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“Facilitate more innovation”

InWEnt is running a new project to promote innovation and technology in Latin America and the Caribbean. The region has excellent universities and dynamic research institutes. However, discoveries are all too often not turned into marketable products or production processes. In an interview, Joachim Langbein explained the background and concept of the “InnoTALK” project.

[Interview with Joachim Langbein]

Why are governments in Latin America interested in innovations in the private sector?

The ability to innovate is the prerequisite for any economy to stay competitive. What matters to Latin America and the Caribbean, is to move on from resources-based economies to knowledge based economies, and to consider global networking an opportunity. In cooperation with CEPAL – the UN Commission for Economic Development in Latin America and the Caribbean – InWEnt is supporting countries in sharing experiences.

Can a German agency credibly help governments of developing countries promote innovation and technology? Surely there are doubts about InWEnt’s interest in breeding competition for German firms.

That is a widespread assumption – but it is wrong. Experience has shown that Germany’s most attractive trading partners are highly developed countries with strong, competitive industries. The notion that the rich world just plunders the resources of the poor world is distorted. Big markets generate a wealth of opportunities and possibilities. Both sides benefit from cooperating on technology and pooling research and development. These are real win-win situations.

So far, Latin American economies have largely relied on commodity exports – not innovations.

But that neither means that this approach is perfect nor that the situation is immutable. It would serve the purposes of poverty reduction and sustainable development if growth was not just driven by natural resources and low wages. Thanks to digitalisation and globalisation, there are other, more attractive options. It requires knowledge to take advantage of them – coupled with the capacity to translate that knowledge into successful products, processes and services. That is the way to create additional, sustainable jobs and income. National economies that fail to take that route will fall behind global trends, which is why the Federal Ministry for Economic Cooperation and Development, our political master, considers the issue important.

How do you rate the region’s research capacity?

There are very good universities and institutes. However, there is a dearth of economically successful outcomes, because bright ideas are, all too often, not translated into marketable products or production processes. Many national governments understand the challenges, which is why CEPAL has become active in terms of promoting technology and innovation. And CEPAL’s engagement provides a good platform for InWEnt.

Who are InnoTALK's target groups?

We work at several levels – not just with policymakers, who define the goals of national policy as members of cabinets, for instance. We are also in touch with policy shapers, the people who implement policymakers' decisions. We talk with policymakers at conferences, many of them arranged by CEPAL, and we engage policy shapers – as well as representatives of private-sector companies and scientific institutions – in a host of measures: seminars, study trips and other programmes. One example is our International Leadership Training. It is practice-oriented and delivered in three phases:

- First, participants learn German in their home country, and do an e-learning course on technology promotion. This course was specifically designed by us in cooperation with the Fraunhofer Academy.
- Next, they spend a year in Germany, which includes five months working in a German institution involved in innovation matters, witnessing how tangible measures are implemented.
- Finally, back in their own country, they implement a transfer project of their own, making use of their newly-acquired skills and insights.

What is the role of private-sector companies?

This is the third essential level we are working at. Ultimately, it is private-sector companies that innovate. We define “innovation” as using knowledge to make money, whereas “invention” is about using money to produce knowledge. In other words, innovation takes place in the private sector. In some countries, we arrange trainings that deal with innovation management within a company. To a modest extent, we even facilitate joint pilot projects of German and Latin American companies and institutes.

What kind of projects might that be?

Consider the decontamination of petrol-pump sites in order to use them for other purposes. In Germany, it has long been state of the art to rehabilitate such sites using bacteria, rather than by removing the soil. In principle, that is possible in Brazil too – but other bacteria and other ventilation systems are needed to suit the different climate and soil conditions. If a German engineering company with the relevant expertise cooperates with a qualified Brazilian partner, they have a good chance of finding an effective and profitable solution that can be used in Sao Paulo, for example. We have handled that kind of venture in the past, in the context of cooperating on environmental-technology with Brazil. Typically, the key to new business models lies in fairly small, pragmatic modifications of existing ideas.

So you are not necessarily thinking of expensive, cutting-edge technology?

No, it is more a question of bringing the right people together to exchange ideas. Researchers must know what companies require, and managers must know which scientists to approach for advice. Communication and networking are essential. Hence the widespread success of technology parks and business incubators, where start-up companies rub shoulders with research institutes. Such settings facilitate two-way exchange.

Is InWEnt also involved in innovation and technology promotion elsewhere in the world?

Yes, we are running a project called “Business Incubation South East Asia”. We have completed our activities in Thailand, and they now serve as best-practice model for our work in Vietnam, Indonesia and the Philippines. We also draw in specialists from Cambodia. This is a meaningful example of South-South cooperation.

Questions by Hans Dembowski.

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