

Connecting STI to Finance: Experiences from ITAP

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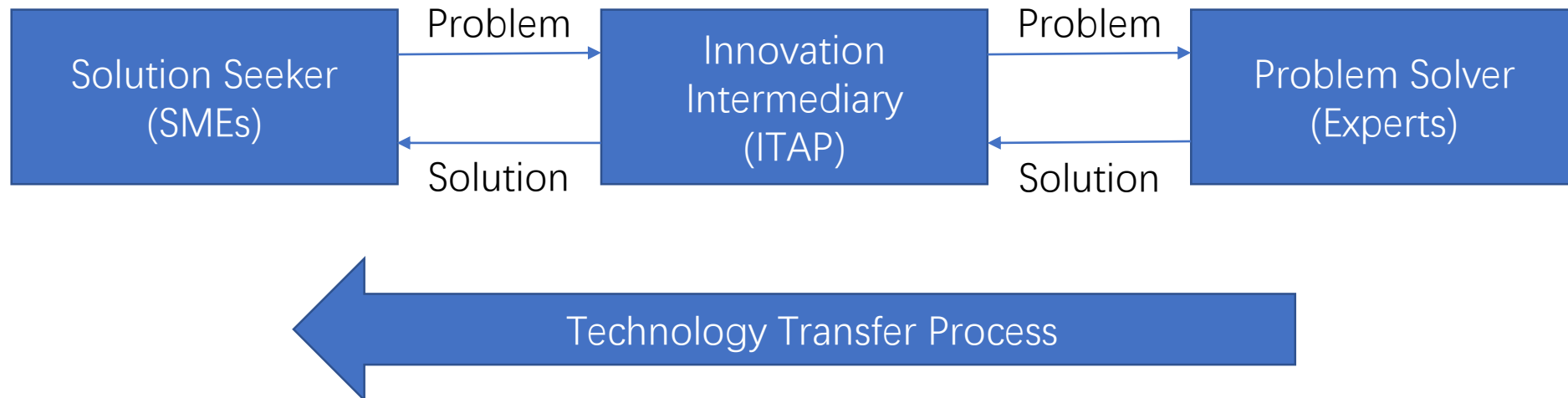
- Established in 1991 under the NSTDA Act to be autonomous research organization of Thailand.
- **Vision:** To be **key partner** in **knowledge-based society** through **science and technology**
- **Mission:** Research and Development, Technology Transfer, Human Resources Development, Infrastructure Development
- **Organization:** Four national research centers: BIOTEC, MTEC, NECTEC and NANOTEC, and Technology Management Center

Innovation and Technology Assistance Program (ITAP)

- A program operated by Industrial Technology Development Department of Technology Management Center of NSTDA
- **Objective:** Stimulate economic growth of Thailand through the proper usage of technology and innovation.
- **Operation:** Provide **technical advisory services** and **financial assistances** to small and medium enterprises (SMEs) in Thailand via intermediary agent called Industrial Technology Advisor (ITA).

Innovation Intermediary

- **Definition:** An organization or body that acts as agent or broker in any aspect of the innovation process between two or more parties.



Financing STI for SMEs in Thailand via ITAP

- ITAP provides **50% reimbursement of project cost** for SMEs after the project is done and evaluated.
- ITAP introduces SMEs to other STI related support programs, some of which are related to financial support such as **tax incentive** for R&D activities, **innovation coupon** for technology upgrade.
- ITAP also connects SMEs with the partner financial institutions (e.g. **Thailand SME Development Bank** for loan for upgrading technology infrastructure, **Thai Credit Guarantee Corporation** for credit guarantees for viable SMEs)

Example Case of ITAP

- “**Bubpha Kluay Tak**” community enterprise: family-based dried banana production in Phitsanulok province in the north of Thailand.
- ITAP helped upgrade the traditional open-air sun drying production method to the use of greenhouse solar dryer, resulting in more efficient production and better quality products.
- Later, ITAP also connected the community enterprise with local bank for loan on operation expansion.

From “Dried Banana” to “Banana Society”

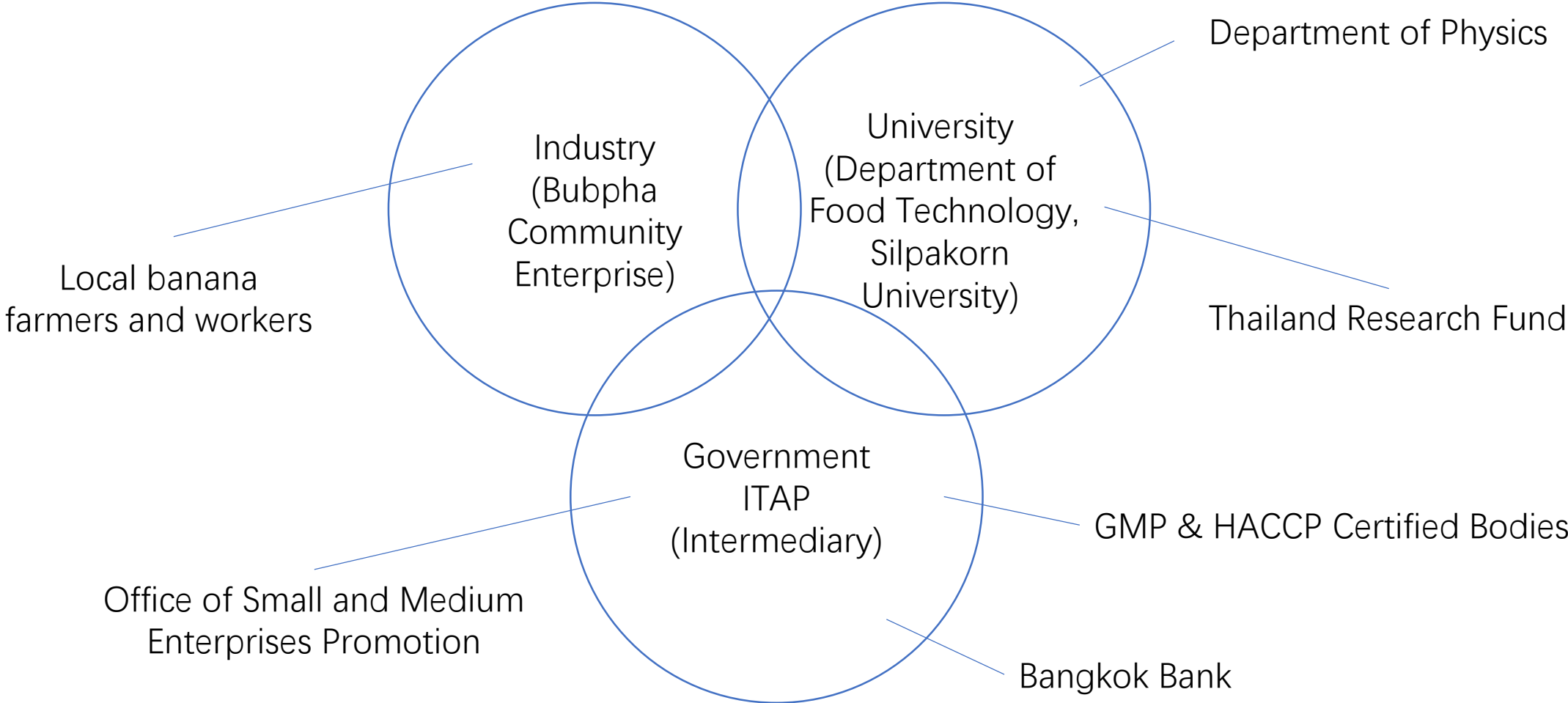


Old production method/
Traditional packaging



New production method/
Upgraded packaging

Triple Helix Framework



Conclusion

- SMEs have **limited resources** (time/money/personnel) – it is necessary for government to assist them in the beginning.
- However, the government cannot help all SMEs thus the assistance should come with capacity building for **sustainable growth** by themselves, especially financial resources should be according to the market mechanism.
- Technology Facilitation Mechanism (TFM) – **online** platform can be useful for innovation intermediary to utilize, however, **offline** component is still necessary.

Thank you

Any questions or comments, please contact me at
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