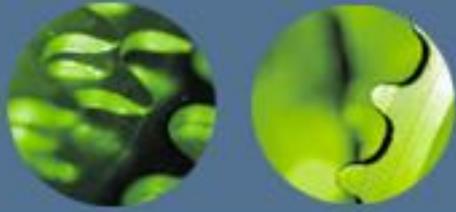


The Technology Innovation Agency (TIA): Mobilising resources for R&D led growth and development

**Presentation to the
NEPAD-OECD Africa
Investment Initiative
High-level meeting
11 November 2009**

**Presented by:
Dr Nhlanhla Msomi,
CEO (acting): TIA**



Contents

1. TIA Background and Context

- **Policy Impetus**
- **Bridging the “Chasm”**
- **Funding focus and core functions**

2. TIA Core Capabilities

- **Tech Development an diffusion**
- **SMME support**

3. Way forward

- **Migration and full operationalisation**

SA Innovation Policy & Institutional Milestones

NSI Challenges:

- Existence of innovation “Chasm”
- Fragmentation of instruments
- Narrow definition of Innovation

Explicit reference to Foundation for Technological Innovation (FTI)

Creation of DST

R&D Strategy

Technology Foresight Studies

S&T White Paper

OECD Review

10 Year Innovation Plan

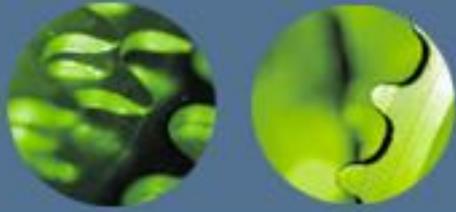
TIA Act

TIA Board & CEO

The “*Knowledge Economy*”:

- Knowledge = basic form of capital
- Economic growth driven by innovation

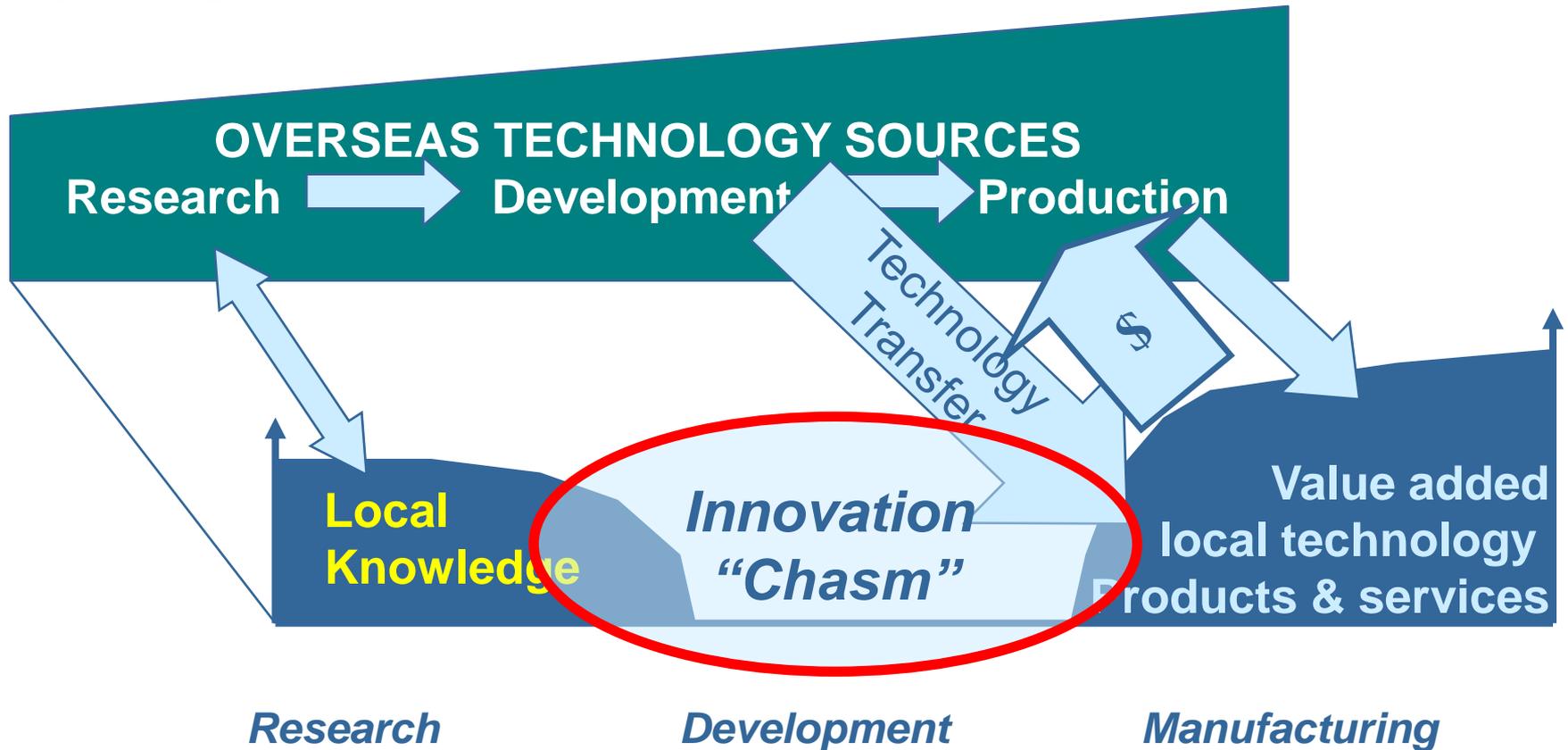


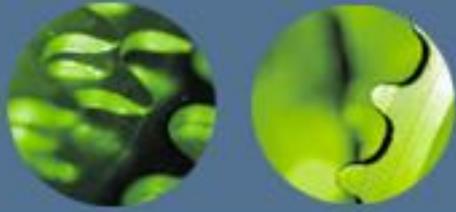


OECD Review: Key Findings

- A long term planning Framework is needed
- Human Capital for S&T is sub-optimal
- The governance framework needs more vertical and horizontal integration
- There is an innovation chasm with an insufficient number of research products directly influencing the real economy
- Science, technology and innovation for social impact and poverty alleviation should be more pronounced and visible

Bridging the “Chasm” through local technology commercialisation and diffusion





Summary of Responses

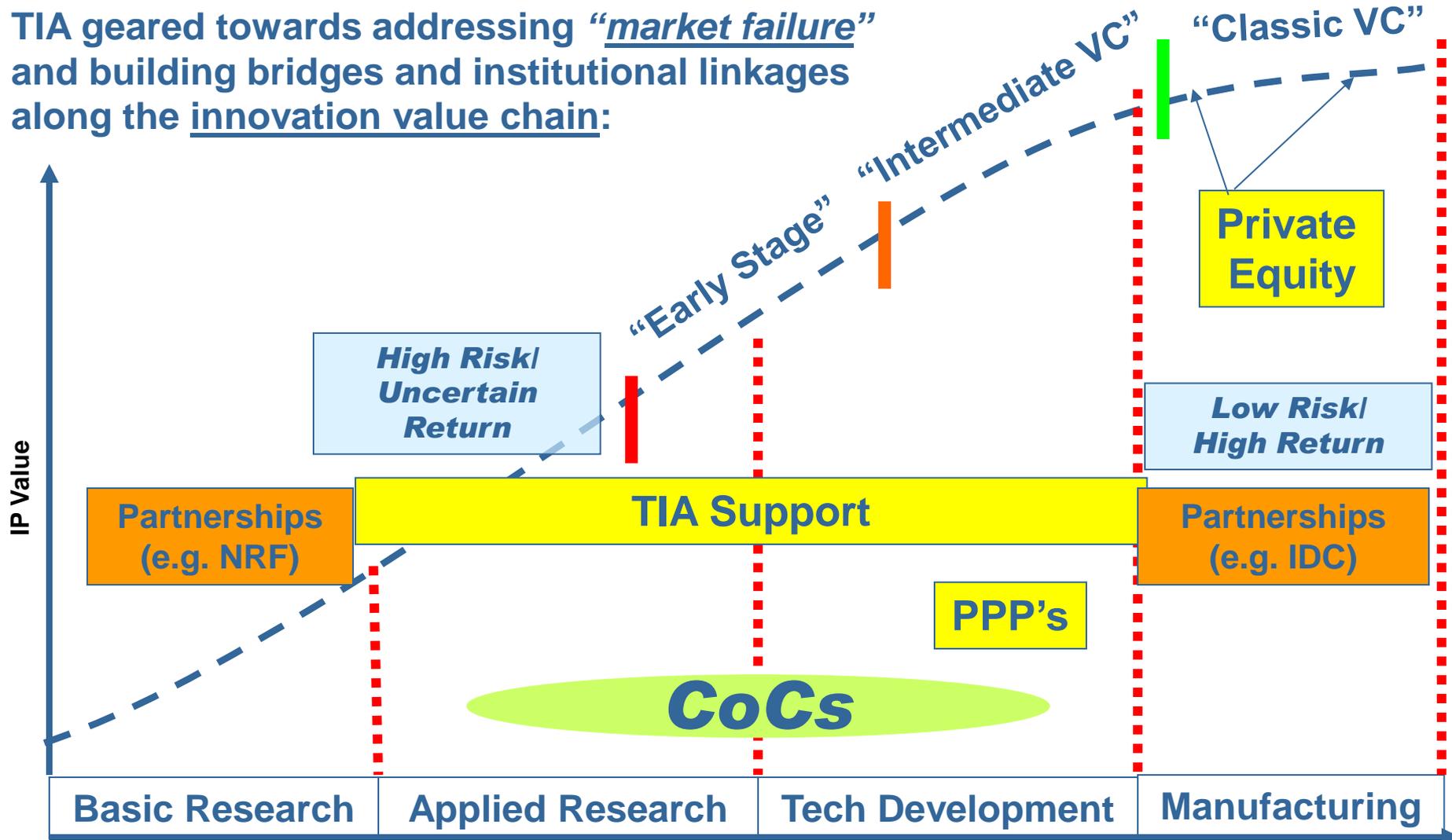
- DST 10 Year Innovation Plan (2008 to 2018)
 - National policy priorities in terms of 5 “Grand Challenges” (i.e. Energy, Space, Climate Change, Human and Social dynamics, Farmer-to-Pharma)
- Human Capital Strategy focused on development and expansion of Innovation skills (incl. technical and business)
- Increased momentum on fiscal incentives
 - R&D tax incentives
- Establishment: Technology Innovation Agency (TIA)
 - Centres of Competence (CoC)
 - Regional innovation system



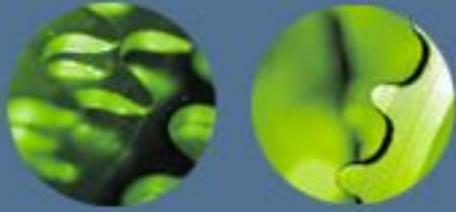
science
& technology

Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA

TIA geared towards addressing “market failure” and building bridges and institutional linkages along the innovation value chain:



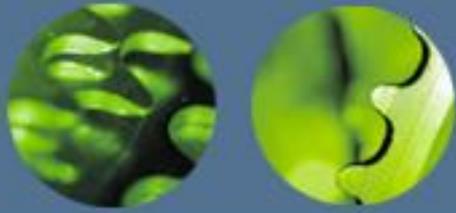
The TIA will focus its financial and non-financial offerings along the *innovation chasm*, and will operate with the required flexibility across the innovation value chain through mobilising and leveraging national, regional and international partnerships



TIA Mandate

The TIA Act [No 26 of 2008]:

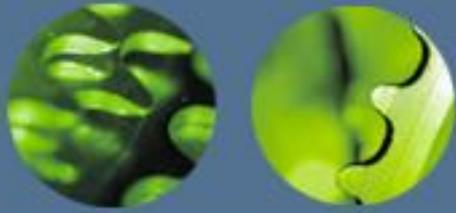
“The object of the Agency is to support the State in stimulating and intensifying technological innovation in order to improve economic growth and the quality of life of all South Africans by developing and exploiting technological innovations”



TIA Vision

The TIA Vision is to be:

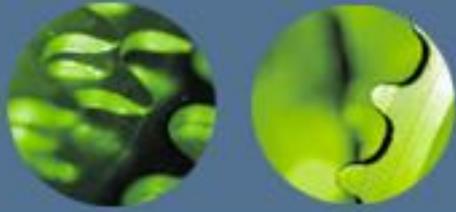
*“A world class **innovation agency** that supports and enables technological innovation to achieve socio-economic benefits for South Africa through leveraging strategic partnerships”*



TIA Mission

The TIA Mission is **to enhance South Africa's global competitiveness and to deliver socio-economic value** through technological innovation across sectors of the economy by means of the following:

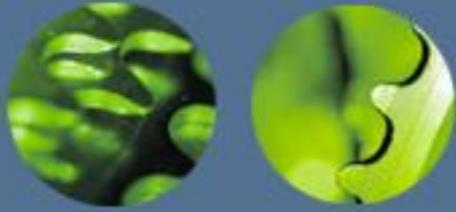
- Appropriately structured financial and non-financial interventions
- Development and maintenance of human capacity for innovation
- Building a culture of innovation
- Leveraging local and international partnerships



National objectives:

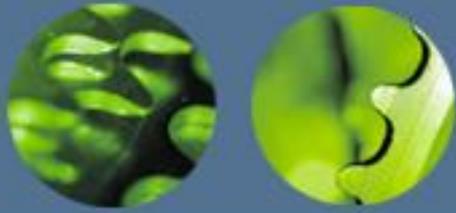
The TIA is tasked to:

- Coordinate and leverage support, particularly through the creation of strategic local and international partnerships to increase capital inflows for technological development and technology transfer in SA
- Lead to new products and services on the market
- Grow the number of technology-based start-up companies
- Support key industry sectors that are better able to utilize local and international technology innovation to enhance their global competitiveness, and a growing positive impact on the SA economy



TIA Products & Services

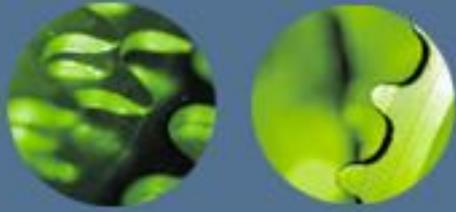
- **Innovation financing** (incl. seed, first and second stage funding for the commercialisation of technology based products and services) Promoting domestic and foreign investment linkages
- **Technology development** (incl. technical and advisory services relating to nurturing of technologies and implementation). Technological and enterprise expertise (e.g. SMME support)
- **Capacity building** (incl. institutional and human capital development)



TIA Functions:

- ❑ Technology development and commercialisation funding
- ❑ Capacity building for technology innovation
- ❑ Technology Nursery [technology & technology based emerging businesses incubation platform]
- ❑ Advocacy [creating an *Innovation culture*]
- ❑ Facilitating collaboration for technology development and innovation incl. CoCs and supporting in-bound Technology Transfer

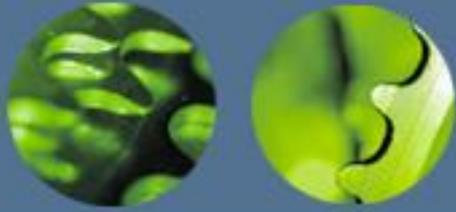
**Enhancing
SA's global
competitive
ness and
derive
maximum
Socio/Econ
Impact**



Key operational considerations:

Key factors guiding the proposed functional model:

- Capacity for thorough due diligence – technical (S&T, IP), and business (market, financial) capabilities
- Executing a comprehensive set of funding instruments (grant/loans/equity with partners where required)
- Technology Nurseries – support services, including advisory, technology incubation & technology based SMME support
- Comprehensive set of interventions (e.g. CoCs, inbound tech transfer, including technology transfer)

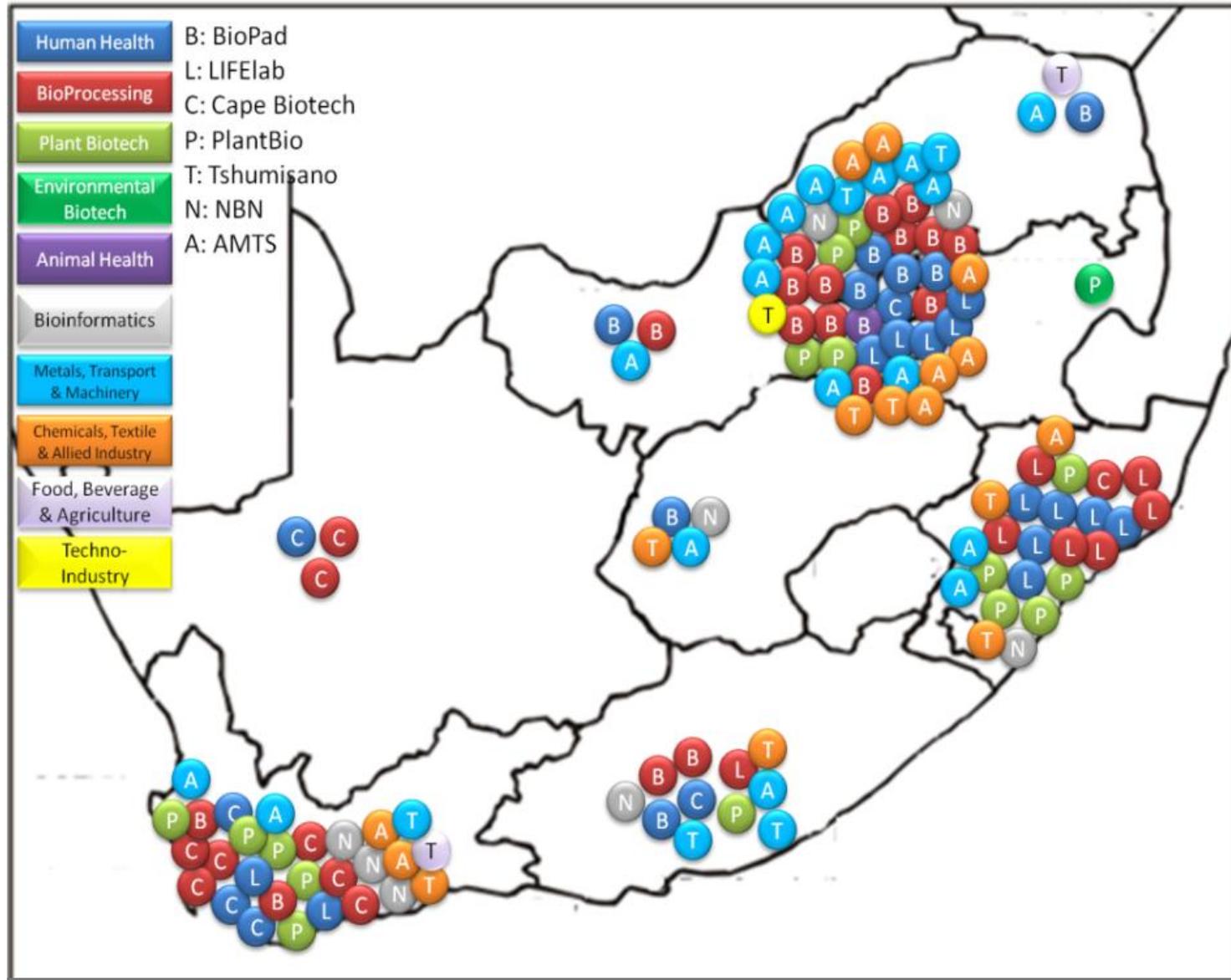


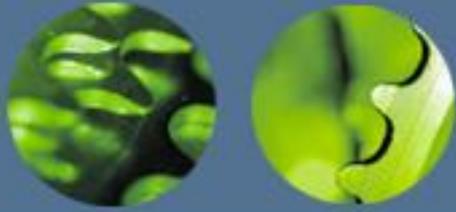
Centres of Competence (CoCs):

CoC strategic policy objectives:

- Providing formal, physical or virtual platforms upon which to establish collaborative R&D led industrial development partnerships between government, industry, academia and public research institutions
- Building the appropriate level of human capital for conducting high-technology R&D, the effective management of IP, product development, manufacturing and commercialisation

Conduit for national tech dev & diffusion





Geographic spread

Two TIA components:

1. TIA central model:

- National strategy setting, planning oversight & governance (incl. Risk Management), regional support & coordination of all TIA functions
- Funding approval
- Executive portfolio management of investments

2. TIA regional model [strategy execution & implementation]:

- Gauteng; EC; KZN; WC; FS & NC; NW Limpopo & MP
- Corporate strategy execution, **regional partnerships and linkages**
- Technology Nurseries: client interface and advisory services
- Identify & assess opportunities, recommend to central for funding, manage funded projects

Way forward: Board appointed April '09

Dr Mamphele Ramphele
(Chair)



Dr Patrick Ngwenya
(Deputy Chair)



Ms Cheryl
Carolus



Prof. Susan
Harrison



Dr Steven
Cornelius



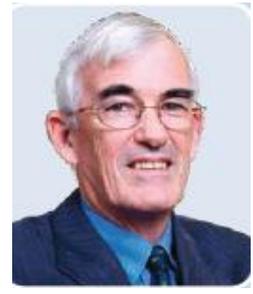
Ms Helen
Brown



Mr Craig
Venter



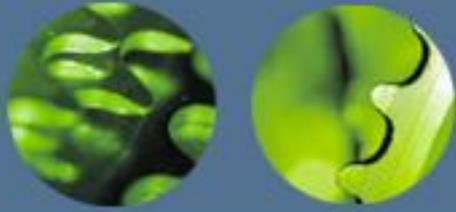
Mr Ilan
Lax



Mr Ross
Norton

Dr Nhlanhla Msomi
(Member of Board
& Acting CEO)





Way forward:

- Integration of 7 existing institutions:



- Finalisation of comprehensive suite of operational and other policies
- Appointment of permanent CEO
- Finalisation of funding programmes and instruments
- Maintain existing funding initiatives

Thank You!