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Alfonso Beltrán García-Echániz, director of the Spanish Foundation for Innovation and Prospective Health (FIPSE), highlights the foundation's focus, as

a *new instrument to foster innovation in Spain, as well as shares his expert insights on the future of innovation in the country.*

Can you please give our international audience an overview of FIPSE and how the foundation is funded?

FIPSE (Foundation for Innovation and Prospective Health in Spain) is a private foundation, working not only with private companies but also with several public institutions such as the Ministry of Health and the Institute Carlos III. Currently, Javier Castrodeza, the Secretary General of Health at the Ministry of Health, Social Services and Equality is the President of our board of directors. This is a positive attribute to the foundation and reassures our members that FIPSE's priorities are in line with those of the Ministry of Health in regards to innovation. This is highly beneficial for the companies we collaborate with to show that the government's goals are in line with ours.

What is the focus of FIPSE and its role in Spain's healthcare system?

FIPSE has been transforming into a new essential instrument addressing important needs of the healthcare system. Originally created in 1998 as an entity to address HIV, we reorganized the foundation with a new role of driving forward innovation. Our overall role in the Spanish healthcare system is to fund research in hospitals so they can continue to conduct clinical research while acting as a platform that is bringing together various public and private stakeholders in order to foster innovation in the country.

The focus of our work is to carefully select genius ideas that have the ability to strive as a business model. There are many projects with strong foundations that have impactful results internationally but are never going to be a successful start-up or spin-off company because the concept has no profitable results for anybody. The first step of FIPSE is to conduct a study taking into account the economic impact and highlighting the benefits of an idea from a commercial point of view in the market and from the national health system. In Spain, this step of identifying knowledge and business potential is extremely important, so we invest a significant amount of money in these studies to identify strong scientific ideas, which could be translated into a successful business model.

To achieve this stage, we must classify these projects after the study. At FIPSE, we are very ambitious, and we do not focus on one specific therapeutic area. Instead, there are five different categories to differentiate between the different ideas. These studies are the main measure of what FIPSE does, therefore half of our yearly budget of 1.3 million euros goes towards financing this step.

After conducting these studies, what are the next steps in the process?

Moving to the second stage of the cycle, we have a fund that goes towards the proof of concept of the business idea. Not only is it more difficult, but it is also more expensive once we have conducted the study and categorized the business idea. We aim to become an equity partner in the third and final step of the process. This step is known as the acceleration fund step and is where we streamline the project, starting by looking for investors to commit to the business idea. This is not an easy task because of the lengthy timelines associated with bringing innovation to the market, in addition to the ideas being distant from the basic research that typical public investors are used to seeing.

However, we have not been able to implement this stage yet, because it has only been four years since the re-organization of the institution, which is a very small amount of time for the evolution of

an idea in biomedical sciences, but we are progressing. A representative of FIPSE has accompanied to Boston six scientists and their business ideas in the area of medical devices, to help secure potential investors.

What are the main challenges and opportunities that present themselves to FIPSE?

Around 10 years ago, there was a substantial budget available to conduct sufficient research. However, once the money started to run out and the budget created by public money began to diminish, we realized that the problem was not necessarily the lack of money but spanned from the structures of the schemes and programs we had created. To further progress we needed to reorganize.

Following the first three detrimental years of the crisis, FIPSE's budget was decreased drastically by at least 20 percent. This resulted in a decrease in the foundation's capabilities to achieve. However, Spain has seen a significant improvement in its economic situation with the budget for science and innovation beginning to increase. Although money is still the bottleneck, the foundation is ready to receive funds in an efficient way through better preparation than before the crisis. We have matured our systems and infrastructure to accommodate better funding.

Moving forward, FIPSE is only a small cog in the mechanics of the whole value chain, and these different instruments focused on innovation need to begin prioritizing the different avenues where more money can be invested into innovation.

What is the most significant lesson you can take from the evolution of Spain's healthcare system?

I have learnt that Spain has a lot of potential, and from my years of experience I feel that Spain will undergo an explosion in the field of innovation. Not only does Spain publish excellent academic papers, we have a lot of knowledge that we are internationalizing, with public centers expanding their possibilities and scientific levels of engagement in Europe. However, the country's ability to connect science and business is weak, and we are not able to perform as strongly at a business level.

We need organizations, such as FIPSE, that are prepared to aid Spain in this difficult activity of connecting the worlds of business and science and provide the tools to succeed. In addition, the

mentality and the mindsets of scientists need to change, not only in research centers but also in hospitals. At FIPSE, we have put together basic groups of clinical researchers and professionals where the dissemination of knowledge has succeeded because of this change in mindset and they are now seeing the whole value chain of the healthcare system.

How will FIPSE continue to bring together these two different worlds of business and science?

We are the catalyst of these collaborations and we will continue to be clever and vocal to promote the most exciting and innovative projects to the market. FIPSE has over 20 years of experience of evaluating projects, with the help of Institute Carlos III. We know exactly where to find the best intellectuals with the most interesting ideas and potential business projects. Furthermore, with this knowledge, we also know where to find the best and most committed investors in the areas of healthcare and life sciences. FIPSE creates strong alliances between the creators of ideas and investors because this is our philosophy and focus. We will continue to be an experienced communicator between the public researchers and the investors of the industry.

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