



**Asia-Pacific
Economic Cooperation**

2014/PPSTI1/015
Agenda Item: 6

Concept Note: Toward Innovation-Driven Development - Consensus and Action

Purpose: Consideration
Submitted by: China



**3rd Policy Partnership on Science, Technology
and Innovation Meeting
Changzhou, China
9-11 April 2014**

 **Asia-Pacific Economic Cooperation**



APEC
CHINA 2014

Toward Innovation-driven Development: Consensus and Action

CHEN Linhao
Deputy Director General of Department of International Cooperation,
MOST, CHINA


3rd APEC Policy Partnership on Science, Technology and Innovation
9-11 April 2014, Changzhou, China

Why Innovation Initiative


APEC
CHINA 2014

Innovation Initiative:
**Toward Innovation-driven Development:
Consensus and Action**

China has proposed the concept note and circulated it for information during the APEC SOM 1 on 27 February in Ningbo, China.



Ningbo, China

Why Innovation Initiative



STI has become a main force driving the social development and economic growth. The rapid S&T development, accelerating knowledge creation and technology innovation have promoted revolutionary industrial transformations, economic structural adjustment and social development.

STI also provides solutions for global challenges, such as energy shortage, food security, human health and climate change.

Why Innovation Initiative



Innovation has been one of the main agendas in APEC cooperation in recent years. And the APEC Economies have been working together to seek new growth modes.


The **2013 Bali Declaration** stated the commitment to achieving innovative growth through human resource exchange, infrastructure development and financing loans.

The **2012 Vladivostok Declaration** expressed the resolve to give full scope to the role of all APEC mechanisms in driving innovative growth through closer regional cooperation.


The **2011 Honolulu Declaration** highlighted the importance of open, non-discriminatory trade and investment policies to the implementation of innovative growth strategy.

The **2010 APEC Growth Strategy** has displayed commitment to creating an economic environment conducive to innovation and emerging economic sectors.

Why Innovation Initiative



STI plays a key role in realizing 2014 APEC theme (*Shaping the future through Asia-pacific partnership*) and priorities.



Key Points

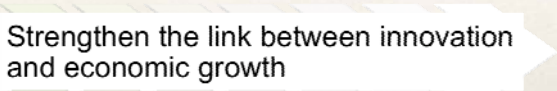


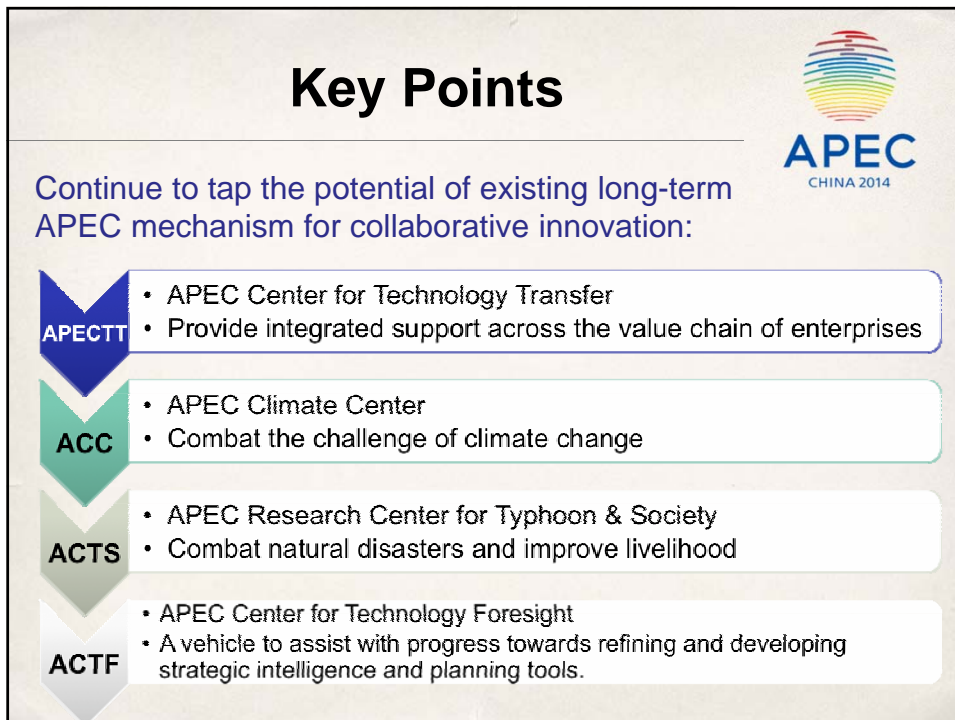
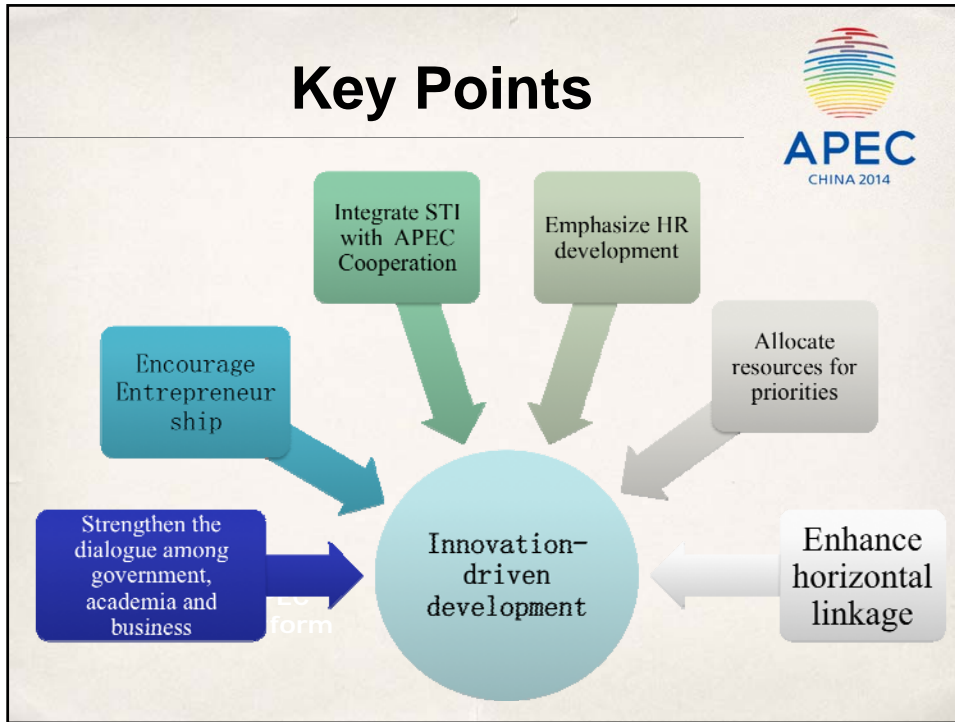
**APEC Initiative on Innovation 2014:
Toward Innovation-driven Development: Consensus and Action (Concept Note)**

LONG TERM GOAL

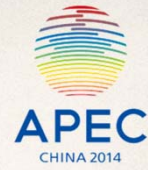


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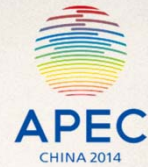





Key Points



- 1. A strategic opportunity for PPSTI to play a more constructive role in implementing APEC leaders' and ministers' instructions on Innovation.
- 2. The initiative mainly resembles a framework and awaits our joint efforts to make it pragmatic and concrete.
- 3. This Initiative would be used to guide the achievement design of 2014 PPSTI Work plan.
- 4. The Innovation Initiative should also be reflected in the 2014 Leaders' Declaration and Ministerial Statements.



Thank you!

I. Background

In today's world, innovation is becoming more evident in serving as the foundation and major driver of human progress, and is exerting a more extensive and direct impact on economic growth, social development and people's wellbeing.

Since the 2008 financial crisis, the world economy has continued to grow at a slack pace. In seeking new momentum for dynamic economic growth, the Asia-Pacific region faces numerous challenges. Against this backdrop, APEC members agree that the traditional growth model is unsustainable and that innovation represents an important pathway to improve the quality of growth, promote economic and social development, and achieve common prosperity of the Asia-Pacific. The 2010 APEC Growth Strategy stressed members' commitment to creating an economic environment conducive to innovation and emerging economic sectors. The 2011 Honolulu Declaration highlighted the importance of open, non-discriminatory trade and investment policies to the implementation of innovative growth strategy. The 2012 Vladivostok Declaration expressed the resolve to give full scope to the role of all APEC mechanisms in driving innovative growth through closer regional cooperation. The 2013 Bali Declaration underscored the commitment to achieving innovative growth through human resource exchange, infrastructure development and enhanced financing. Under the APEC theme for 2014 – "Shaping the Future through Asia-Pacific Partnership" – innovation-driven development will play a key role in APEC's efforts to advance regional economic integration, promote innovative development, economic reform and growth, and strengthen comprehensive development in infrastructure and connectivity.

II. Long-term Goal

Innovative development and economic reform and growth in the Asia-Pacific region calls for a greater role of science, technology and innovation in driving economic development, as well as a pragmatic, efficient and vigorous innovative partnership. APEC members will create a pro-innovation policy environment, promote collaborative innovation, and strengthen the link between innovation and economic growth in order to upgrade economy and livelihood the Asia-Pacific region.

III. Consensus and Action

To accomplish the afore-mentioned goal, APEC members will:

1. Carry out pragmatic and comprehensive innovative collaboration in support of their economic and social development;
2. Focus on improving innovation capacity of member economies, especially developing economies, and give prominence to innovation capacity building in APEC economic and technological cooperation;
3. Jointly create a favorable innovation ecosystem, improve open trade and investment policies, strengthen the role of market in allocating innovation resources, enhance the creation, use, protection and management of IPRs, and improve technology transfer/commercialization and risk investment mechanisms;
4. Strengthen the dialogue among governments, academia and businesses, facilitate exchanges and experience sharing in innovation policies, promote entrepreneurship, attract innovation resources to enterprises, and improve the innovation capacity and vigor of enterprises, especially that of SMEs;
5. Improve the connectivity of innovation in the Asia-Pacific region, promote the sharing of innovation resources, and link more regions with innovation;
6. Encourage human resource development, facilitate personnel exchanges, continue cooperation in APEC Youth Science Festival and ASPIRE Prize, and emphasize the development of young innovators;

7. Strengthen the role of innovation in every link of the global production and value chains, strengthen collaborative innovation in various fields including science, technology, industry, finance, management and business model among member economies;
8. Give priority to key areas like innovation policy, sustainable energy, green economy, smart cities and urbanization, SMEs, and technology transfer/commercialization;
9. Organize more science popularization programs for people's livelihood and for young people, to bring science and innovation closer to the public and foster a culture that encourages innovation and participation in innovation; and
10. Attract more participants from industrial and commercial sectors, especially ABAC members, to APEC innovative collaboration; Strengthen the role of APEC collaboration mechanisms such as PPSTI in driving regional innovative collaboration, and continue to tap the potential of existing long-term APEC mechanisms for collaborative innovation, such as: APEC Climate Center, APEC Center for Technology Transfer, APEC Research Center for Typhoon & Society and APEC Center for Technology Foresight.