

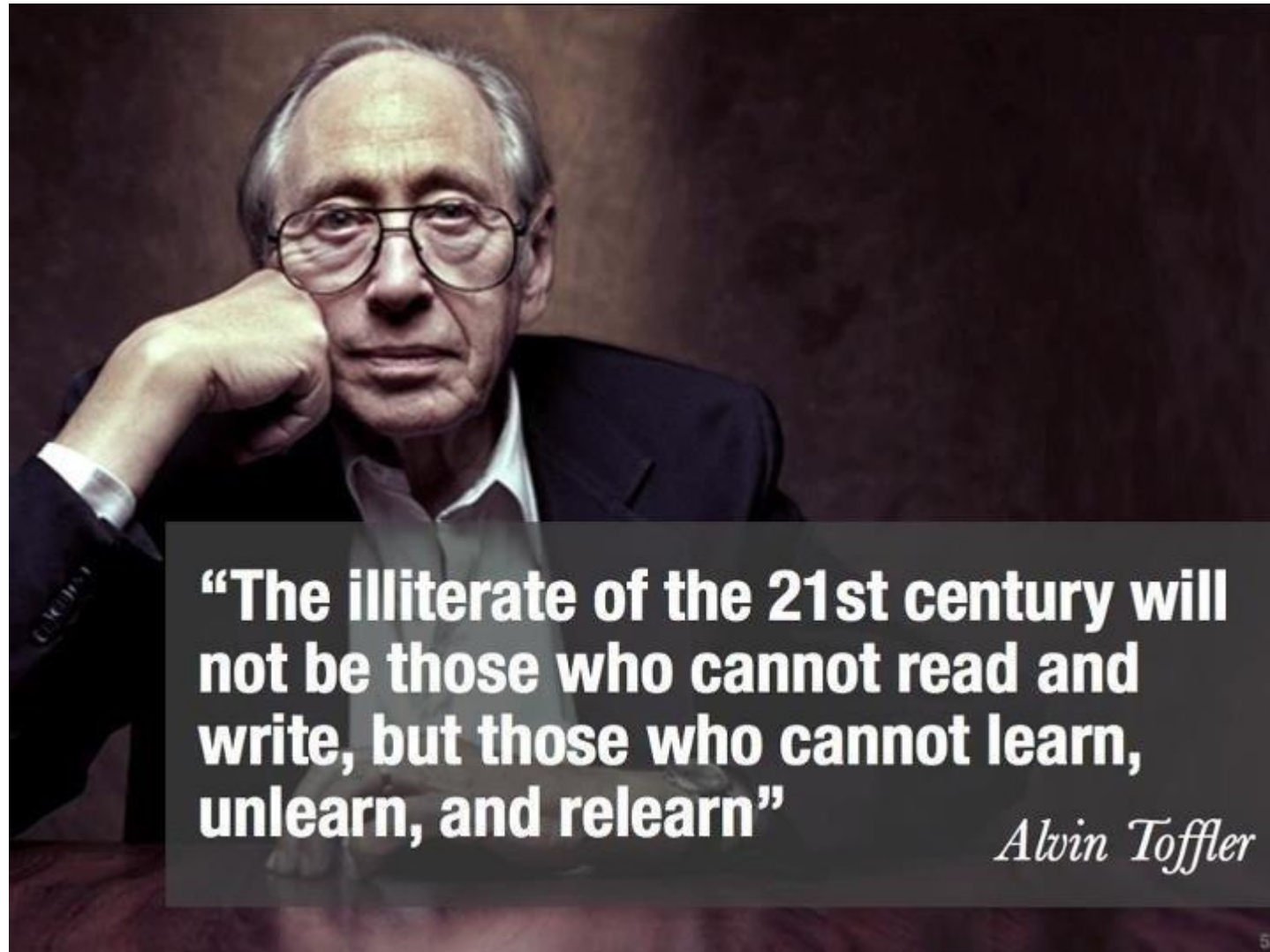
Regional Innovation Forum

ITU Regional Forum for CIS and Europe “Strengthening Innovation Capabilities in the ICT-centric Ecosystem and Fostering the Growth of ICT Startups”



CELEBRATING
25 YEARS
OF ACHIEVEMENTS

- Common language
- Innovation Divide
- New Policy paradigm
- Case studies of ICT centric innovation ecosystems
- 5 Key Lessons



“The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn”

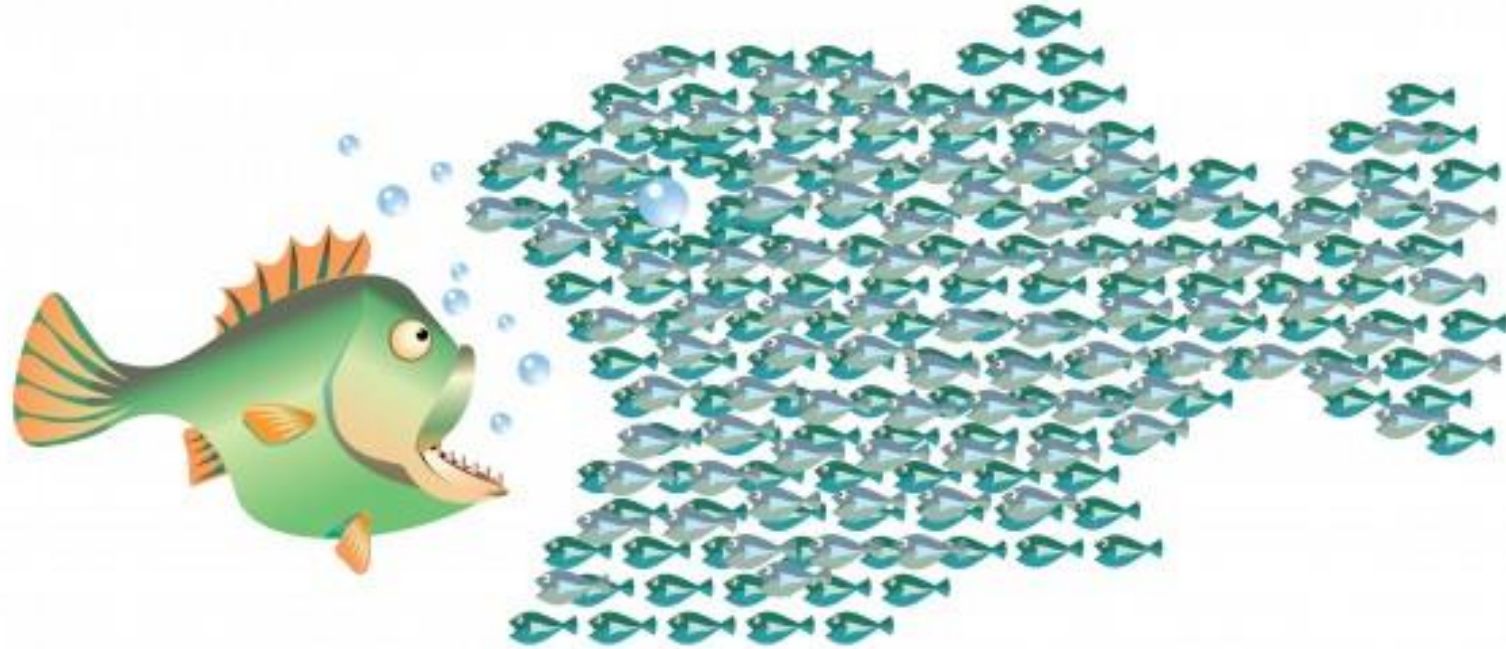
Alvin Toffler

Definitions



- ❑ Innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations” –OECD
- ❑ Innovation can be new to the world or new to the context
- ❑ “ICT affects business model, mindsets, organizational structures, R&D, markets, networks contributing significantly to GDP growth” -ITU

Imperative for Innovation

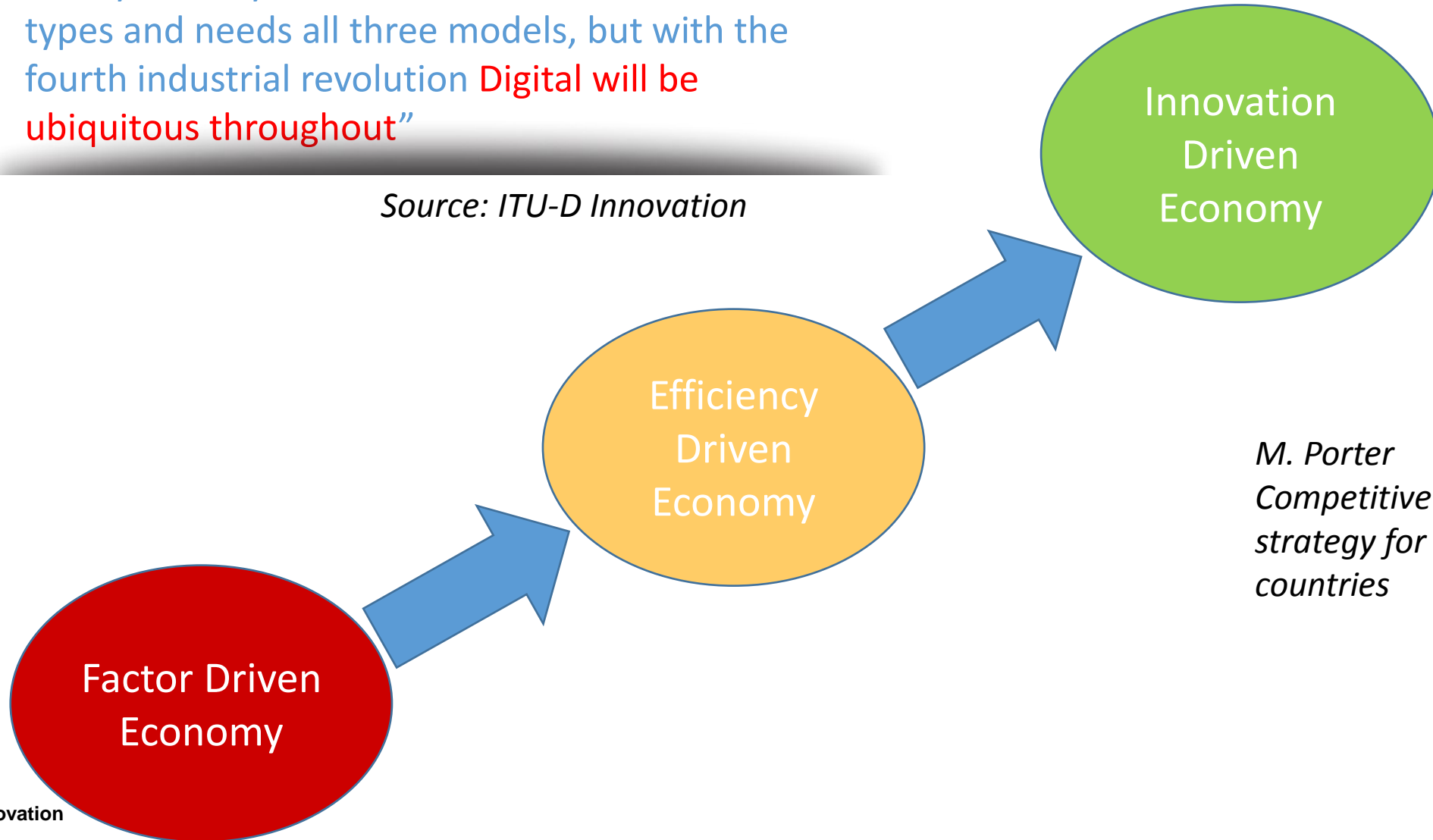


Innovation Driven Economies



“Every country has a combination of all three types and needs all three models, but with the fourth industrial revolution **Digital will be ubiquitous throughout**”

Source: ITU-D Innovation



*M. Porter
Competitive
strategy for
countries*

Economies Don't Move Together



High digitization

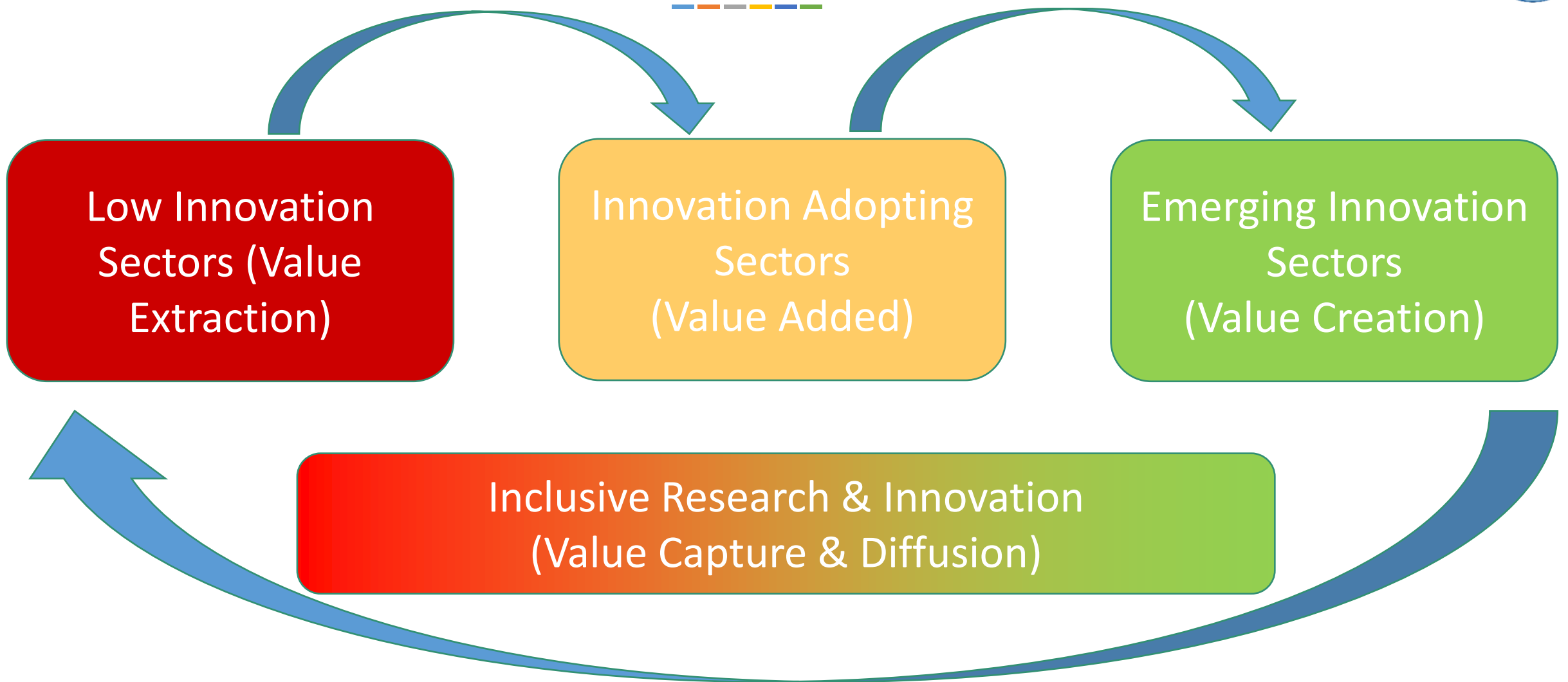


Low digitization

Sector Digitization

Sector	Digitization
ICT	Green
Media	Light Green
Professional Services	Light Green
Finance and Insurance	Light Green
Wholesale Trade	Light Green
Advanced Manufacturing	Light Green
Oil and Gas	Light Green
Utilities	Light Green
Chemicals and pharmaceuticals	Yellow
Basic goods manufacturing	Yellow
Mining	Red
Real Estate	Yellow
Transportation and warehousing	Yellow
Education	Yellow
Retail trade	Yellow
Entertainment and recreation	Red
Personal and local services	Yellow
Government	Yellow
Health care	Yellow
Hospitality	Red
Construction	Red
Agriculture and hunting	Red

Accelerating Inclusiveness Between Sectors



Measuring ICT Innovation capabilities



36,000 ft.

- Does your country register a hot tech ecosystem?

10,000 ft.

- where does your country rank on WIPO GII?
- what is the efficiency?

1,000 ft.

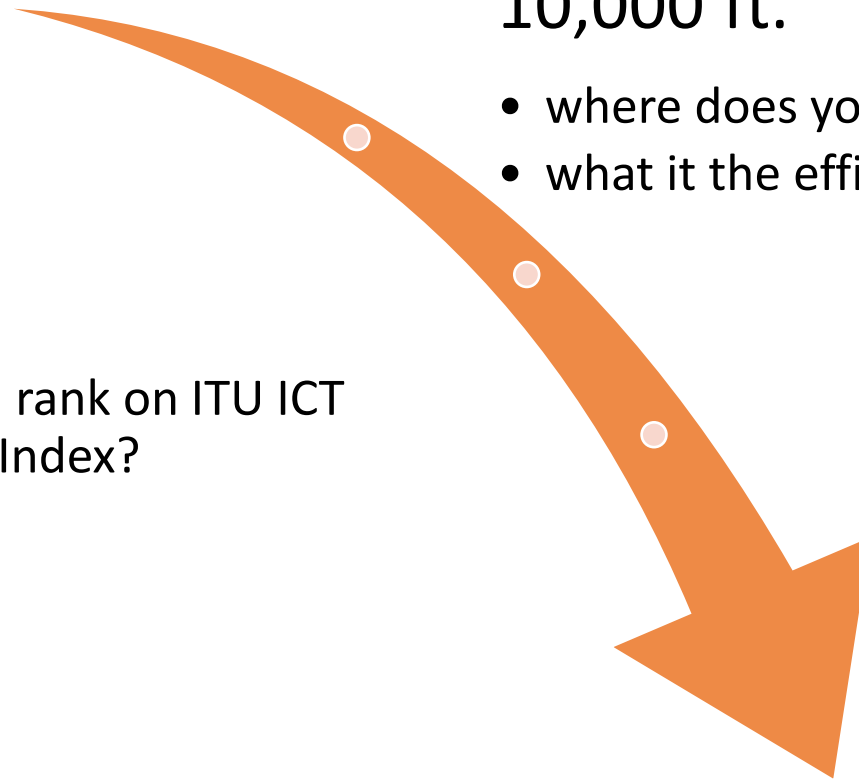
- Where do you rank on ITU ICT development Index?

100 ft.

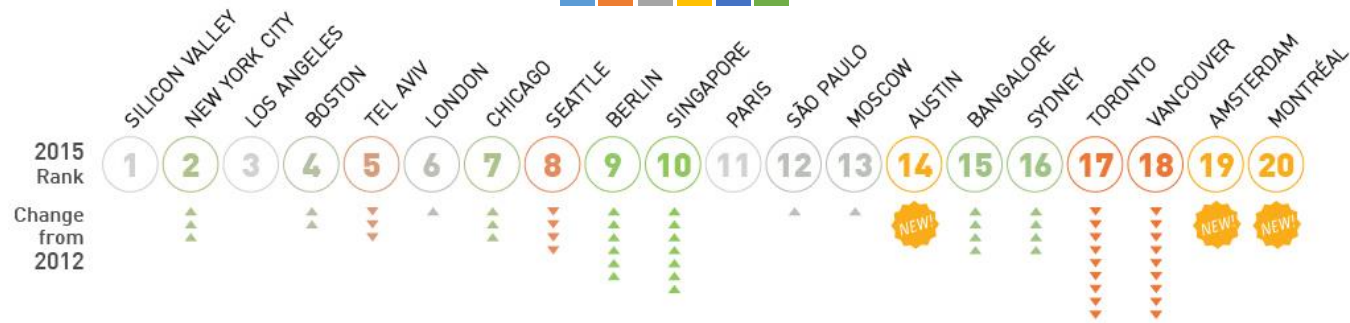
- Where do you rank on the GEDI?

10 ft.

- What are you doing about it?



36,000 ft. view



10,000 ft. view

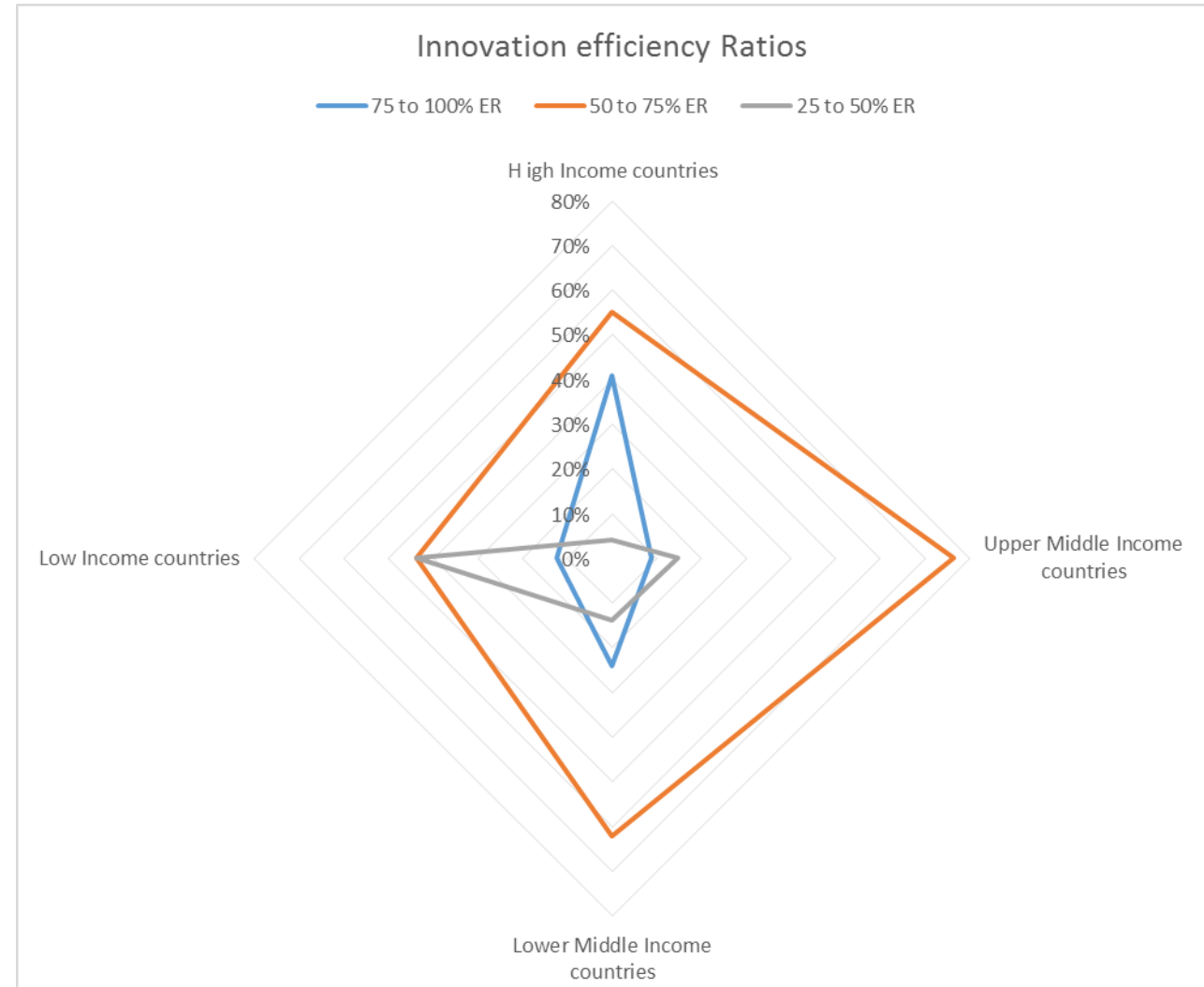


Research is the transformation
of money into knowledge.

Innovation is the transformation
of knowledge into money.

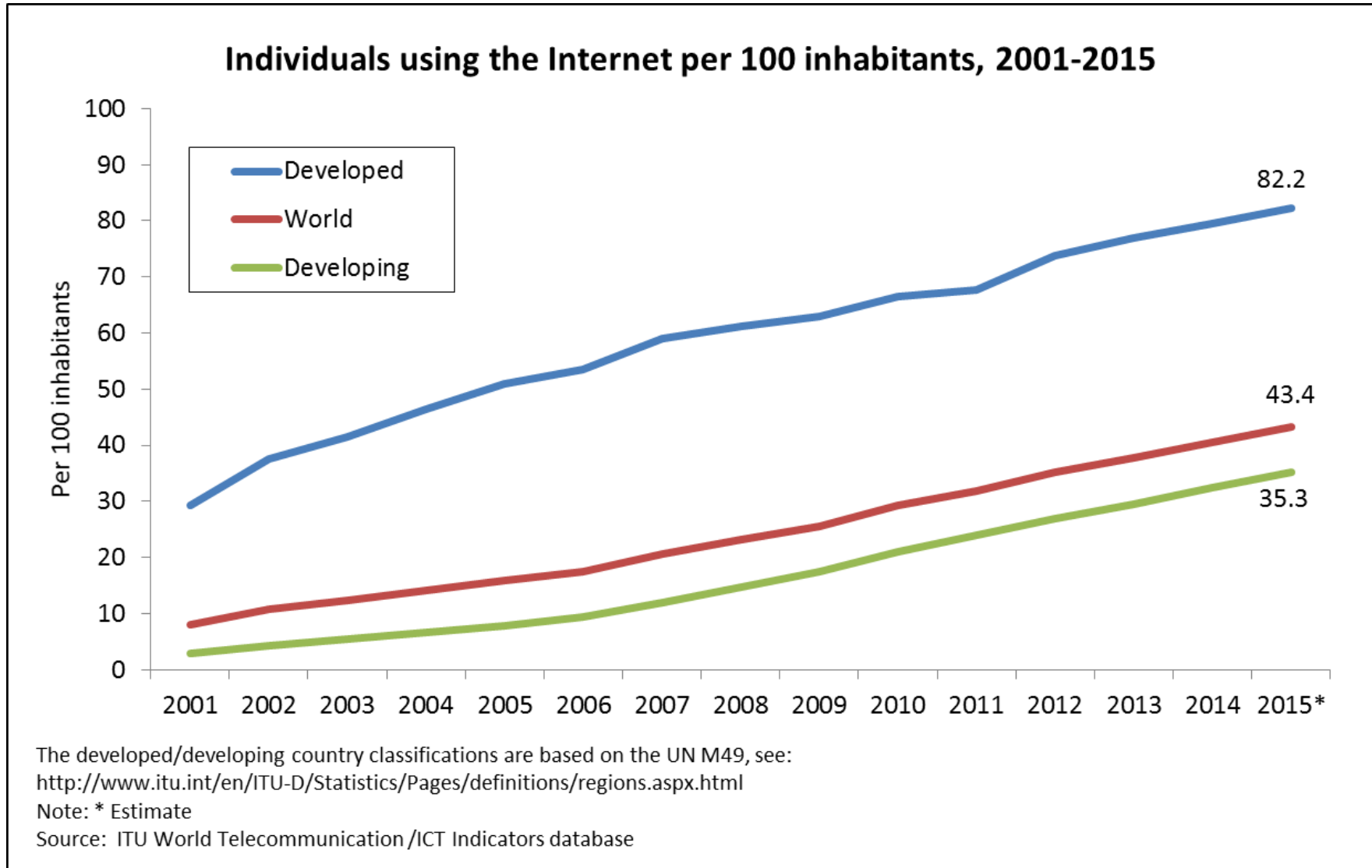
—Dr. Geoffrey Nicholson, 3M
(inventor of the Post-it note)

**Question: what percent of
your GDP goes in R&D,
and what are the
priorities?**

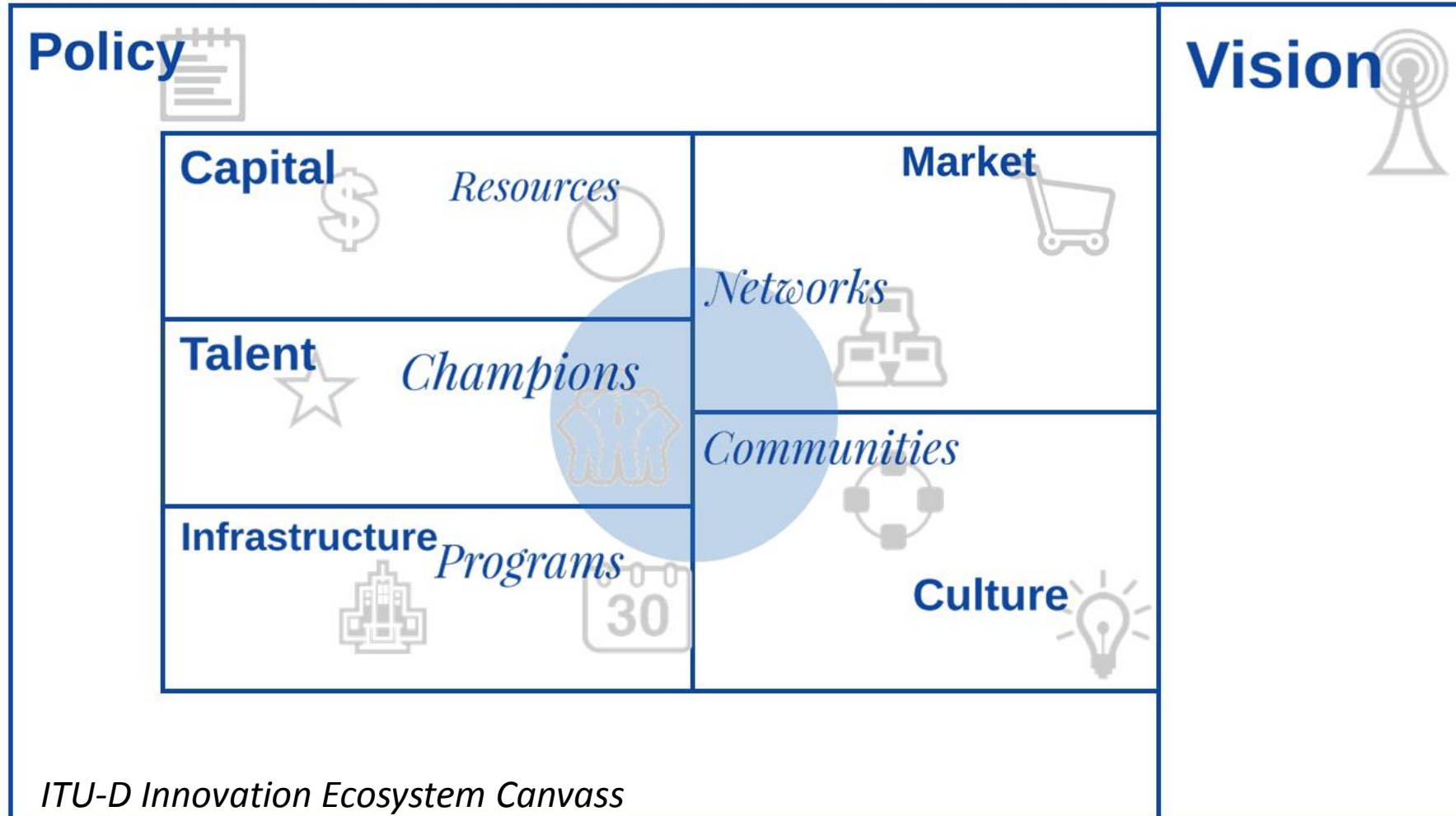


Source: Adapted data from WIPO GII 2016 report

1,000 ft. view



Less than 1000 ft. view?



Question: A startup has 1 in 2 chance, or 1 in 2000 chance of success in your country?

Ecosystem Stakeholders



Public Sector

“We need to promote job creation & innovate our Government services!”

Entrepreneurs

“We need room to take risks + Our government does not listen to us”

Academia

“We need to prepare our students to be entrepreneurs”

“A lot of our innovations don’t reach the market”

Entrepreneurial Support Networks

“These entrepreneurs are not business thinkers!”

“We need global ecosystem linkages!”

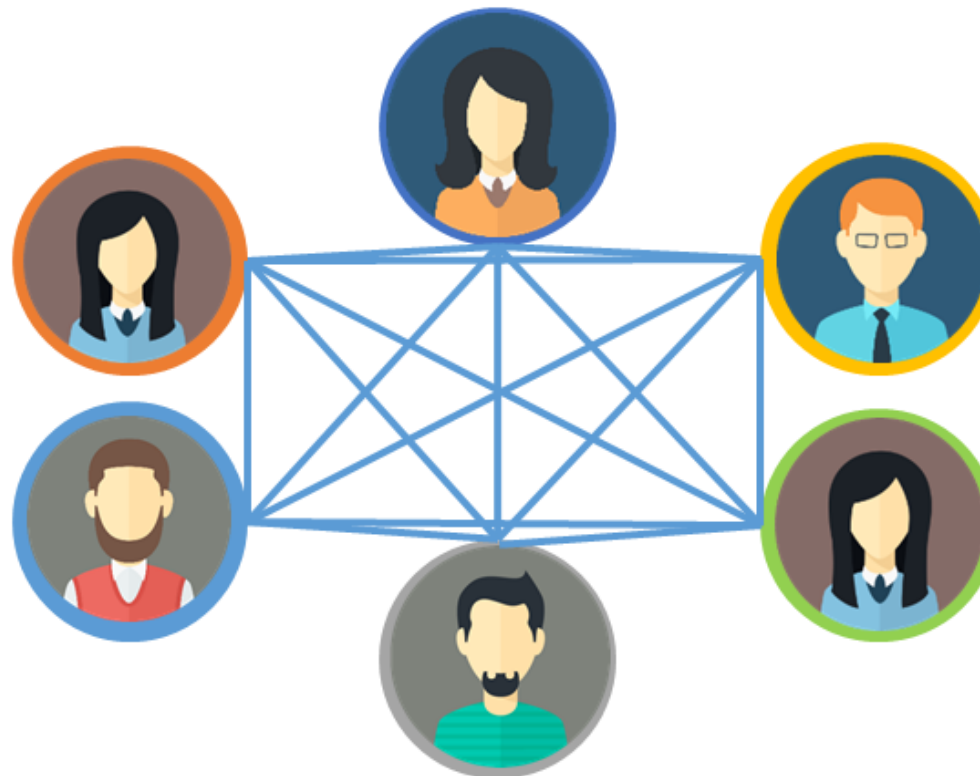
Private Sector

“We need support to scale and go global.”
“We need new ideas, demand, and growth”

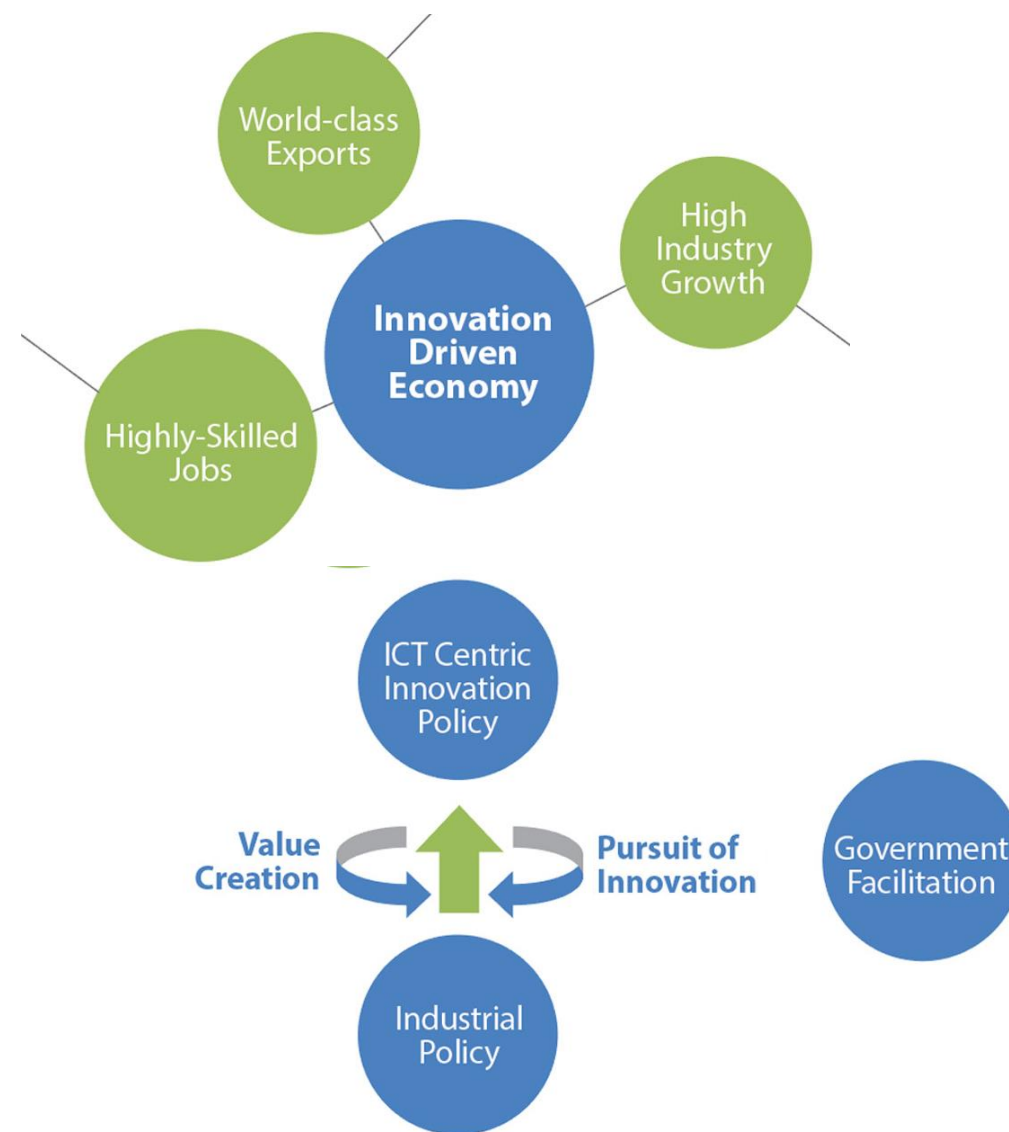
Finance

“We need to find the next Google!”

“Government needs to facilitate an institutional framework



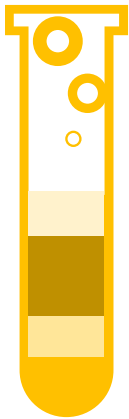
Enabling Environment



Fostering Innovation



Emergent Policy

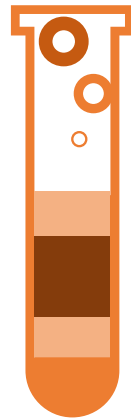


Old vs. new monopolies

Experimentation Sandbox

Leadership and roadmap

Working with Good Practices

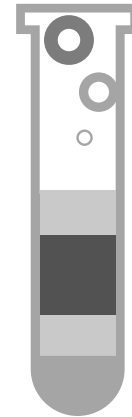


Know how, not tech transfer

Anchored in processes

Inclusive and Open innovation

All stakeholders are important

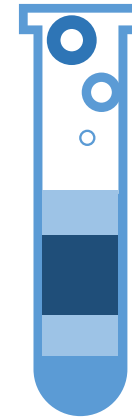


Engaging all key owners

Common Language

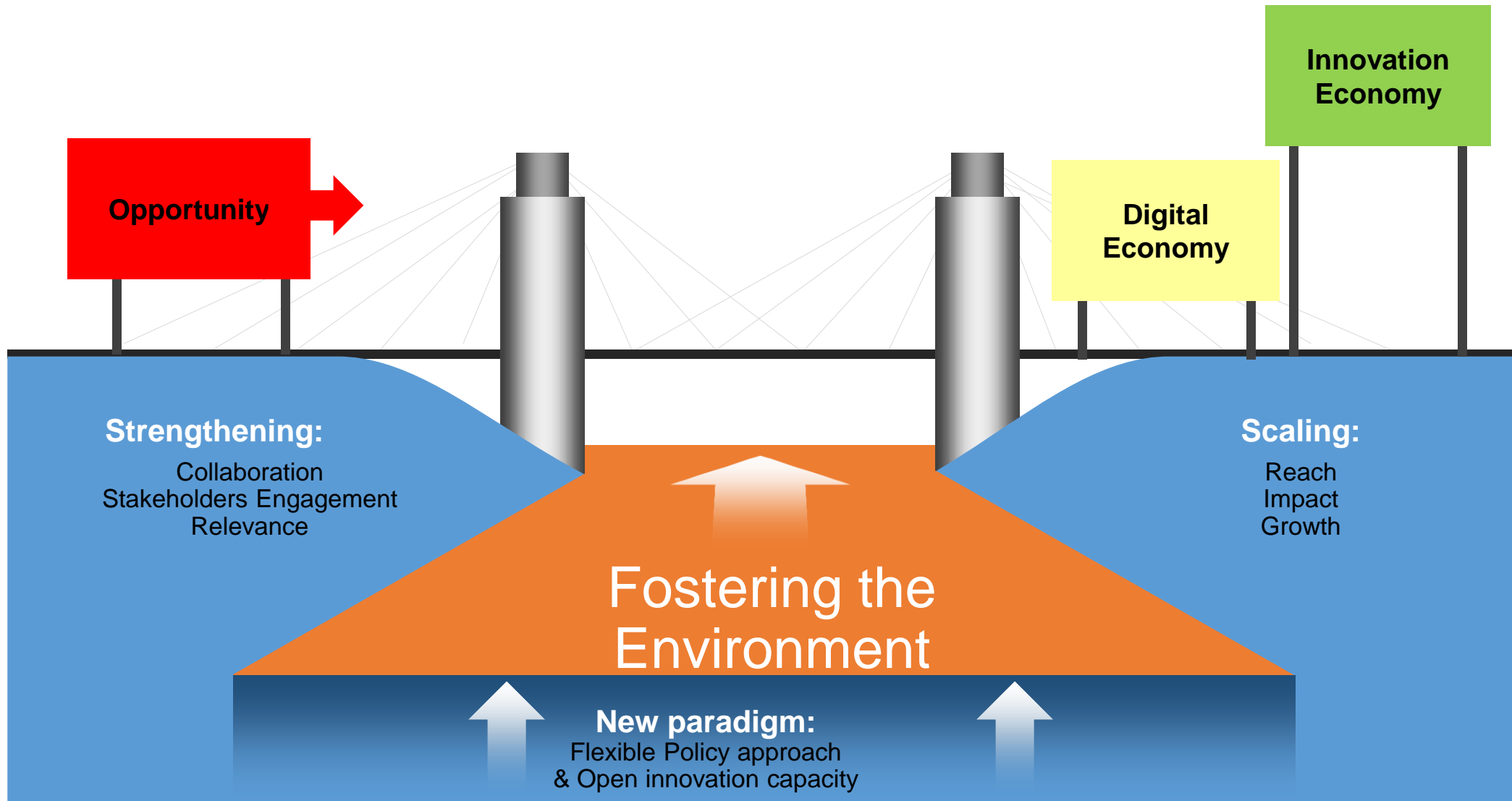
Sustainability

Innovation Capacity

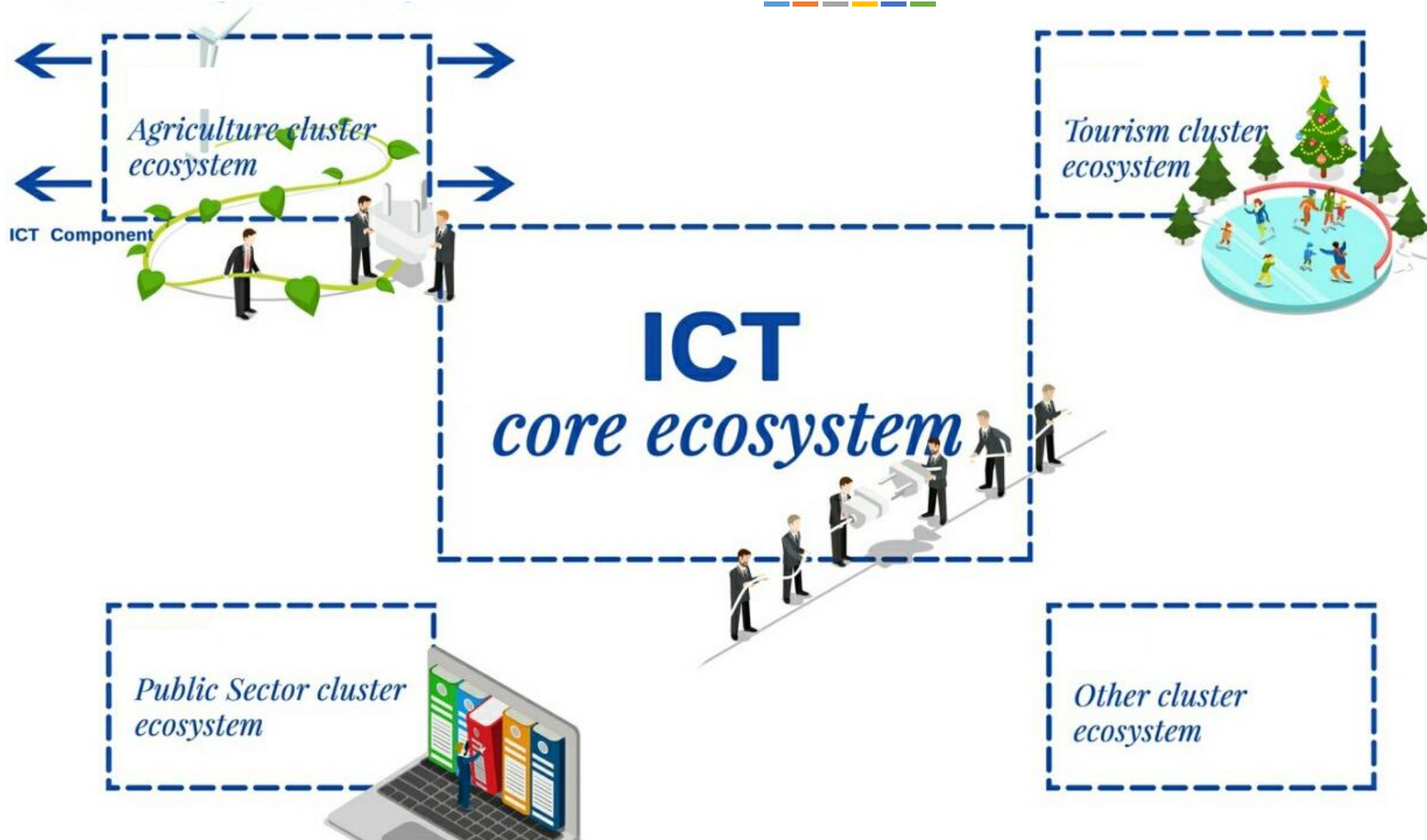


ICT Centric Innovation Policy

Building Bridges



Inclusive Digital Ecosystem



Digital Innovation Framework



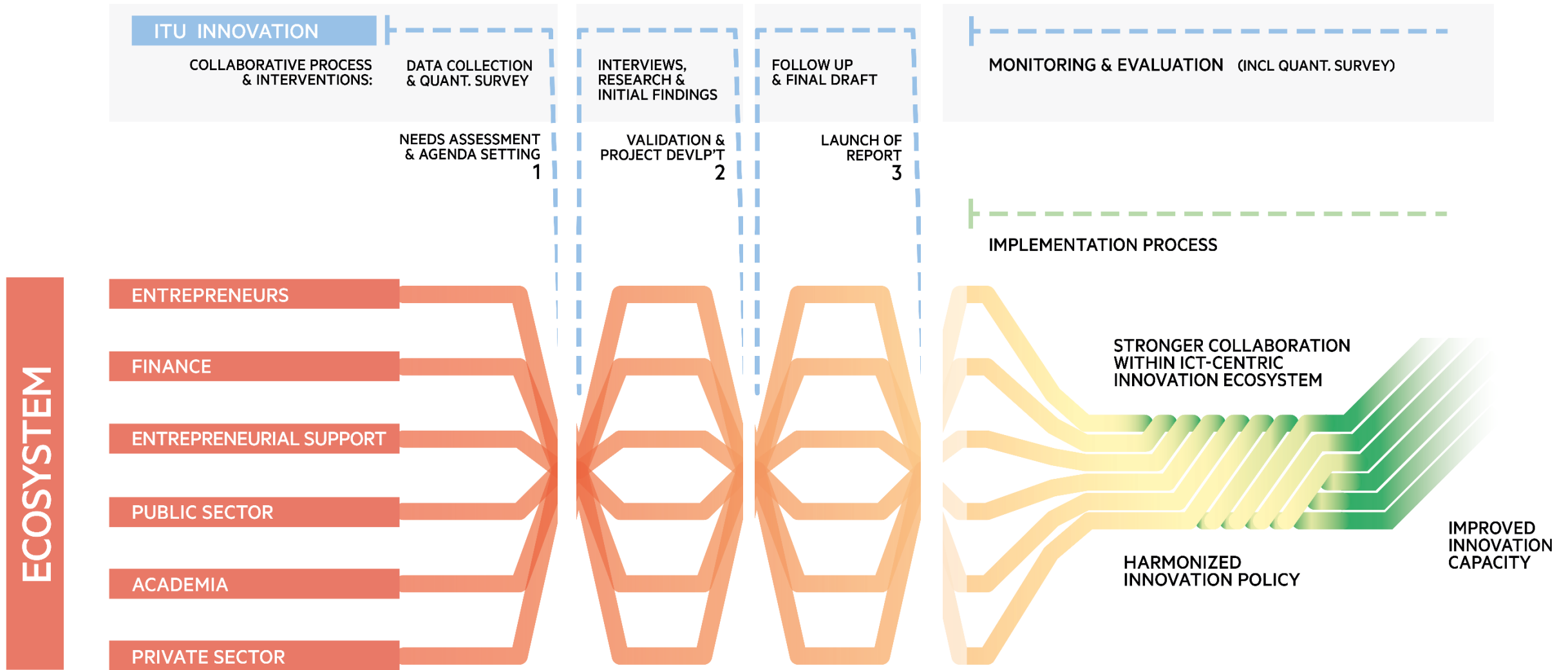
“It is not the failure of talents, it is the failure of champions”

“There are a lot of shiny objects and ideas about becoming the next Steve Jobs”

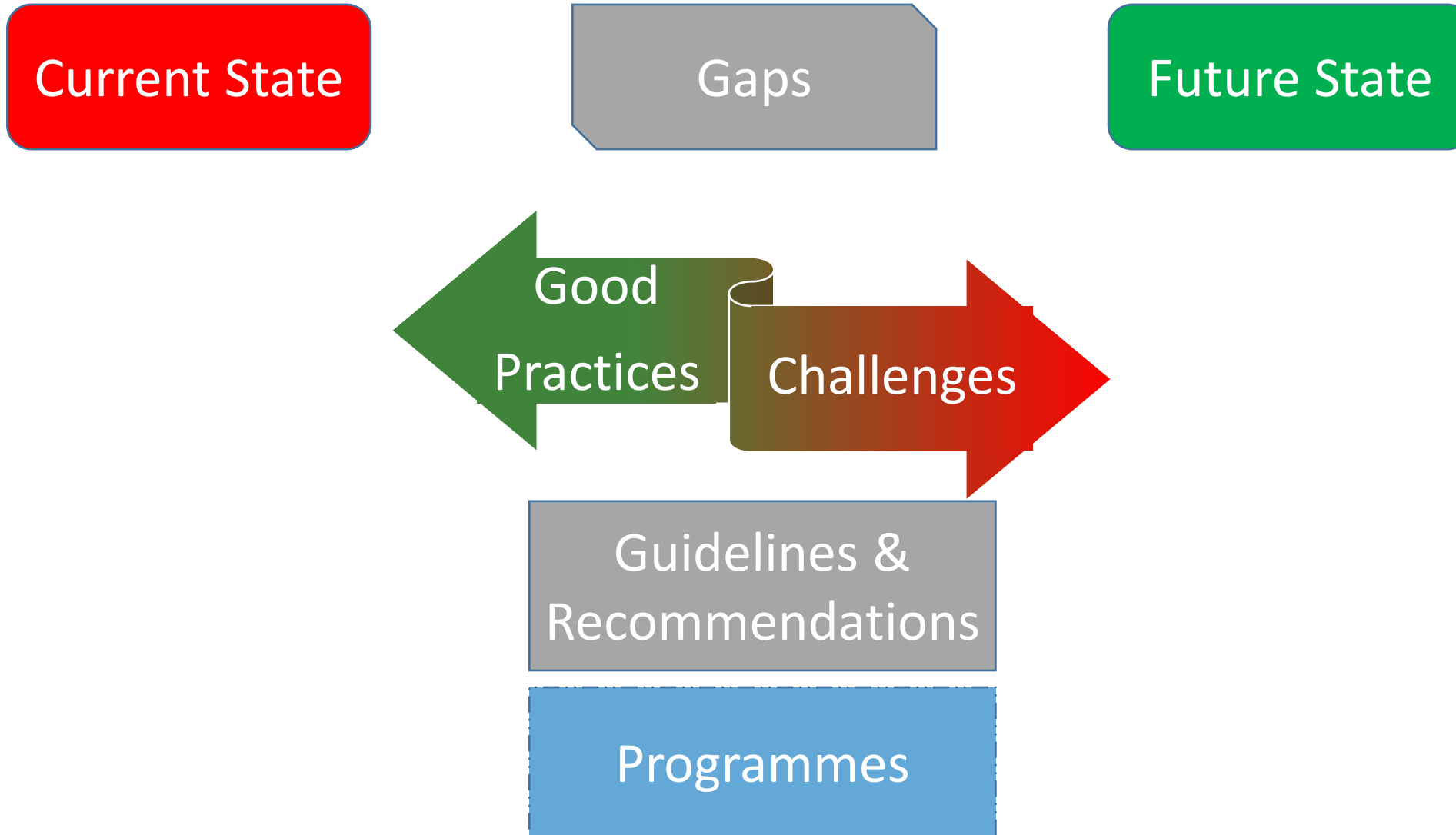
“A country review provides a framework where all stakeholders understand their roles, gaps and opportunities in ecosystem, and can come together around specific programs and initiatives in developing it.”

ITU-D Innovation

Growing organic ecosystems



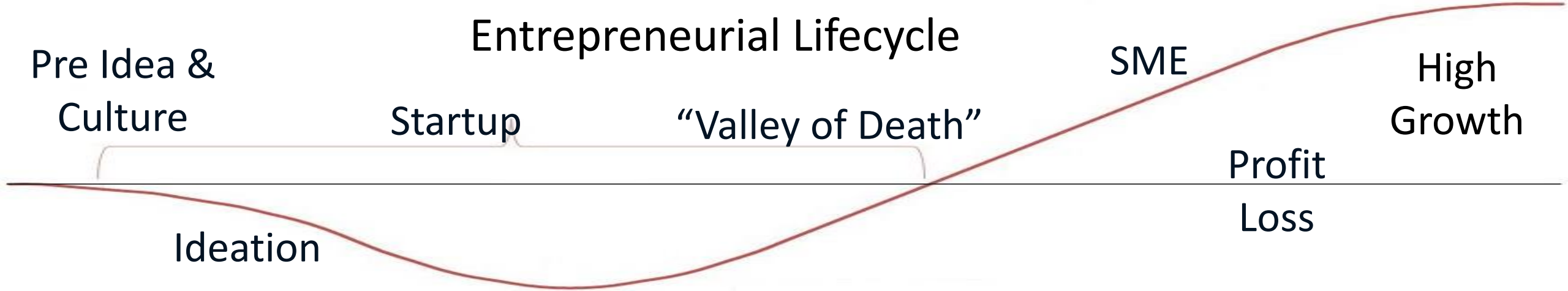
Building the 3 Case Studies



Case 1: low income-factor driven



“As a country we have all these good ideas, but when it comes to supporting a project financially, it’s more difficult. Investors need to step up and help.”



Entrepreneurship Phase	Pre-Idea	Ideation	Startup	The "Valley of Death"	SME
Entrepreneurs	Entrepreneurial interest	Engage with problems	Develop business models	Build collaboration	Expand
Finance	Research funding	Seed funding	Angel investment	Venture capital	Business finance & loans
Entrepreneurial Support	Entrepreneurial events	Hackathons & competitions	Coworking & support	Incubators & accelerators	Business associations
Private Sector	Success stories	Research programs	Lab programs	B2B & Support services	Skill training programs
Academia	Entrepreneur community	Basic research	Spin offs	Soft skill training	Human capital
Public Sector	Vision & strategy	IP & R&D support	Tax support	Public procurement	Trade policy

Case 1: Overarching Themes



Preparation for success in infrastructure & strategy

ICT use & markets still underdeveloped

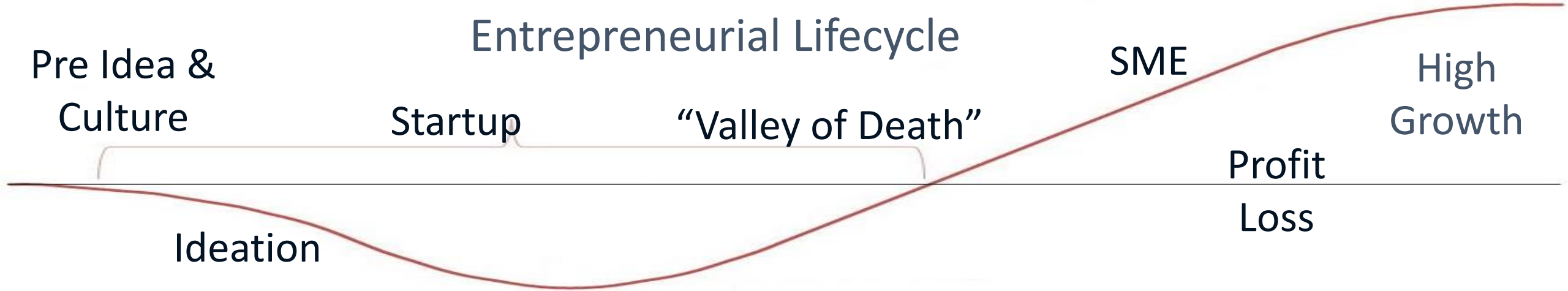
Ecosystem still very early stage

Need to prepare to shift to private sector

Case 2: middle income-factor driven



"Young people have some talents, they have energy. But it will burn out soon if that energy is not guided or supported to help build good companies"



Entrepreneurship Phase	Pre-Idea	Ideation	Startup	The "Valley of Death"	SME
Entrepreneurs	Entrepreneurial Interest	Engage with problems	Develop Business Models	Build Collaboration	Expand
Finance	Research Funding	Seed Funding	Angel Investment	Venture Capital	Business Finance & Loans
Entrepreneurial Support	Entrepreneurial Events	Hackathons & Competitions	Co-working & Support	Incubators & Accelerators	Business Association
Private Sector	Success Stories	Research Programs	Lab programs	B2B & Support Services	Skill Training Programs
Academia	Entrepreneur Community	Basic Research	Spin Offs	Soft skill trainings	Human capital
Public Sector	Vision & Strategy	IP & R&D Support	Tax Support	Public Procurement	Trade Policy

Case 2: Overarching Themes



Ambition and vision are not supported by capabilities.

ICT perceived more as a tool and is not leveraging the ecosystem to create digital transformation.

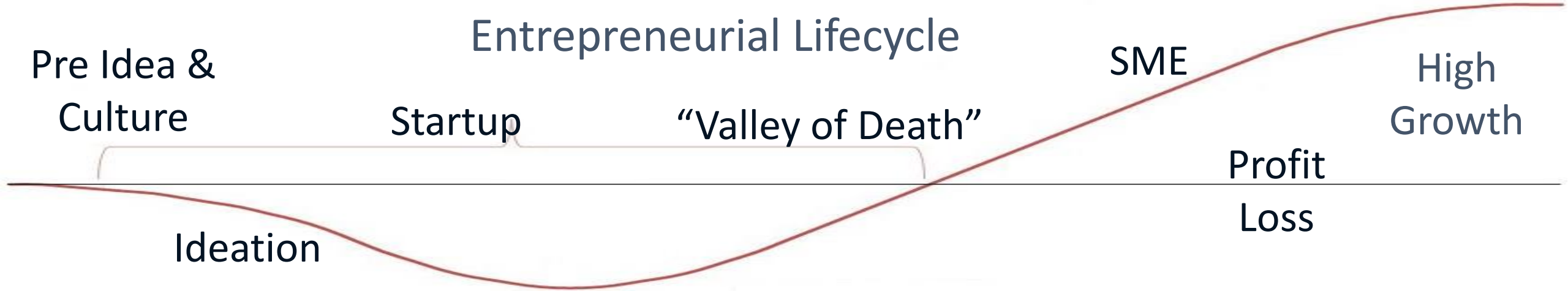
There is a lot of enthusiasm but it is burning out due to lack of support.

Need for coordinated, enabling policies.

Case 3: middle-income, efficiency driven



"People run in different directions,
there is no common strategy to my
knowledge"



Entrepreneurship Phase	Pre-Idea	Ideation	Startup	The "Valley of Death"	SME
Entrepreneurs	Entrepreneurial Interest	Engage with problems	Develop Business Models	Build Collaboration	Expand
Finance	Research Funding	Seed Funding	Angel Investment	Venture Capital	Business Finance & Loans
Entrepreneurial Support	Entrepreneurial Events	Hackathons & Competitions	Co-working & Support	Incubators & Accelerators	Business Association
Private Sector	Success Stories	Research Programs	Lab programs	B2B & Support Services	Skill Training Programs
Academia	Entrepreneur Community	Basic Research	Spin Offs	Soft skill trainings	Human capital
Public Sector	Vision & Strategy	IP & R&D Support	Tax Support	Public Procurement	Trade Policy

Case 3: Overarching Themes



Some progress with strategies, but insufficient coordination

ICT is not seen as a strategic sector, thus lack support

Large talent pool, with multi-lingual capabilities, but doesn't meet the need of ecosystem.

There is ambition, but risk aversion, trust, and lack of synergies are holding the ecosystem

Domestic market size is limited, and global growth unexploited

5 Key Lessons



- 1 Leadership: guiding innovation
- 2 Resources: continuum and choice
- 3 Talent: quick wins and structural
- 4 Enabling Environment: specific laws and policies
- 5 Public services and markets: access and growth

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Thank You
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