



Filipinnovation

**The Philippine
National Innovation Strategy**

UNLEASHING THE INNOVATIVE SPIRIT OF
FILIPINOS FOR GLOBAL COMPETITIVENESS

FOREWORD

The National Innovation Strategy has been crafted in response to the need to hasten the achievement of the goal of making technology the foundation of future economic development as articulated by no less than President Gloria Macapagal Arroyo.

We believe that innovation is key to our national competitiveness. Harnessing the creativity and ingenuity of Filipinos will magnify our competitive advantages, discover new strengths, and hurdle limitations enabling our business enterprises to become more productive and Filipinos to get good paying jobs and become more prosperous. Through innovation, new industries may be founded, and with it, the opportunity to provide jobs. Existing activities may be invigorated, allowing individuals and firms to create more value given the same inputs. The potential for growth through innovation is as limitless as Filipino ingenuity and creativity. Innovation is the Filipino's best response to the changing opportunities brought about by globalization and rapid technological advancements.

The National Innovation Strategy is a result of a public-private partnership, the very essential condition for innovation to take root, thrive and flourish. Its preparation has been spearheaded by the Department of Science and Technology jointly with the IBM, Asian Institute of Management Policy Center and the Intellectual Property Philippines while engaging other stakeholders who are represented in the Steering Committee that has been formed for the purpose. Moreover, roundtable discussions were conducted to gather more detailed inputs from other players.

The National Innovation Strategy calls for action in four strategic areas: strengthening Filipino human capital; supporting business incubation and acceleration efforts; regenerating the policy environment for innovation and finally, upgrading the Filipino mindset towards a culture of innovation.

To best convey the Philippine National Innovation Strategy to the public and to the whole world, we are introducing the notion of **Filipinnovation** - innovation by the Filipino for the Philippines and the global community. It brings forward a distinct brand for the Philippines as an Asian innovation hub, different yet as competitive as its Asian neighbors and striving to be at par with leading innovation regions such as North America and Europe.

The vision for **Filipinnovation** is a Filipino nation having a competitive and multidisciplinary work force competent in producing value-added knowledge-based products and services of global standards; competitive local firms driven by constant innovations brought about by or borne out of increased research and development; and a public policy environment that ensures continuous innovation not only through executive, legislative and judiciary initiatives but through local government programs as well.

We are hopeful that Filipinnovation as our National Innovation Strategy will inspire new ways to care for the fertile ground on which innovation can take root, thrive and flourish, and find its place at the heart of new thinking and development action in the country.

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WHAT IS FILIPINNOVATION?

Filipinnovention is innovation by the Filipino for the Philippines and the global community.

Filipino culture is very distinct – a melting pot of European, American and Asian cultures which is the result of its rich history. Thus, the Filipino is highly flexible and adaptable to meet industry needs, and possesses a global mindset that can easily capture emerging trends, the result of which is Filipinnovention.

WHY INNOVATE?

The Filipino stands amidst an ocean of change. The global tides are constantly shifting to define the way countries are run, by which businesses are managed, and how lives are led. For the most part, it is technology that feeds the impetus for change, but at its helm are the radical mindsets that embrace the new and novel to successfully reduce operating costs, produce higher quality goods or realize economies of scale. Cultures that imbibe change and transform it into opportunities are able to translate evolutions in products, processes or ideas into benefits for its people.

This is rightfully so, since globalization presents challenges for countries, firms and individuals. With businesses no longer constrained by physical or legal boundaries, markets have now expanded from local to global and competitors can literally be at the opposite ends of the earth. And as studies point to increasing global demand for commodities and services in the coming years, there has been growing pressure for firms and individuals to compete for a slice of the worldwide market.

This poses tremendous opportunities for the Filipino, poised to be as competitive as any other. But riding the waves of change and globalization requires one to be better, faster, or stronger. This means embracing new perspectives, techniques and technologies wherever and whenever necessary, effectively harnessing the very thing that challenges the Filipino and defines the world today – change. Thus, innovation is the Filipino's best response to the constantly changing environment.

Innovation is one of the key components in ensuring the competitiveness of a country, its firms and its people. It magnifies competitive advantages, discovers new strengths, and hurdles limitations allowing firms to be more productive and Filipinos to be more prosperous. Through innovation, new industries may be founded, and with it, the opportunity to provide jobs. Existing activities may be invigorated, allowing individuals and firms to create more value given the same inputs. The potential for growth brought about by innovation is as limitless as Filipino ingenuity and creativity.

“Preparing our growth sectors of the future enables us to tap the opportunities of the 21st century. We will promote fast-growing industries where high-value jobs are most plentiful.....let us declare that technology is the foundation of future economic development.”

*- President Gloria Macapagal-Arroyo
23 July 2001*

“Creating good paying jobs and bringing the benefits of a strong economy to every Filipino is the focus of the national agenda. “

*- President Gloria Macapagal-Arroyo
09 March 2007*

Why innovate? We innovate because the Filipino, amidst the ocean of change, intends to be competitive.

THE VISION

Filipinnovation as a national strategy for innovation aims to achieve the following by 2010 which brings forward a distinct brand for the Philippines as an Asian innovation hub, different yet as competitive as its Asian neighbors and striving to be at par with leading innovation regions such as North America and Europe.

- A competitive and multidisciplinary work force competent in producing value-added knowledge based services of global standards.
- Competitive local firms driven by or borne out of constant innovations brought about by increased research and development
- A public policy environment that ensures continuous innovation not only through executive, legislative and judiciary initiatives but through local government programs as well.

WHEN INNOVATION AND COMPETITIVENESS CONVERGE

Similar to competitiveness, there is a deeper facet to innovation which forces one to delve beyond the “why?” It is that question which separates what is truly innovative from what is simply modern.

“For whom?”

For something to be innovative, it has to be of some value to an intended audience. Hence, innovation must be viewed as market-driven, sensitive to the needs of consumers, clients, beneficiaries or citizens. Given this notion, innovators should have the propensity to understand their stakeholders in order to anticipate demands and be able to create breakthrough products or conceive pioneering processes resulting in more value economically and, more importantly, socially.

This social aspect of innovation defines the roles of each of its major actors, and the interactions that occur between and among them.

HUMAN CAPITAL

The Philippine’s most valued asset – and the crux of innovation – is its human resource, internationally recognized to be competitive. Local and foreign businesses deemed the Filipino to be highly skilled in the areas of information technology, finance and engineering, as well as equipped with proficient language skills for the global market demand. These strengths would have to be complemented by a sound education system, a strong culture of

“We must use every tool available – education, technology, microfinance – to lift up our poor, if we are to achieve equitable, sustainable growth... Technology is a powerful tool to liberate the potential of individuals and nations to grow and prosper.”

*– President Gloria Macapagal-Arroyo
21 April 2007*

“And I am committed... to consolidating the gains in new revenue by making long overdue investments in human infrastructure including the human science infrastructure and physical infrastructure including physical infrastructure in science and technology...”

*– President Gloria Macapagal-Arroyo
15 March 2007*

entrepreneurship and increased levels of research and development.

Improving the competencies of the labor force through education to match market demands locally and globally is at the core of innovation. A competitive advantage arises in the training of the workforce to offer value-added, exceptional services that are difficult to imitate or which are requirements in today's technologies. Adding with unique technical skills must be the workforce's generally open and positive attitude towards creativity and innovation. The confidence brought about by sufficient training coupled with a strong culture of entrepreneurship will increase the penchant of Filipinos to undertake more calculated risks in developing new products, processes or ideas. Such endeavors are dependent on sound research and development, a facilitating tool for individuals to innovate through critical thinking, synthesis and creativity.

INDUSTRY

In the firm level, the Philippines is strong in high technology exports, especially on products from the semiconductor and electronics industries which figure prominently in the global supply chain. Exploring new avenues for business will require venture capital, among other resources, while increasing productivity of current operations needs to be supported by investments in technology and research and development, apart from global business intelligence mechanisms. While foreign investments are continually being attracted, it is also important that Filipino capitalists increasingly invest in enterprises which are innovation and technology-oriented.

"...if we want technology indeed to be the foundation of future economic development, the investment sector must lead in the creation of a science and technology-based Philippine model."

*– President Gloria Macapagal-Arroyo
15 March 2007*

In order to stay competitive and ahead of other companies, firms need to innovate not only in product or service development, but also throughout the entire business process. This means innovations are needed from raw material acquisition and delivery to product design and production to marketing and feedback in order to significantly lower operating costs, increase company revenues and satisfy changing consumer demands. Oftentimes, innovations in business processes are diffused from a firm to others through industry collaboration.

PUBLIC POLICY

Philippine public policy has played a crucial role in innovation activities in the country. On the one hand, protectionist policies favor local industries and allow them to mature before competing with foreign counterparts. On the other hand, a lack of true competition harbors complacency, negating the need to innovate. A balanced mindset, initiated by public policy stakeholders and fostered by media, is needed to preserve the Filipino psyche biased toward cooperation while introducing a competitive culture essential to face the challenges of globalization.

"We are resolved to review all policies to forge broader coordination among public and private institutions..."

*– President Gloria Macapagal-Arroyo
15 March 2007*

The role of the government in ensuring the creation of physical and policy infrastructure is vital in allowing individuals and firms to innovate. In such cases, the public sector is the enabler of innovation, maintaining an environment that rewards and facilitates innovative activities through various instruments or means such as specific incentives, an appropriate intellectual property regime, financial, market and technology support mechanisms as well as other administrative levers.

THE PHILIPPINE NATIONAL INNOVATION STRATEGY

Filipinnovation recognizes the role of innovation in the pursuit of Philippine competitiveness as a nation in a globalized setting. With the adequate talents of the individuals, the investment coming primarily from the private sector and the environment managed by government, all working in support of one another, innovative activities can aid in the development and maturation of local talent and industries, priming them to be positioned globally. As a response, the Philippine National Innovation Strategy will identify key action points that will enable each major actor to contribute to the innovation system.

The National Innovation Strategy also acknowledges the need to introduce a mindset of innovation in the Philippines. Culture sustains the capacity of a country, its firms and individuals to innovate, apart from giving purpose to do so in the first place. Ultimately, it is the goal of the strategy to elevate innovations done by the Filipino for the world into one that embodies a brand that is globally recognized through the competitiveness of Filipino products and services as truly Filipinnovation.

Roles of Stakeholders

Below is a brief summary of the interactions among the major actors of innovation.

CONTRIBUTION TO CREATING AN ENVIRONMENT FOR INNOVATION			
	Human Capital	Industry	Public Policy
Human Capital	<ol style="list-style-type: none"> 1. Academic knowledge and skills 2. Expertise 	<ol style="list-style-type: none"> 1. Labor 2. Public-Private Partnership 	<ol style="list-style-type: none"> 1. Trends and knowledge (academic, technical) 2. Policy implementation
Industry	<ol style="list-style-type: none"> 1. Capital: skills, technology, finance 2. Technology forecasting 	<ol style="list-style-type: none"> 1. Knowledge and comparison of best practices 2. Clustering 	<ol style="list-style-type: none"> 1. Trends and knowledge (practical)
Public Policy	<ol style="list-style-type: none"> 1. Education (macroeconomic perspective) 2. Address issues on brain drain and gain 	<ol style="list-style-type: none"> 1. Transaction costs and flows 2. Infrastructure and energy 3. Public management 	<ol style="list-style-type: none"> 1. Experience and expertise of various government agencies 2. Management of national and local government units 3. Performance assessment and certifications.

NEEDS

THE WAY TO DO IT

The strategies under *Filipinnovation* are divided into four categories. The first one aims to bolster the competencies of Filipinos to make them globally competitive. It is then followed by strategies to increase industry productivity through innovation at the industry level. After which is an enumeration of strategies at the public policy level to ensure that an innovative environment flourishes across all levels. Finally, a paradigm shift in the national mindset will bolster the competitive innovation agenda.

STRENGTHENING HUMAN CAPITAL

Formation of multi-sectoral consortia of institutions and/or experts working towards achieving strong technological R&D capabilities (tech) and management or services skills (non-tech) that will influence industries and public policy.

Action Agenda:

1. Initiating competitive innovation in basic education

Exposing the Filipino talent to innovation needs to occur at a young age, where children are intrinsically inquisitive. During this stage, the individual's penchant for exploration should be encouraged and heightened through training in mathematics and the sciences, complemented by exposure to critical thinking, analysis, and synthesis. The

Philippine basic education system must therefore address this critical start in the training of human capital through the strengthening of math and science education with the infusion of practical application. This strategy will ensure that a competitive, innovative and multidisciplinary workforce is being developed at an early stage.

“And if we want indeed to be the foundation of future economic development, it is also important that a good science education must be within reach of every Filipino ...we must strengthen math and science in basic education.”

*– President Gloria Macapagal-Arroyo
15 March 2007*

2. Establishing multi-stakeholder linkages

The primary challenge for strengthening human capital is to ensure that people are equipped with the appropriate talents and skills to adapt to and match the needs of industry and society – that the supply of talents and skills addresses the demand for innovations that respond to the growing and ever-changing needs of society. As such, innovation thrives better through multi-sectoral partnerships that can address the numerous and varied needs of consumers by using multi-faceted approaches.

A partnership between a college or university and industry promises mutual benefits. First, the school is given first-hand information on industry needs and trends with regard to human resource and is therefore able to adapt a curriculum that will produce graduates according to the industry fit. Second, students will benefit from industry experts through teaching arrangements or internship/apprenticeship programs. For the part of the industry, minimal training will be needed for graduates of a course matching the industry's needs, saving firms on expenses usually acquired for employee retraining or retooling programs. Such partnerships will also provide firms with access to knowledge workers fit for research and development in the university faculty and students.

Crucial to the success of this strategy is the identification of niches of the college or university and matching them with the needs of local firm or industry. Some considerations may include acquired specialization on the part of educational institution and strategic positioning from the firm's end. Nonetheless, social networks such as alumni and industry associations will prominently serve as natural conduits to realize such linkages.

Aside from the academe-industry linkage, networking between local colleges or universities with global centers of excellence will help bolster the curriculum of the Philippine education system. Benchmarking curricula with such counterparts at the forefront of training human capital for industries ensures that students in the local universities undergo training sensitive to global trends. Other benefits may include faculty exchange programs or research collaborations, both of which will expose faculty and students to new technology, skills or knowledge.

3. *Upgrading skills and knowledge to better adapt to local and global demands through postgraduate education, and other forms of lifelong learning*

More formally, human capital can be strengthened through continuous education, such as through postgraduate studies and firm-level training. It is in post graduate school and continuing education training that skills and knowledge acquired from primary to tertiary education is either updated with global developments on the chosen area of specialization or supplemented with other relevant skills such as business intelligence or technology forecasting. More than what is theoretical, postgraduate education is geared toward the more practice-oriented, thereby equipping the individuals with tools that allow them to recognize and adapt to changes in the environment – local or global – in which they are situated.

The problem of access to postgraduate education can be resolved by an increase in the government budget for scholarship grants especially as part of initiatives of nurturing talented individuals who are tapped to take on leadership positions in the future. Firms can opt to invest on higher education as part of their human resource development initiatives. In the spirit of multi-stakeholder collaboration, consortia of academic institutions, professional groups, or both, can initiate advocacies or programs that will contribute to making postgraduate education accessible to the deserving.

“...We must spend to develop indigenous and clean energy resources to reduce our dependence on price-vulnerability to costly fossil fuels, and rid the air of carbon emissions and other pollutants... we do need more work on climate change which has become a keen global concern.”

*– President Gloria Macapagal-Arroyo
15 March 2007*

4. *Developing human resources with advanced knowledge and expertise*

The conduct of research and advanced training creates a pool of highly trained specialists who could access and use available knowledge and advance the frontiers of new knowledge in priority areas like health products and services, alternative energy, environment, biotechnology and ICT. Government, industries and academe have to collectively address the

“We want to reduce by half the price of medicine commonly bought by the poor. The government is committed to increase expenditures for research and development, develop our domestic capability for basic drug research...we also need additional expenditures to go into biotech and biomedical research.”

*– President Gloria Macapagal-Arroyo
16 March 2007*

issues on linkages between graduate education, the private sector and publicly-funded, university-based research systems particularly on competitive allocation procedures; transparency, and peer review; research evaluation and accountability for results; special programs, national priorities, and perhaps most important, the adaptability of the system

to changing conditions and new challenges. There is also a need to look into how to manage public support for both foreign and domestic training to strengthen domestic capabilities and avoid brain drain by individuals educated at public expense.

SUPPORTING BUSINESS INCUBATION AND ACCELERATION EFFORTS

Encourage industry participation in incubation and human capital collaboration to ensure productivity and returns through innovation.

Action Agenda:

1. Identifying and managing avenues for collaboration

Limitations in financial and material resources, as well as intangible resource such as information, provide the best opportunity to form collaborations which allow access to knowledge or skills gaps that are otherwise difficult to obtain by a single firm or institution.

Access to financial resources present an early hurdle for individuals or groups aspiring to translate a concept into a successful business. In many cases access to information of possible sources or opportunities for networking are the lacking ingredients. Bringing together or matching entrepreneurs with a fund source may be an initiative managed by a central entity responsible for identifying possible resources (venture capitalists, financial institutions, government-owned corporations, local government units, foreign donors, etc.) and bridging these with the appropriate innovators.

To ensure the stability of operations for budding businesses and mitigate risks associated with financial management, collaborations between one specialist and another can be explored. An engineer, for instance, may opt to work with a financial planner to help manage a loan from a bank. In a similar way, though at a grander scale, the collaboration can be made between Filipino and foreign companies through investment and technology transfer arrangements. Aside from financial management, this also holds for other areas such as general management, marketing, or even human resource development. This allows innovators to concentrate on product and/or process development while leaving other vital areas of operation in capable hands.

For a start-up, lowering costs for development is prudent since revenues have yet to be generated. Unfortunately, product or process development may require the use of facilities or equipment that may be impractical to purchase and maintain. These include failure analysis laboratories for the ICT, semiconductor and electronics industries, testing centers for alternative energy research, and bioequivalence laboratories for clinical trials, to name a few. Thus, it would be most convenient for common facilities to be acquired and maintained through collecting of usage fees, equitably sharing costs among all users, or getting support from the government.

Aside from facilities, select information can also be shared. For instance, universities can pool their studies, and make them available online for target industries. Similarly, firms may also wish to publicize their research and development requirements, to be undertaken by interested parties. The set-up may also spur cooperation between innovators with similar or complementing projects. The idea is to have comprehensive databases that will serve as “information clearing houses” or “information brokers” between knowledge providers and seekers.

While the concept of collaboration is widely accepted, its success greatly relies on how well a central or executive body manages it. For collaborations to work efficiently, the appropriate bridge institutions or individuals that can manage the activities of the collaboration should be identified and engaged.

2. *Increasing government's investments on physical infrastructure to support business technology incubation and acceleration*

Physical infrastructure, such as business and science complexes and laboratory equipment, provide more opportunities for innovation. They allow individuals and firms to maximize their potentials to innovate by not only providing them with more tools but by virtue of sharing or mitigating the risks and costs entailed in innovating.

“Creating good paying jobs and bringing the benefits of a strong economy to every Filipino is the focus of the national agenda. “

*– President Gloria Macapagal-Arroyo
09 March 2007*

3. *Engaging available existing Filipinos' talents and resources for business incubation and acceleration, including those from the overseas Filipino community*

Filipino capitalists should be encouraged to invest in ventures which are innovative or in business which are innovation-driven.

With more than eight million Filipinos abroad, serving in all industries in every corner of the globe, Philippine innovation may be well-positioned, if harnessed properly. The overseas Filipinos (OF) are the best sources of business intelligence on global market trends and technology evolution. The invaluable information that they can provide local individuals and firms will allow them to anticipate global demand and innovate appropriately. Furthermore, overseas Filipinos who have experienced success in their own fields may be tapped to advise or mentor innovators in their home country.

Overseas Filipinos may also choose to invest in government bonds which may be pooled to create angel funds for innovators. Alternatively, OF associations may opt to directly invest on specific products or services being developed. The challenge of this strategy is establishing stronger ties with OF's through the foreign posts, facilitating information exchange and enticing them to impart their skills, knowledge and resources with their brothers and sisters in the Philippines.

4. *Adopting a new business incubator model*

Taking off from the last two strategies, Philippine business incubators should be elevated from just merely being physical structures where start-ups can operate in until maturation to venues of networking for collaboration. Whether in physical or cyber space, business incubators should facilitate the meeting of ideas, both local and foreign, to jumpstart or enable innovation. The business incubator is the bridge institution for collaborations.

Support services should encompass the array of an innovator's critical needs and must aid them through the basic business process (including patent application). It may house a shared resource, knowledge database, market research and business intelligence for a specific sector. This means that business incubators should be strategically positioned and managed to cater to distinct requirements of a sector. Working closely with a college or university and the industry association will ensure close mentoring for the innovator. The business incubator can initially be ran by related government agencies, and eventually managed or operated by the private sector.

Local government units have to be actively involved in initiating and supporting business incubation operations.

REGENERATING THE INNOVATION ENVIRONMENT

Engage stakeholders in the creation of clear government policies and efficient procedures which encourage innovative behavior.

Action Agenda:

1. Creating an innovation strategy championed by public and private sector executives

While there have already been initiatives from public policy stakeholders to pursue Philippine competitiveness, one of which is the establishment of the National Competitiveness Council in 2006, interest in the pursuit of innovation is still being generated. High level support from the private and public sectors have yet to be established. An important component in the advocacy to craft and implement an enabling environment for innovation is the presence of public and private sector executives who will champion the National Innovation Strategy. Furthermore, they will serve as beacons to rally others under the battle cry for innovation.

In the National Competitiveness Agenda, the public-private sector partnership is an essential characteristic that will ensure the sustainability of the program despite institutional changes that will occur over time. In the same way, the National Innovation Strategy should be a public-private sector initiative to facilitate the implementation of the action agenda.

In provinces and cities, local government officials can take the lead in implementing initiatives that support innovation. The active involvement of local government units, in cooperation with local non-governmental organizations (NGO), ensures that the innovation environment they will help create fits the skills and talents, as well as the needs, of its constituents.

2. Increasing innovation awareness and understanding in legislation

Until recently, the concept of innovation has been limited to advances in information technology, thus generating little interest among public policy stakeholders. Industries can play an active role in highlighting the importance of innovation and advocating for legislation that favors an innovation culture. This can be done by promoting dialogue and exchange of ideas

on innovation between legislators and stressing that gains derived from having a competitive innovation system will ultimately be reaped by everyone in the country. The importance of this agenda cannot be underestimated given the fact that legislators are also in a good position to engage the active participation of the public in innovation.

“We are committed to consolidating the gains in new revenue by making long overdue investments in human and physical infrastructure. This includes billions of pesos in education, health care and training along with billions in new bridges, roads and ports to upgrade the competitiveness of the Philippines.”

– President Gloria Macapagal-Arroyo

3. *Leveling the playing field by setting a policy environment that supports competition (i.e. a sound IP regime)*

Competition spurs innovation. The challenge of another will force individuals and firms to innovate to be able to survive. Thus, legislation that favors protectionism over competition will ultimately inhibit buds of innovation. As such, formulating the right policies is crucial to the formation of a competitive innovation system. Several mechanisms may be used to level the playing field, especially for those engaging in areas of research and development. For instance, intellectual property laws, sensitive to the uniqueness of industries, must reward successful efforts to innovate by allowing individuals or firms to reap some benefits. This will ultimately result in the increase of registered patents owing to improved public confidence in the intellectual property regime. Also, incentives and grants that support research and development and other activities for innovation can be given to mitigate risks incurred by enterprising individuals and firms.

UPGRADING THE FILIPINO MINDSET

Filipinnovation: branding Filipino competitive innovation
for sustainable development and global positioning

Action Agenda:

1. *Increasing the role of multimedia in highlighting the essence and benefits of innovation in society*

The role of the different forms of media in the competitive innovation system, whether through print, television, radio and the internet, cannot be underestimated. Through multimedia, success stories can be shared, effectively highlighting the benefits of innovative activities.

The active participation of multimedia is vital in upgrading the competitive innovation mindset of Filipinos and increasing public awareness of the importance and contribution of innovation in their daily lives.

“We embrace the central role of the media in a free society. And we believe that responsible media bridges the gap between the public and the government.”

*– President Gloria Macapagal-Arroyo
27 March 2007*

2. *Having an Intellectual Property Regime that is neither restrictive nor regulatory but rather serving as depository of innovative ideas which can inspire others to innovate competitively as well*

A mindset change is vital in discerning the role of Intellectual Property laws. To further promote innovative ideas and aid the commercialization of new products and processes that will benefit society, a public registry of existing inventions is essential. This is the purpose of an agency in intellectual property, to disseminate information on innovation which will inspire people to pursue research and development in their respective fields, be it in the Information Technology, Finance, Health, Agriculture or the Services sector.

3. *Aid in increasing public awareness that competitive innovation entails a multidisciplinary approach*

Competitive innovation is not exclusive in its scope as innovation can occur anywhere in whatever field of expertise a person is in. As such, a multidisciplinary approach in the pursuit of competitive innovation is necessary. The training of the Filipino workforce should not be limited to a specialization but rather the continuous pursuit of skills that will meet local and international demand. At the same time, firms, in their search for increased productivity will see the need to employ trained professionals of diverse backgrounds that can contribute to the overall industry strategy. Finally, the public policy environment will greatly benefit from an active partnership with the academe and industry professionals to gain various perspectives on policy approaches. The ultimate gain from a multidisciplinary approach towards innovation is increased collaboration between every stakeholder involved in the innovation process – be they inventors, marketing specialists or venture capitalists.

Finally, a multidisciplinary approach to innovation will not be complete without an open system. Open system entails the presence of open sources and open standards. Open sources is the collaboration and partnership between the different innovation stakeholders to facilitate access to methods of production and design or other forms of collaboration to intensify knowledge sharing is incremental in increasing innovations thereby increasing development across all sectors. Meanwhile, open standards ensures that local quality controls are at par with global standards, minimizing trade disputes between importer countries on non-tariff measures.

4. *Foster a culture of entrepreneurship through innovation*

The entrepreneurial perspective on innovation is that it is not enough that a new concept or idea is only actualized; it also has to be patronized. Valuing patronage – desiring and working towards being competitive, improving service quality, and increasing profits – is characteristic of an entrepreneurial mindset. It is this mindset that pushes an innovator to ensure that his or her new product or process appropriately addresses needs and result to social benefits, economic gains, or both.

To foster a culture of entrepreneurship, action agenda from the National Innovation Strategy should be incorporated in a general national campaign for entrepreneurship. The campaign for entrepreneurship through innovation should include advocacies on improving the research culture, increasing idea generation, multi-stakeholder partnerships, and business incubation and acceleration efforts.

HOW WAS THE NATIONAL INNOVATION STRATEGY FORMED?

After the National Conference on Innovation held on July 19, 2007, the Steering Committee for the National Innovation Summit was formed. The Steering Committee is composed of key stakeholders that are involved in fostering innovation in the Philippines in light of the Philippine's goal to be globally competitive.

Members of the Steering Committee were involved in the conceptualization of the National Innovation Summit as well as the development of a framework and strategy to foster innovation in the country. The Steering Committee aims to advocate for the inclusion of innovation in the national competitiveness agenda.

The development of the innovation strategy was made in consultation with the various stakeholders, including leaders from the industries, government, academe, civil society and media. Several roundtable discussions were conducted to discuss specific issues and strategies on how to enable innovation that will allow sectors to be globally competitive.

MEMBERS OF THE STEERING COMMITTEE ON NATIONAL INNOVATION SUMMIT

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