

Innovation and IT Infrastructure: Shaping future competitiveness

*How innovation and IT infrastructure will determine
countries future competitiveness*

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Innovation fuels economic growth and competitiveness

Increased Productivity

Productivity in innovation driven industries is higher than average

Diversifying economies

Investment in innovation and IT infrastructure lead to diversification of economies

Job Creation

Investment in innovation and IT infrastructure creates high quality jobs



Global IT trends



1

Artificial Intelligence

AI is driving automation and transforming industries

2

Cloud Computing

Cloud platforms are enabling scalable and flexible IT infrastructure

3

Quantum computing

Rapid advancements in quantum computing are bringing a new era of technological possibilities

4

Cybersecurity

Data protection is paramount in a digitally connected world



Role of IT Infrastructure



Robust IT infrastructure is the backbone of innovation

1

Connectivity

High-speed internet access is crucial for seamless communication and data transfer

2

Data Centers

Secure and reliable data storage is essential for business operations and innovation

3

Cybersecurity

Strong cybersecurity measures are vital to protect sensitive data and systems

Challenges and Obstacles



Countries need to adopt strategic approaches to foster investment in innovation and IT infrastructure

1

Education & Training

Invest in STEAM education and training programs to cultivate a skilled workforce

2

Research & Development

Enhance tax incentives for R&D

3

Foreign direct investment

Create a business environment that attracts FDI

4

Entrepreneurial Ecosystem

Create an environment that supports startups and entrepreneurship

Challenges and Obstacles



Obstacles can hinder innovation and IT infrastructure development

Funding

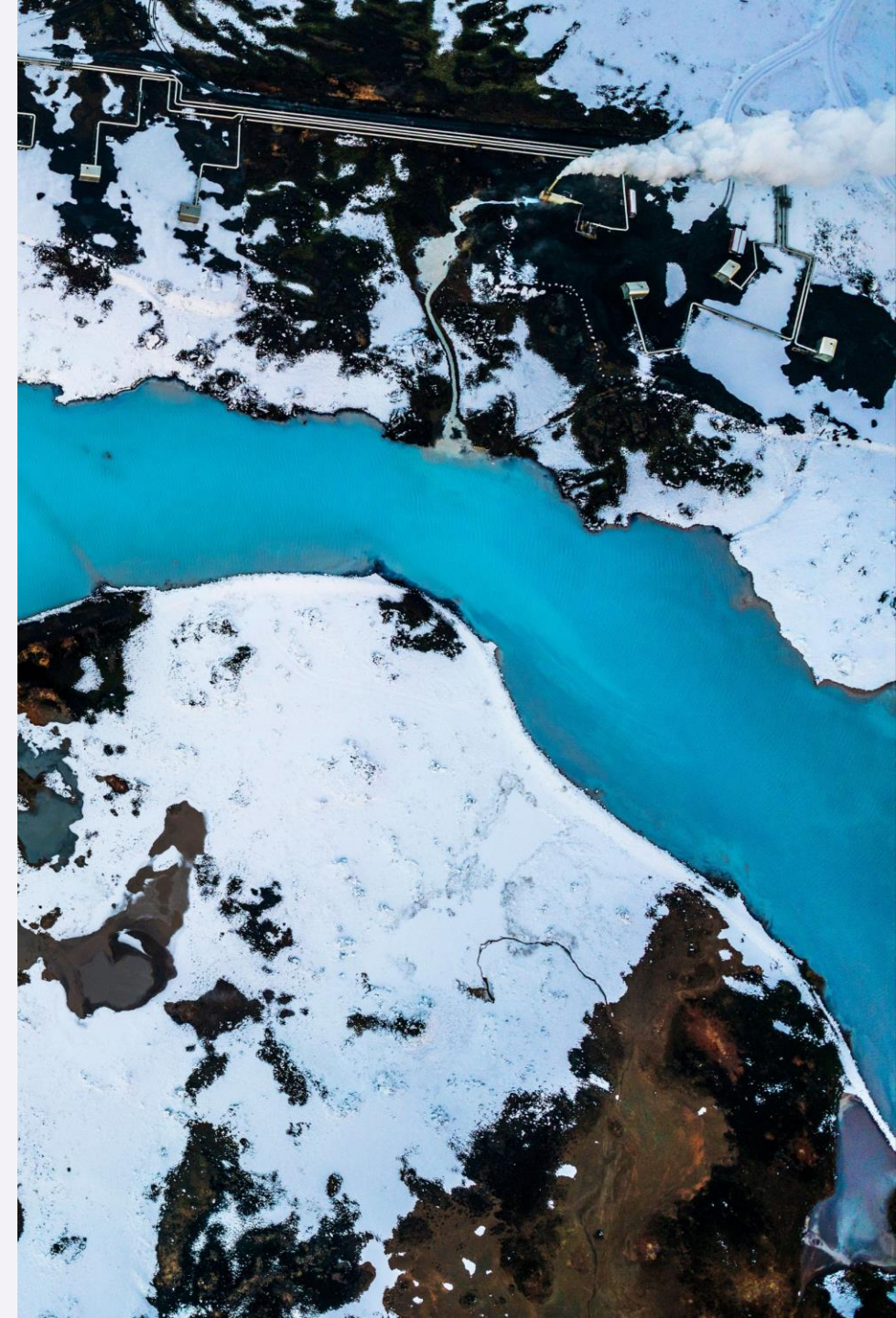
Securing adequate resources for research, development, and infrastructure investment

Skills Gap

Developing a workforce with the necessary technical skills to drive innovation

Regulation

Balancing innovation with appropriate regulations to ensure ethical and responsible development



Future competitiveness



Countries that invest heavily in innovation and IT infrastructure will lead in terms of competitiveness



Economic Growth

Innovation drives economic prosperity and creates high quality jobs



Global Competitiveness

Nations with advanced technology are well-positioned to compete in the global marketplace



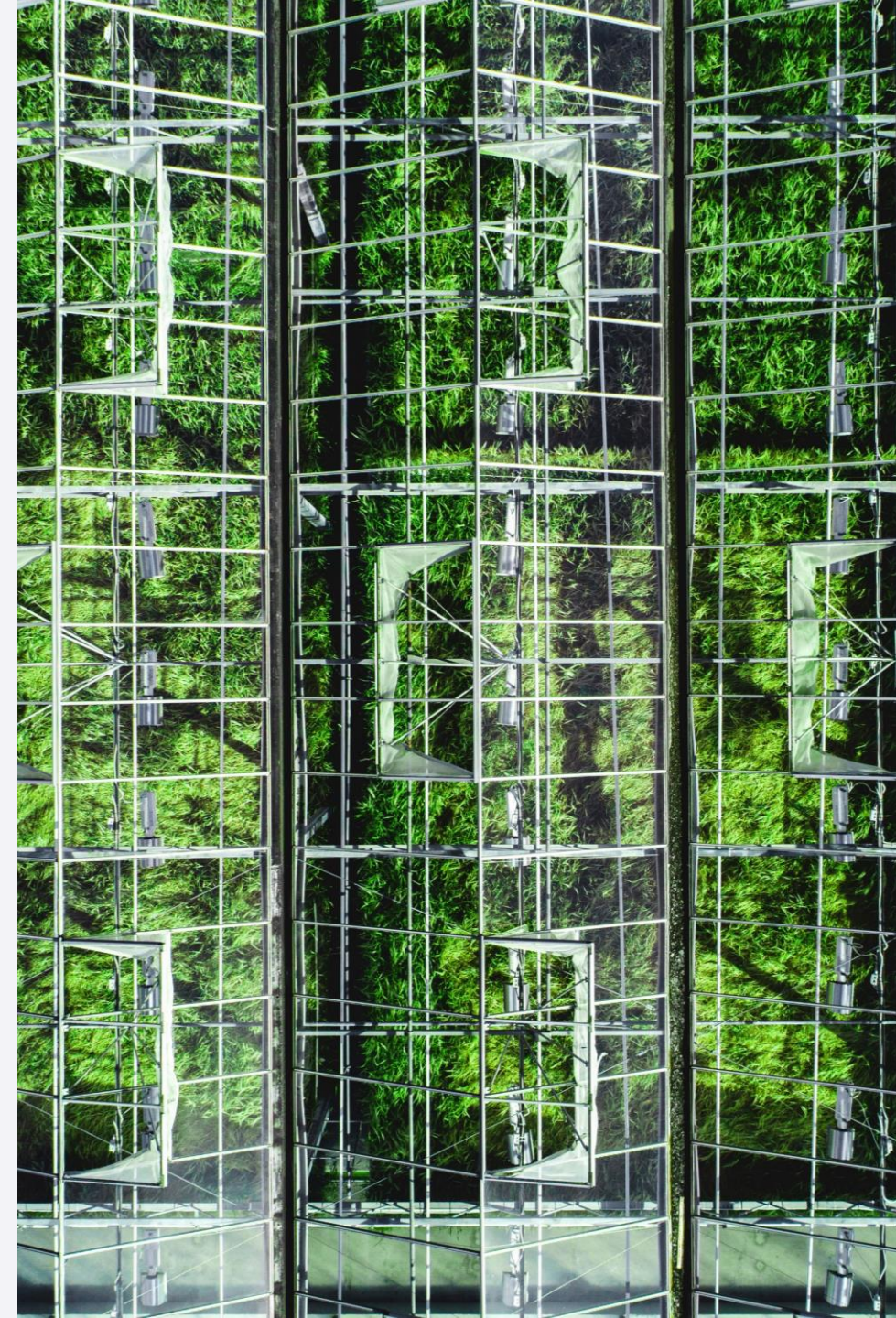
Sustainable Development

Innovation can address environmental challenges and foster sustainable growth



Improved Quality of Life

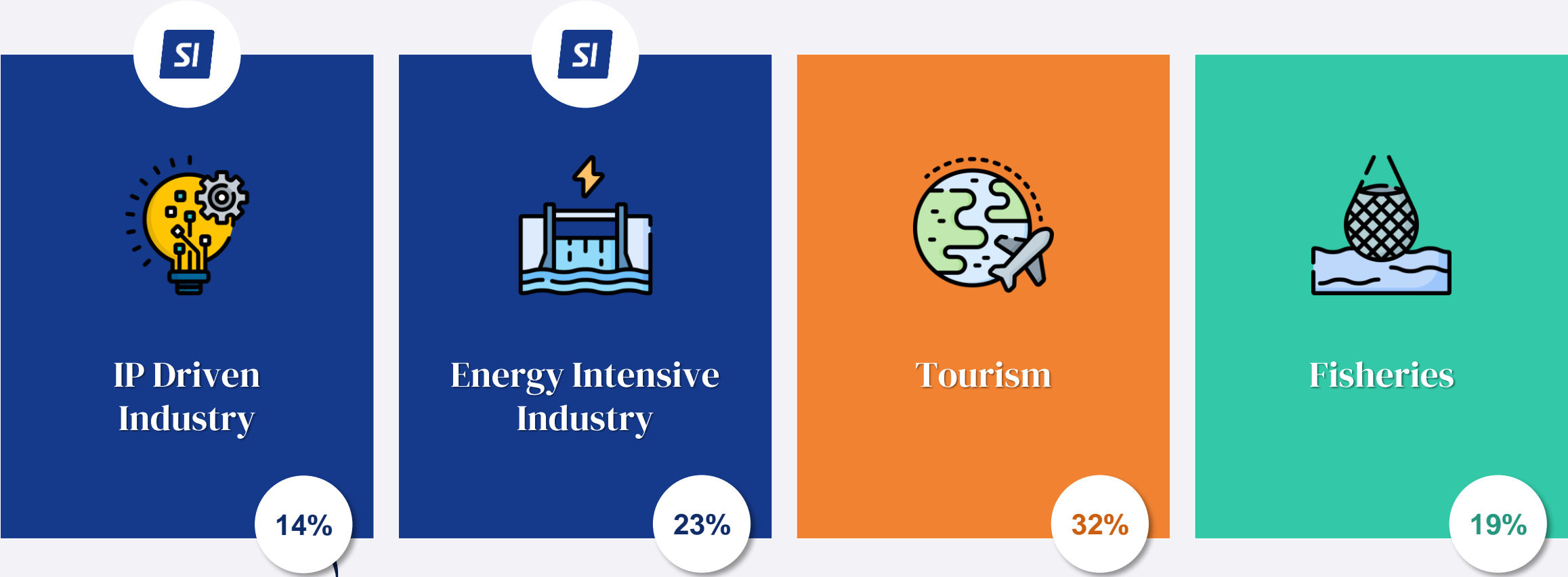
New technologies can improve healthcare, education, and other aspects of daily life



Iceland has invested strategically in innovation in the last decade

**This is leading to a transition from a resource based to an
innovation and IP driven economy**

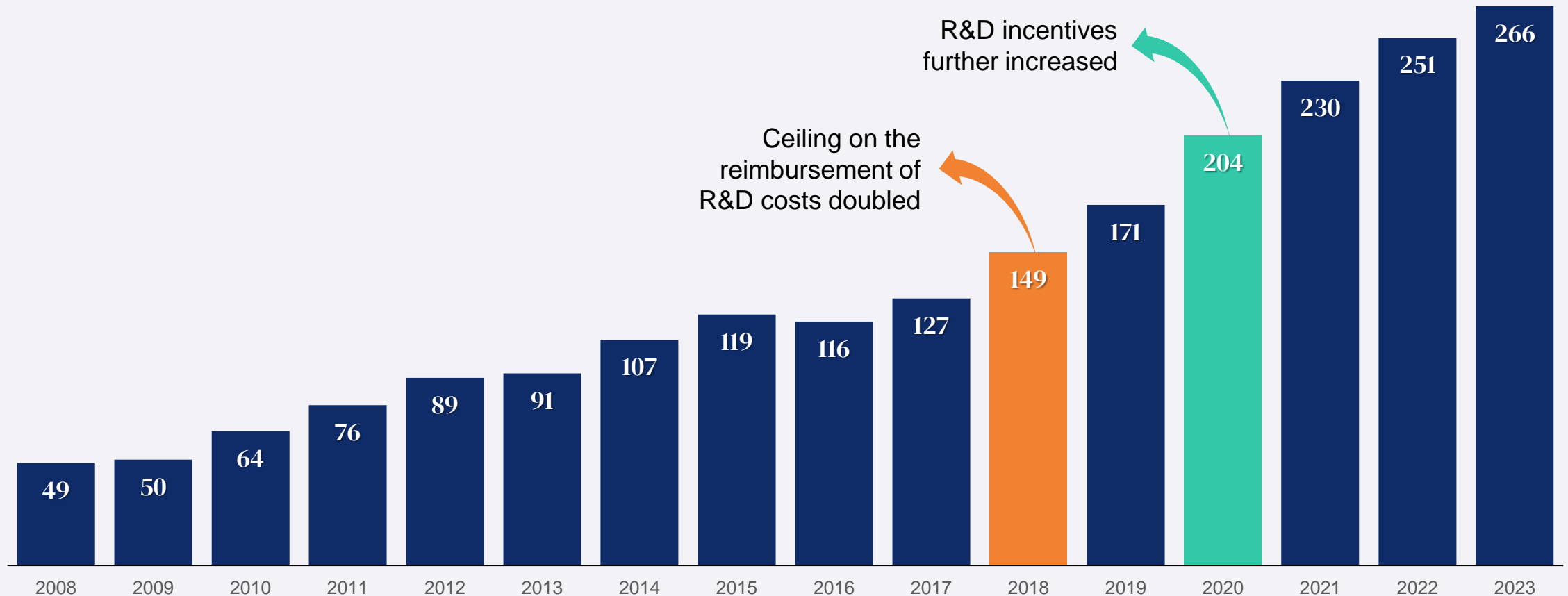
The Four Pillars of Icelandic Exports



% of Iceland's total export revenues

Export Revenues of IP Driven Industries have grown steadily

In billions ISK

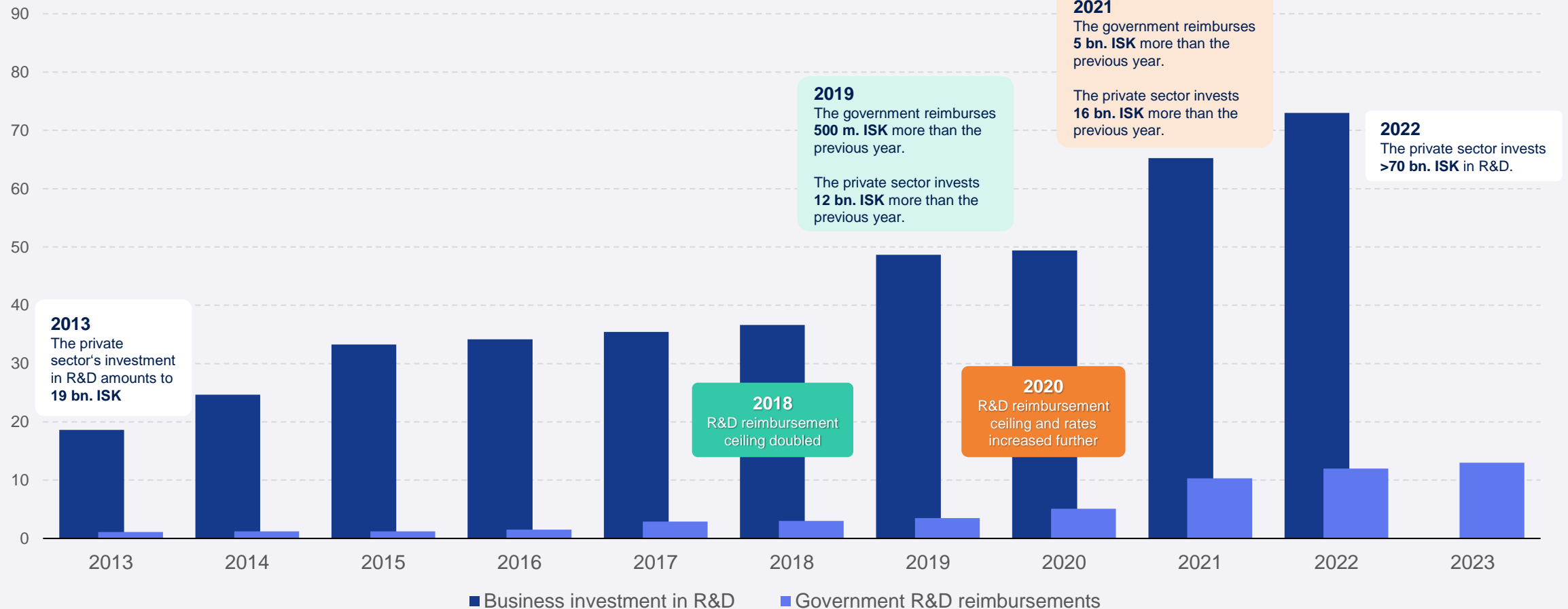


Tax Incentives have Proven to be Very Efficient



Government reimbursement and the private sector's investment in R&D

In billions ISK

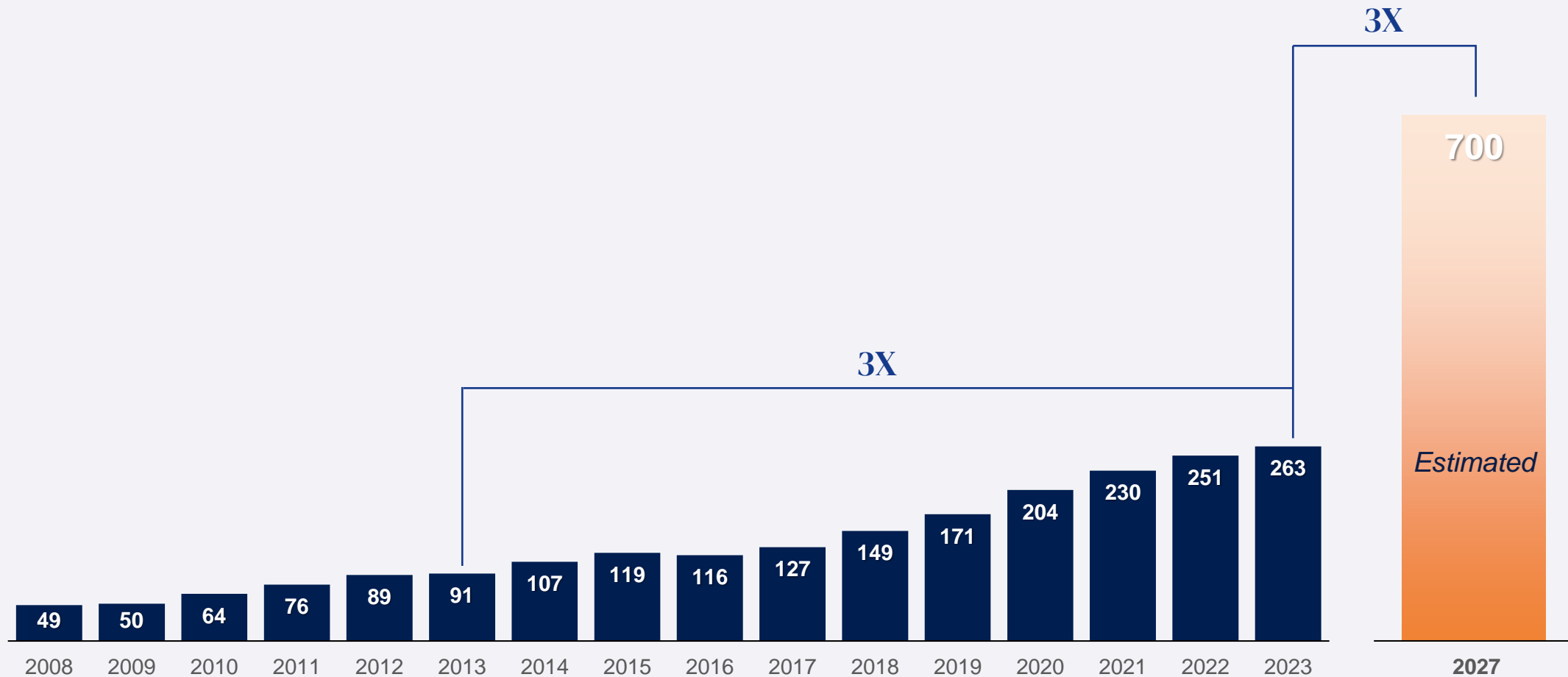


IP Driven Industries: The Largest Export Sector in 2030?

Export Revenues of IP Driven Industries Might Triple Until 2027

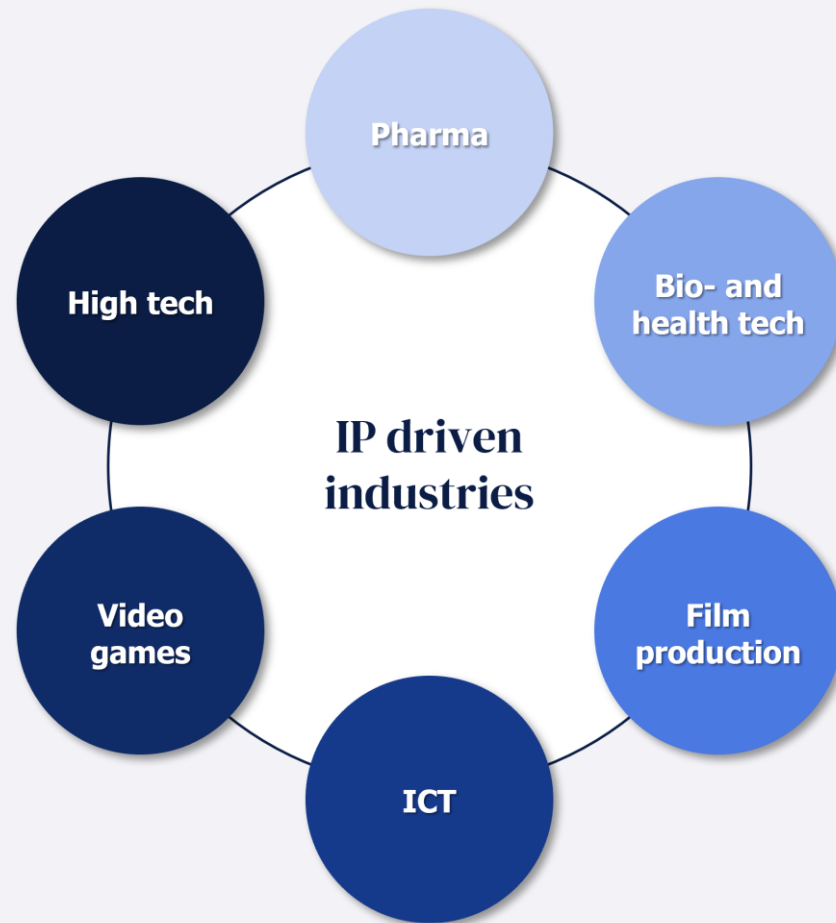


Export revenue, in billions ISK



Source: Statistics Iceland and FII analysis based on a survey amongst companies in IP driven industries

IP Driven Industries are diverse



Growth plans increase the demand for labor



Survey of the Federation of Icelandic Industries:

1.500

To maintain current operations

7.800

In the next five years

To fulfill growth plans in 5 years

14.000