High-level Substantive Segment: Innovation Performance Review of Armenia

Framework conditions, innovation policies and instruments

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# Main actors and instruments in innovation/science policy in Armenia

<table>
<thead>
<tr>
<th>Organization</th>
<th>Instruments</th>
<th>Major characteristics</th>
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<tr>
<td>Enterprise Incubator Foundation (EIF)</td>
<td>Advisory services to companies, the Armenian government, and intermediaries (e.g. financial inst.), business services, training and coaching. Provision of facilities and infrastructures to start-ups and existing companies (e.g. GITC). Entrepreneurship and start-up support (STEP). Promoting e-government and e-society. Information transfer, reporting, studies, PR and branding activities. Armenian-Indian Center, Representative Office in Silicon Valley. Different cooperation projects with international ICT companies and donors (focus on R&amp;D, skills, training, engineering capabilities, engineering curriculum, etc.). Currently in preparation (in cooperation with the World Bank): Matching grants &amp; mini-grants Early-stage venture funds.</td>
<td>Main focus on ICT industry, but open to all high-tech and innovative companies. Advertisement for programs via media, website, events and EIF network. Contests and competitions as motivation and selection instruments. Admission process for students in GITC. Workshops and Congresses. Co-financing schemes: 50:50 Public and private funding, operated like a profit-oriented fund.</td>
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Source: own compilation
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<td>State Committee on Science</td>
<td>Targeted program and thematic funding: strengthening application orientation of science institutions and commercialization (“science-push approach”) &lt;br&gt; Basic funding for different levels of institutes</td>
<td>Special calls for science-business co-operation (commercialization of R&amp;D); grants, co-funding principle &lt;br&gt; Reduction of basic funding for several institutes – increase of competitive mechanisms and application orientation</td>
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<td>Ministry of Economy</td>
<td>Establishment of R&amp;D Centers (“system-forming”): &lt;br&gt; Synchrotron Light National Source (CANDLE), Center for Radiation Medicine, Armenian Center of Excellence in Oncology (ACEO),</td>
<td>“Big science” initiatives with an expected regional (and innovation related) impact</td>
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<td>National Academy of Science (NAS RA)</td>
<td>Science Development Foundation under NAS &lt;br&gt; Innovative research projects to be collected and submitted to government &lt;br&gt; Plans to create technology transfer office to foster commercialization and technology transfer &lt;br&gt; Cooperation with national innovation support structures</td>
<td>Initiatives have been planned, implementation not yet started or pending &lt;br&gt; Collection of innovative projects has started, but no systematic process</td>
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<tr>
<td>Technoparks and Innovation Centers</td>
<td>Infrastructure, incubators, R&amp;D and training, cooperation with local universities &lt;br&gt; Services: funding; equity and funds, space, management consultancy, marketing services</td>
<td>Gyumri Information Technologies Center (GITC) &lt;br&gt; Vanadzor Technology Center &lt;br&gt; IT Business Park (private) &lt;br&gt; Viasperehre Technological Park (private)</td>
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Conclusions and recommendations

**Recommendation 3.1.: Awareness building and innovation culture**

- Promoting successful business concepts and innovative companies as role models in the media/conferences - with the support of the Armenian diaspora
- Developing media campaigns encouraging an “entrepreneurial spirit“ in higher education and research institutions

**Recommendation 3.2.: Increase innovation activities in the private sector**

- Enhancing the role of the EIF as an autonomous and policy-oriented “one-stop“ innovation support agency for all sectors
- Introducing one large, self-standing and visible programme to support R&D and innovation in the SME sector
Conclusions and recommendations

- Strengthening participatory elements in the design of innovation policies with the involvement of the private sector
- Think about using regulations and standards to encourage innovation, for example energy saving
- Strengthening the innovation capacity of the business sector through training on innovation management, R&D support, marketing and internationalization
- Drawing lessons form the work of successful private initiatives like the Technology Transfer Association
Conclusions and recommendations

Recommendation 3.3.: Strengthen applied R&D and commercialization in the public research sector

- Increasing competitive elements in the funding provided to institutes developing technologies with commercialization potential
- Strengthening the role of the NAS RA in innovation distinguishing between two missions: basic and applied research (with increased amounts of funding coming from contract research for companies)

Recommendation 3.4.: Improving the statistical system and introducing robust policy evaluation methods

- Adopt international standards regarding R&D and innovation statistics
- Implement ongoing monitoring and evaluation systems
- Develop „strategic intelligence“ using foresight, technological roadmapping, external evaluations
Thank you!

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