

PACE-NET Plus Platform of bi-regional policy dialogue Brussels, 23-24 June 2016

**Update on activities for Work Package 4:
Activities implemented, results so far and future steps**



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WP4 - Overview

Task 4.1 Assessing innovative competencies in the Pacific region and the role of EU support in enhancing them

Task 4.2 Identifying areas and niches for potential industrial innovation within the thematic fields of WP1, WP2 and WP3.

Task 4.3 Generating awareness, disseminating information and validating the areas and niches for potential innovation among the public and private sector.

Task 4.4 Identifying the government policies and support measures required for promoting innovation in selected activities

Task 4.1 - Overview

Task 4.1 Assessing innovative competencies in the Pacific region and the role of EU support in enhancing them

Task leader: UPNG

Main contributors: UNIDO, SPI, CTA, CNRT, USP

This task involves **two main objectives**:

- 1) improve our understanding of general characteristics of the innovation process components', interactions' and workings' in the Pacific region
- 2) draft a manual of best industrial innovation practices in Pacific countries and of best EU knowledge and technology transfer approaches into the Pacific region

Objective 1: Main activities

Objective 1: improve our understanding of general characteristics of the innovation process components', interactions' and workings' in the Pacific region

Activities:

- 1)collecting and summarizing relevant secondary sources of information on innovation activities in the region.
- 2)generating primary data information from survey, interviews and case studies
- 3)analyzing available data on innovation activities

Objective 1: Activity 1

Activity 1: collecting and summarizing relevant secondary sources of information on innovation activities in the region.

- Main conclusions:
 - there are several knowledge gaps concerning both innovation and innovation policy in the PICTs
 - these need to be filled in order to create the conditions for fostering innovation and inducing sustainable long-term economic development
- What's next?
 - acquire more information about the actual domestic innovation capabilities and the type and number of innovation activities currently conducted by domestic firms and public institutions.
 - understand the factors, the mechanisms and the obstacles that characterize innovation processes in the Pacific Island Countries and Territories (PICTs)

Objective 1: Activity 1

Activity 1: collecting and summarizing relevant secondary sources of information on innovation activities in the region.

- Three aspects future research should focus on:
 - To identify the country-specific characteristics of the different national innovation systems, to map the innovation capabilities and opportunities in the Pacific region and identifying ‘niches’ for innovation as to understand what should be improved and in which direction to intervene.
 - To evaluate which is the role of the private sector in the current design and implementation of innovation policy and how it interacts with the government and the academia. This will suggest how to intervene as to make the private sector to play a central role in the innovation process (in accordance with the indication of Horizon 2020).
 - The role of the EU:
 - The role of the various EU scientific and technological cooperation projects in favoring the generation of new products and processes and of novel forms of collective organization in the Pacific.
 - How could the national and regional innovation system benefit from a strengthening of the relation with EU, as to improve both the innovation performance and the effectiveness of innovation policy?

Objective 1: Main activities

Objective 1: improve our understanding of general characteristics of the innovation process components', interactions' and workings' in the Pacific region

Activities:

- 1) collecting and summarizing relevant secondary sources of information on innovation activities in the region.**
- 2) generating primary data information from survey, interviews and case studies**
- 3) analyzing available data on innovation activities**

Objective 1: Activity 2

Activity 2: Generating primary data information from **survey**, interviews and case studies

• *Firm-level innovation survey: rationale*

- This is a crucial activity because it will provide knowledge on the actual behavior of firms in the region in terms of innovation (or lack thereof)
- The results of the statistical analysis will provide a basis for the following step of the project, in particular the identification of the characteristics of the innovators (both successful and not-successful ones) will help in the design of an effective country-specific innovation policy.

• *Firm-level survey: approach*

- To whom is the survey directed? To all (domestic and foreign) firms in the region, especially the ones active in sectors related to WP1, WP2 and WP3.
- Which is the focus of the survey? To identify some stylized facts concerning the innovation activity, the difficulties related to and the experiences of collaboration with EU firms and institutions.

Objective 1: Activity 2

Activity 2: Generating primary data information from **survey**, interviews and case studies

Where are we?

1. **Fiji**: the survey is on-going since September 2014. Around 50 questionnaire returned
2. **New Caledonia**: 84 questionnaire returned. The survey was meant to be completed on 20th June 2015. The survey is now part of a French initiative implemented in NC, namely the "Territorial Strategy for Innovation", led by the NC government in partnership with diverse organizations like MEDEF, CMA, CANC, FINC, CGPME, and the CCI
3. **Papua New Guinea**: the survey started in December 2014. Still working on collecting questionnaires
4. **Samoa**: activities start July 2015
5. **Cook Islands**: activities start July 2015

Objective 1: Activity 2

Activity 2: Generating primary data information from survey, **interviews** and case studies

Individual interviews

Objective:

- to meet economic and policy actors involved in the innovation activity to learn from them as much as possible on innovation, innovation policy and innovation opportunities/challenges in the country

Target

- entrepreneurs and representatives of business associations
- academics, scientists and representatives of research centers
- national and local government representatives, international agencies officials

Methodology:

- Set of standardized open questions, plus specific-ones depending on the respondent

Objective 1: Activity 2

Activity 2: Generating primary data information from survey, **interviews** and case studies

NEW CALEDONIA: where do we stand?

- The **25 interviews** have been arranged by CNRT. All interviews took place in the week 19-25 August 2014.
- Some preliminary results:
 - Increasing interest in innovation from both the private sector and the government (all levels, especially provinces)
 - Interesting examples of spin-off: from basic research developed by the IDR to generation of private economic activities
 - High heterogeneity of the economic landscape: micro-enterprises and large mining companies. This can generate interesting opportunities for collaboration and may create the (demand) conditions for the development of innovative processes and products
 - Still unclear economic potential of the rich biodiversity that characterizes the country

Objective 1: Activity 2

Activity 2: Generating primary data information from survey, **interviews** and case studies

PAPUA NEW GUINEA: where do we stand?

- The **11 interviews** have been arranged by UPNG. All interviews took place in the week 17-24 November 2014.
- Some preliminary results:
 - Large heterogeneity in individual views: this is related to the “duality” of the economic context: large foreign companies and small domestic ones
 - Innovation potentials in several sectors: agriculture, fishing, manufacturing (difficult conditions actually may work for an incentive)
 - Obstacles: high cost of operations and difficulties of access to foreign technology and human capital
 - Efforts by the Government in the innovation domain: great difficulties but promising

Objective 1: Activity 2

Activity 2: Generating primary data information from survey, **interviews** and case studies

PAPUA NEW GUINEA: Next steps

- To further improve our understanding of innovation in the country, it would be useful to conduct more interviews, enlarging even more the range of types of person interviewed. This is particularly important in such a complex economic environment such as PNG.
- Numerous useful contacts were created: they will facilitate the firm survey and favour possible future collaborations as to further develop the PACENET-Plus Project in the country (EU Delegation in PNG, the PNG Chamber of Commerce and the Institute of National Affairs).
- Some PACENET+ colleagues in PNG agreed on the need to conduct additional interviews.

Objective 1: Activity 2

Activity 3: Generating primary data information from survey, interviews and **case studies**

- Identify four detailed case studies of successful and failed industrial innovations in the fields of WP1, WP2 and WP3
- The preparation of 4 studies, one draft in progress
- The 4 case studies will be: *2 successful and 2 unsuccessful* cases related to innovation with European implication focus on the main areas of the PaceNet Plus Project in PNG
 - (1) *Health, demographic change and wellbeing;*
 - (2) *Food security, sustainable agriculture, marine and maritime research and the bio-economy;*
 - (3) *Climate action, environment, resource efficiency and raw materials*

Objective 1: Activity 3

Activity 3: analyzing available data on innovation activities

UNIDO will elaborate all the data and the information that will result from the interviews and firm innovation surveys to provide the most up to date and detailed description of the current status of innovation in the Pacific.

This will allow to identify the strengths and weakness of the national innovation systems in the Pacific region.

The results will provide the basis for the next steps of the project, namely the identification of the niche for innovation and the characteristic of the most effective innovation policy for the region.

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PACE-NET Plus Consortium

