



# Ministry of Industry, Technology, Energy and Commerce

## First Hemispheric Meeting of the Science and Technology and Innovation Network

IDB

April 16-17, 2007

Incentives to Support Innovation in the Private  
Sector

by

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Permanent Secretary

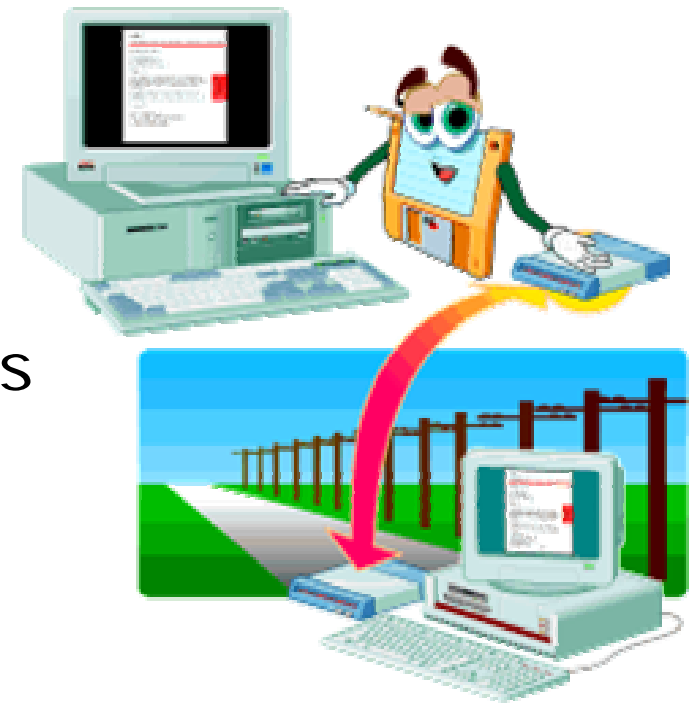
Ministry of Industry, Technology, Energy and Commerce  
Jamaica



# Ministry of Industry, Technology, Energy and Commerce

## Outline of Presentation

- Overview – Jamaica
- Competitiveness and Innovation
- The Jamaican Experience
  - Fiscal & Financial Incentives
  - Other Incentives
  - Support Systems
- Way Forward





## Role of Competitiveness & Innovation

- Importance of S&T and innovation
- Reduce production cost
- Improve product quality
- Compensate for diseconomies of scale
- Small companies

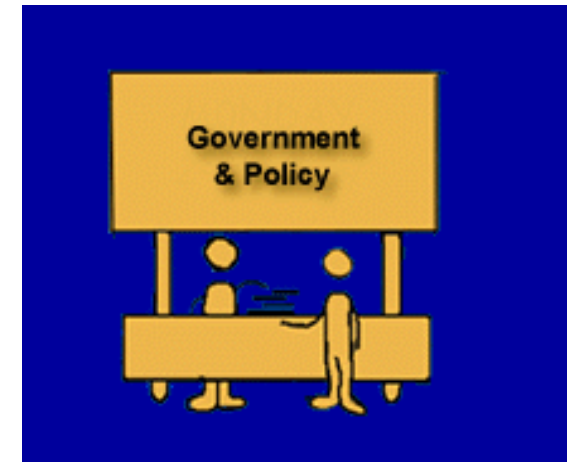




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## The Jamaican Experience

- 1996 Government promulgated National Industrial Policy (NIP)
- NIP advocated export-led development strategy
- Government to play an enabling role
- Private sector-led development model
- S&T to underpin international competitiveness
- Establish institutional framework to facilitate businesses (JIPO, FTC, etc.)

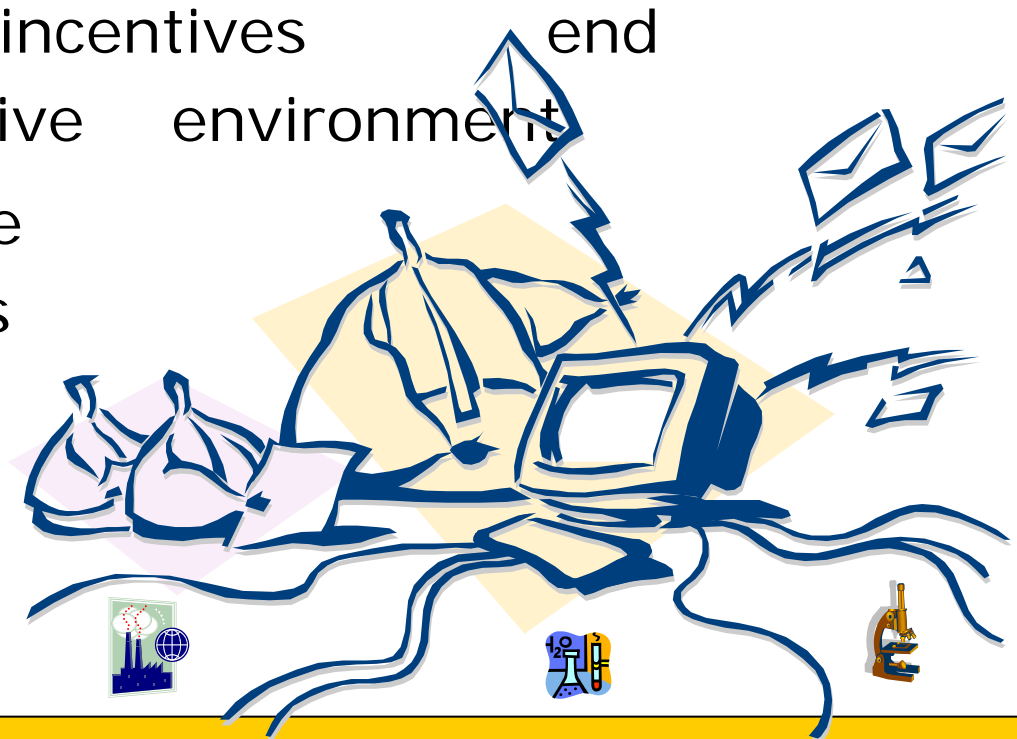




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## The Jamaican Experience

- Provision of wide range of incentives to both local and overseas firms
- Foreign firms exit when incentives end or move to more attractive environment
- Not sure if incentives are necessary in some cases
- Intellectual property framework established





## Fiscal & Financial Incentives Available

- Energy Conservation & Renewable Energy
- R & D Projects
- Patents
- Technology Investment Fund
- Energy Fund



## Technology, Innovation and Competitiveness Ranking

- Technology Index: 45<sup>th</sup> out of 117
- Innovation Sub-Index: 78<sup>th</sup> out of 117
- ICT Sub-Index: 46<sup>th</sup> out of 117
- Technology Transfer Sub-Index: 16<sup>th</sup> out of 117
- FDI & Technology Transfer Sub-Index: 17<sup>th</sup> out of 117
- Govt. success in ICT promotion: 35<sup>th</sup> out 117
- Technological readiness: 49<sup>th</sup> 117
- Company spending on R&D: 50<sup>th</sup> out of 117
- Firm level technology absorption: 65<sup>th</sup> out of 117



## Institutional & Support Systems

- National Commission on Science and Technology – Policy advice
  - Technology Investment Fund
- Scientific Research Council
  - R&D
  - Marketech: Commercialize technologies
- Minister's Innovation Awards
- R&D at tertiary level (MIAS)







## Intellectual Property Regime

- Patents
- Industrial designs
- Trademarks
- Geographical indications
- Protection of the rights of breeders of new varieties of plants



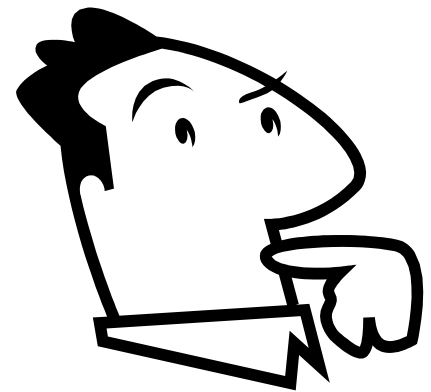
## Micro Small & Medium Enterprise

- Resource Centre – SRC
- Jamaica Business Development Centre
- IDB – Quality Jamaica Project
- GoJ-EU Loan Facility
- Access to Credit



## Lessons & Way Forward

- Incentives need to be targeted to direct research and innovation into strategic areas
- Developing countries must be afforded the option to package incentives to attract FDIs without being constrained
- Commercialization of research work –  
Need strategic partnership between GOJ/ universities and industry on research projects



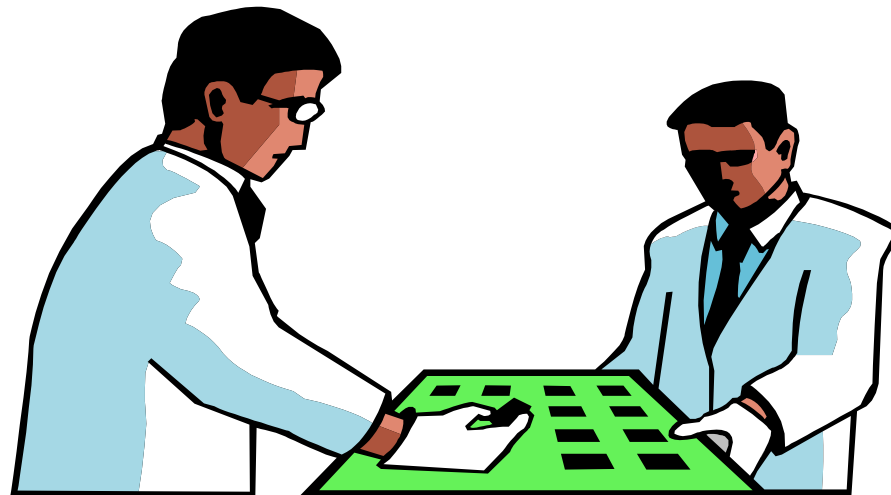


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## Way Forward for STIN

Members of STIN should seek to cooperate in areas such as:

- Health research
- Food security & nutrition matters
- Quality of water
- Technologies dealing with security





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## Discussion

Welcome to  
My World!  
Careers in  
Science &  
Technology



Adventures in Science and Technology  
Aventures en sciences et technologie

*Paving the way for Industry, Commerce, Science, Technology and Energy in the 21<sup>st</sup> Century*