

SUMMARY OF THE PROJECT IN DESIGN * (*)

CARIBEquity - Orbtronics Innovation Hub

| | | |
|---|----------------|--|
| PITCH ELIGIBILITY DATE | | COUNTRY(IES) |
| 11/08/2024 | | Barbados |
| ALIGNED WITH COUNTRY STRATEGY? | | |
| Yes | | |
| PARTNER(S) | | |
| Orbtronics | | |
| PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT | | |
| C (**) | | |
| TOTAL BUDGET | IDB Lab | LOCAL COUNTERPART AND COFINANCING |
| US 642,450 | US 321,225 | US 321,225 |
| DESCRIPTION | | |

The problem The Orbtronics Innovation Hub aims to tackle critical challenges facing the Caribbean's tech landscape, including inadequate infrastructure, limited access to resources, brain drain, a fragmented startup ecosystem, and insufficient investment in research and development. These obstacles hinder emerging tech businesses from establishing themselves in the market and impede established companies from integrating advanced innovations into their operations.

Aspiring entrepreneurs in the Caribbean often lack access to vital resources—such as funding, mentorship, and state-of-the-art facilities—that are essential for nurturing innovative ideas and bringing them to market. Additionally, the region suffers from significant brain drain, as talented individuals seek better opportunities abroad, resulting in a loss of potential innovators. The fragmented nature of the entrepreneurial ecosystem further limits collaboration among startups, established businesses, educational institutions, and government bodies, causing missed opportunities for growth. This absence of a culture of innovation and investment in research and development makes it difficult for established businesses to adopt cutting-edge solutions and stay competitive, ultimately restricting their ability to explore new revenue streams.

Geographically and culturally diverse, the Caribbean presents a unique set of challenges and also opportunities for tech innovation. Countries like Barbados, Saint Lucia, and Trinidad and Tobago boast rich human capital but lack the cohesive infrastructure needed to support large-scale tech initiatives. The increasing number of tech-savvy youth, aspiring entrepreneurs, and businesses pursuing digital transformation underscores the urgent need for a centralized innovation hub. For marginalized communities, the deficiency in technological infrastructure not only limits access to lucrative tech jobs and entrepreneurial opportunities but also exacerbates economic disparities.

The solution To tackle these pressing challenges, Orbtronics proposes the establishment of a Tech Innovation Hub designed to cultivate a dynamic tech ecosystem in the Caribbean. This Hub will employ a multipronged approach to transform the region into a thriving hub for technology and

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**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

innovation. The Tech Innovation Hub will integrate state-of-the-art co-working spaces with comprehensive training and upskilling programs.

Key components of our solution include:

1. **Innovation Tech Hub:** the project will establish the first physical Innovation Hub in Saint Lucia, that leverages partnerships with local stakeholders and government organizations. This hub will offer co-working facilities with high-speed internet, meeting rooms, and communal areas designed to foster collaboration and innovation.
2. **Prototyping Resources:** the Hub will offer a Fabrication Lab including hardware and software tools, such as 3D printers, to facilitate rapid development of tech products, significantly reducing time-to-market and associated costs.
3. **World-Class Mentorship Programs:** the project will connect local startups and experienced entrepreneurs with tech experts from around the globe, providing personalized coaching to help them navigate challenges and scale their businesses effectively.
4. **Robust Funding Pathways:** the Hub will enhance the visibility of Caribbean startups by connecting them with local and international investors through organized pitch events and demo days, creating vital funding opportunities.
5. **Community Building:** The Hub will cultivate a technology-driven community that connects key players across the Caribbean ecosystem. This network will drive the acceleration of tech founders and startups by offering tailored engineering, software, and tech education solutions.

The solution is innovative in that it presents a holistic model, that will address multiple facets of the entrepreneurial journey—workspace, prototyping, mentorship, and funding—while leveraging proven global best practices tailored to the Caribbean context. This approach enhances our capacity to support tech entrepreneurship, provide centralized resources, facilitate networking opportunities, and encourage the development of scalable, sustainable tech solutions. Unlike traditional incubators that focus solely on early-stage startups, our model will support the entire lifecycle of entrepreneurship—from ideation to market launch—while also extending resources and support to established businesses seeking innovation. Through the Orbtronics Tech Innovation Hub, we aim to empower the Caribbean’s tech ecosystem, foster economic growth, and cultivate a culture of innovation that benefits all.

The beneficiaries The Orbtronics Innovation Hub targets a diverse range of beneficiaries, each with distinct characteristics:

- **Tech Startups and Entrepreneurs:** This group includes early-stage to growth-stage startups, typically generating annual revenues from \$0 to \$500,000. These are often small teams of 2-10 employees, composed of young, tech-savvy individuals, including recent graduates or professionals pivoting to tech entrepreneurship. They operate across various sectors like fintech, agritech, edtech, and healthtech, focusing on scalable solutions but often lack access to crucial resources such as funding, infrastructure, and mentorship.
- **Established Businesses:** Medium to large enterprises with annual revenues exceeding \$1 million form this category. These businesses, rooted in industries such as manufacturing, retail, and services, seek to integrate modern technologies to innovate, diversify product offerings, and improve operational efficiencies. Although they have structured organizations with R&D

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departments, they require external innovation support to inject fresh perspectives and explore new revenue streams.

- **Aspiring Entrepreneurs:** Typically from middle to lower-income backgrounds, these individuals have limited access to startup capital. They include a diverse demographic of recent graduates, unemployed youth, and underrepresented communities in tech, characterized by high enthusiasm and innovative ideas but often lacking technical skills and business acumen. They are usually in the pre-startup phase, working solo or in very small teams.
- **Local Communities and Workforce:** Beneficiaries also include communities with high unemployment rates and low average incomes, primarily in underserved areas with limited access to quality education and employment opportunities. The potential workforce for tech startups in these communities requires significant upskilling.

The expected results of this project are as follows:

- 10 unique tech acceleration program models developed and deployed
- 40 accelerator staff trained
- 200 startups enter the incubation/acceleration program
- 160 successfully exit the program
- US\$180,000 deployed in specialised advisory services to tech founders and startups
- 52 networking events hosted by the Hub
- 9 new strategic partnerships formalized
- 400 founders and startups participating in networking/engagement events
- 18 corporate and startup innovation projects launched

The partner Orbtronics is a Caribbean based company that specializes in providing services across a wide breadth of fields from software development and engineering consultancy to STEM Education. Orbtronics works with students, early-stage founders, multinational companies, Governments and NGOs to promote a consequential tech environment in the Caribbean and has experience support innovation and entrepreneurship spans across various sectors from education to technology development.

The IDB Lab's contribution This project was originated through the CARIBEquity Facility Innovation Challenge Fund - Call for Proposals. The project will be fully-funded by EU resources. The total cost of this project is estimated at US\$642,450, comprising US\$321,225 to be funded by CARIBEquity (EU funding), and US\$321,225 in counterpart.

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