will have access to the expertise of available mentors. What areas of expertise would you be interested in having?

V. Facility Requirements

Are you currently occupying a facility (either in your home or at a commercial location)?

_____ Yes _____ No

If yes, what is your current square meter?

Office: _____ Sq.m. Manufacturing: _____ Sq.m.

What is your approximate monthly cost for this facility? _____

Rent: FRW _____ Utilities: FRW _____

How many square meter of space does your business require?

Office: _____ Sq.m. Manufacturing: _____ Sq.m.

If you require manufacturing space, please describe the machinery and equipment to be located on the premises and what service support is needed to maintain this equipment (i.e., electric load, venting, and cooling).

Do you require use of equipped manufacturing laboratory available at incubator?

_____ Yes _____ No

Do you require use of storage space for raw materials?

_____ Yes _____ No

If yes, how many Sq.m do you require?

Office: _____ Sq.m. Manufacturing: _____ Sq.m.

If accepted as a client, when would you want to start occupancy in the facility?

How many employees will be occupying the space? _____

Current 1 Year 2 Years 3 Years

Full-time _____ _____ _____

Part-time _____ _____ _____

Total number of employees employed by your business? _____

VI. Other

How did you learn about the BIC Incubator?

How do you think your participation in the Incubator will benefit your business?

VII. Business Financial Information

Initial Capitalization: Frw _____

What are your projections for total gross sales volume?

Year 1 _____ Year 2 _____ Year 3 _____

What is the amount and source of financing for operating your business?

Existing Loan(s) Amount _____

Cash/Equity Amount _____

Operating Expenses are/will be covered by sales

Other _____

Are you currently seeking additional funding for your business?

_____ Yes _____ No

If yes, please state funds needed: _____

Where do you plan to obtain these funds? _____

Please list your business's bank references (*include branch location, phone number, and representative's name*): _____

VIII. References

Please provide three (3) professional references. (*These should not be relatives.*)

I am applying for admission to the Business Incubator. I understand that the information contained in this application will be held in the strictest confidence. I understand that as a part of the screening process, my credit history and financial references may be investigated. I further understand that this application is subject to review and in no way guarantees my admittance to this program and that no liability will be assumed by the Incubator.

Signature: _____ Date: _____

ANNEX 2: TEMPLATE- BUSINESS PLAN

1. Information about the Business idea/company

Name	
Website	
Contact person	
E-mail	
Telephone	
Date of incorporation	
Enterprise number	

2. Executive Summary

Summary of the business idea, by describing the main company goals, the mission, entrepreneurs' motivation and expectation and markets main characteristic.

Reading the summary should encourage investors to go further. You only make this at the end. Short summary of the most important parts of your business plan. Imagine that you have 10 minutes to present your plan and that you have to explain the most important parts in 1 to 2 minutes.

3. Background and History

What have you already achieved with your Business/company? Give a concise overview of the most important milestones that you have already set after the date of establishment (evolution of your offer, workforce, financial figures ...)

4. The Business/project

a. The business/project

- ✓ Title, name
- ✓ Description
- ✓ The essence
- ✓ How does this project differ from others?

b. Aim

- ✓ Describe your goals in the short term (1 year) and long term (5 years)
- ✓ Formulate them SMART
 - Specific – Is the objective clear?
 - Measurably – Under which measurable/observable conditions or form will the goal be achieved?

- Acceptable – Are these goals acceptable to the target group and/or management?
- Realistic – Is the goal achievable?
- Time-bound – When do you want to achieve it?

Ex. not “I want to sell more”, but “by 2020 I want to get 20% more revenue from B2B sales.”

Also view the conclusions from your SWOT and translate them into objectives.

Short-term objectives (1 year)
<ul style="list-style-type: none"> • ... • ... • ...
Long-term goals (2 to 5 years)
<ul style="list-style-type: none"> • ... • ... • ...

c. Process

- ✓ Start
- ✓ The project activities (sequence)
- ✓ What is the current situation?
- ✓ The expected end result

5. The social impact of the Business /project

a. Social:

- ✓ What does this project offer to the local population, region, country and world?
- ✓ In terms of development, environment, health, politics, etc.?

b. Economic:

- ✓ Employment, international
- ✓ Fewer outgoings, more revenues?

6. The business model

a. Your offer & unique value proposition

- ✓ What products or services exactly do you offer?
- ✓ Which problem(s) does it solve? What need does it meet?
- ✓ How unique is your product or service?
- ✓ What advantages does it offer to competitors/substitutes?

b. Customers, channels and customer relationships

- ✓ Who are your customers or customer groups?
- ✓ Whose needs fulfil your product/service?
- ✓ Who do you have the most to offer compared to the competition?
- ✓ Describe them as concretely as possible in customer groups (ex “middle class women between 20-30 without children”)
- ✓ Which channels do you use for communication, reach, distribution ...?
- ✓ How do you keep in touch with your customers and develop relationships?

c. Income and expenses

- ✓ What are your most important income streams (per customer group if relevant)?
- ✓ What are your most important cost items?
- ✓ Key activities, resources and partners
- ✓ How are your products/services created?
- ✓ What are your core activities and what do you outsource?
- ✓ Which resources do you need?
- ✓ Which partners do you work with?
- ✓ Provisioning, how is this organized?

7. Market, competition and environment

a. Market and market potential

- ✓ How does your market look like?
- ✓ Target group?
- ✓ Who are the customers? Profile?
- ✓ Size of the market?
- ✓ Where is still market potential?
- ✓ Which new markets do you want to target?
 - Description of the local market
 - Description of the international market
- ✓ Feasibility study
- ✓ Market study of prices, volumes and turnovers
- ✓ Sales strategy
- ✓ How are customers going to be recruited?
- ✓ The critical success factors
- ✓ Which conditions are critical to conquer this market?

b. Competition

- ✓ Who are your main competitors/substitutes?
- ✓ Who are they? List at least 5
- ✓ What is their aim and vision? What do they offer the market?

- ✓ What are their strengths and weaknesses?
- ✓ What range, quality and price?
- ✓ How do you relate to them?
- ✓ The competitive advantages, strengths
- ✓ How do you differentiate from the competition?
- ✓ Is there comparative material?

c. Market analysis: evolution and trends

- ✓ What happened in recent years?
- ✓ What are trends/evolutions in your environment that can affect your company?
- ✓ Think of social, economic, technological, sectoral... trends

8. Marketing strategy: The 5 P's (Product, Place, Price, Promotion and Personnel)

a. Product:

- ✓ Product choice: responsibility. Why will this product be successful?
- ✓ How do you ensure that your products/services meet the needs of the market as well as possible?
- ✓ How is the product differentiated from others?
- ✓ What service is being offered?

b. Place:

- ✓ Where are the products being offered? Is the market location favorable?
- ✓ Why would they sell well there (competitive edge)?

c. Pricing:

- ✓ Determination of cost price and sales price, price policy, vision
- ✓ What is your price and what is your pricing strategy?
- ✓ How do you position yourself on the market?

d. Promotion:

- ✓ Where, how and with what will the promotion be carried out?
- ✓ How will you maintain customer relationships?

e. Personnel:

- ✓ Which skills/competences will you strengthen/attract in your team?

9. Team and organization

a. Short description of the management team

- ✓ Education
- ✓ Work experience
- ✓ Qualities and skills
- ✓ ...

b. Organigram

- ✓ Who is responsible for what?
- ✓ How is the team structured?

c. Strengths and points for improvement of the management team

- ✓ What experience and knowledge does the management have to make this business a success?
- ✓ Which profiles are missing? Which knowhow and skills are still needed?
- ✓ How and with whom does the team need to expand?

d. Personnel

- ✓ How many people are employed? Direct, indirect?
- ✓ Qualifications of the personnel, education
- ✓ HR policy
 - HR planning, permanent, temporary
 - Growth strategy, evolution within the 5 years
 - Is there a specific vision? (What personnel are attracted?)

Personnel	1st year	2nd year	3rd year
Direct			
Indirect			

e. Promoters, investors, sponsors, stakeholders

- ✓ Who supports the project? How?
 - Investors?
 - Sponsors?
- ✓ How are they communicated with?

10. The enterprise

a. General description

- ✓ Place, accommodation, company form, start capital, shareholder structure
- ✓ What milestones are envisaged for the start-up/expansion of the enterprise?
- ✓ Technology
- ✓ Production processes
- ✓ Work plans (SOP: standard operation procedures)
- ✓ Important machines, equipment and technology
- ✓ Are these available and can they be maintained?

b. Sales, distribution

- ✓ Who looks after sales? How is this organized?
- ✓ How are logistics and distribution handled?

c. Permits, insurance

d. Future

- ✓ Innovation
- ✓ What innovation is envisaged?
- ✓ What is done as regards innovation?
- ✓ Short- and long-term
- ✓ Product innovation, upgrade?
- ✓ Market expansion?
- ✓ Prospects for growth?
- ✓

11. Vision, mission and values

a. Vision

- ✓ Why does the company exist?
- ✓ What is the ultimate goal of the company in the long term?

b. Mission

Very brief description (1-3 sentences)

- ✓ Who are you?
- ✓ What do you do?
- ✓ Who are your customers?
- ✓ What is their problem?
- ✓ How will you solve this?
- ✓ What makes your solution unique?

c. Values

- ✓ Which values do you attach importance to?
- ✓ Which ethical/moral codes of conduct do you use in your work?
- ✓ How do they shape how you behave internally and to the outside world?
- ✓ Give max. 5 and illustrate with an example how you apply them.
 - value 1
 - value 2
 - value 3

12. The SWOT

- ✓ What are the weaknesses and the strengths of your business?
- ✓ What threats and opportunities arise in the external environment?
- ✓ What actions are being taken to exploit the strengths and the opportunities against the weaknesses and the threats?
- ✓ Does an adjustment of the mission, the organizational model and/or the vision appear desirable?

- ✓ Which operational objectives are required?
- ✓ The “SWOT” is not mandatory, but it does provide insight and clarity

STRENGTHS	OPPORTUNITIES
● 1	● 1
● 2	● 2
● 3	● 3
● 4	● 4
WEAKNESSES	THREATS
● 1	● 1
● 2	● 2
● 3	● 3
● 4	● 4

13. Financial

a. The investment plan: Summary of all planned investments

- ✓ Basic figures, scope of the projects
- ✓ What investments are required? What budgets?
 - Now
 - In the future, growth prospects
- ✓ Substantiation for the figures

Investment plan	1st year	2nd year	3rd year
Investments, assets			
Working capital			
.....			

b. The financial plan

- ✓ How is it intended to fund the plan?
 - Basic figures: income, outgoings, profit, ROI, break-even, cash flow
 - The requirement for money, substantiation
 - What will the co-investors’ money be used for?
- ✓ Financial feasibility study

Financial plan	1st year	2nd year	3rd year
Contribution by local enterprise			
Local bank loans, interest rate			
Loans from abroad, interest rate			
Grants			
Total			
Income			
Outgoings			
Gross profit			
Net profit			
ROI, break-even			
Cash flow			

c. How is the financial plan monitored?

- ✓ Showing the plans in graph form makes everything much clearer.
- ✓ Business ratios
- ✓ The cash flow analysis is very important

ANNEX 3: EVALUATION GRID

Max score: 95

Min score: 70

The evaluation process consists of 2 steps:

Step 1 Evaluation of the company

Step 2 If the company complies with the criteria of Round 1, business plan and the idea are being evaluated next.

In Step 1, company is evaluated by such criteria:

1. The company has been registered in Rwanda Register of Enterprises for no longer than two years;
2. When joining the incubator, the company conforms with a status of small or medium enterprise (SME);
3. The company does not operate in fields which business incubator does not support: manufacturing of agricultural products, dairy, leather, bamboo;
4. The candidate is not defaulter of any financial institution or any government duties or taxes
5. The candidate has not been convicted in any civil or criminal case
6. The person has not received and will not receive funding for the same eligible costs of other activities from the local, regional, national or Donors funds;
7. The person has complied with and has not breached the funding conditions.
8. The company does not receive support from any other business incubator in Rwanda
9. The applicant's application is in accordance with MBIC goals.

In Step 2, business plan, the project and the idea are evaluated.

The evaluation of the business plan, the project and the idea is based on scoring system (for each section maximum score is 10);

1. Company's staff CV - The candidate has good reputation and reasonable experience in the relevant sector;
2. Business idea analysis – assessment of the viability of the project idea and the potential of the idea's rapid development;
3. Market analysis - market access, potential sales of the product; good understanding of the market and competition

4. Time to market of the business idea
5. Quality of organization and management plan
6. Completeness and coherence of the investment plan respect the proposed business idea
7. Financial forecast and substantiation of prospective yield – assessment of the quality of the business plan.
8. Degree of innovation and Potential for IPR
9. Social and economic Impact

Company receives additional points for: (1 point for fulfilling the conditions 1 to 4):

1. Company employs at full-time job
2. Company employs or plans to employ people: who have not reached the age of 25 and this would be (or is) their first work place;
3. Company plans to use the laboratory premises in business incubator;
4. Company is a transformation of non-registered enterprises into register one
5. Company created potential synergies among incubator clients

ANNEX 4: SELF-EVALUATION CRITERIA

SECTION 1: MISSION & MANAGEMENT

Section 1.1: Creation of the BIC

Section 1.2: Legal Status of the BIC and/or of the Hosting Organization

Section 1.3: Shareholders and Stakeholders

SECTION 2: ORGANIZATIONAL DEVELOPMENT

Section 2.1 BIC Strategic Alliances (structural and formal agreements)

Section 2.2: BIC Human Resources (team)

Section 2.3 Catchment area

SECTION 3: FINANCIAL ASSESSMENT (INCOME & EXPENDITURE)

Section 3.1: Income

Section 3.2: Expenditure (Cost inside hosting organization)

Section 3.3: Assets / Property

SECTION 4: GENERAL INTEREST BIC MISSIONS

Section 4.1: Promotion of Innovation / Entrepreneurship

Section 4.2: Events, Programs and Activities

SECTION 5: SERVICES TO NEW ENTREPRENEURS

Section 5.1: Evaluation/Strategic Guidance/Coaching tools & process in (YEAR)

Section 5.2: Housing

Section 5.3: Training Activities

SECTION 6: SERVICES TO EXISTING SMEs

SECTION 7: SIGNPOSTING TO PARTNER ORGANIZATIONS

SECTION 8: QUALITY

Section 8.1: General

Section 8.2: Transferable best practice

SECTION 9: PERFORMANCE AND EFFICIENCY

Section 9.1: Enterprise creation

Section 9.2: Enterprises supported (existing)

Section 9.3: Breakdown by nature and sector

SECTION 10: BIC SERVICES, CUSTOMER SATISFACTION SURVEY

Section 10.1: Quality

Section 10.2: Projects

Section 10.3: Events

Section 10.4: Communication

Section 10.5: Staff

ANNEX 5: JOB DESCRIPTION

From the starting phase, The Incubator must have at its disposal the management personnel to both test the service and the function with the necessary professional competence and to take up the challenge of starting a new activity. There must be excellent professionals who are full time involved into the project.

RTB has to recruit managerial skills among people with high qualification and expertise in economic development policy support and entrepreneurship program development. The manager will bring the Incubator's along its start-up phase, during which a local management might be trained and skilled.

Of course, the moral and professional qualities of all the permanent management staff and particularly of the Manager are decisive for the success of the Incubator. The level of the professional competence must be as high as that of the best consultants in the private sector and be based on many years of practical experience in business. However, the management staff in an Incubator also requires an extra dimension: their enthusiasm and dedication to the cause of the project creators and to development of their region must be exemplary.

The professional profile of the management staff might be summarised as follows:

A. BIC manager

His basic function is to look after general operational management and administration of the Incubator in accordance with the general policy and objectives laid down by MINEDUC/RTB senior Management. Develops and submits to the RTB senior Management long terms plans laying down objectives, activities and operational budgets. If approved, he is responsible for carrying these out.

Duties and responsibilities

Directs and supervises all Incubator activities with a view to achieving the expected results, and ensure optimal use of funds invested in the Incubator

Be responsible for the overall day-to-day administration and management and all personnel matters of the Incubator

Develops and maintains an adequate organization. Delegates responsibilities to his immediate subordinates, plus the necessary authority to carry out their tasks.

Reports regularly to the RTB management/school manager with regard to the achievement of objectives and in particular the development of the financial situation of Incubator

Approaches the BIC Management Committee/RTB Senior Management for all matters of major importance for the proper functioning of the Incubator with a view to obtaining recommendations, agreement and decisions

Maintaining high level personal relations with public and private bodies sponsoring the Incubator

Takes charge personally of activities to promote the Incubator

Take charge personally of the financing of enterprise projects

Assumes the tasks and responsibilities inherent in the accommodation and common services function of the Incubator

Supervise all the administrative and logistic function of the Incubator

Undertake other activities requested by the Management committee or to exercise prudent managerial responsibility for the Incubator, its assets, its personnel, and its tenants

Power

Provide that he respects the general policy guidelines laid down by the BIC Management Committee/RTB Senior Management and within the limits of the budgets approved by the latter, the BIC Manager has all the powers necessary to carry out his functions. No one can oblige him to take on a prospective entrepreneur or existing SME against his will

Profile

Age: preferably between 30 and 50 years, however, personality, knowledge and experience are decisive criteria. The manager has to bring new approach and mentality.

Training: A University degree is required, and an advanced degree is recommended. The post requires knowledge of commercial, administrative, financial and human organization management, business planning techniques, usually acquired during higher-level business management studies and /or equivalent practical experience.

Languages: In addition to the language of the region, fluency in English or French is essential

Experience: At least 3 years of experience in private company management /5 years in public institutions is necessary, either as a manager or business consultant. The applicant must have had the opportunity to deal with all aspect of company management and be familiar with modern marketing techniques, preferably in a SME. Strong leadership skills, including public speaking, are essential. International Experience on enterprise creation would be an advantage.

Personality: integrity, dynamism, communication and public relation skills, perseverance and proven ability to organize and motivate a team are essential. The chosen candidate will have an assertive and well-balanced personality. He must have a winner's temperament, yet be diplomatic. He must be realistic and pragmatic, bent on achieving his objectives, and must demonstrate initiatives and assume responsibility and take decisions

B. Technical staff

The technical staff must be versed in various disciplines. They must have the skills do deal with all aspect of the services provided by Incubator: business planning, financial support, training, marketing and logistic services.

Basic functions³

Technical staff:

Is responsible for the reception/assessment/selection of the business idea

Develops and submit to the BIC Manager the business plans of the supported start up new companies

Evaluates the entrepreneurial skills of the tenants and carries out, in collaboration with the training consultants and/or school staff, tasks inherent to training and takes responsibility for these

Provide direct counselling to tenants on a wide range of business management and entrepreneurship issue (accounting, finance, marketing, business planning, and the like)

Assumes the tasks and responsibilities inherent in the “marketing assistance” provide by the Incubator

Advises and assists entrepreneurs and his colleagues in accounting, financial planning and financial management. Searches for optimal financing solutions for projects. Assume the financial management of the Incubator

Establish a monitoring system to track tenant progress, and to collect data on a periodic basis (on sales, profitability, employees, etc)

Assist the Incubator manager in the development of Incubator business plan, operating policies and procedures, and other tasks, are required.

³ One of the Technical staff is required to be more skilled on entrepreneurship and marketing, the other one on Financial issues. Both of them will have technical skill in the promotion/detection/selection/business planning.

Hierarchic relationship

Reports to the BIC Manager/school Manager

Profile

Basic training and experience. University degree: good basic economic/marketing/financial training is essential. The candidate should have acquired a multi-faceted approach to these areas. At least 5 years practical working experience in companies is required.

Personal aptitudes. A good analytic mind and confirmed negotiating skills are the main qualities required. Technical curiosity and considerable intuition are necessary, as also realism and a sense of business.

Languages. In addition to the language of the region, fluency in English or French is essential

ANNEX 6: LICENSE AGREEMENT

BIC's LICENSE AGREEMENT

This agreement (referred to herein as “this Agreement” or “the Agreement”) is made on this ____ day of _____ 20__ between the BIC, (referred to herein as “Licensor”), and _____ (referred to herein as “Client” or “Licensee”)

Terms of this Agreement.

Licensor hereby grants Licensee a license to exclusive use of a room (the Licensed Space) within the larger space of the Licensor’s business incubator facility plus shared space (the “Common Space”) that includes the reception area, classroom, conference rooms, workroom, library, restrooms, coffee bar, and hallways. Licensee acknowledges and agrees that Licensor, in its sole discretion, shall designate to Licensee in writing the Licensed Space and such Common Space as Licensee may use from time to time. Space designated as “Common Space” may change at the Licensor’s sole discretion in order to meet other needs within the Licensor’s business incubator facility.

Facilities

Client will have access to Licensed Space of the business incubator space operated by Licensor. This Agreement does not guarantee Client specific office space and Client understands that it may be required to move to equivalent office space if Licensor deems it is necessary during the period covered by this agreement. Included with this office space are utility costs, janitorial services, building security, company name outside the office, and listing on the building directory.

Licensor provides basic utilities including electricity, water, and sewer for normal office operations. If Client utilizes utilities for non-office purposes an additional charge will be billed at a negotiated rate based on their utilization.

Client will be provided with office furniture sufficient for _____ employees as determined by Licensor.

Dedicated broadband connection to the Internet.

Use of a shared copy machine. The cost for copy usage will be billed monthly.

Use of a shared administrative assistant to sign for packages, greet and direct visitors, and answer procedural questions. There is no dedicated secretarial service specifically provided for Client.

Availability of a notary public.

Client is responsible for providing office supplies such as paper, pens, pencils, staplers, tape, markers, etc. for Client's own use.

Use of conference rooms or meeting rooms with audio-visual equipment on a scheduled basis. Licensee shall request of Licensor all use of conference rooms and equipment and Licensor shall attempt to fulfil such requests, but Licensor retains all rights to schedule their availability, use, and assignment.

Full access with borrowing privileges to BIC's library with business, scientific, technological and governmental databases and online services. Access to selected databases and library services are provided at additional cost.

Services

Professional Development (Part of monthly fee)

Mentoring from BIC's professional staff.

Access to network of business experts for mentoring and guidance.

Admittance to workshops on a variety of business topics related to small business development.

Networking opportunities.

Business Assistance (Part of monthly fee)

Consultation with associates.

Access to network of volunteers, interns and members of the business community.

Contacts made for strategic partnerships and other business alliances.

Assistance identifying financing sources.

Introductions to business resources and the capital investment community.

Guidance on business plan, strategic plan, and marketing plan preparation.

Guidance for determining marketing strategies, marketing goals, sales strategies, and developing promotional materials.

Fee-Based Business Assistance (Cost based on negotiation)

Access to e. g. Mechanical /Leather/diary/bamboo/agro-food laboratory

Access to support services such as typing, photocopying, and filing.

Design assistance for printed materials and websites.

Clerical and bookkeeping support.
Marketing research on a per project basis.
Development of creative concepts.
Development of written documents.
Other services as needed and requested.

Terms

Client Responsibilities

Agree to follow the policies of BIC.

Agree to provide monthly financial statements to the Licensor's designee and discuss company goals and progress toward those goals.

Agree to meet with Licensor's Board of Advisors at least once each quarter and disclose the financial performance and overall performance of the company to determine movement toward company objectives.

Agree to participate in a quarterly review for determining continuation, graduation, or discontinuation in BIC's business incubator program. Client agrees that BIC has the sole right to determine Client's exit and graduation status from its program.

Agree to purchase and maintain policies of general liability insurance covering Client's personnel, operations, and equipment.

Pursue operations in Province after graduating from the BIC's business incubator program if feasible.

Graduation and Termination

Client will be expected to graduate from BIC's business incubator program when either of the following criteria has been met: Client has grown to the point that BIC can no longer provide the space needed for continued successful operation of Client's operations or Client has sufficient sales and profitability to permit its success outside BIC's incubator facility. In addition, Client must also develop a plan for successful operation outside of BIC's incubator facility. In any case, Client will be expected to graduate from BIC's program within 36 months of entry.

This Agreement will be terminated immediately if Client is unable to pay fees due to BIC, Client becomes unable or unwilling to manage its company, Client violates BIC's policies, Client becomes insolvent, or Client's principals or officers are convicted of a crime.

The Manager of BIC's business incubator program will be solely responsible for making the determination that the criteria for graduation or termination have been met. Client's progress toward achieving the graduation objectives will be evaluated on a quarterly basis. Final determination for graduation or termination status from the BIC business incubator program will be determined by the program's Facilitator.

Fees and Terms

For use of Licensor's facilities and services as listed above, Client will pay _____ FRW per month due on the first of each month beginning the 1st day of _____ 20____.

Term of this Agreement is for one year and may be renewed annually in each of two (2) successive years for a total of three (3) consecutive years. The decision to renew this Agreement in any successive year is at the sole discretion of the Licensor. Each party hereto may, in its sole discretion, terminate this Agreement for any reason at any time upon thirty (30) days prior written notice delivered by first class mail or courier to the other party at the other party's address as set forth below.

Monthly payments are adjusted each year. The projected annual rate is FRW _____; FRW _____ and FRW _____ per square metre respectively in the first, second and third years, respectively, of this Agreement and its successors.

Client will pay for extra services calculated on actual usage. These charges will be for copies, clerical assistance, professional personnel, or BIC's services such as, but not limited to, conference and meeting facilities, machine shops, or food services.... These charges for extra services will be paid within 30 days following the month during which the additional services are used.

Failure to pay the monthly License fee and for any additional services by the fifth of each month will result in a FRW _____ late fee.

Delinquent accounts will be turned over to a collections agency for payment.

Client agrees to abide by the policies and procedures of BIC.

Client specifically recognizes and acknowledges that any business venture to be undertaken by Client under this Agreement depends upon the ability of Client as an independent businessperson, as well as other factors, such as market and economic conditions, beyond the control of BIC and Client. Client acknowledges that success or failure of Client's business enterprise will be dependent on the business acumen and diligence of Client. Client specifically recognizes and stipulates that success or failure of Client's business will not depend on BIC's performance under this Agreement, and

BIC makes no representation or warranties whatsoever as to the success of Client's business.

Licensee may not, without the prior written consent of the named institution, use any of the following names in any advertising, brochures or promotional materials:
Business Innovation Centre;BIC, ...

This Agreement contains the entire agreement between the parties concerning the subject matter hereof, and may only be amended or modified in writing and signed by both parties.

I understand that by signing below I agree to the terms of this Agreement.

Client

Date

Manager

Date

ANNEX VII: BIC MONITORING AND EVALUATION MATRIX

Annex 7: BIC Monitoring and Evaluation Matrix

Expected Outputs	Indicator to track Outcome	Unit of measure	Baseline	Targets and Milestones				Responsible entity	Data sources (Means of Verification)
				Y1	Y2	Y3	Y4		
Outcome 1: BIC Human Resource Capacity strengthened									
1.1 BIC Human Resource capacity enhanced	1.1.1 Number of staff recruited	Number	N/A	2	4	5	N/A	RTB/ TVET Schools	BIC guidelines
	1.1.2 Number of staff trained on business development	Number	N/A	2	4	5	N/A	BIC	BIC guidelines
	1.2.1 % of office space designed and partitioned	Percentage	N/A	5%	10%	15%	20%	RTB	RTB Action Plan
1.2 Adequate infrastructure and equipment provided	1.2.2 % of office space equipped	Percentage	N/A	5%	10%	15%	20%	RTB	RTB Action Plan
	1.2.3 % of training equipment supplied to BIC to make them a suitable place for doing business	Percentage	N/A	5%	10%	15%	20%	RTB	RTB Action Plan
Outcome 2: BIC Promotion and awareness programs developed and implemented									
2.1 Awareness programs about BIC conducted among innovators	2.1.1. Number of awareness programs developed and implemented	Number	0	1	0	1	0	BIC	BIC guidelines
	2.1.2 Number of open forums for BIC awareness conducted	Number	0	0	1	0	1	BIC	BIC guidelines

Outcome 3: Innovation and creativity in TVET schools promoted through BIC										
3.1 Availability and accessibility of entrepreneurship services improved	3.1.1 Number of BIC established or significantly expanded	Number	2		2	2	3	3	RTB	RTB annual report
	3.1.2 Rehabilitate and expand the existing BICs	Number	2		0	0	0	0	RTB	RTB Action Plan
	3.1.3 Number of entrepreneurs who benefited from incubators	Number	68(MBIC)	70	80	90	100	100	BIC	BIC annual reports
3.2. Entrepreneurship Skills and Opportunities expanded among graduates or business starters	3.2.1 Number of supported entrepreneurs who launch and grew their business projects/models	Number	90		100	150	200	250	300	BIC guidelines
	3.2.2 Number of start-up enterprise supported that are able to introduce new products to the market	Number	N/A		10	20	30	40	50	BIC guidelines
	3.2.3 Number of entrepreneurship events provided by BIC assistance	Number	N/A		5	10	15	20	25	BIC guidelines
	3.2.4 Number of entrepreneurs attending events and programs provided through BIC assistance	Number	N/A		20	30	40	50	60	BIC guidelines
	3.2.5 Number of new businesses hosted/ nurtured up to their competitive maturity	Number	N/A		10	15	20	25	30	BIC guidelines

3.3. The culture of entrepreneurship among women and youth stimulated through mentorship	3.3.1 Number of women and youth accessing mentorship programs through BIC	Number	N/A	50	70	90	100	120	BIC guidelines
	3.3.2 % of female entrepreneurs benefited from BIC to start their own business	Percentage	25%	40%	50%	60%	70%	80%	BIC guidelines
3.4. Financial and non-financial services expanded	3.4.1 Number of Private sector firms that have improved management practices or technologies as a result of BIC assistance	Number	N/A	20	30	40	50	60	BIC guidelines
	3.4.2 Number of microenterprises supported by BIC assistance	Number	N/A	5	10	20	30	40	BIC guidelines
3.5. Availability and accessibility of effective and efficient Business Development Services(BDS) improved	3.5.1 Number of new BDS Centers established as a result of BIC assistance	Number	N/A	5	10	15	20	25	BIC guidelines
	3.5.2 Number of BDS providers that were offered BIC assistance	Number	N/A	5	10	15	20	25	BIC guidelines
Outcome 4: Increased access to TVET programs that are responsive to both labour market needs and the social and economic development of Rwanda									
4.1 TVET graduates employed within 6 months of graduation	4.1.1 % of TVET graduates employed within 6 months of graduation (female/male)	Percentage	70%	80.2%	81%	82%	84%	Private sector	TVET Tracer survey
4.2 Employers satisfied with TVET graduates	4.1.2 % Of employers satisfied with TVET graduates	Percentage	83.80%	86%	87%	88.20%	90%	Private sector	TVET Tracer survey

Tel.: (+250) 783 558 414
E-mail: info@rtb.gov.rw
www.rtb.gov.rw

