



**"The dimension of innovation in the
framework of the EU-CELAC Joint
Research Area"**

"Concept note"

**Carlos Bermudez
Carlos Aguirre-Bastos
San Salvador, 2 October 2017**

Economic Innovation vs Social Innovation

- Innovation as discussed in the “concept note” is in line with the definition of innovation in H2020.

		Social Innovation	Economic Innovation
Components	Actors	Social entrepreneurs initiatives, movements, foundations Beneficiaries, Public sector Real Estate Management	Company, Homes Public sector Investigation
	Means	Economic and social, capital, infrastructure, participation resources politics (vote, protest)	Capital, work, land, knowledge
	Institutions	Market, welfare regime, local or regional governance	Market
goals	Social	Predominant	Directed partially by CSR, sponsorship, etc.
	Economic	Often neglected or subordinate	Predominant
Beginning	Efficiency	Balance of social and economic objectives with clear social priority	Balance of different economic objectives
	Governance	Internal: participatory External: complex mode of regulation, negotiation, cooperation and conflict	Internal: hierarchical with different degrees of participation External: competition and cooperation

Innovation in LAC: Present situation

- Very heterogeneous region in the promotion and the development of innovation in terms of:
- Institutions, policies and instruments
- Financing of innovation
- Human resources
- Products (outputs)

But sharing some common characteristics:

- Weak research and innovation systems
 - Weak R&D in enterprises
 - Below OECD average in GERD (0.76 of GNP) and three countries with the 91% of the GERD
 - Institutional weakness within organizations responsible for coordinating research policies and innovation to implement their own policies and manage resources (and procedures) needed to finance companies with innovative potential.
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Bi regional cooperation

- Extensive cooperation through a large number of mechanisms.
 - ALCUE Net and ERA Net LAC have shown that there is a different way of cooperation:
 - Extensive dialogue among multidisciplinary actors of the research and innovation systems
 - Focus on specific thematic areas of common interests, defined as a result of dialogues
 - Joint financing of projects through joint calls

 - But, most focusing on research

 - Insufficient structured actions to consolidate the transversal axis of innovation
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Some recommendations

- Main drivers of cooperation towards 2040. from a visioning exercise (2015-2016).
 - The bi regional cooperation is conducted under a growing number of global challenges: economic, social, environmental, and an accelerated scientific pace of discoveries and applications. To face this challenge by a bi regional effort:
 - 1. Consolidate the transversal axis of “economic innovation”
 - 2. Analyze proposals for policies that approximate economic to social innovations. This maybe the case for enhancing the territorial innovation approach.
 - 3. Create a joint strategic intelligence capacity (foresight abilities, monitoring and evaluation, trend analyses, SOM is the seed of this capacity, but needs to define a loose support structure.) Observatory?
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Some recommendations

- 4. As we speak of innovation, question where are the innovation actors? They must join this dialogue
- 5. Enhance networking, there are several as ELAN but we need more? Do we have a strong network among SOM?
- 6. Need an agenda for following and developing rapidly developing technologies, with an innovation perspective. This means again enterprise participation. An example is our (Panama) effort to follow impacts of technologies on the logistics sector.
- 7. Better focusing on priorities, in particular green technologies, infrastructure, and others, but not a very large menu.
- 8. How about using already established mechanisms such as ALINVEST
- 9. Include financial institutions in the dialogue, f.e. IDB and CAF

Some recommendations are close to those of ELAN

- 10. Internationalization by providing intermediation services to facilitate the identification and acceleration of technology-based business opportunities.
 - 11. Programs of cooperation and mobility of the actors of the research and innovation system .
 - 12. Interregional cooperation for joint inter-agency learning on policies and programs to stimulate innovation, involving enterprises especially SMEs.
 - 13. Entrepreneurship between the two regions
 - 14. Technology Transfer and Market-Oriented Research
 - 15. Capacity Building (yes but where and what capacity')
 - 16. Don't start with a large menu, focus on what can be ~~done in the shorter term~~
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