



الاسكوا  
ESCWA

40  
YEARS

United Nations Economic and Social Commission for Western Asia

## **INNOVATION FOR DEVELOPMENT AT ESCWA**

for promoting knowledge-based economies in the Arab region

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# Content

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- Knowledge-based economies and innovation in the Arab region
- Innovation activities at UN-ESCWA
- Proposal for collaboration with UN-ECE

# **KBE and Innovation in the Arab region**

# Knowledge-based economies (KBE) in the Arab region (1)

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- **UNEMPLOYMENT**

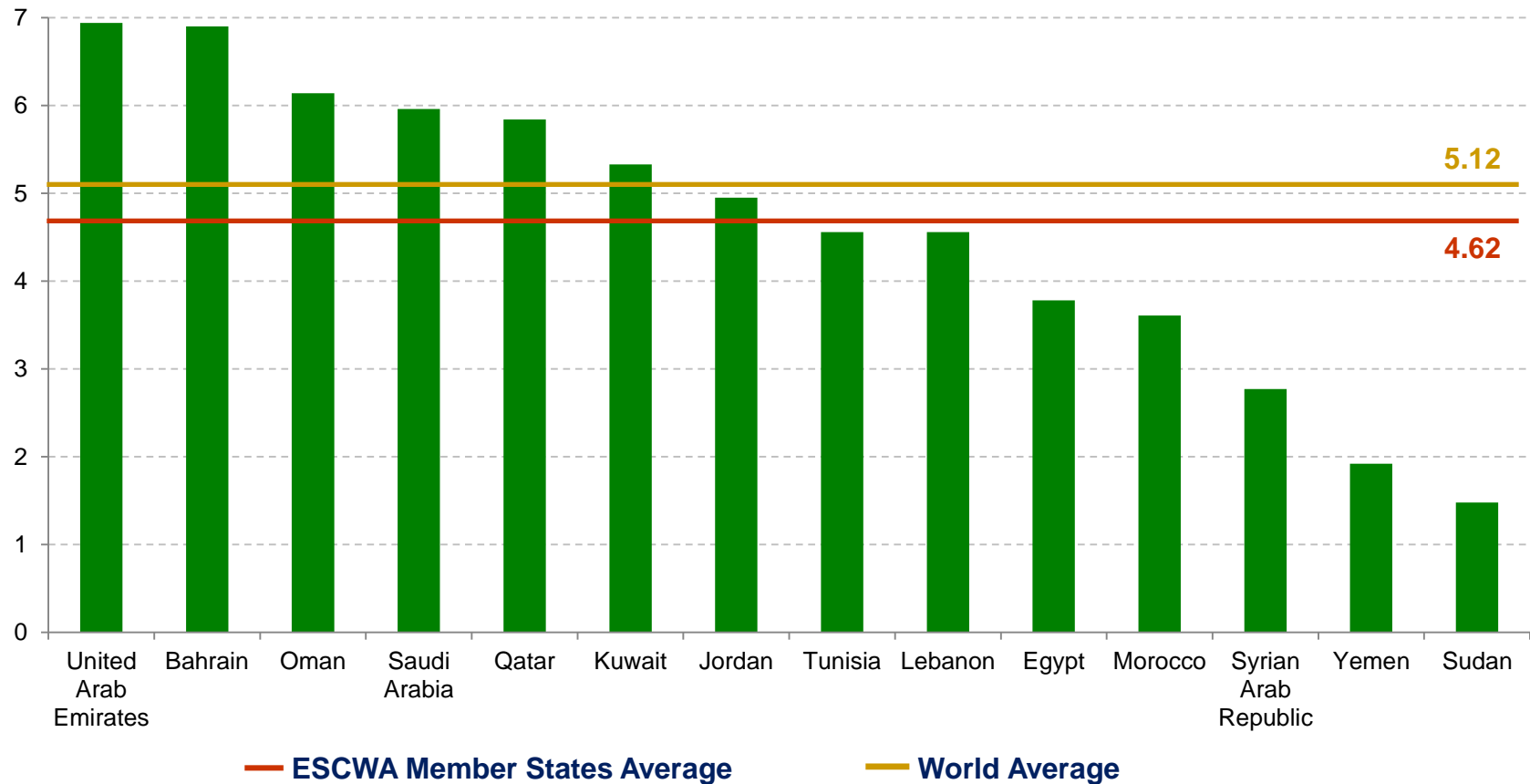
- Unemployment rate is around 25% for youth (15-25) in 2014
- Youth unemployment is estimated to rise further (28% in 2018)
- Many of the unemployed are educated
- Problem in all countries including GCC

- **ECONOMIES OF THE REGION**

- Prices of energy and energy related products are decreasing
- Growth in non-oil sectors is needed in all countries
- Ongoing political instability and unrest have negative impact on tourism, investment and trade sectors

## KBE in the Arab region (2)

### Knowledge Economy Index for ESCWA Members States



— ESCWA Member States Average

— World Average

Source: World Bank, Knowledge for Development Database

# KBE in the Arab region (3)

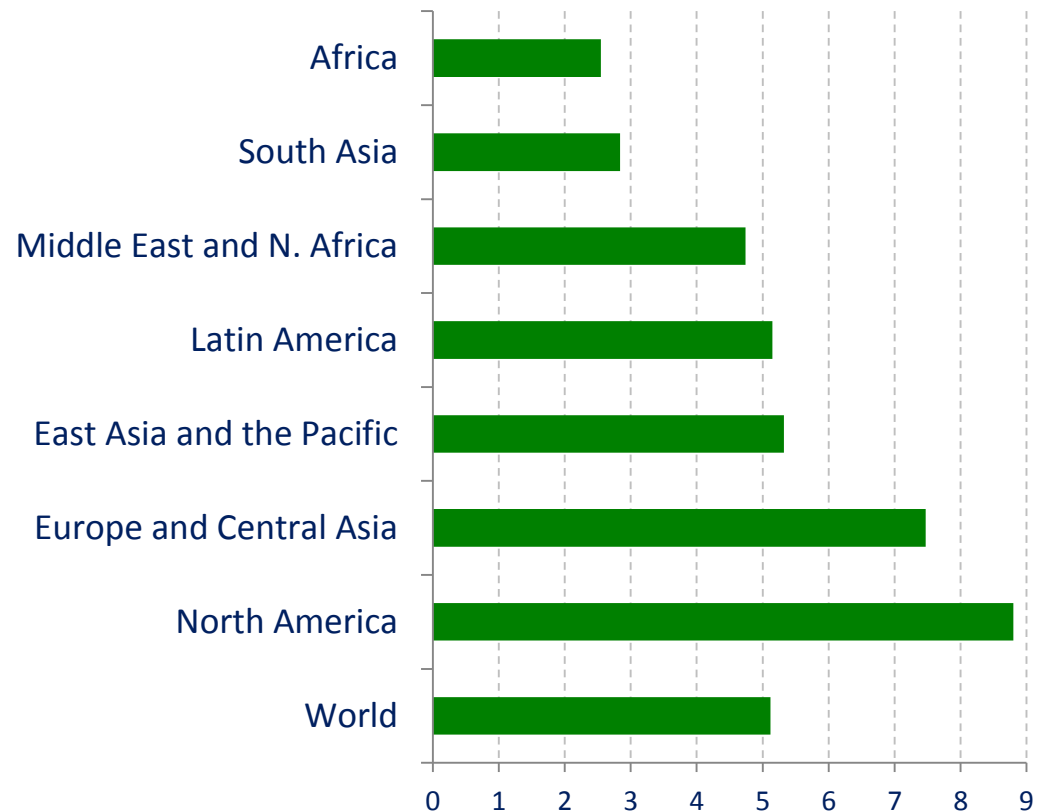
## ARAB REGION

- Lies 6<sup>th</sup> in world rankings
- Rank has not changed since last update

## COUNTRIES

- Most of the countries have moved down in world-wide rankings in the last year
- UAE highest at 42, and Sudan lowest at 137

Regional Knowledge Economy Index



## KBI and KI in the Arab region

ESCWA Member States	KEI	KI	Economic Incentive Regime	Innovation	Education	ICT
United Arab Emirates	6.94	7.09	6.5	6.6	5.8	8.88
Bahrain	6.9	6.98	6.69	4.61	6.78	9.54
Oman	6.14	5.87	6.96	5.88	5.23	6.49
Saudi Arabia	5.96	6.05	5.68	4.14	5.65	8.37
Qatar	5.84	5.5	6.87	6.42	3.41	6.65
Kuwait	5.33	5.15	5.86	5.22	3.7	6.53
Jordan	4.95	4.71	5.65	4.05	5.55	4.54
Tunisia	4.56	4.8	3.81	4.97	4.55	4.89
Lebanon	4.56	4.65	4.28	4.86	5.51	3.58
Egypt	3.78	3.54	4.5	4.11	3.37	3.12
Morocco	3.61	3.25	4.66	3.67	2.07	4.02
Syria	2.77	3.01	2.04	3.07	2.4	3.55
Yemen	1.92	1.58	2.91	1.96	1.62	1.17

## Innovation and KBE

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- Generation and exploitation of **knowledge**
- Knowledge and knowledge-rich products and processes are necessary for the creation of wealth
- Knowledge enhances competitiveness and so economic and social development
- To create knowledge, **innovation** and **creativity** are needed
- Governments should foster innovation and creativity to achieve KBE visions



# Innovation in the Arab region

## Innovation Input and Output in the Arab Region

World Ranking	Country	Score (0-100)	Efficiency ratio	Innovation Input Sub-index Score	Innovation Output Sub-index Score
36	United Arab Emirates	43.2	0.5	56.2	30.3
38	Saudi Arabia	41.6	0.7	47.8	35.4
47	Qatar	40.3	0.6	50.4	30.2
62	Bahrain	36.3	0.6	45.5	27.1
64	Jordan	36.2	0.8	40.3	32.1
69	Kuwait	35.2	0.8	39.4	30.9
75	Oman	33.9	0.6	42.8	24.9
77	Lebanon	33.6	0.6	42.2	25
78	Tunisia	32.9	0.7	39.7	26.1
84	Morocco	32.2	0.7	38	26.5
99	Egypt	30	0.8	34.1	26
141	Yemen	19.5	0.6	24.4	14.7
143	Sudan	12.7	0.1	23.2	2.1

## SUCCESS STORY IN JORDAN - MAKTOOB

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- **Maktoob**(based in Jordan) is the world's Largest Digital Arabic Content generator
- The Acquisition of Maktoub by Yahoo in 2009 marked the **1<sup>st</sup> Multimillion\$ purchase** from a U.S. portal company in the MENA region.
- Jordan's ICT sector employs **1% of the workforce** but contributes to **15% to the GDP.**



## SUCCESS STORY IN EGYPT – SMART VILLAGE

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Based in Cairo, it's one of the **Most important steps** with regard to fostering Innovation and increasing GDP

## SUCCESS STORY IN EGYPT – SMART VILLAGE

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- It's the house for **120 Top Local and Multinational** companies in ICT field
- In 2010, Egypt was ranked **#5 worldwide** for offshore and outsourcing services
- Outsourcing exports generated **more than \$1B in revenue** in 2010.

## SUCCESS STORY IN UAE - DCDC

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- In 2010, the UAE was ranked **the Most Innovative Country** in the MENA region and the **24<sup>th</sup> in the world**



واحة دبي للسيليكون  
DUBAI SILICON OASIS

- Dubai Silicon Oasis is the **Leading Innovation Hub** for High-Tech industries
- Dubai Circuit Design Center, headquartered at the DSO, is the **1<sup>st</sup> Design center in the MENA region** for Advanced integrated circuits

# **Innovation at UN-ESCWA**



# Technology for Development Division (New restructuring 2014)

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## VISION

TDD aspires to play a major role with ESCWA member countries in their transformation toward knowledge-based society and global competitiveness in the market, while striving to increase employment, reduce poverty and enhance quality of life through appropriate technologies and their applications.

- Innovation is an integral part in achieving this vision
- Two entities have activities related to Innovation
  - Newly established **Innovation Section**, Beirut
  - **ESCWA Technology Centre**, Jordan



## Innovation Section

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### **Objective**

Promote innovation in technology for sustainable social and economic development, and for building knowledge-based economies in the Arab region.



# Innovation Section

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## Goals

- Enhance innovation policies, strategies and eco-systems in the Arab region and improve their coherence at regional level.
- Promote innovation in public & private sectors to increase productivity and improve efficiency
- Encourage entrepreneurship and start-up creation, through capacity building and skills development especially for youth.
- Promoting the use of technology and innovation in various sectors for developing knowledge based economy in the Arab region.



# ESCWA Technology Centre

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## Objective

To Assist member countries and their public and private organizations to acquire the necessary tools and capabilities to accelerate socio-economic development in order to attain technological parity with other nations and regions.

## Goals

- To develop capabilities in **problem solving** and **policy formulation**
- To foster **synergy and complementarity** at the regional level in the application of technology



## ESCWA Technology Centre: Thematic Areas

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- National **Technology Transfer** Systems (measure, policies and mechanisms)
- Inclusive Sustainable **Industrial** Development (innovation and green)
- Regional **RDI integration** (matchmaking, outsourcing and partnerships)
- Harnessing **STEM in SDG** (curricula, culture, competitions, productivity, others)

## Selected Achievements in Innovation field

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- 1- **Promoting Innovation for the development of Digital Arabic Content (DAC) Industry in the Arab region (2007, 2012)**
  - In collaboration with selected incubators, contribute to the growth of the DAC industry by promoting entrepreneurship and supporting the creation of DAC startup in the Arab region.
  - Project activities included:
    - Studies about the status of DAC and the status of DAC industry
    - Business Models for Digital Arabic Content and Practical guidelines for young entrepreneurs.
    - National competitions for Digital Arabic Content
    - Incubation of the best ideas in the local incubators

# Implementation of DAC

**FIRST ROUND** : 2007 – 2010;  
**SECOND ROUND**: 2012 – 2014.

Encouraging  
Innovation

Offering  
New Job  
opportunities

Increasing DAC

## Collaboration with 6 Incubators



# Selected Achievements in Innovation field

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## 2- Technology Commercialization Tours (ETC)

- These tours facilitated the matching of **investors and innovators** in Jordan, Egypt, Palestine, Lebanon and other countries.
- **114 SMEs** up to 5 years of age, registered in 2 months
- After mentoring, **34 top companies** were selected to pitch to **17 potential investors** from the MENA region
- **11 Business deals** had been closed



## 2- Technology Commercialization Tour

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- In 2013, the goal of the second round of the Technology Commercialization Tours were to **Scale Up this project and** to increase the number of deals at regional level.
- More than **300 Innovation** projects were qualified from **6 member states** of the ESCWA region
- At least **30 Investors** enrolled
- Almost **50 Business deals** were closed

# Selected Achievements in Innovation field

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## 3- STUDIES & REPORTS

- Towards a legal framework for intellectual property that promotes innovation and creativity
- The Broken Cycle: Universities, Research and Society in the Arab World
- Database for regional incubators



**Proposals for  
Collaboration between  
UN-ECE & UN-ESCWA**

# Proposals for collaboration between ECE and ESCWA

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- Collaboration for preparing research report, organizing expert group meetings and implementing advisory services in the area of **innovation policy and strategies** for enhancing knowledge base economy.
- Encouraging the creation of international and regional partnerships and developing projects for **promoting entrepreneurship, incubation programs and accelerators** in order to boost the creation of startups and SMEs in the Arab region.
- Sharing of knowledge, lessons learned and good practices for the **introduction of innovation concepts in public sector** especially for increasing efficiency and enhancing transparency.



# Proposals for collaboration between ECE and ESCWA

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- Collaboration in the organization of capacity building workshops, targeting decision makers, on **innovation and knowledge base economy**.
- Bridging the gap between ESCWA region and other regions especially for **building national innovation eco-systems** and for **establishing regional hub** for innovation.
- Promoting **smart government** and **smart specialization** in the Arab region.



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**THANK YOU**

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