



Islamic Republic of Iran

Presidency

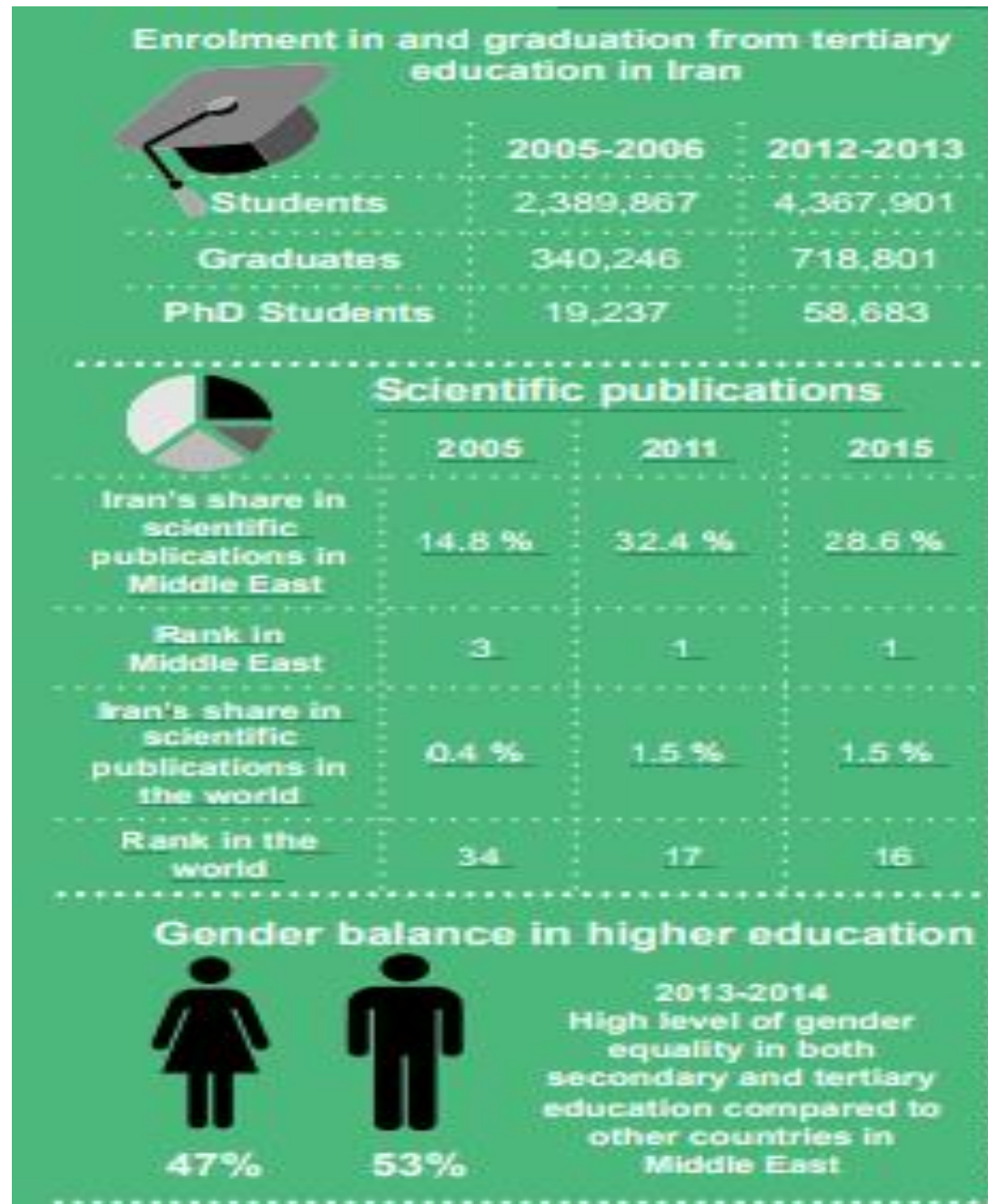


Innovation and Prosperity
Fund

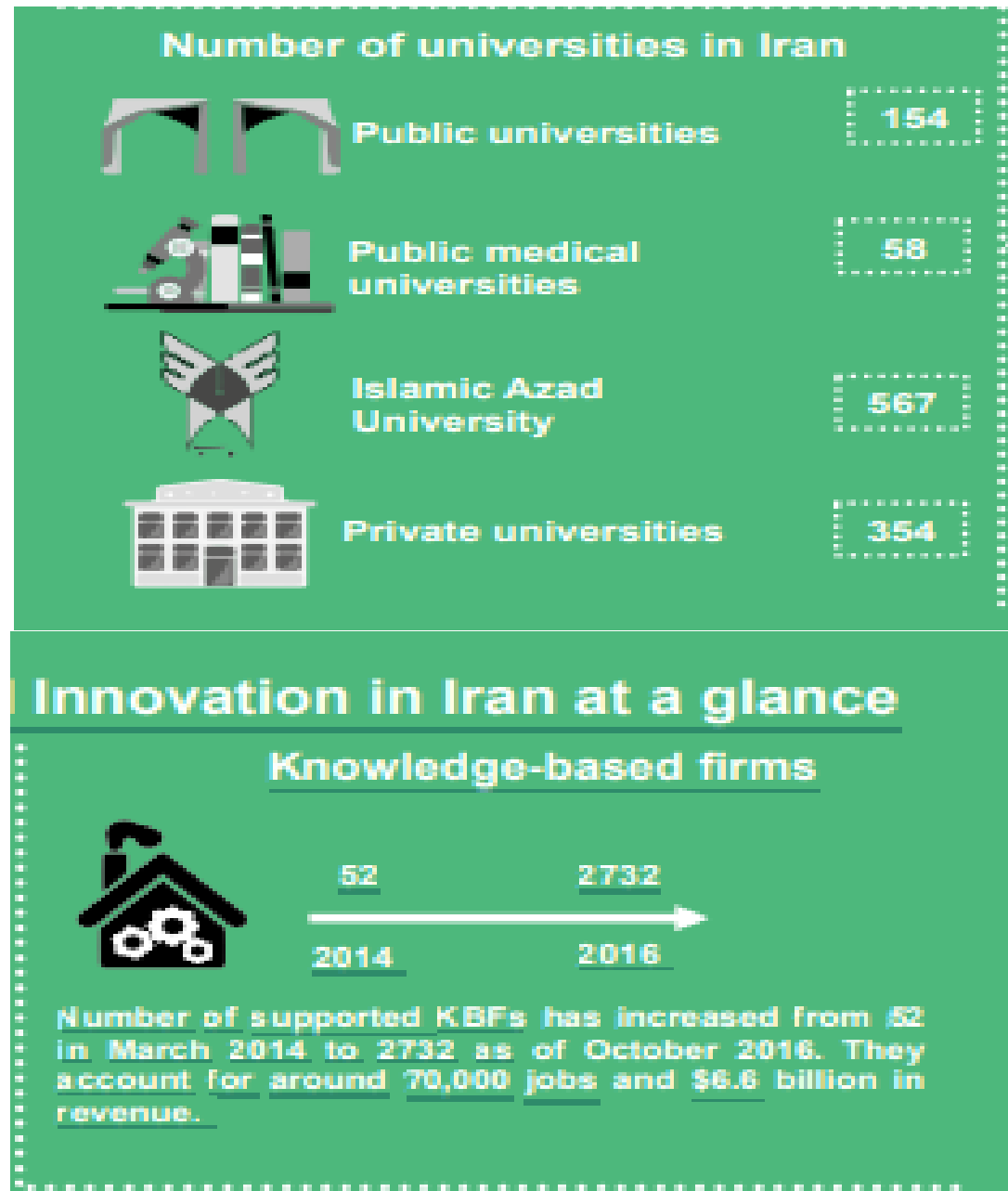
An Overview of Iran's Innovation and Prosperity Fund for Startups



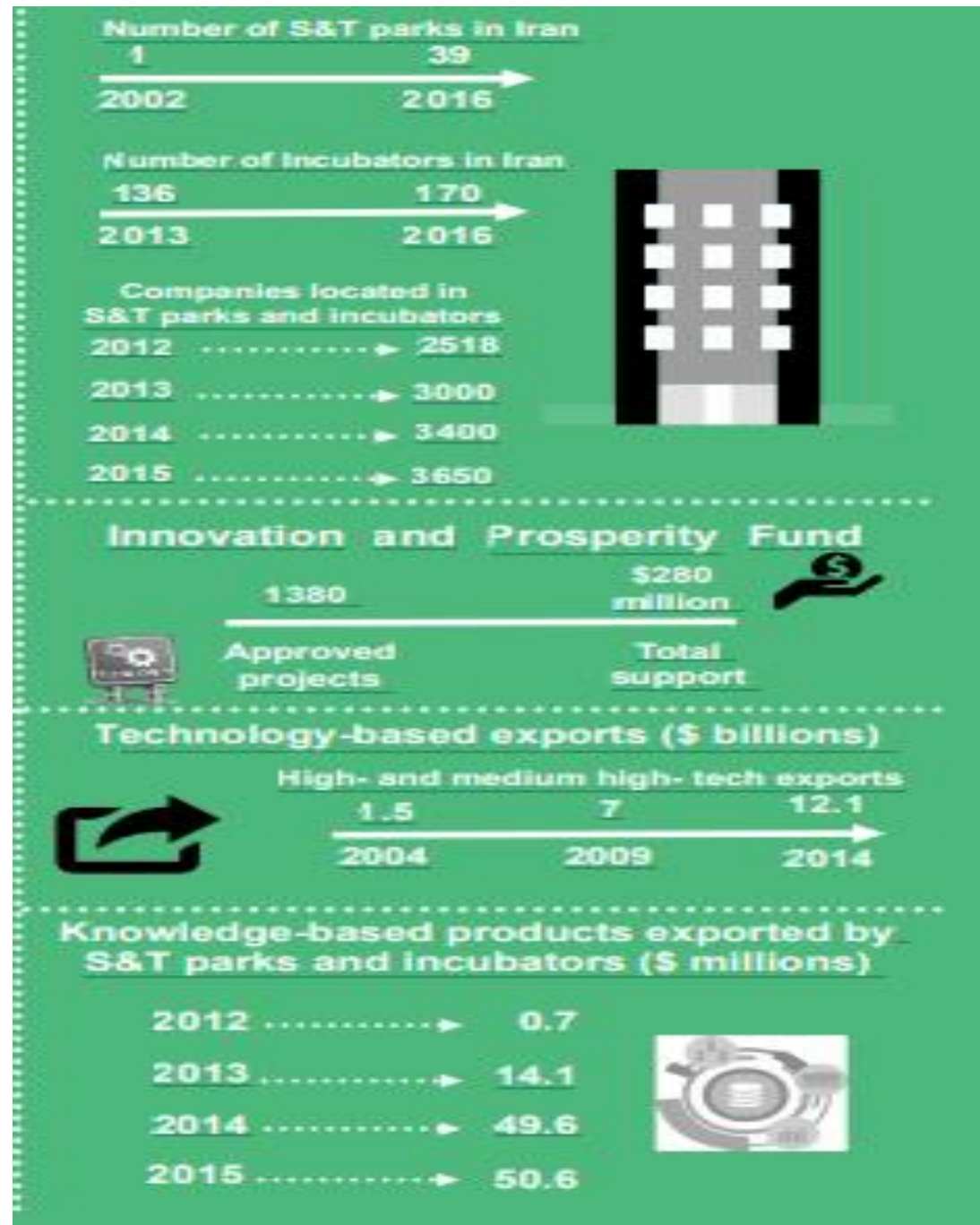
Key Trends of Iran's STI in a glimpse



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Iran's Status in General Innovation Indicator Over Time

The Global Competitiveness Report



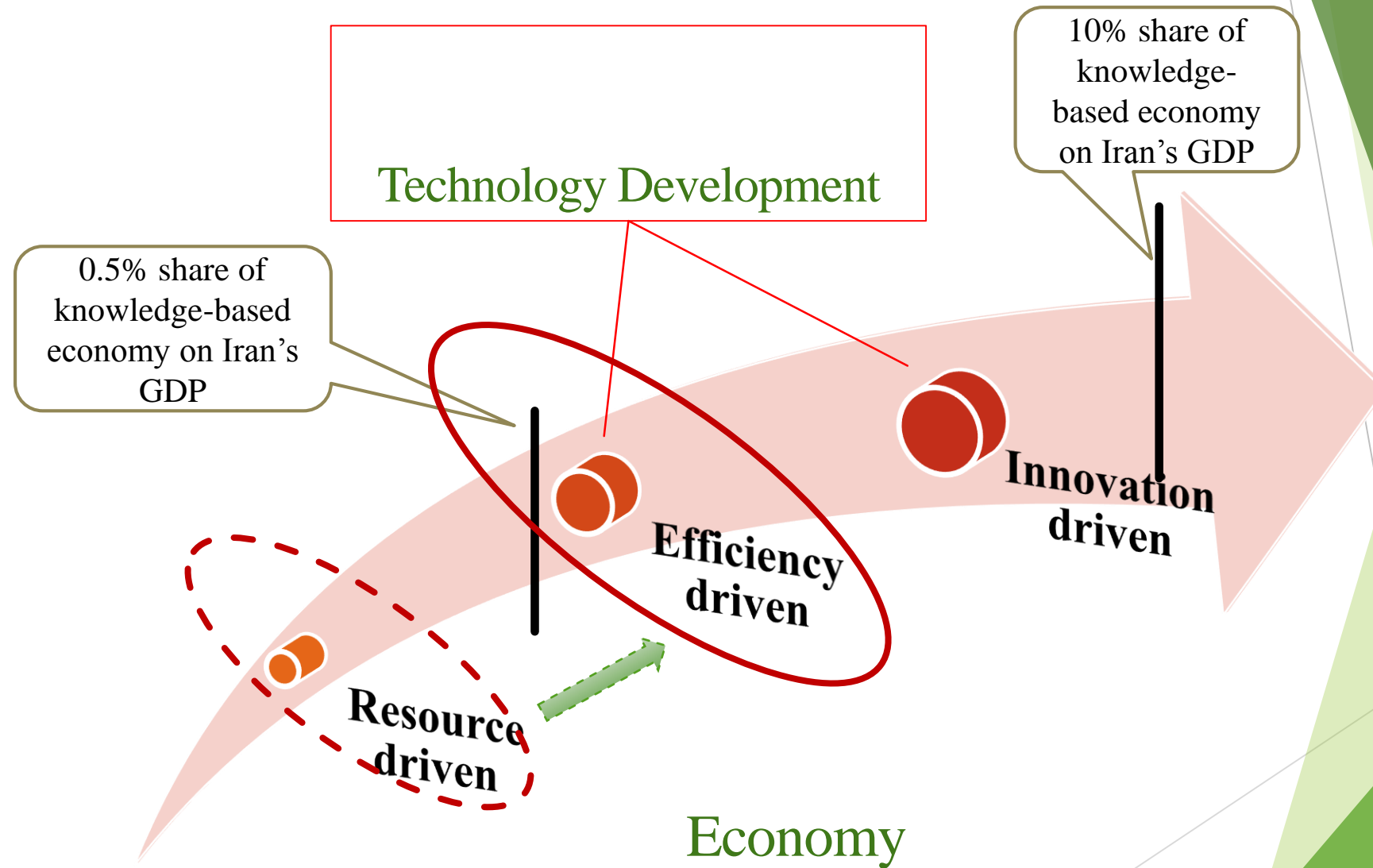
	2014	2015	2016	2017
GCR	82	83	74	76
GII	120	106	78	75

The Global Innovation Index 2017

Innovation Feeding the World



IRAN'S Economic Situation



Three Waves of Iran STI Policy



Yesterday:
Growth was based on
Capital Goods



Today:
Growth is based on
Innovation

Three Waves of Iran STI Policy

Wave	Main institutional developments	Main functional developments
<p>Wave 1: Developing higher education and scientific publications (from 1990)</p>	<ul style="list-style-type: none"> • Expansion of graduate programmes in universities; • Increase in the number of private universities; • Support to international research and scientific publications in universities and research organizations. 	<ul style="list-style-type: none"> • Increase in number of graduate students, particularly from 2005; • Continuous increase in women's participation in higher education to reach the current position of near equality; • Growth in number of science and engineering students; • Considerable increase in scientific publications internationally.
<p>Wave 2: Developing research and emerging technologies (from 2000)</p>	<ul style="list-style-type: none"> • Establishment of VPST and its affiliated emerging technology councils • Establishment of Supreme Council for Science, Research and Technology (SCSRT); • Ratification of NMPSE; • Expansion of S&T parks, particularly close to universities; • Growth of centres of excellence; • Establishment of institutions for commercialization of university researchers' research results (e.g. IPRs, technology transfer offices (TTOs) etc). 	<ul style="list-style-type: none"> • Improvement of Iran's status in scientific publications, particularly in areas of emerging technologies (e.g. nano- and biotechnologies); • Increase in number of S&T parks and firms located within them; • Increase in number of research laboratories in universities; • Increase in number of locally granted patents.
<p>Wave 3: Transition towards innovation and a knowledge-based economy (from 2010)</p>	<ul style="list-style-type: none"> • Ratification and implementation of law for supporting knowledge-based firms; • Establishment of Innovation and Prosperity Fund with initial capital of \$1 billion; • Ratification of law for removing barriers to competitive production, with one provision (Article 43) dedicated to a programme for developing knowledge-based products; • Ratification of a technology appendix in international contracts; • Establishment of a dedicated stock market for IPR; • Ratification of a revised IPR law; • Establishment of accelerators for innovation. 	<ul style="list-style-type: none"> • Increase in number of knowledge-based firms, located outside S&T parks and incubators close to universities, with 2,732 firms to date; • Increase in jobs created by knowledge-based firms to 42,000; • Increase in production of and revenue from knowledge-based products; • Increase in number of S&T funds, VCFs and private innovation accelerators.

The Main Purposes of Establishing IPF

Assisting the implementation and development of knowledge-based economy

Completing the “idea to market” chain

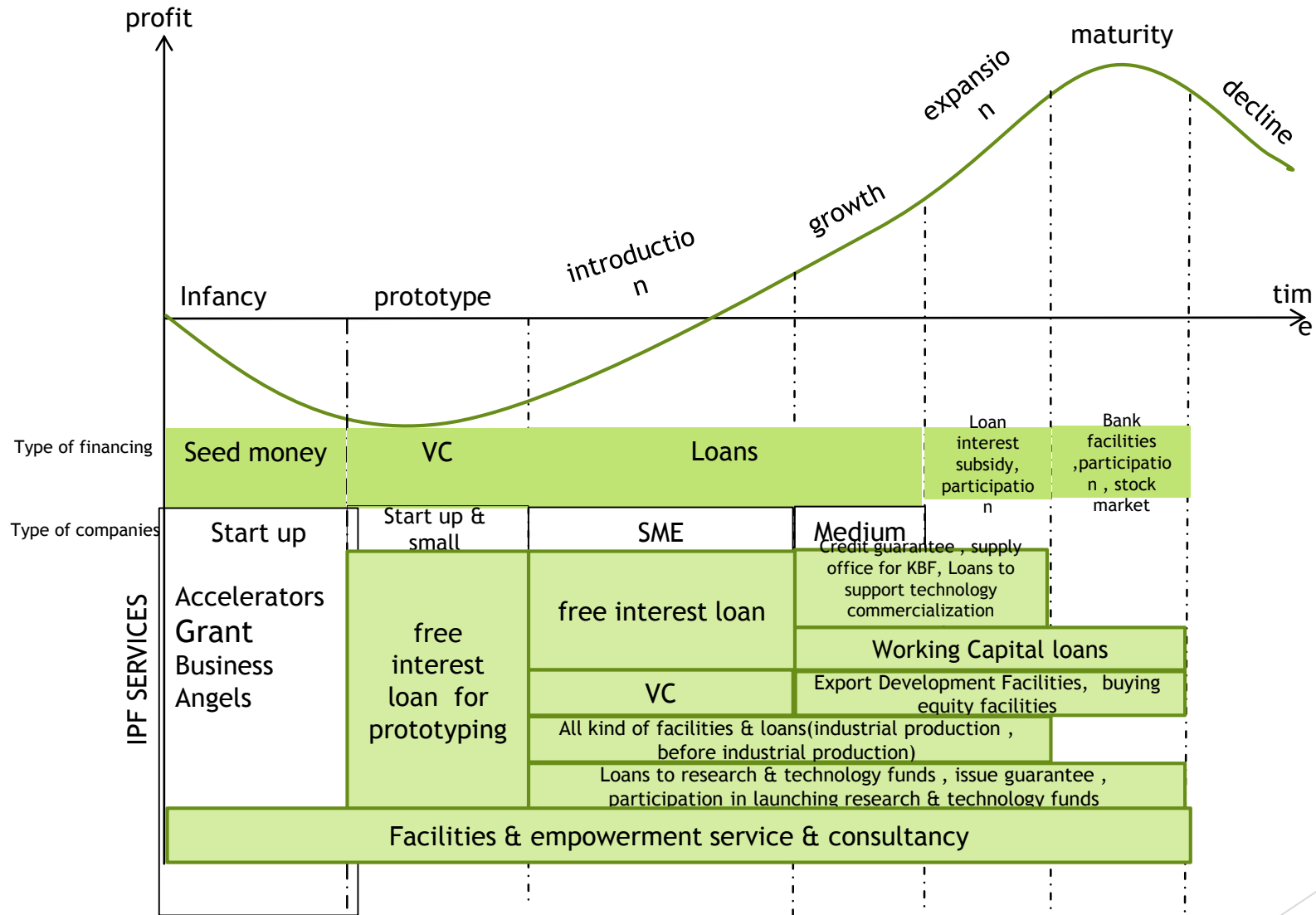
Commercialization of innovations, inventions and research results

Making the knowledge applicable through the provision of assistance and financial services to support knowledge-based institutions and companies

Types of IPF Services

- ❑ Interest-free loans for patent activities, acquisition of technology and modeling
- ❑ The interest-free loans to support product development
- ❑ Long-term loans for manufacturing activities
- ❑ Working capital loan
- ❑ Facilities for development activities of industrial production
- ❑ Leasing sales Facilities
- ❑ Credit Guarantee Facility
- ❑ Contribute to pay interest
- ❑ Venture capital and Investment partnership
- ❑ Capacity Building services for knowledge-based companies
- ❑ Regulating Research and Technology Funds
- ❑ Financing work offices of knowledge-based companies in the condition of “Rent to Own Contract”
- ❑ Single window operation:18 organizations(Banks, Insurances, etc.)

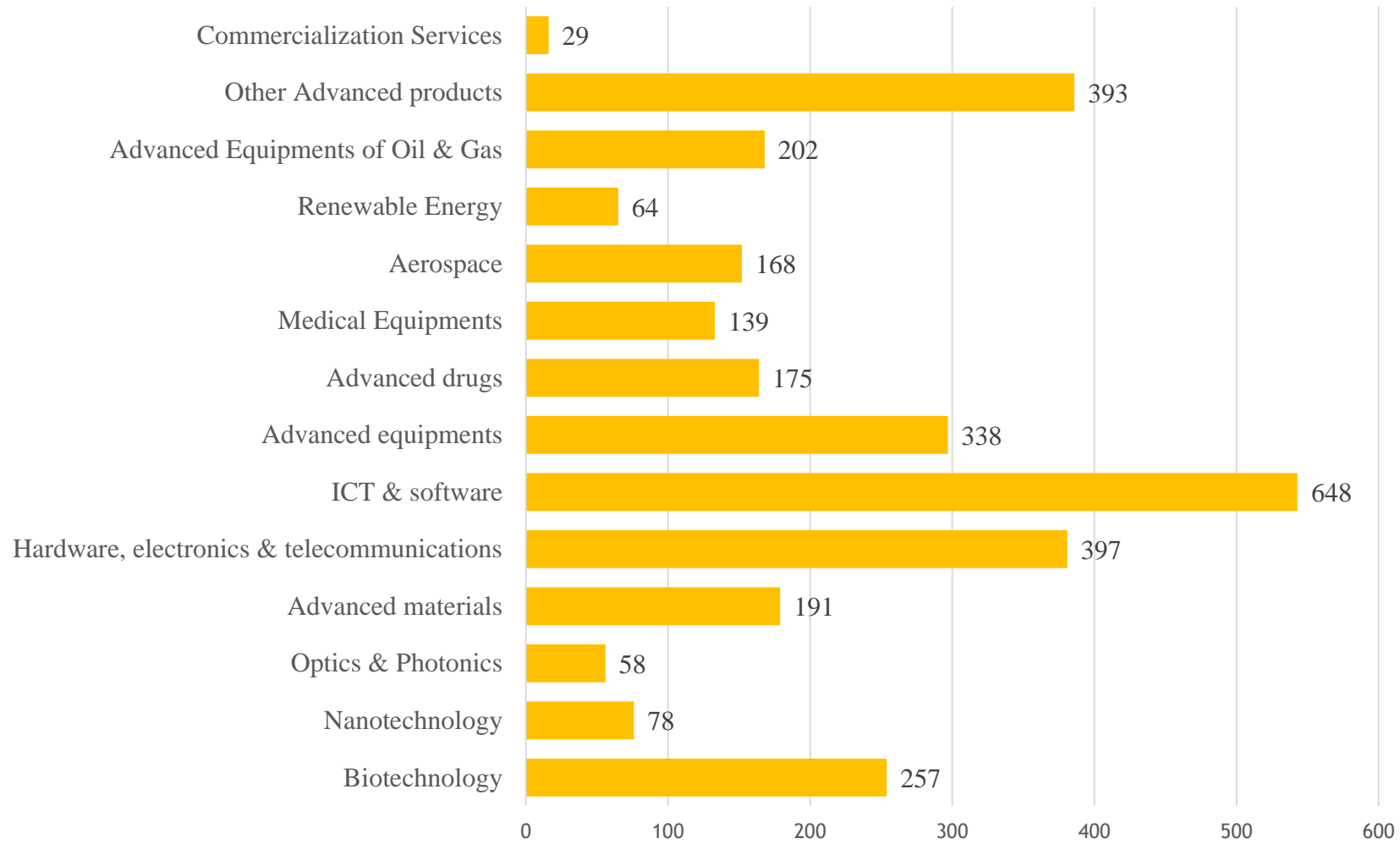
IPF SERVICES IN COMPANY'S LIFE CYCLE



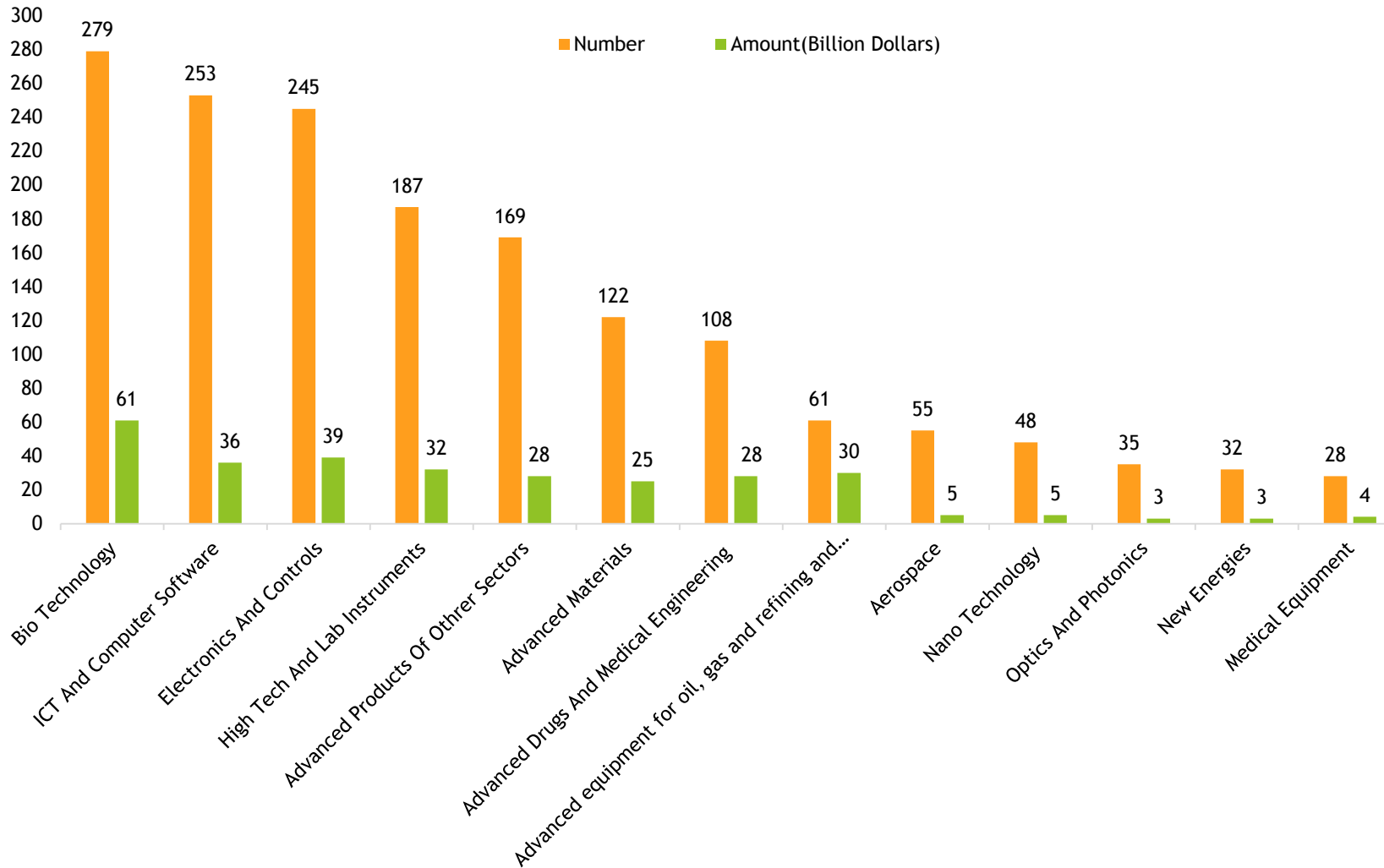
Distribution of Knowledge-Based Firms

According to Different Areas
of Science and Technology

Knowledge-Based Firms by Technology Field



IPF Approved Facilities in Different Technology Areas



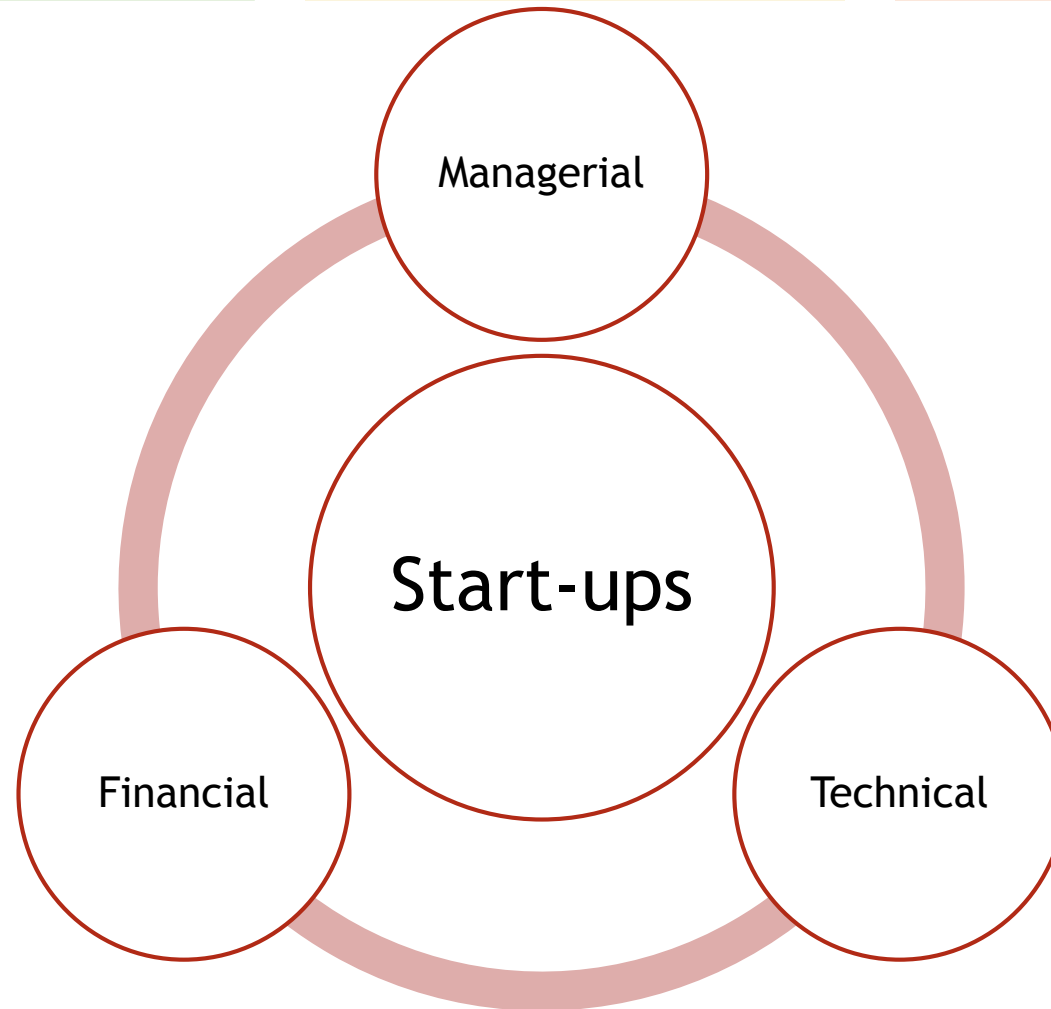
*IPF Report, September 2017

Promoting Innovative Start-ups

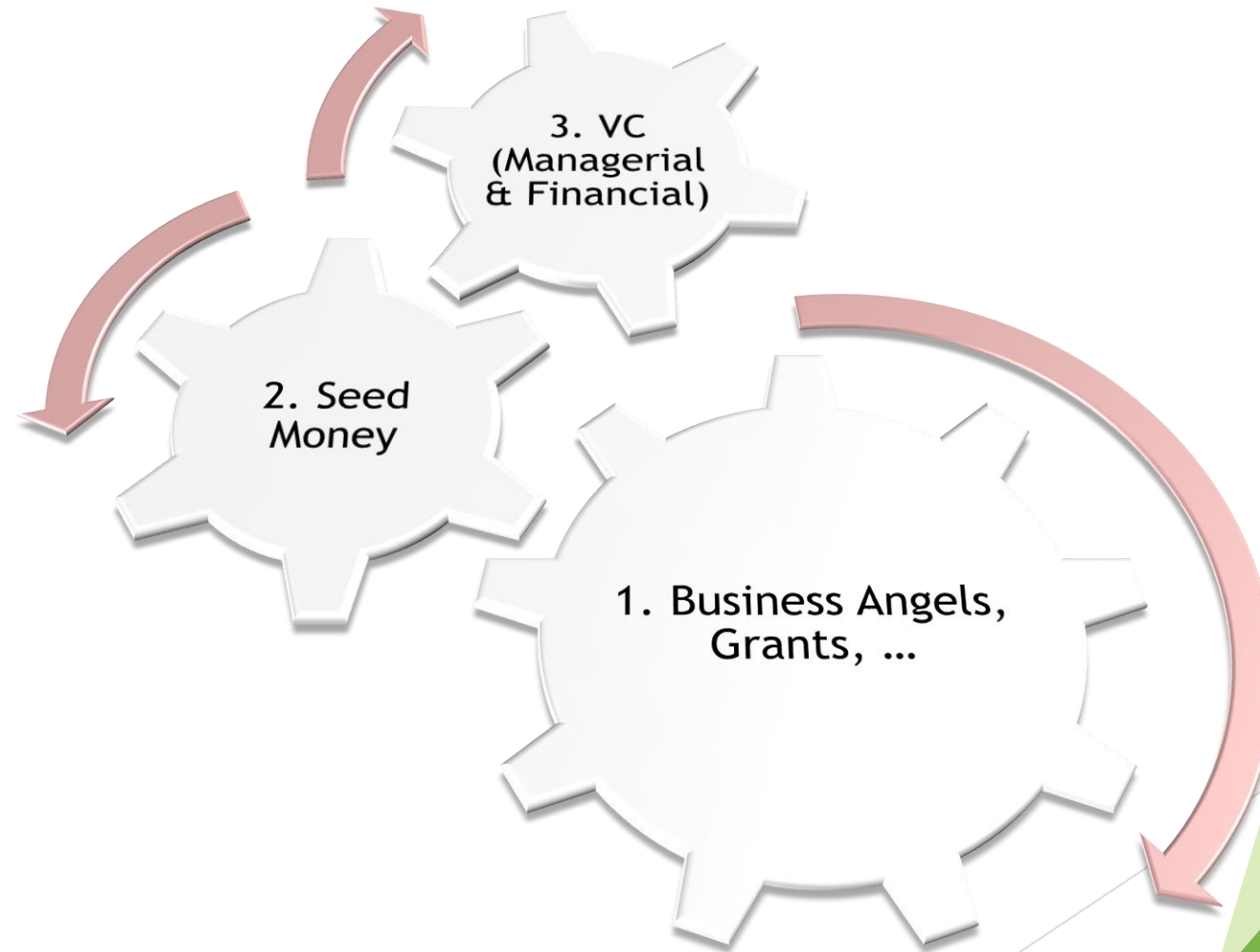
Experiences

Best Practices

Policy
Interventions
(Mechanisms)



Financing Start-ups

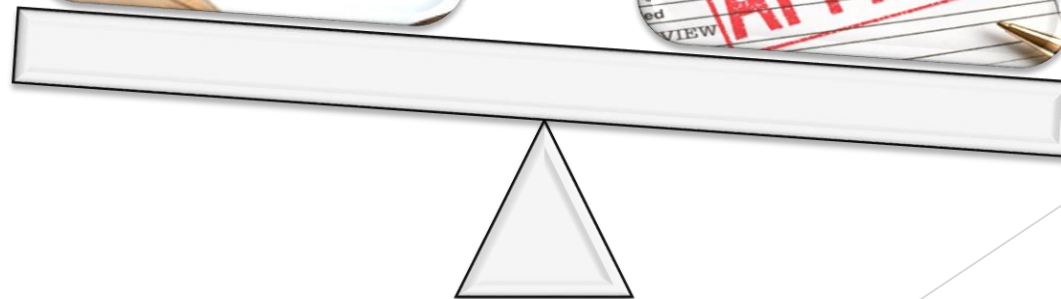


Our Experience in Last 4 Years

About 200
requests for
equity
participation

Vs.

More than
3700
requests for
loan



What is the Reason?



Start-ups' mindset: They think all things are “technical” and so they ignore “financial and managerial” aspects

Our loan interest rate: 40% less than the banks

Cultural Factor: People do not like partnership

Our Solutions

Interest free loans

Provide consultation about managerial aspects

Technical support: Support for acquiring national & international standards, participation in Productivity Festival and IRAMIT

Financial support with moratorium

Mezzanine

Empowerment of start-ups (About 55 accelerators are active in Iran)

Holding trade and technological exhibitions for commercialization of start-up activities

Challenges:

- ▶ The need to capability building of KBFs to engage in international collaboration and penetrate international markets
- ▶ Need to improve financing innovation by private institutions, in particular VCFs and business angels

Innovation and Prosperity Fund Future Policies:

- ▶ Facilitate Internationalization of KBFs
- ▶ Facilitate international technology transfer to knowledge-based companies and create conditions that promote linkages, technology flows and technological learning
- ▶ Boosting FDI and Joint Venture in High tech sectors
- ▶ Adapt a comprehensive strategy for targeting and benefiting other external sources of funding(mutual fund, mutual grants,)
- ▶ Development of IPF international relationships and expansion of international networking and cooperation'

Thank you For Your Attention



**Innovation and Prosperity
Fund**

www.nsfund.ir