

#### Harnessing Rapid Technological Change

# (The need for Policy framework)

In most theories of the growth from Schumpeter to Solow and Romer technological change is "the engine of growth".

But this change lead to:

# Positive effects

- Improves our well-being and life expectancy
- Reduce cost and affordability
- New product and service
- Increases living standards

# Negative effects

- Destroys the environment
- Increases technology gap between youth and old, male and female
- Causes the Job loss and automation
- unequal access to new tech







#### Theoretical Background For Policy Framework



# Three building blocks of policy framework for Harnessing rapid technological changes ....

#### 1ST Sustainable development oriented national foresight program

The expected results of Iran national foresight program is Setting priorities and promoting innovative technological start- ups as a cultural change.

#### 2<sup>ND</sup> Restructuring and enhancing innovation ecosystem

• Transition from government related and funded STI system to sustainable development oriented innovation ecosystem is necessary.

# 3<sup>RD</sup> Harnessing new technologies through regulation

• The regulatory system role is supporting startups to diffuse innovation in society and encouraging or forcing conventional industries to innovate: e-health, waste,....

## ${f 1}^{ m st}$ approach: Sustainable development oriented national foresight program

• I.R Iran's national foresight program has focused on sustainable development challenges such as social innovation, education, water, waste management, energy, health along with food security.

• The expected results of Iran national foresight program is Setting priorities and promoting innovative technological start- ups as a cultural change (business model learning).



DUI

# 1<sup>st</sup> Approach: approach: Sustainable development oriented national foresight program

(Analyzing and promoting new business models and core technologies in global experience of startups)











### 1st Approach: Iran National Foresight Program for SDGs

(Example: International Business Model Learning of digital health)



# 1<sup>st</sup> Approach: Iran National Foresight Program for SDGs

(Evaluation of global experiences of startups in the field of digital health: Business Model Learning)

2 Health service providers



**3** Health education system

Educational services



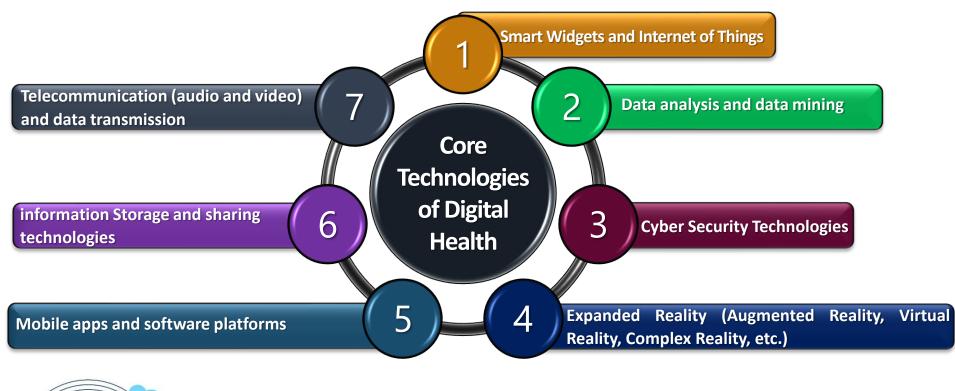






# 1<sup>st</sup> Approach: Iran National Foresight Program for SDGs (Evaluation of global experiences of startups in the field of digital health: Business Model Learning)

#### **Core Technologies of Digital Health based on bencchmarking**





# 2<sup>nd</sup> Approach: Restructuring and enhancing innovation ecosystem: Government related and funded STI system



Import of technologyand equipmentHigher Education

development

The role of government:

a rent distributor

### **FINANCE**

- Government R&D expenditure
- Lack of business sector and venture capital

Resource-based economy

#### **UNIVERSITY**

- Separated from society
- Relying on the state budget

#### **FACTORY**

(NO INDUSTRY)

- No tech development
- No need for experts

import of equipment and Turn key manufacturing



- Brain drain
- Low added value products
- Recourse based economy

## 2<sup>nd</sup> Approach: Restructuring and enhancing innovation ecosystem



The main idea

**Innovation ecosystem** 

The role of

government:

**Entrprenurial state** 

**Facilitator** 

#### **INDUSTRY**

- Added value industry
- Export oriented
- Based on Human capital

Knowledge based companies and startups



- solving social and industrial challenges
- Human capital development
- Innovation districts

#### **FINANCE**

- VENTURE CAPITAL
- Business sector investment
- Smart money from the government



#### OUTCOME

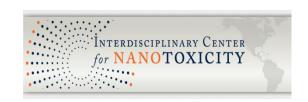
- Knowledge based economy
- Development
- Competitiveness
- Brain Circulation

# 2<sup>nd</sup> approach: Restructuring and enhancing innovation ecosystem

- The first pillar of the knowledge-based economy is human capital development in innovation centers and accelerators.
- >Second pillar of the ecosystem is financial resources through VC mechanisms.
- >SDGs oriented VCs and accelerators to support entrepreneurship in priority areas







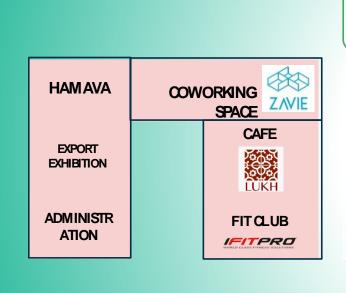


# **AZADI INNOVATION FACTORY**

**PLANT** 



**ALIBABA** 





**KARA** 



**VCAST** 



DIGNEXT

digikalaN∈X



PHARM AD

HONAM PHARMED





DIBA

DIBA GROUP





# **LOW CIST PRODUCTS** AND AFFORDIBILITY മ nd **INCLUSIVNESS**

## 2<sup>nd</sup> approach: Building innovation ecosystem

(the case of health technology ecosystem:Bio tech)





**Technology** 

trends









more than

**100 NTBF** 

# 3<sup>rd</sup> approach: harnessing new technologies through regulation

(regulation of Iranian Transportation Network Companies (TNCs):Iranian Uber's!!!)

- Policymakers should understand the pros and cons of new technologies
- > update the regulation in favor of sustainable development and innovation.





JOB CREATION

Smart services including pricing



the rights of drivers

the quality of jobs created and promoted

companies that do not classify their drivers as employees.

the case of competition and trust

# 3<sup>rd</sup> approach: harnessing new technologies through regulation

(regulation of Iranian Transportation Network Companies (TNCs))

- ➤ A unique aspect of this process is the close collaboration of VPST and TNCs to develop an innovation ecosystem
- Planning to leverage the capacity and market of TNCs to shape a green transportation and electronic vehicles industry in Iran.
- In this case TNCs provide incentives for the riders who use e-vehicles









# WITH THE HELP OF STARTUPS

Unique Applications

Waste separation from source

Collection and transfer to segregation centers

Washing and separating

Transfer to industries as raw materials

Sustainable income for both citizens and local governments







#### Iranian startups and tech companies related to waste treatment

#### recycling



# Educational and cultural issues and waste collection



#### Screening and segregation



# Thank you