INCLUSIVE INNOVATION FOR SUSTAINABLE GROWTH

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MY MESSAGE

- Inclusive innovation: new tech, existing tech in new context and business models
- Transformational partnerships: system innovations, complementarity in roles!
- Link national and international alliances
- Work on integrative programs with concrete projects
- Establish an (investment) fund for Inclusive Innovation – govt/ social investor
- Organise an enabling environment
- Precompetitive knowledge development
- Custom made: IP and licencing

- Innovation - business - scale - impact!
better world through applied research
Independent institute – established by law
innovative with 3,400 professionals
turnover of 564 M€ in 2013
25% government funding, 75% business
one third international business

multidisciplinary
focused on smart solutions to complex issues
with the aim of sustainably strengthening the competitiveness of enterprises and the well-being of our society
THE POWER OF TNO
FROM IDEA TO INNOVATION

DEVELOPING FUNDAMENTAL KNOWLEDGE
With universities

KNOWLEDGE DEVELOPMENT
With partners in the golden triangle

KNOWLEDGE APPLICATION
Contract research for and with customers

KNOWLEDGE EXPLOITATION
Embedding in the market (with TNO companies)
THREE ROLES OF TNO

1. TNO ACTS AS A CATALYST IN PUBLIC-PRIVATE PARTNERSHIPS
   - Through open innovation
   - Mix of private & public funding

2. TNO PERFORMS CONTRACT RESEARCH FOR CUSTOMERS
   - Funding: 100% customer financed

3. TNO UNDERTAKES DESIGNATED TASKS
   - Geological Survey of the Netherlands
   - Research for the Dutch Ministry of Defence
   - Research for the Ministry of Social Affairs and Employment
TNO INNOVATION FOR DEVELOPMENT

- Socio-economic **impact at low-income groups** in developing countries and emerging economies: poverty reduction, wealth and entrepreneurship
- **Inclusive Innovation** – Inclusive Business
  - *market-based solutions* for low income groups
  - with low-income groups as producer, supplier, consumer
  - new business opportunities for Dutch entrepreneurs
- **Sustainable**: products, services, business model, scaling strategy
- Co-creation in public private partnerships
PROJECTS: DECENTRALIZED ELECTRIFICATION

Biogas Socket
Rwanda, Bangladesh
22 euro

Solar Socket
Madagascar
95 Euro
PROJECT: FLYING FOOD

› Access to affordable proteins to at least 1.000.000 consumers
› Commercial rearing of crickets in Kenya and Uganda
› 4000 small scale insects farms - 4 processors for new food products
› Entrepreneurs committed for technology, rearing and marketing
TEXTILE TECHNOLOGY CENTER - BANGLADESH

- Cleaner production: efficient use of water and energy at wet processors
- Innovation: technology, knowledge transfer, international value chain
- Project: World Bank IFC, Solidaridad
- Future expansion to Safety in Ready Made Garment sector
PROCESS OF INCLUSIVE BUSINESS

1. Define
2. Explore
3. Develop
4. Implement, launch
5. Scale

Inclusive Innovation → Inclusive Business

Pioneer gap → Investments
ROLES IN INCLUSIVE BUSINESS

- Define
  - NGO
  - SME
  - Market survey

- Explore
  - Knowledge inst.
  - NGO
  - SME

- Develop
  - Knowledge inst.
  - SME (MNE)
  - NGO
  - Govt

- Implement, launch
- Scale

- MNE
- SME
HOW DO WE WORK

In public private partnerships – transformational partnerships

› From projects to programs
› In NL platform: Inclusive Business Alliance
› Global Research Alliance

› Trust
› Complementarity
› Joint ambition
› Concrete business and impact
# ROLES

| NGO       | Local presence – link to market  
| Knowl     | Knowledge of context  
| Private   | Innovation – technology/ social/ transition process  
| Govt      | Supporting the pioneer gap |

- NGO: Local presence – link to market, Knowledge of context, Inclusive Business Accelerator
- Knowl: Innovation – technology/ social/ transition process, Catalyst in partnership, Business Model
- Private: Value proposition, Production, sales and distribution, Profit and loss
- Govt: Supporting the pioneer gap

All can be:
- Initiator
- Inspirator
- Partner
- Project manager
- Investor
- Entrepreneur
OUR AMBITION

Launch a five year strategy to take Inclusive Business to a new level by sharing innovation risks between the main Dutch public private actors

› 10 Million low-income people reached
› Increase of 5,000 companies aware of opportunities for IB
› Increase of 250 SME’s active in low-income markets (50/50 Dutch/ Local)
› Turning the efforts of the 8 MNEs in the Dutch Sustainable Growth Coalition into world leading catalysts for Inclusive Business – link them with SME
› Involving 2000 employees of Dutch organizations in Inclusive Business activities
› Invest and unlock 60M Euro into local Inclusive Business facilities and companies, revenue streams with IP portfolio
Integrated programs

- Food & Nutrition security
- Sustainable Food systems
- Women producers

- Access to energy for households
- Sustainable energy for production
- Access to clean water
- Sanitation and hygiene
- Cleaner Production
FILLING THE GAPS!

The Inclusive Business Alliance:

- Facilitate innovations on IB on Nutrition, Sustainable Energy and Wash: creating and realising new market driven initiatives
- Increase involvement of Dutch private sector in Inclusive Business
- Increase local entrepreneurship by facilitating SME – with local business and also linked to MNE as supplier
- Establish an (investment) fund for Inclusive Innovation

- Innovation – scale - impact
WE OFFER THE PRIVATE SECTOR:

- Entrance to new open networks, knowledge and competences
- Entrance to markets in developing and emerging countries with local presence
- Market information of the target group
- Innovative ideas for new business propositions
- Participation in concrete custom-made project / business proposition
- Access to IP and licenses
- Reducing / Sharing of R&D costs and risks
- Access to innovation fund
WHAT IS IN IT FOR US - ALL?

1. Impact
   - Socio economic impact at low income groups
   - New business opportunities for Dutch entrepreneurs

2. Business
   - Part of core business
   - Multiplying own investment

3. Knowledge and Innovation
   - International networks, reversed innovation

4. Inspiration of staff
   - Responsibility and proudness: contribution to a better world
THANK YOU FOR YOUR ATTENTION
CHANGING WORLD
INNOVATION LANDSCAPE

- Increasing complexity of issues
- Demand for sustainable technologies to tackle scarcity
- Rising costs of innovations
- Importance of valorization
- Increasing importance of interdisciplinary approach
- Greater importance of partnering
- Need for faster time to market
- Reduction of structural funding

INCLUSIVE INNOVATION LANDSCAPE

- We can learn from Inclusive Innovation
- Western demand for proven technologies, local need for new technologies
- Sound business models
- Same, demand for scaling
- System innovation
- Even more important
- Patient capital
- Govt put private sector in the lead