Innovation Climates & the MENA Region: An Overview

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Contents

• Innovation policy and climate (concepts)

• MENA insights (quantitative benchmarking)
Innovation Policy: Basic Concepts

What is innovation

- Development and diffusion of new products, new practices – new to a given context
- Transforming knowledge in welfare (more money, better health, etc); innovation is not research!
- Different types: RD-led, management-led, etc
- Service Innovations vs Production Innovations (need for organizational innovations)
- Key role of culture and institutions
Gardening Innovation

- watering (finance, support to innovators)
- removing weeds (competition, deregulation)
- nurturing soil (research, information)
- preparing the ground (education)
Supporting Innovators (the workshop topic)

- Need all forms of support: technical, financial, commercial, legal, etc
- Importance of structures (innovation workshops, incubators, etc) with caring human presence, right information and appropriate resources
- Financial needs: seed money, development funding, first production and trade operations (1, 10, 100). From micro finance to venture capital: avoiding myths.
Nurturing the knowledge base

- Primary importance of “technical culture”, as basic to receptivity to new technologies; these are main sources of innovations, productivity and employment in established industries
- Essential to tap into global knowledge, through FDI, technological alliances, foreign-based labs, ICT and other networks
- Research: part of the development process (relevance criteria), or source of original knowledge in basic science (excellence criteria).
Fighting against obstacles to innovation

- Maintaining competition
- Making good standards
- Protecting intellectual property
- Reducing bureaucracy and red tape
- Adapting regulations of all sorts: customs, pension rules, etc.
- A continuous process (in the ICA style) requiring a functioning judiciary system (law enforcement)
Focused Applications

Combining the basic (gardening) functions in focusing on specific applications:
- Large scale programs (defense, space, ICT)
- Promoting competitive industries
- Building innovative sites (technoparks)
- Fostering pro-poor innovations
<table>
<thead>
<tr>
<th>Project</th>
<th>Sector</th>
<th>Objective</th>
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<tbody>
<tr>
<td>Maroc Innovation Initiative</td>
<td>Innovation System</td>
<td>Promoting innovation and entrepreneurial spirits, enhance Morocco’s attractiveness of talent and R&amp;D project, and increase the number of patents to 1000 per year in 2014.</td>
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<tr>
<td>Emergence</td>
<td>Industry</td>
<td>Modernizing industrial sector, in particular: automobile, aeronautical, electronics and offshoring industries.</td>
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<td>Plan Maroc Export Plus</td>
<td>International Trade</td>
<td>Tripling the amount of exports in 10 years by looking for new markets and supporting exports companies.</td>
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<td>Rawaj 2020</td>
<td>Whole and Domestic Trade</td>
<td>Turning Morocco into a shopping platform and encouraging the development of new modes of supply and distribution.</td>
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<td>Plan Maroc Vert</td>
<td>Agriculture</td>
<td>Boosting competitiveness and broad-based economic development in rural areas.</td>
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<td>Plan Azure</td>
<td>Tourism</td>
<td>Creating 6 costal resorts and attract 10 M. tourists/year.</td>
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<td>Vision 2015</td>
<td>Artisanal Industry</td>
<td>Enhancing sector’s competitive advantage, promoting exports and creating 115k new jobs.</td>
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<td>Maroc Numéric 2013</td>
<td>ICT</td>
<td>Accelerating ICT penetration, in schools and universities, for a better socio-economic development. Advancing a fair access to E-government services.</td>
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<tr>
<td>Logistic Development</td>
<td>Logistics</td>
<td>Reducing the logistics cost from the current 20% to 15% of the GDP, generating MAD 20 billion of profits and creating some 36,000 new job opportunities.</td>
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Innovation Policy

IP Map

Framework Conditions

Innovation-related Policies

Core Actions
Benchmarking/measuring Innovation Climates

- KAM (WB Knowledge Economy Data Base)
- www.kam.org

- Others
  - Global Competitiveness Report (WEF)
  - OECD indicators
  - ICT readiness
  - etc
Mena vs. ECA & WE - Scorecard

Middle East and North Africa, Europe and Central Asia, Western Europe

Comparison Group: All Countries; Type: weighted; Year: most recent (KAM 2009)
A “Knowledge-less” competitiveness

Knowledge Economy Index vs. Global Competitiveness Index (2009)

Data Source: World Bank KAM, WEF Global Competitiveness Report
Maghreb

Algeria, Morocco, Tunisia

Comparison Group: All Countries; Type: weighted; Year: most recent (KAM 2009)
Mashreq

Comparison Group: All Countries; Type: weighted; Year: most recent (KAM 2009)
Innovation Indicators in selected MENA Countries

Jordan, Tunisia, United Arab Emirates

Comparison Group: All Countries; Type: weighted; Year: most recent (KAM 2009)
Thank You

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