

Innovation initiatives in Malaysia

Malaysia Innovation Foundation

<https://www.yim.my/>

The Malaysia Innovation Foundation (YIM) has zeroed in on grassroots innovations—using novel or new ideas that are usually developed in unconventional settings to deal with issues that are often neglected in the context of mainstream solutions. These often adopt a “bottom-up” approach for community empowerment through affordable access, enhanced quality and functionality, access for excluded population.

YIM is implementing initiatives in line with the Government’s policy to ensure that the country has high knowledgeable, diverse, creative and innovative human capital to meet the needs of the country by 2050, especially to achieve the Common Prosperity Vision, as well as facing the IR 4.0 boom.

Mainstreaming Grassroots Innovation (MaGRIs)

The MaGRIs program aims to enhance the development and commercialization efforts of grassroots innovation including the provision of capacity building opportunities to local grassroots innovators. The program adds value to innovation products from prototype development to pre-commercialization.

- 1,458 innovations found
- 24 innovations approved
- 15 innovations commercialized
- 12 innovations filed

High Impact Programme 6 (HIP 6)—Inclusive Innovation Inklusif

The HIP 6 program involves financing for entrepreneurs and aims to nurture, identify, adopt, add value as well as develop inclusive innovation products that can benefit the local community especially for the low-income community.

- 2,328 innovations found
- 106 innovations approved
- 756 shortlisted innovations
- 92 innovations filed
- 58 innovations were commercialized with total sales RM14.06 million

The focus areas for this programme are as follows:

- Health
- Education
- Food
- Technology
- Utility Development
- Increased Productivity

Malaysia Social Innovation (MySI)

Enhance the well-being of the community with priority for the B40 through the implementation of innovative locally R&D technology application projects that has been developed and ready to implement.

- Economics
- Green technology
- Eco-friendly
- Health
- Security

Social Impact Matching (SIM) Grant

The Social Impact Matching Grant is an initiative of the Social Enterprise Surge Matching Grant (SE) announced by the YAB Prime Minister in June 2020, as part of the COVID-19 Pandemic Short Term National Economic Generation Plan (GENERATOR).

SIM grants aim to support SE and other social impact businesses in Malaysia to sustain their initiatives/programs, leverage on their ability to raise funds, raise public awareness on social innovation, and improve innovation solutions for social outcomes and/or good environments.

Grassroots Enrichment Program

The Grassroots Enrichment Program is implemented to strengthen and enhance entrepreneurial skills among YIM grassroots innovators. GEP focuses on product development and improvement, enhancing the set of innovator capabilities, and sharing innovation with the community.

Global Design Database

The Global Design Database enables free, simultaneous searches of more than 13,470,000 industrial designs registered under the WIPO-administered Hague System and/or in participating national collections.

For more information, access,

<https://www.wipo.int/reference/en/designdb/>

Selected provisions of The Philippine Innovation Act

National Economic and Development Authority, Philippines

<https://www.neda.gov.ph/>

Republic Act (RA) No. 11293 otherwise known as the “Philippine Innovation Act” was signed by President Rodrigo R. Duterte on April 17, 2019. The law mandates the creation of the National Innovation Council (NIC) that will steer the whole-of-government coordination and collaboration and to remove the fragmentation in the country’s innovation governance.

The NIC is also tasked to set the direction of the country’s innovation goals, priorities, and long-term national strategies through the formulation of the National Innovation Agenda and Strategy Document (NIASD).

Pursuant to Section 28 of the Act, the National Economic and Development Authority (NEDA), in coordination with the Department of Science and Technology (DOST) and the Department of Trade and Industry (DTI), have prepared the Philippine Innovation Act’s Implementing Rules and Regulations (IRR).

Rule 11. Inclusive Innovation. The NIC shall develop strategies to promote the participation of different sectors in the creation of new ideas that shall be developed into new and quality products, processes, and services aimed at improving the welfare of low-income and marginalized groups, as defined in Section 3f of these Rules, as well as create livelihood and entrepreneurship opportunities for these sectors.

Rule 12. Micro, Small and Medium Enterprise (MSME) Innovation. The NIC shall develop strategies towards promoting MSME internationalization, digitalization, and participation in the local and global value chains. A comprehensive support program, from incorporation to internationalization, including industry firm-level collaborations, shall be developed by the NIC and implemented by the agencies concerned. These programs shall include coaching and mentoring in the areas of:

- (a) design;
- (b) technology extension services;
- (c) standard business practices in contracting, accounting and project management;
- (d) quality control;
- (e) standard-setting;
- (f) business services such as commercialization market needs assessment, marketing and promotion and management;
- (g) patents, and other forms of intellectual property rights; and others.

The Department of Trade and Industry (DTI) shall look for high productivity innovative businesses to help them identify and exploit opportunities in overseas markets. The NIC shall develop

metrics for the purposes of assessing the progress of work in these areas.

The NIC shall assign areas of responsibility to implementing agencies according to their mandate to avoid duplication of assistance provided.

For purposes of implementing Section 12 of the Act, these Rules further define the Startup MSME Innovation Development Program.

The MSME Innovation Development Program shall mobilize government agencies to work hand in hand with private organizations and academic institutions to provide technical and/or financial support programs for the development training of entrepreneurs. The Program shall also include the search for high productivity innovative businesses that could help in identifying and exploiting opportunities in overseas markets and provide for appropriate incentives, intellectual property registration, among others, under the Investment Priorities Plan (IPP).

The innovation development program for startups shall be done through the Philippine Startup Development Program as provided under Republic Act No. 11337 or the Innovative Startup Act of the Philippines. The DTI shall lead the development of this comprehensive support program for MSME innovation in coordination with relevant members of the NIC.

The Programs shall also provide for capacity-building for the public sector particularly, those who shall be expected to provide training to startups and MSMEs in order to ensure that the training shall be suitable, updated, and valuable.

The Philippine Statistics Authority (PSA), in coordination with the DTI Bureau of Small and Medium Enterprise Development (DTI-BSMED), shall collect data and ensure the consistency, accessibility and availability of adequate and timely statistics on MSMEs, including startups, by asset size as defined under Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises, including other indicators such as but not limited to employment size. Other pertinent information shall also be made available to characterize and track the progress of MSMEs over time. These statistics and information shall be used for development planning and investment programming purposes.

Implementing agencies of programs, projects and activities shall annually report to the NIC the implementation status and challenges, as well as accomplishments vis-à-vis targets approved by the NIC.

Rule 13. Innovation Centers and Business Incubators. The

government, through the NIC, shall encourage and support the establishment of innovation centers and business incubators, in partnership with the private sector, the academe, and research and development institutions towards fostering skills and technology transfer, collaboration on innovation initiatives between small and big businesses, supplier development, access to finance, and creating marketing opportunities.

As used in these Rules, the DTI and the DOST shall collaborate in ensuring complementation of and coherence in programs that provide innovation-related services to MSMEs and innovators. These programs shall build links between tertiary institutions, research institutions, and industry towards creating avenues for knowledge diffusion, capacity building, and commercialization of R&D outputs. Government-Academe-Business research collaborations shall be pursued to foster future innovations.

The NIC may enjoin the participation of other government agencies and institutions such as the Department of Information and Communications Technology (DICT), the Intellectual Property Office of the Philippines (IPOPHL), and Higher Education Institutions (HEIs). The NIC may tap these agencies to provide technical assistance to the DTI and DOST in developing a framework for the implementation, monitoring and evaluation of programs that aim to build links between tertiary institutions, research institutions, and industry towards creating avenues for knowledge diffusion and capacity building.

Rule 14. Regional Innovation and Cluster Policy. The NIC shall integrate in the NIASD strategies to promote regional innovation that shall harness the competitive advantages, as well as existing and potential strengths of regions and provinces. Such strategies shall promote regional development through sound science, technology and innovation programs.

For this purpose, the RDCs shall help coordinate and monitor the implementation of the NIASDs in their respective regions.

The NIC shall adopt cluster policies or strategies as significant components of the country's innovation policy mix. In determining the feasibility and effectiveness of cluster policies in pursuit of innovation goals, other policy streams, such as regional economic development policy, industrial/enterprise policy, higher education policy, among others, shall be considered.

The cluster policies shall be adopted to focus on regional hubs or provinces or sectors such as MSMEs, large firms, spinoffs and startups, academic or educational institutions and research centers, or combinations of these. For this purpose, the NIC shall establish a Cluster Development Program. Funding for this purpose shall be incorporated in the annual General Appropriations Act.

Rule 15. Strategic Research, Development and Extension (RD&E) Programs. The NIC, in consultation with relevant stakeholders, guided by the country's innovation agenda and development goals, shall develop RD&E themes. These themes shall be adopted in the RD&E programs of concerned agencies which will ensure that a higher level of mission orientation in publicly funded research is observed. These themes shall be reviewed periodically

as determined by the NIC aligned with priorities identified in the National Innovation Agenda and Strategy Document (NIASD).

For this purpose, the NIC shall:

- (a) develop a "relevance criteria" that shall be administered by the agencies concerned in the selection of RD&E programs or projects (e.g. government R&D grants and R&D initiatives to be undertaken by the government, and research papers/publications, among others) for funding;
- (b) conduct periodic review of RD&E themes and the "relevance criteria";
- (c) prepare, maintain and update regularly an inventory of academic or educational and RD&E institutions, together with their resources and capacities to undertake these programs and projects which shall provide the strategic intelligence for the generation of public funding and grants for these purposes; and
- (d) monitor the implementation of the projects and ensure that they comply with the criteria established for the purpose and meet the objectives for which they were funded. A system for "peer review" may be established for this purpose.

As part of strategies to address the multi-dimensional nature of certain research requirements, the NIC shall:

- (a) Establish new and/or strengthen existing centers of research excellence and/or adopt best practices, to bring together multi-sector/stakeholder teams to address multi-disciplinary research agenda;
- (b) Establish centers of collaborative research activity between academic and business; and
- (c) Mandate pertinent agencies to work with academic or educational and research institutions to provide research infrastructure to support key research areas.

The NIC shall recommend to the Congress of the Philippines the annual proposed level of Gross Expenditure on Research and Development (GERD) based on the NIASD. This recommendation shall be submitted at the beginning of each annual budget cycle.

Rule 16. Innovation Instruments. The government shall employ a range of instruments to achieve the objectives of the Act. These instruments, shall include, but are not limited to:

- (a) Technology programs;
- (b) Innovation centers;
- (c) Innovation networks;
- (d) Technology platforms;
- (e) Science and Technology Parks (STPs);
- (f) Cluster policies, including policy dialogues;
- (g) Human capacity building programs; and
- (h) Use of patent information, including patent landscape reports.

(Source: <https://www.neda.gov.ph/the-philippine-innovation-act/>)