

Pathways to enhance exports through innovation

Background and objectives

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Background

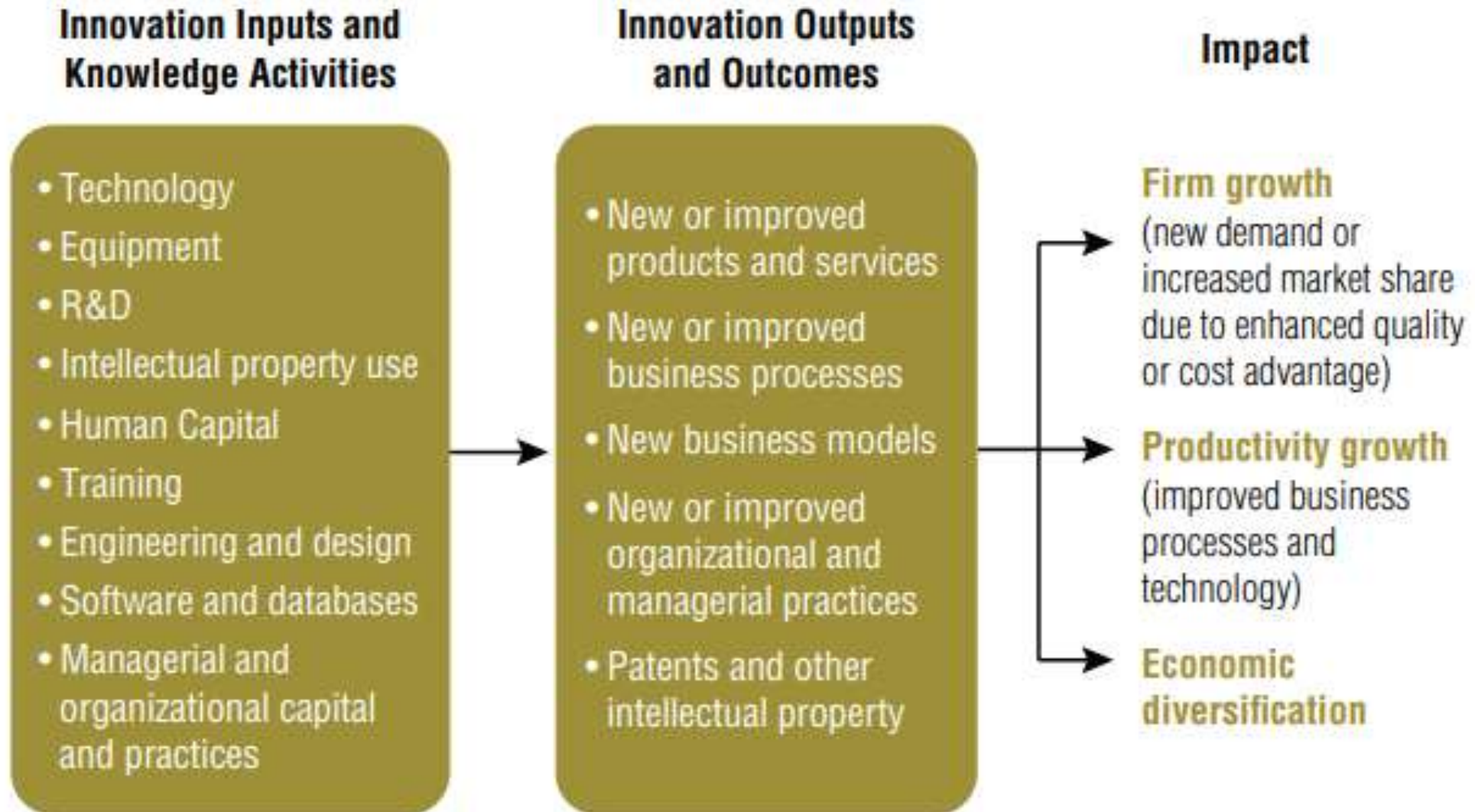
- Low export earnings
 - Inability to scale up production and exports of existing products
 - Inadequate diversification of products
 - Inadequate diversification of markets
- Exports can be increased along:
 - Intensive margin
 - Extensive margin
- LDC graduation >> loss of trade preferences >> need to enhance productivity/competitiveness >> need for **innovation**

Innovation

“a new or improved product or process (or combination thereof) that differs significantly from the unit’s previous products or processes and that has been made available to potential users (product) or brought into use by the unit (process)”

Oslo Manual 2018

The innovation function



Examples of innovation support programmes

- Management extension/business advisory programs
- Technology extension services
- Early-stage infrastructure and advisory programs (incubators/accelerators)
- Entrepreneurship training and mentorship programs
- Grant schemes supporting Research and Development (R&D) activities (prototype development, testing, commercialization activities)
- Loan-guarantee programs (commercial and non-commercial loans)

Source: https://www.idrc.ca/en/evidence-innovation-equity-diversity-inclusion-and-impact-analyses-innovation-support-programs#_edn1

..examples

- Systemic policies for innovation (e.g., corporation and competition law, government procurement policy, R&D tax incentives, tax relief for start-ups, business incorporation and compliance regulations)
- Standards and basic national quality infrastructure
- Strengthen pre-commercial R&D capacity at public research organizations and incentive programs to collaborate with SMEs
- Development of local supply chains and export programs

Source: https://www.idrc.ca/en/evidence-innovation-equity-diversity-inclusion-and-impact-analyses-innovation-support-programs#_edn1

Objectives of the roundtable discussion

- Examine the critical constraints faced by existing exporters and those firms that want to break into export markets;
- Identify constraints to exporting that are particularly painful to small and medium-sized firms and women-led firms;
- Discuss the types of innovation support available to exporters from government and private agencies, and the required innovation support measures; and
- Discuss other types of support needed by exporters in general and small and medium exporters in particular.