



THE WORLD BANK
Working for a World Free of Poverty



World Bank
Institute

Finland as a Knowledge Economy 2.0

Lessons on Policies & Governance

Ilari Patrick Lindy
Senior Operations Officer
World Bank Institute

UNCTAD Multi-Year Expert Meeting

Innovation for Productive Capacity-building and Sustainable Development:
Policy Frameworks, Instruments and Key Capabilities,
Session I: Institutional Frameworks for STI Policies

Wednesday 19TH March 2014
Geneva, Switzerland

Content

WBI

Report

Structure

Key Messages

Take-up

WBI's Mission and Approach



About the Report

- “Cookbook” on policies and governance
- Experiences **not directly replicable**
- Many aspects of STI development are **universal**
- Countries can **learn from each other**
- **Convergence** of practices is a major trend in a global digital world

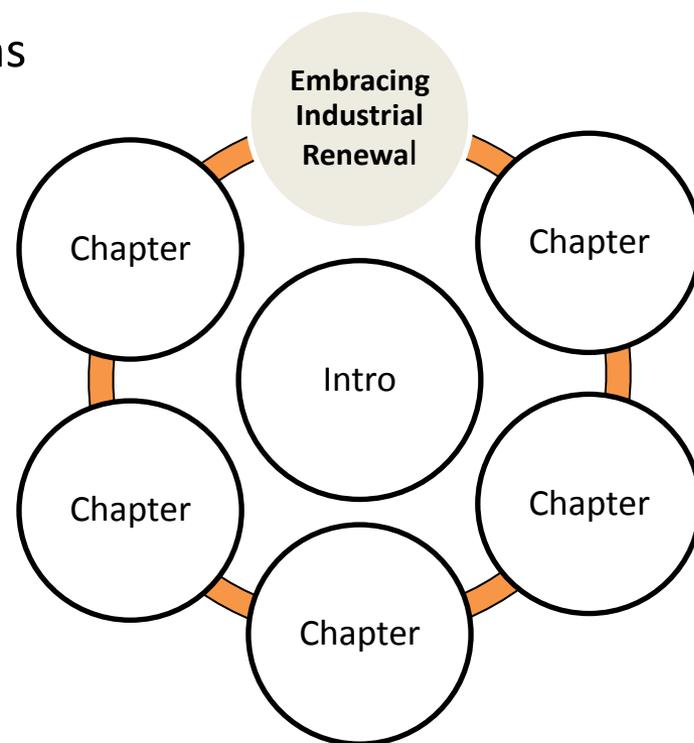
Embracing industrial renewal

Lessons

- Prepare for challenges and transformations
- Promote the ability to renewal
- Digital services as a source of growth?

Cases

- Innovation Mill – promoting entrepreneurial activity
- Demola – open innovation
- Forum Virium – digital services
- Vigo Accelerator – growth entrepreneurship



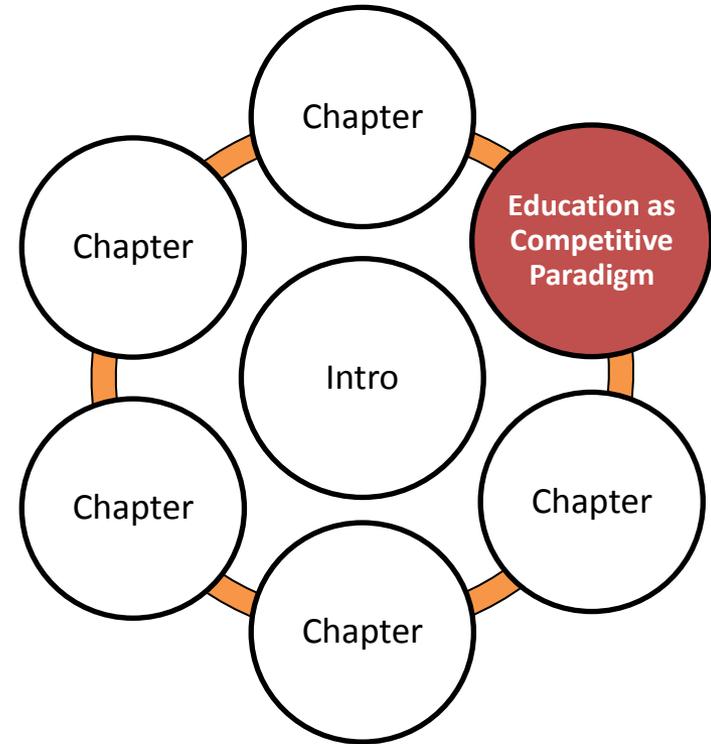
Education as Competitive Paradigm

Lessons

- Wide and high-equality education system crucial
- Equal access and autonomy
- Competence of teachers
- Flexibility to renewal

Cases

- Aalto Factories



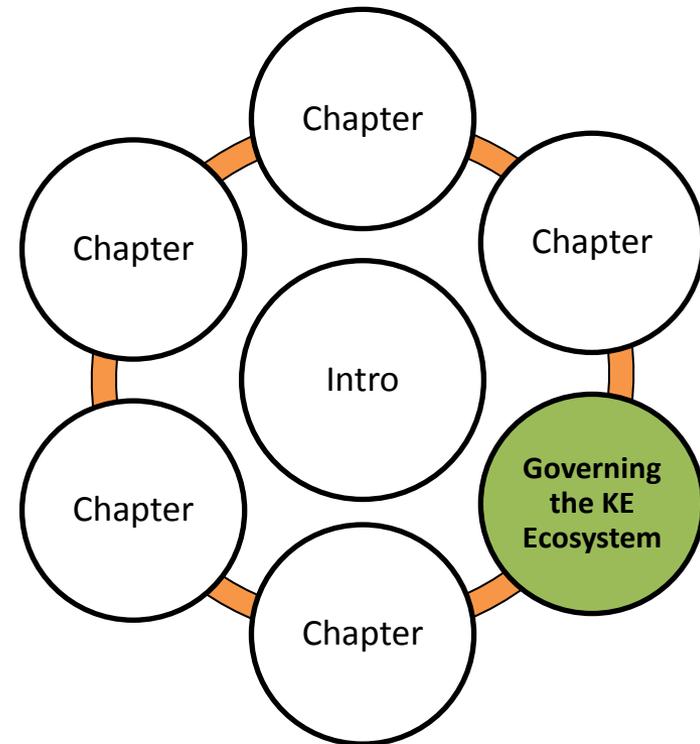
Governing the KE Ecosystem

Lessons:

- Strive for wide consensus on basic goals
- Identify key areas of coordination
- Engage stakeholders
- Avoid sectoral boundaries

Cases:

- Research and Innovation Council
- Foresight activities
- TINTO



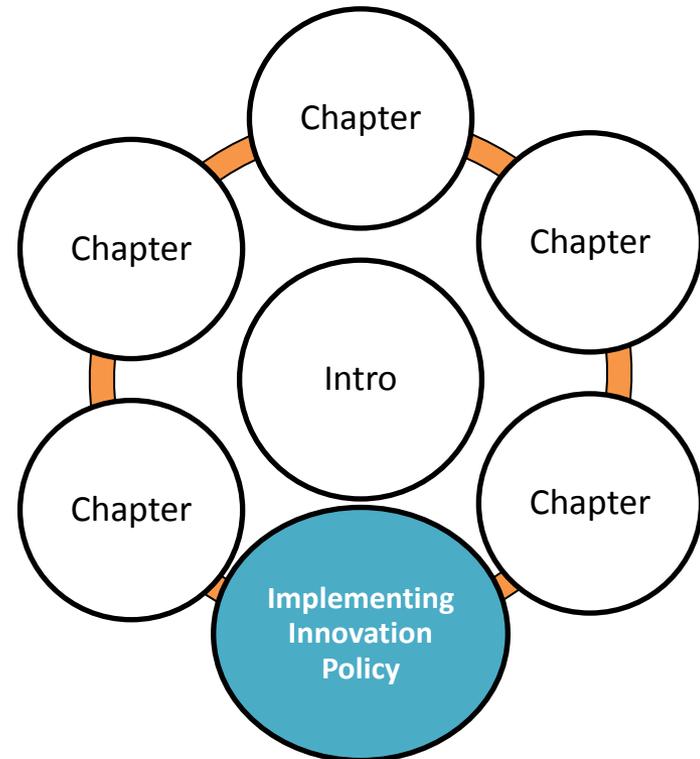
Implementing Innovation Policy

Lessons:

- Effective organizational structure and funding instruments
- Consider mixing centralized (financing) and decentralized elements (regional expertise)
- Promote cross-sectoral innovation
- Prioritizing and focusing

Cases

- SHOKs
- INKA



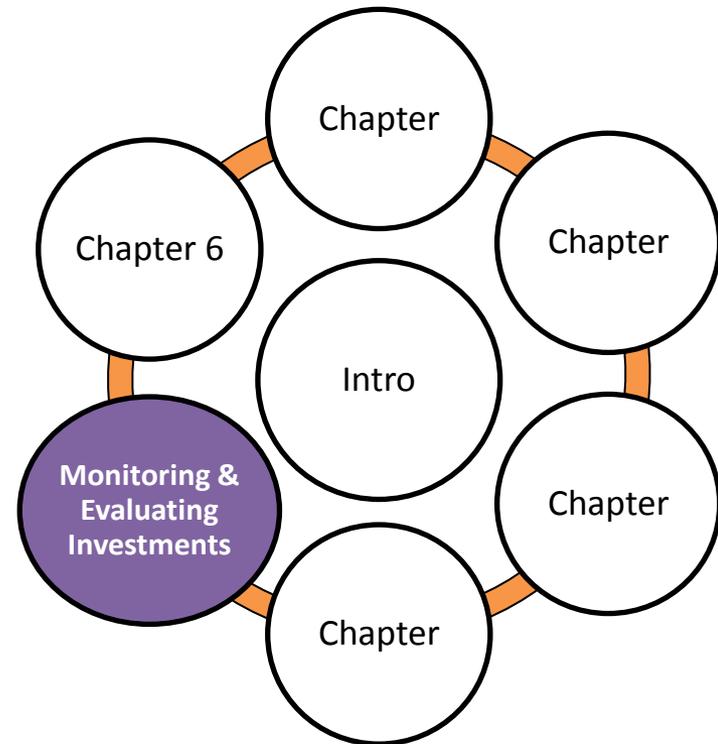
Monitoring & Evaluating Investments

Lessons

- Improving effectiveness and transparency
- Basic data as the bedrock
- Build learning processes into structures
- Evidence and political agendas should be separated
- Plan evaluation and monitoring in advance

Cases

- Tekes impact assessment



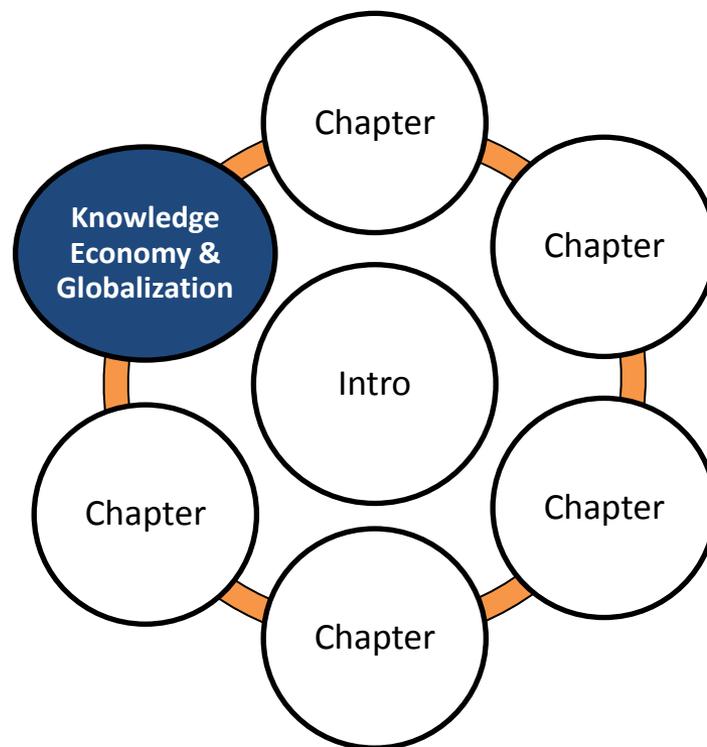
Knowledge Economy & Globalization

Lessons:

- Roles changing towards '*Knowledge Partnerships*'. Joint learning and understanding of user needs crucial
- Programs as coordinated and systemic set of complementary measures
- Collaboration between organizations and institutions often most fruitful

Cases:

- Finnnode India
- Siyhakhula Living Lab (South Africa)



Summary

Resourcing education & R & D

Change agents established

Structures & organizations renewed

All actors mobilized

Networks built bottom-up

Knowledge-base strengthened

Take-up WBI e-Learning course

Course: Introduction to Innovation Policy for...
worldbank.mrooms.net/ Search

THE WORLD BANK
Working for a World Free of Poverty

eInstitute
for development

01 Basic Concepts of Innovation and Innovation Policy
02 Pragmatic National Innovation Agenda
03 Providing a Sufficient Base for Innovation
04 Business Services for Innovators, and Regulatory Aspects
05 Basic Evaluation Methods and Monitoring Innovation
06 Country Action Plans

Basic Concepts of Innovation and Innovation Policy

Overview and Objectives

Innovation has been at the heart of economic and social development. The rise of modern industrial powers in North America and Europe, as well as the economic success of many recent developing countries were all based on rapid increases in the speed of technological, process, and managerial innovations. As such, it is imperative for developing countries to focus on and understand effective innovation policies as a mean to promote public welfare and growth. Today, a multitude of global challenges make policy goals centered on technological innovation even more important. With global growth slowing as a result of the recession and commodity prices increasing due to geopolitical uncertainties, effective innovation can act as the vanguard against poverty resulting from these challenges. In addition, with the threat of climate change increasing, innovation and technology can act as a buffer in protecting the most vulnerable countries.

While many governments recognize the importance of technological innovations, they often have a difficult time in clearly defining the concept of innovation and innovation policies. In addition, many misconceptions exist regarding the key constituents of these policies and how government can play a role in fostering innovation. Hence, the theme of the first module involves defining innovation, and demonstrating its importance. The module will then explain what innovation

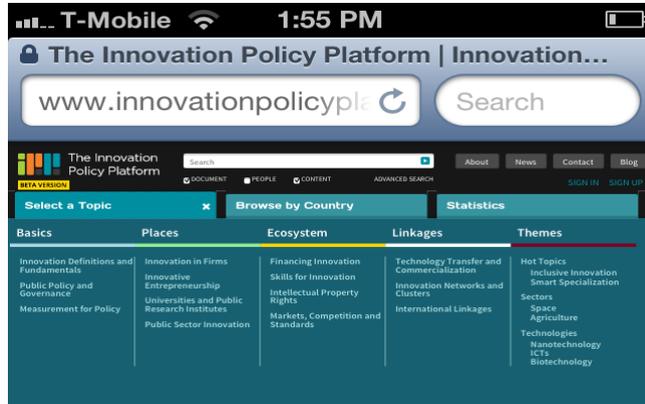
Activities
Quiz
Interactive exercise
Discussion

Case Studies

8

The historic focus on science and technology (S&T) is a less satisfactory basis to do innovation policy “In less developed countries innovation does not necessarily equal “invention” but finding solutions often with existing technology to improve human life and foster social development.” **Designing and implementing the “Whole-of-Government” approach** “Policy continues to be housed at key ministry while the biggest bottleneck to execution is the lack of synchronization among actors and to incentivize them to co-ordinate the planned interventions.” **Increasing buy-in for innovation support from policy makers** “While innovation has changed over the last decades, the strategies to convince policy-makers to allocate resources to stimulate innovation need significant strengthening.” **The geography of innovation has changed** “Promote inclusive innovation’ in which developing countries can create comparative advantage with new applications based on existing technology.” **Involving the private sector in order to ensure effective innovation support** “Innovation policy can lose the forest through the trees and forget that the private sector is one of the main beneficiaries of intervention.” **Involving sub-national government in the design and delivery of innovation policy** “In the current transition to devolved system of governance, the capacity of county governments to embrace innovation remains a challenge.” **Ensuring quality and relevance of higher education** “There is a need to incorporate and align the skilled-based education with the current formal tertiary education level – university.”

Take-up



Welcome to the Innovation Policy Platform

The Innovation Policy Platform (IPP) is a joint initiative developed by the OECD and the World Bank. The aim of the platform is to provide policy practitioners around the world with a simple and easy-to-use tool, supporting them in the innovation policy-making process. This is done by facilitating collective learning about innovation policy, both conceptual and how-to aspects, tailored to the needs of developing and developed countries.

Give us your feedback by completing [this two-minute questionnaire](#).



WBG-OECD

Innovation Policy Platform

www.innovationpolicyplatform.org/

Thank You

ilindy@worldbank.org