



How to Scale Up Inclusive Innovations? Policy Lessons From a Cross-Country Perspective

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Background

- Based on forthcoming working paper: *How to Scale-Up Inclusive Innovation? Policy Lessons from a Cross-Country Perspective*
- This background paper will be the **basis for Section B** of the final publication.



Overview

1. Defining Inclusive Innovations
2. Characteristics of Inclusive Innovations
3. Scaling Up Inclusive Innovations
4. Policy Approaches in Support of Inclusive Innovations



1. Defining Inclusive Innovations

- **Innovations** that improve the welfare of lower-income and excluded groups
 - For **consumption**
 - In support of **economic activities**



- Other critical factors:
 - **Quality**
 - **Scale**



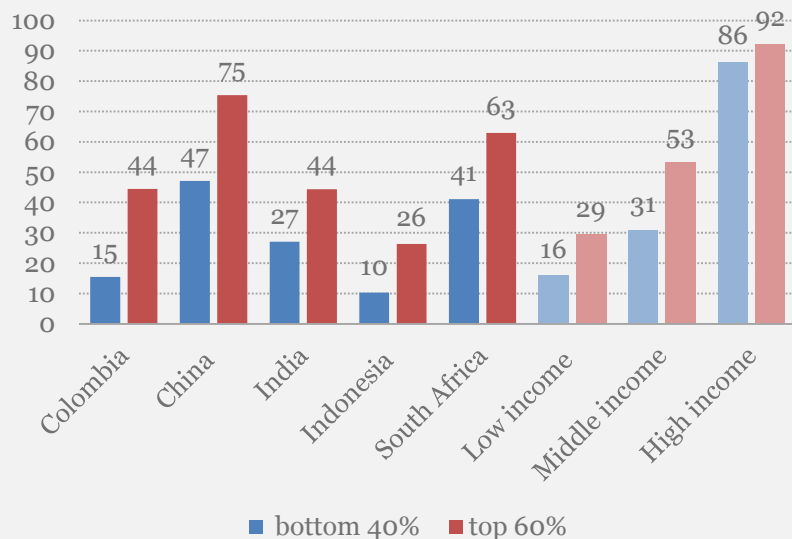
1. Defining Inclusive Innovations

- **Micro indicators**
 - Needs-based indicators

– A few case-specific scaling indicators

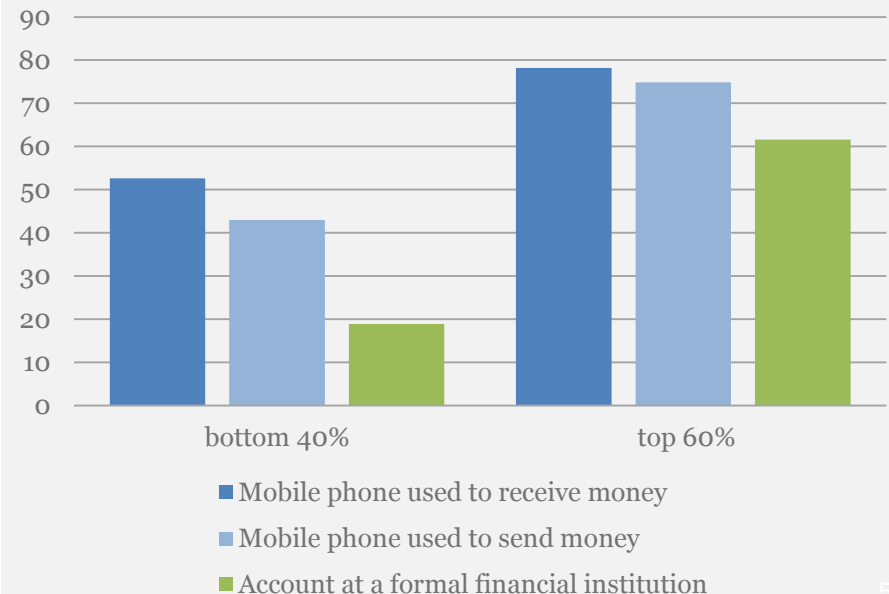
Share of the population with an account at a formal financial institution by income segment, 2011

(% age 15+)



Mobile money and financial inclusion by income segment in Kenya, 2011

(% age 15+)

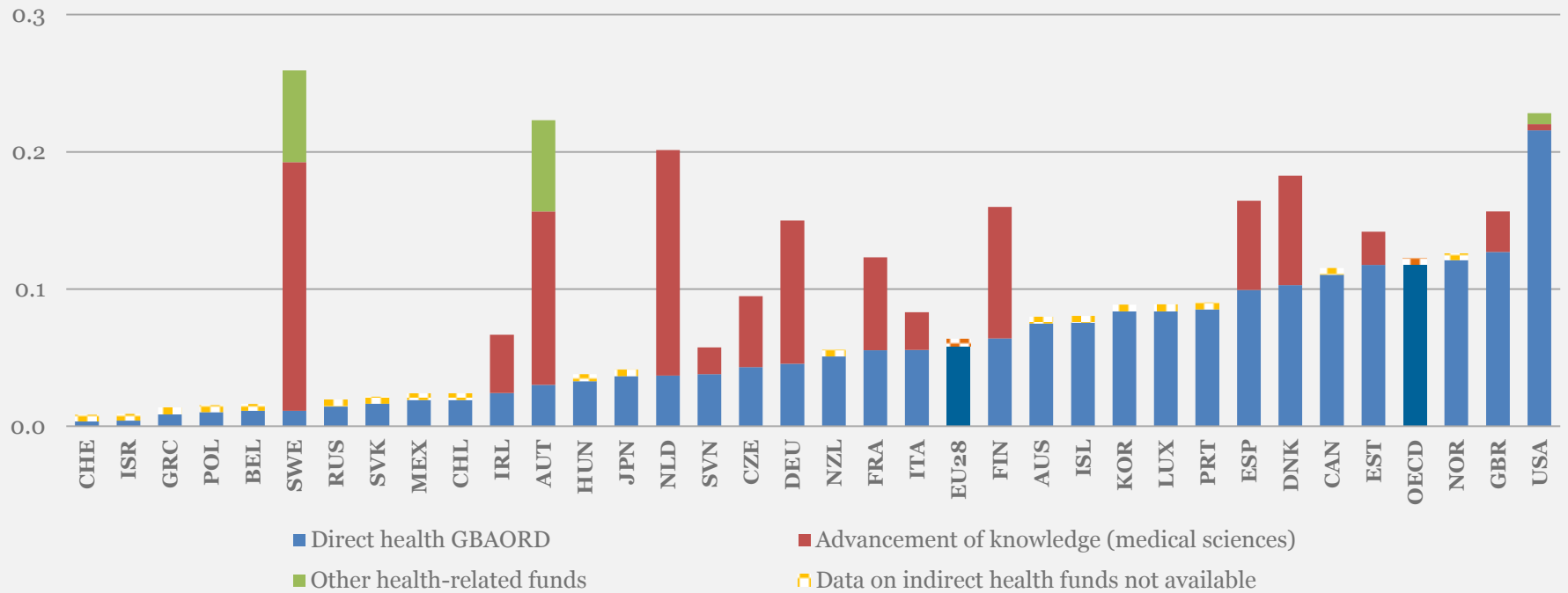




1. Defining Inclusive Innovations

- **Macro indicators**
 - Challenge

Government funding of health-related R&D, 2012
As a percentage of GDP

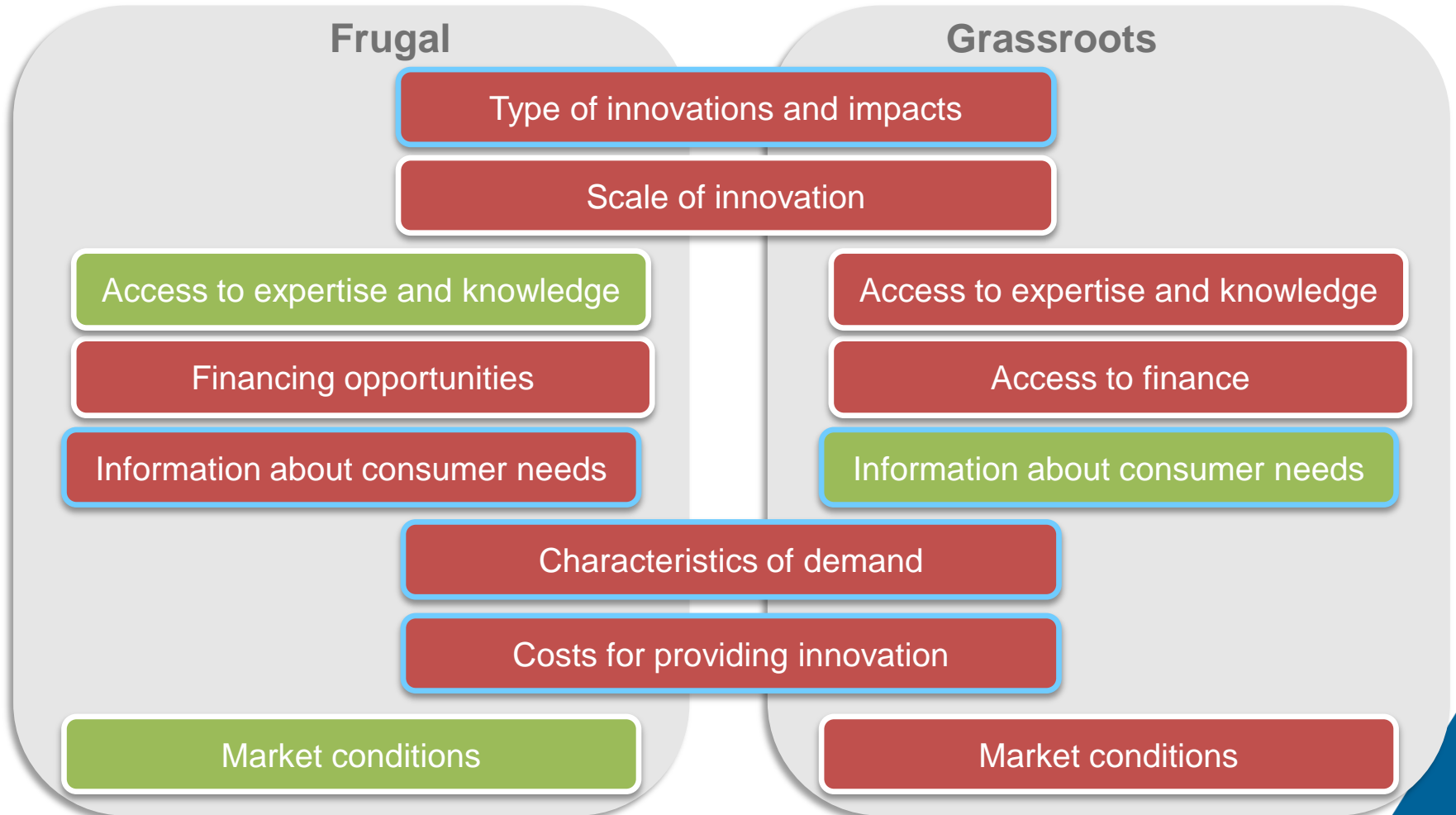


Source: STI Scoreboard 2013



2. Characteristics of Inclusive Innovations

- Inclusive innovation **differ from traditional innovations** in several dimensions





3. Factors of Success for Scaling Up

- Accurately captured the demand
- Private businesses play central role
- Importance of innovation (incl. process)
- Building on existing infrastructure and ecosystems
- Regulatory framework facilitated development

→ Role of government: **Facilitator**



4. Policy Approaches

Governmental Co-operation

Fostering co-ordination across other actors

Access to Finance

Regulatory Framework

Other incentives

1. Type of Innovation and Impacts

2. Scale of Innovations

3. Access to Expertise and Knowledge

4. Access to Finance

5. Information about Consumer Needs

6. Characteristics of Demand

7. Costs of Providing Innovation

8. Market Conditions



4. Obstacles and Responses

Definition and measurement

Governmental Co-operation

- cross-institutional co-operation
- Involving local governance

Fostering co-ordination across actors

Incentives to universities and PRIs, intermediary institutions

International co-operation

Direct funding, PPPs, fostering private investment

Product Regulatory FWs

Market Regulatory FWs

IP Rights

Prizes and Competitions

1.Type of Innovation and Impacts

2.Scale of Innovations

3.Access to Expertise and Knowledge

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6.Characteristics of Demand

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