HIGHER EDUCATION COMMISSION

Establishment of Business Incubation Centers – 2026-27

Call for Proposals Guidance Document

I. GENERAL INFORMATION

A. Program Overview

Business incubation is globally recognized as a strategic mechanism for promoting innovation, entrepreneurship, commercialization of research, job creation, and economic growth. Recognizing the critical role of Higher Education Institutions (HEIs) in developing knowledge-based economies, the Higher Education Commission (HEC) has been supporting universities in transforming research, technologies, and innovative ideas into commercially viable ventures.

The Establishment of Business Incubation Centers (BICs) is one of HEC's flagship initiatives aimed at creating sustainable university-based incubation ecosystems that nurture technology-driven and innovation-led startups. The Program seeks to strengthen entrepreneurial capacity within universities by providing an enabling environment through mentorship, business development services, industry engagement, networking opportunities, and commercialization support.

To date, HEC has established 43 Business Incubation Centers across public sector HEIs throughout Pakistan. Through this Call for Proposals, HEC intends to further expand the national innovation ecosystem by supporting eligible universities committed to promoting entrepreneurship, innovation, and research commercialization. The grants shall be awarded through a transparent, competitive, merit-based, and independent evaluation process in accordance with the HEC Business Incubation Center Policy 2021.

B. Objectives of Business Incubation Centers Program

The following objectives are foreseen at BICs established at Universities of Pakistan:

a. To create jobs, wealth, and business aligning with national priorities and international practices, by promoting new technology / knowledge / innovation-based startups at HEIs of Pakistan.
b. To provide a platform for speedy commercialization of technologies developed at the University through its faculty, researchers, students, or recent graduates.
c. To build a vibrant startup ecosystem, by establishing a network and effective liaison between academia, industries, government, and corporate entities.
d. To provide cost effective, value-added services to startups like mentoring, coaching, legal, financial, technical, intellectual property related services.
e. To strengthen the commercialization of university research and intellectual property through structured incubation support.
f. To promote financially sustainable incubation ecosystems through strategic partnerships with industry, investors, government agencies, and development partners.

C. Eligibility for Submission of Proposal

Proposals are invited from leading Public Sector Higher Education Institutions (HEIs) having an HEC-recognized and fully functional Office of Research, Innovation and Commercialization (ORIC), either:

- as an independent HEI for BIC, or
- consortium of 2-4 public and private sector HEIs for BIC

In addition to the above-mentioned eligibility criteria, the following prerequisites shall also be taken into consideration:

(a) The host institution(s) should have a proven track record in promotion of technology and innovation-based entrepreneurship and have adequate expertise and infrastructure to support the incubation activities.

(b) The host institution(s) should highlight their commitment through a 5-year strategic plan indicating the strategic vision of the proposed Business Incubation Center through clearly defined sense of direction and measurable goals for evaluating the progress and ensuring the sustainability of the Incubation Center after the funding period.

(c) In case of consortium, the lead HEI should have collaboration with other public / private academic institutions of repute having focus on innovation, research, commercialization, and startup promotion.

(d) The lead HEI (or consortium partners, if any) should not have won HEC's funding for establishment of Business Incubation Center in the past. The HEIs who have already won funding from HEC in the past may collaborate in consortium with other universities as a mentor having no financial associations.

(e) The host institution shall demonstrate institutional commitment towards sustainability of the proposed BIC by allocating adequate physical space, human resources, operational support, and financial contributions beyond the HEC funding period.

D. Anticipated Funding Amount

The Program shall be implemented on a **60:40 cost-sharing basis**, whereby HEC shall provide financial support of up to **Rs. 24 million** per award, while the Host Institution shall contribute at least **40%** through cash and/or in-kind contributions.

The approved funds will be released for a period of 02 years and depend upon co-financing – including in kind and cash contributions – from the host institution, its partnering HEIs in case of consortia, and private partners. The funds shall be utilized by the host institution(s) for establishment and operational costs, entrepreneurial support operating expenses, HR & Admin expenses, and general expenses, as agreed during the formal award contract.

E. Due Date

The proposals complete in all aspects must be submitted to HEC, latest by **<u>Monday, August 31, 2026.</u>**

II. PROPOSAL SUBMISSION PROCEDURE

A. ONLINE PROPOSAL SUBMISSION via RFI PORTAL

a. The application for Establishment of BIC is submitted/endorsed by the University's ORIC Head. The ORIC Head/Admin will login at the Research for Innovation Portal (https://rfiadmin.hec.gov.pk). They will authorize a BIC Focal Person within their University to submit the BIC Application.
b. Focal person will be able to login to the Portal with his/her credentials as created by the ORIC Head/Admin and initiate the BIC Application for onwards submission.
c. For the detailed application submission process, please also refer to the User Manual.

B. PROPOSAL SUBMISSION IMPROTANT DOCUMENTS

a. Covering Letter from host institutes designated focal person, i.e., Head of ORIC or Registrar (to be uploaded via attachments)
b. Endorsement from Head of Institution (to be uploaded via attachments)
c. Complete online application form at the portal and section wise documentary evidence and supporting documents.
d. Proposed Budget Sheet and Activities Gant Chart Clearly Mapped Against the Budget and Deliverables (to be uploaded via attachments in MS Excel)
e. 5-Year Strategic Plan of the BIC with supporting documents.
f. Documentary evidence supporting the claims made in the proposal, including institutional policies, notifications, MoUs, startup achievements, commercialization activities, photographs of facilities, and other relevant documents (to be uploaded via attachments).

C. FINAL SUBMISSION

Once the Establishment of BIC Proposal is submitted via the focal person:

a. The BIC Establishment form will then land to ORIC Head for the Approval / Endorsement
b. The ORIC will make sure the application is complete in all aspects and will approve/endorse the same and the application will be finally submitted to the HEC.
c. Soft copy of proposal in PDF format having all relevant annexures may also be emailed at bic@hec.gov.pk.

III. EVALUATION AND SELECTION PROCESS

The submitted proposals shall undergo preliminary scrutiny to determine compliance with the prescribed eligibility criteria and completeness of documentation. Eligible proposals shall subsequently be evaluated by an independent Evaluation Committee constituted by HEC using predefined evaluation criteria. The evaluation shall broadly consider:

- Institutional Capacity
- ORIC Performance & Achievements

- Existing Innovation Ecosystem
- Five-Year Strategic Plan
- Sustainability Model
- Governance Framework
- Human Resource Plan
- Industry Partnerships
- Startup Support Model
- Financial Commitment
- Expected Outcomes

HEC reserves the right to seek additional information, conduct site visits, or reject any proposal that does not adequately satisfy the program objectives.

IV. EXECUTION AND MONITORING

a. Once the proposal for Establishment of BIC is agreed in principle by the competent forum at HEC, the host-institution and HEC (along with partnering institutions) will formally enter into an agreement and the process for release of funds on instalment basis will be made.

b. The host institution will make sure that a separate bank account has been created for managing the funds of BIC and the released funds are being exclusively spent for the specified purpose within the stipulated time as agreed under the grant agreement. Any unspent balance out of the amount released shall be refunded to the HEC after completion of the funding period.

c. The BIC will be administered through a Steering Committee chaired by the Vice Chancellor / Rector of the host-institution and the progress along with achievements in line with the KPIs / milestones would be reviewed.

d. The BIC, being a specialized facility for promotion of entrepreneurial culture within the University, shall have dedicated HR personnel in accordance with the minimum guidelines prescribed in the HEC BIC Policy 2021, for its effective operations.

e. The BIC shall make sure that there exists a transparent mechanism for selection of startups and the BIC shall enter into a formal agreement with incubates / startups at the time of incubation. The admission criteria, incubation and graduation policy will be predefined by the host institution and properly implemented.

f. The BIC shall adhere to minimum required facilities to continue the smooth operations at the BIC, including but not limiting to incubation / co-working space, rooms, meeting rooms, video-conferencing facility, high-speed internet connectivity, access to labs, recreational facilities, etc.

g. The performance of BIC shall be reviewed by HEC independently every year against pre-defined matrices / KPIs and release of subsequent trench out of approved funds shall be dependent upon the annual performance and deliverables.

h. The funded BIC shall submit periodic technical, financial, and performance reports through the prescribed mechanism of HEC. Release of subsequent installments shall be subject to satisfactory achievement of agreed milestones and Key Performance Indicators (KPIs).

V. PROGRAM WEBSITE

The Call for Proposals, Application Template, Budget Format, User Manual, and other relevant documents are available through the HEC BIC Website.

Queries and questions may be directed to: bic@hec.gov.pk

Annexure – A

APPLICATION TEMPLATE FOR ONLINE SUBMISSION OF PROPOSAL

Name of University:	
A	**University Overview**
	(University's location, area, faculty expertise, offered degree programs, available labs and other allied resources, industries' overview (in close proximity to the HEI)
B	**ORICs Overview**
	(Performance and achievements of ORIC in research, innovation, and commercialization, since ORICs establishment)
C	**R&D Activities in HEI**
	(Status and achievements in industrial collaborative projects, prototypes developed, patents, licensing, royalty, equity sharing, etc., Intellectual Property Policy, success stories of licensing, royalty, equity sharing, awards and recognition, product development, commercialization, industrial consultancies undertaken, etc.)
D	**Incubation and Entrepreneurship Activities at HEI**
	(Existing status of BIC related activities, current mentorship, capacity building, initiatives, partners, sponsors, entrepreneurship courses offered at University, etc. to support BIC activities being carried out at HEI)
E	**BICs 5-Year Strategic Plan**
	Executive Summary: (Introduction, specialties, innovation, commercialization, and incubation expertise, linked with BICs core objectives generating revenue for the HEI)
	BIC – the mission, vision, values, competitive advantage, and information on leadership

	Roles, Responsibilities and Services Offered at BIC
	Yearly Objectives, Short-Term, Medium-Term, Long Term-Goals, Performance Indicators and Action Plans
	BICs SWOT Analysis (Reason for establishing BIC at host-institution, strengths, overall business environment at location of University, assessment of entrepreneurial needs, etc.)
	Financial and Operational Model – a note showing how the sustainability of the BIC will be ensured by aligning financials and operations with foreseen aspirations.
F	**Details about other HEIs in the Consortium (if applicable)**
	(HEC also encourages the establishment of BIC through consortium model, i.e. preferably 4-5 HEIs forming partnership for establishment of BIC having a shared resources model)
G	**Functioning and Services envisioned at the BIC**
	(a detailed note about the services to be offered at the BIC through incubator structure, HR, steering or overseeing committees, physical infrastructure, business development services for startups, etc.)
H	**Financial Information**
	(a sample budget sheet is available for understanding of the HEI. Through this, the HEI will be in a position to present the extent of financial commitment, at least 40% from the University's side for period of 02 years, including the partnering HEIs if in case of consortium, and private partners for the BIC) – (60% funding will be provided by HEC with a maximum cap of PKR 24m)

Endorsements Form

Focal Person BIC – Name & Designation Contact (Official / Cell / Email) Signature & Official Stamp / Seal
ORIC Head – Name & Designation Contact (Official / Cell / Email) Signature & Official Stamp / Seal
Registrar – Name & Designation Contact (Official / Cell / Email) Signature & Official Stamp / Seal
Vice Chancellor / Rector – Name & Designation Contact (Official / Cell / Email) Signature & Official Stamp / Seal