

Sector Innovation Partnerships

Industry meets Science Workshop
26 November 2014



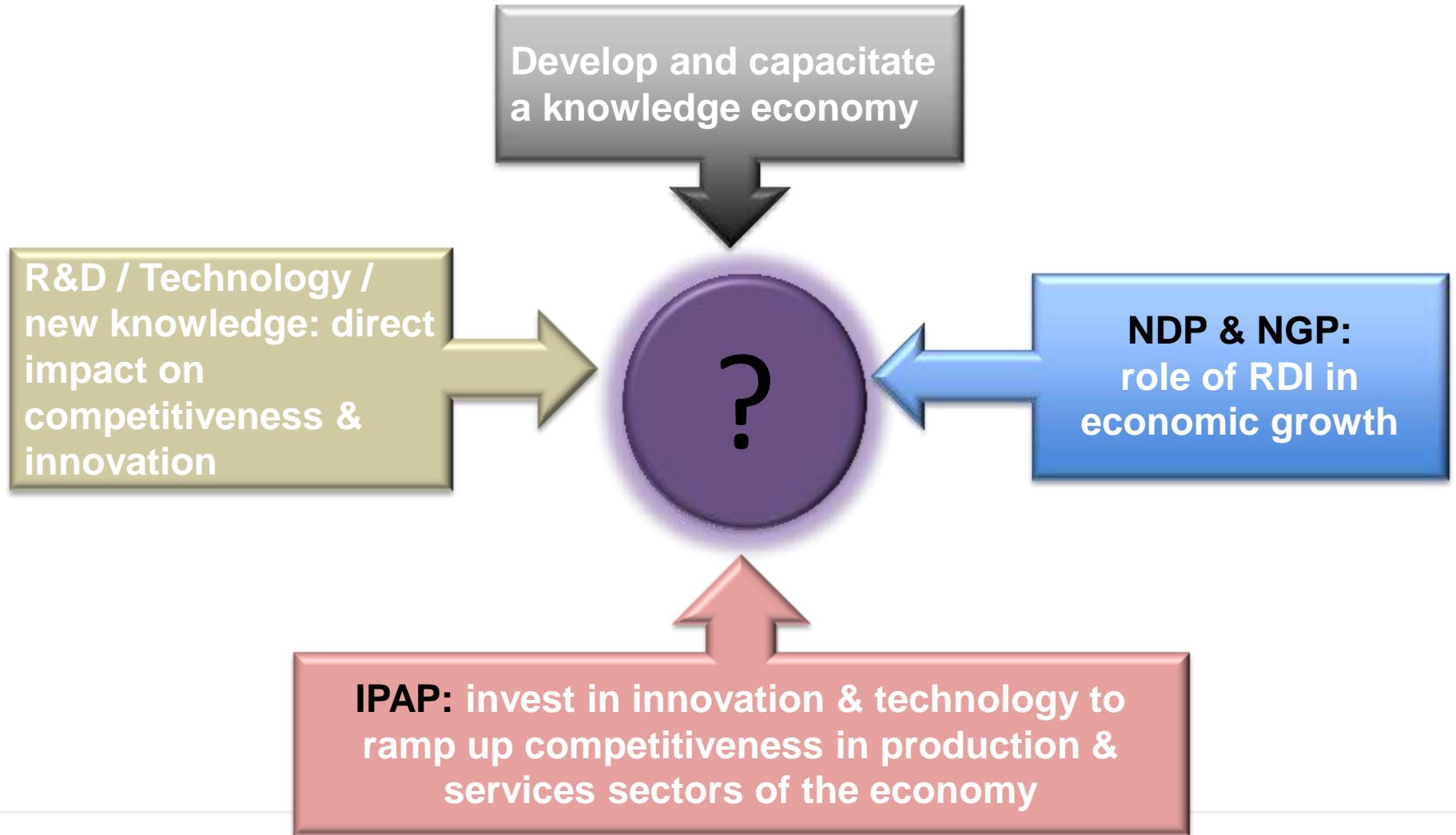
Sunita Kalan
Department of Science & Technology
Director: Sector & Local Innovation
Sunita.Kalan@dst.gov.za



science
& technology

Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA

Why invest in R&D funding for industry?



Technology Localisation Programme (TLP):

- Leverage public procurement opportunities
- Improve the technological capability of local firms leading to
 - Increased competitiveness (quality, cost, customisation)
 - Expanded capability (new products, services)
 - Expanded market (local and global)

DST tax incentive programme

Industry Innovation Programme

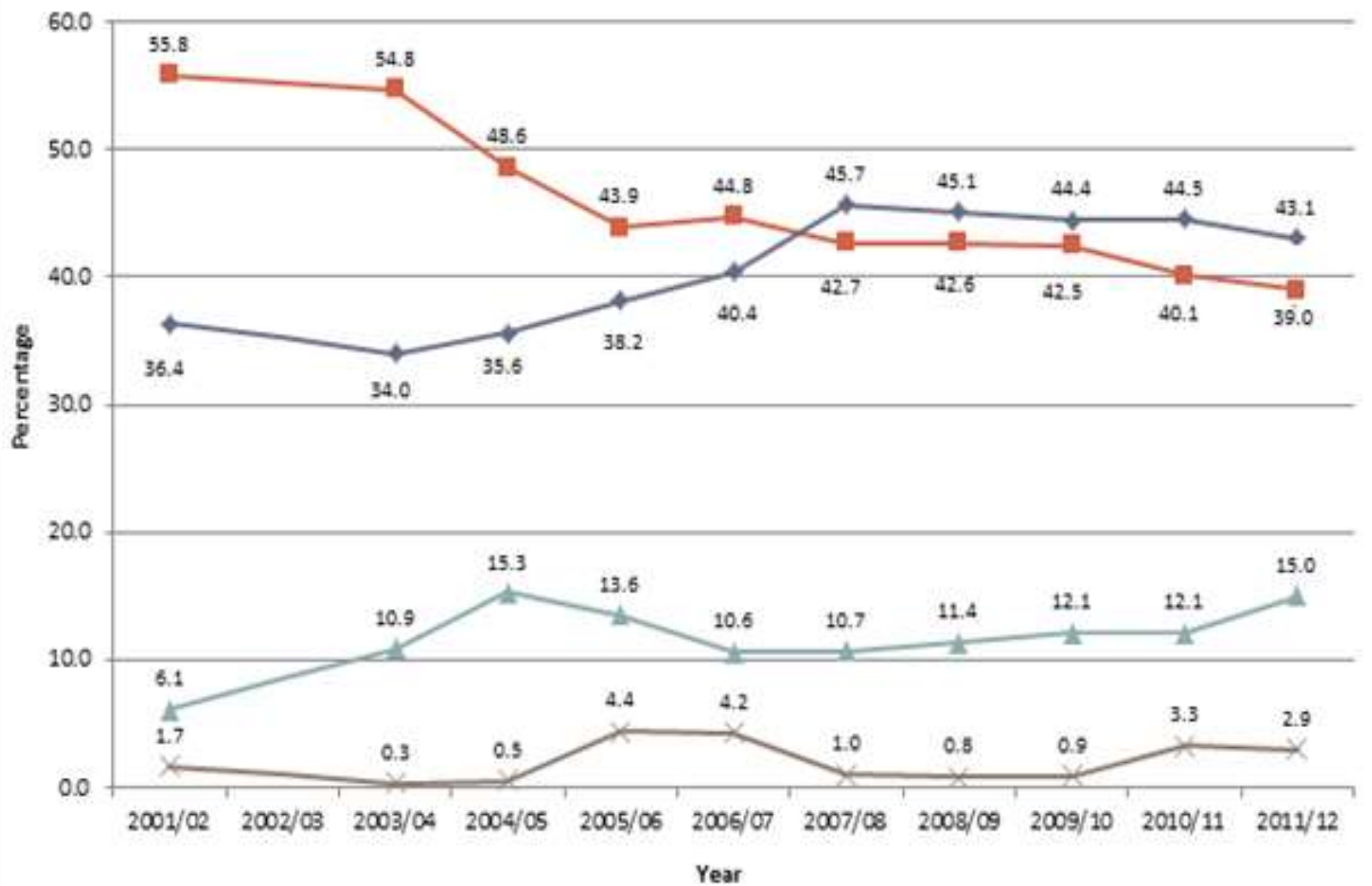
- Sector Innovation Funds



Motivation for IIP

- DST allocated R500 million over 2013/14 MTEF to develop and implement the Industry Innovation Partnership (IIP) Programme
- Key goals:
 - Leverage industry investment in RDI by stimulating increased **RDI co-funding** & participation by industry players in projects to maintain and increase their export market share
 - Mitigate against **under-investment in technology & innovation** in identified niche and strategic sectors of SA economy so as to improve their competitiveness
- Key long-term outcomes measure will be **increased sector contribution to GDP** through stronger RDI-based industrial development





■ Financed by business
 ◆ Financed by government
 ▲ Financed by foreign sources
 × Financed by other national sources



IIP Initiatives

Titanium Development (existing CoC)
Satellite Development & Manufacturing
CSIR (Bio-manufacturing, Photonics and Bio-refinery)
ICT Industry Partnerships (CSIR Meraka)
Nanotechnology Innovation Centre
Sector Innovation Fund (SIF)



- Key performance indicators
 - Number of students supported involved in targeted research areas
 - Number of new enterprises/businesses created or sustained together with associated jobs or job opportunities
 - Amount of co-funding secured from private sector and other participants
 - Number of spill-over businesses and new markets created





Sector Innovation Funds

- DST intervention to enhance economic competitiveness of participating sectors
- Encourages private sector to co-invest with government in RDI activities that address competitiveness and sustainability of participating sectors
- Managed by Industry associations or bodies
 - Formal entities
 - representing interest of members
- Industry identifies challenges & determines own RDI agenda





Key Performance Indicators

- Measured at **impact**, **outcomes** and **output** levels
- Some key performance indicators:
 - RDI outputs (HCD, knowledge products, scientific publications)
 - Knowledge/technology transfer
 - Jobs created or sustained
 - New enterprises created or supported
 - Amount of funding contribution by sector
 - Increase/sustaining of market share, including exports
- Increased contribution to GDP (long term)





Complexities and considerations

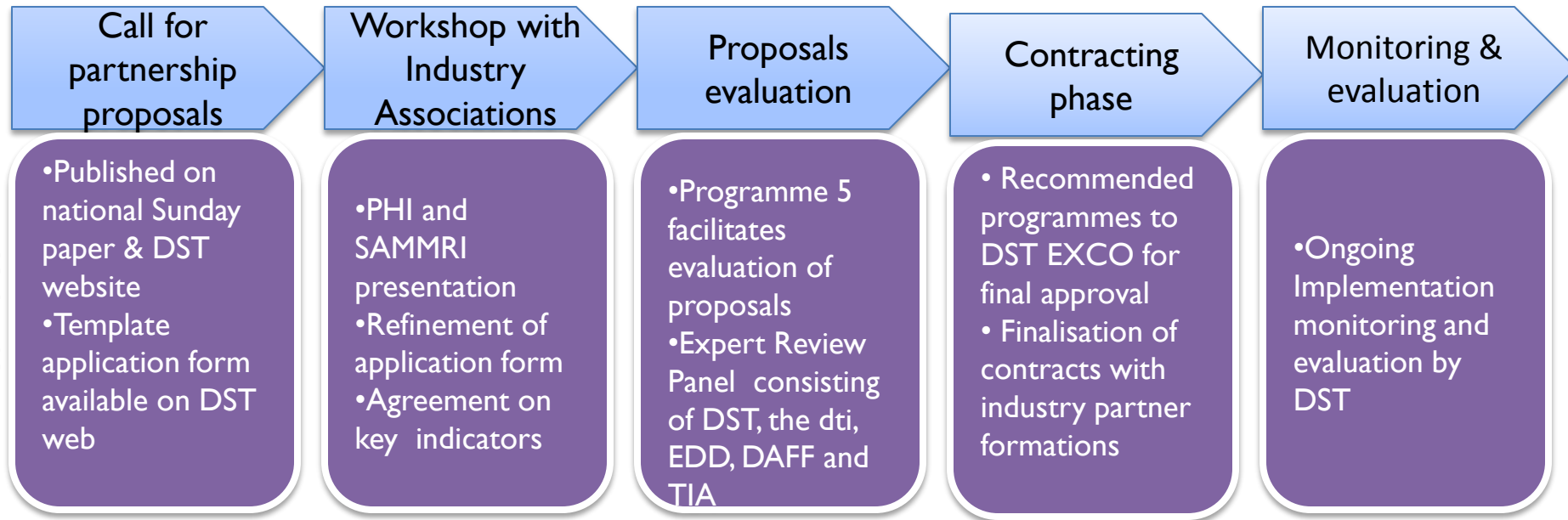
- Must use the process to better understand and appreciate the complexities of R&D funding in the private sector
 - Signaled that performance measure is not simply matching funding for the SIF but increases in the level of R&D within the sector (even in-house funding)
- SIF is a crucial initiative under the proposed 1.5% by 2019 action plan
- DST aim to secure continued public funding beyond the ECSP and at significantly higher levels





Milestones

Activities

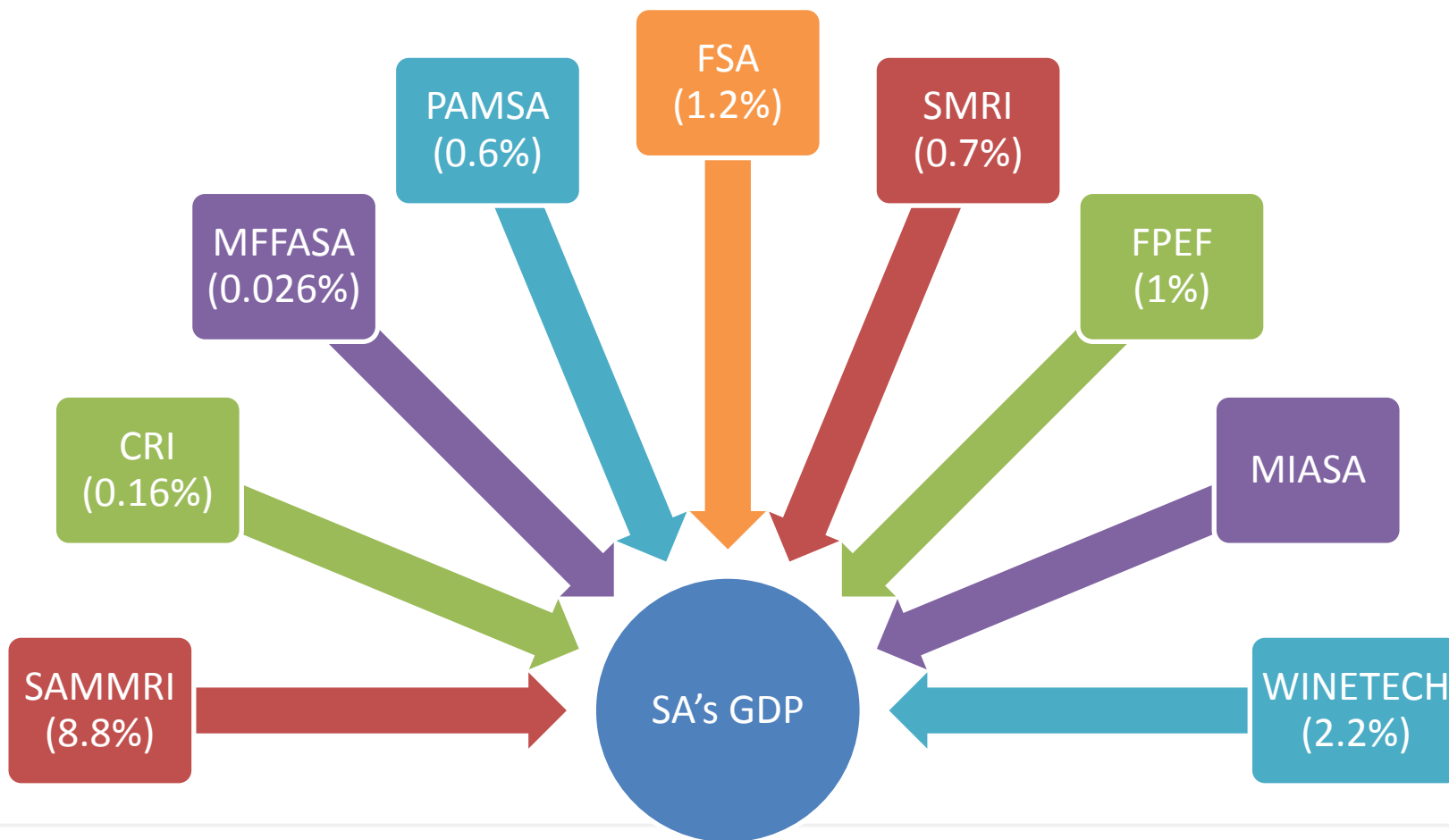


Sectors supported

- 9 SIFs established by end 2014/15

Industry Association	Proposed Initiative
South African Minerals to Metals Research Institute	Mineral Processing
Citrus Research International	Research for Citrus Export
Marine Finfish Farmers' Association of South Africa	South African Marine Aquaculture Research Centre
Paper Manufacturing Association of South Africa	Paper Manufacturing
Forestry South Africa	Future Plantation Forests for the South African Bio economy
Sugar Milling Research Institute	Sugarcane Bio-refinery Research Programme
Fresh Produce Exporters' Forum	Post Harvest Innovation Programme
Marine Industry Association of South Africa	Marine Manufacturing innovation
Wine Industry Network of Expertise and Technology	Wine Industry Innovation

Sectors' contribution to GDP





**Dankie
Enkosi
Ha khensa
Re a leboga
Ro livhuwa
Siyabonga
Siyathokoza
Thank you**

