# What Mexico is doing on innovation policy





## Mexico at a glance

Institutional arrangement for innovation policy in Mexico

**SWOT** of Mexican Innovation Policy



#### **Mexican Government**



- Mexico is a federal, presidential, representative, democratic republic
- The president is both head of state and head of government



- Mexico's government has three branches: the executive branch, legislative branch, and judiciary branch
- There is provision for separation of powers, although each branch keeps the other in check



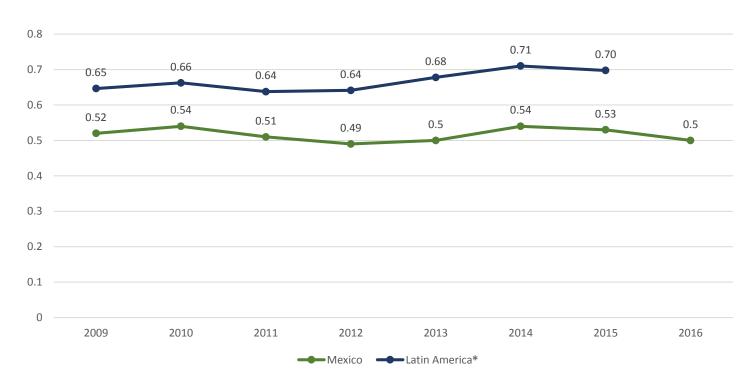
- Each state is governed by its constitution and retains legislative rights and the right to levy taxes excluding interstate customs duties
- State governments can implement their own policies in a variety of topics, including innovation

Source: Political Constitution of the United Mexican States.



#### **Expenditure on R&D in Mexico**

# Gross domestic expenditure on R&D (**GERD**) as a percentage of **GDP** (2009 - 2016)

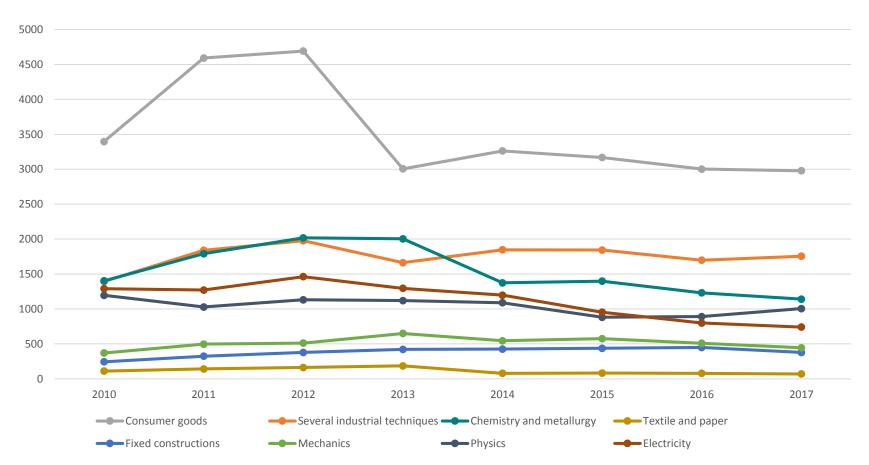


Sources: UNESCO, How much does your country invest in R&D. CONACYT, *Informe General del estado de la Ciencia, la Tecnología y la Innovación*. 2016.

<sup>\*</sup> There is no data available for Latin America.

## **Granted patents in Mexico**

#### **Granted patents** by technological field (2010 - 2017)



Source: Political Constitution of the United Mexican States.

Mexico at a glance

Institutional arrangement for innovation policy in Mexico

**SWOT** of Mexican Innovation Policy



#### Institutional arrangement for innovation policy in Mexico

#### MEXICAN SYSTEM OF SCIENCE, TECHNOLOGY AND INNOVATION

Coordinating councils **CGIDTI - General Council for Scientific Research, Technological Development and Innovation** CNCTI - National **CCTI** - Coordination CONACYT CII - Intersectoral Conference on National Council of of Science Innovation Science and Science and Technology and Committee Technology and Technology Innovation Innovation Ministries SEP SE **SHCP** Ministry of Ministry of Economy Ministry of Finance Education and Under Institutes Ministries **UPE INADFM** SIC National Institute of Vice Ministry of Industry **Economic** and Commerce **Productivity Unit** the Entrepreneur Accelerators institutions Relevant OTT Higher education Incubators **Technology Transfer** institutions Offices Industrial chambers

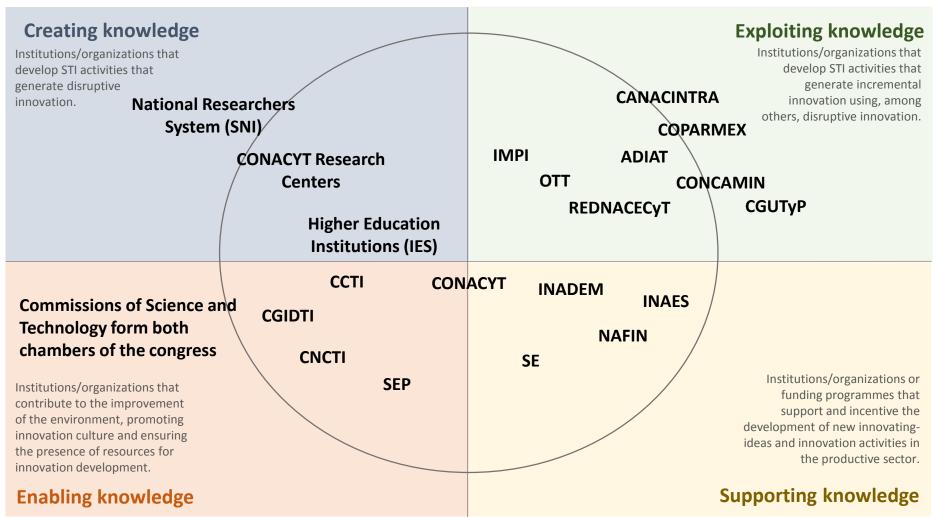
Autonomous National Agencies

FCCyT
Consulting and
Scientific Forum

NAFINSA National Development Bank

IMPI Mexican Institute for Industrial Property

#### Stakeholders in the Mexican Innovation Ecosystem



Mexico at a glance

Institutional arrangement for innovation policy in Mexico

**SWOT of Mexican Innovation Policy** 



## **Challenges for the Mexican Innovation System**

	Strengths	Weaknesses
Institutional framework	Mexico has strong institutions and regulations to boost innovation policy	The competence and experience of institutions is not reflected in the coordination between them
Human Capital/ Knowledge Assets	The country has a favorable environment for scientific research, the largest system of support in this area reflects steady growth	The incentives of the National System of Researchers, are not related to the development and commercialization of innovation
Funding	The offer of financial support for entrepreneurship and innovation is increasing	The funds available for research, generally have academic goals
Ecosystem Environment	The number of new businesses and the government's interest in them are increasing	The business environment is not the most efficient, so many new businesses must close in early stages
Broader Environment	The public and private sectors and the international environment are increasingly conducive to the development of innovation	There is no clear strategy to promote greater integration between business and universities, nor to achieve the decentralization of knowledge production

#### Index

Mexico at a glance

Institutional arrangement for innovation policy in Mexico

**SWOT** of Mexican Innovation Policy

#### **Challenges for the Mexican Innovation System**



Make Innovation a government-wide priority



Promote a long term view



Make it a failure friendly policy. For both government and private sector



Take away innovation policy from researchers and academics



Promote private sector investment. Get away from a subsidy exclusive view of innovation policy

# What Mexico is doing on innovation policy



