

MENA^{inc} Damascus workshop

The 6th MENA^{inc} workshop, "**Entrepreneurship Development and Promotion of Innovation in MENA Countries through Cooperation between Business Incubators**", was held June 3 -5 2008, in Damascus, Syria and hosted by the Syrian Computer Society and supported by infoDev. This workshop was co-organized by Syrian Computer Society, MENA^{inc} and ASTF (Arab Science and Technology Foundation). The third MENA^{inc} Board Meeting was held at this workshop to discuss and plan future activities of MENA^{inc} network.

The core objective of this MENA^{inc} Workshop was to strengthen the existing regional collaboration between business incubators and their stakeholders for promoting innovation and entrepreneurship in the Middle East and North Africa as an important basis for regional economic development and job creation. The event therefore was aimed at:

- ◆ Raising Awareness about the role of innovation and entrepreneurship as well as business incubation for economic development and competitiveness
- ◆ Provide information on business incubation as a tool for fostering and strengthening innovation and entrepreneurship
- ◆ Continue and intensify knowledge exchange within MENA^{inc} and with other networks on good practices in business incubation
- ◆ Expand the MENA^{inc} network by attracting and integrating new members

The 6th MENA^{inc} workshop was held under the patronage of H.E. Mr. **Abdullah Al-Dardari** Deputy Prime Minister for economic affairs. In his opening speech he emphasized the importance of innovation in the quantitative growth of any economy, especially economies in the transient phase like the Syrian economy. He also directed the attention to the variation of subjects on the agenda of this workshop, and the richness of subjects tackled, especially micro financing and venture capital and the important role financing plays for stimulating the creation and growth of SMEs.

The workshop brought together more than 200 **participants from over 30 countries** all over the world to exchange knowledge, experience, and ideas regarding the role of incubators in promotion of innovation and entrepreneurship and their impact on emerging economies. This event was divided in two main parts:

- ◆ one and half day open to anyone interested with presentations and discussions that aimed at raising awareness about the impact of technology commercialization and university based entrepreneurship, the Syrian experience in incubation programs, women incubation and rural area development programs, micro financing programs, and the synergies between venture capitals and incubators in the MENA region
- ◆ one and a half days of parallel workshops for discussing the above mentioned topics and agreeing on plans for concrete activities in these areas.

During the conference opening keynote session **Dr. Rakan Razouk** Chairman of Syrian Computer Society, emphasized the importance of such a event to promote innovation, and entrepreneurship in the society, and to draw attention to the importance of technology commercialization and university based entrepreneurship. The Keynote presentation by Mrs. Ellen Olafsen, infoDev program administrator, was titled **The global Experience in Business Incubation**, highlighted the objectives and mission of the infoDev program, and the impact this program has achieved on the societies where the grants were offered. She described the role of business incubators on the economies of developing countries, and on the creation and nurture of SMEs in different societies. **Mr. Omer Oz**, the focal point of the MENA^{inc} network presented the growth of this network since its birth two years ago, and the role of the programs launched by this network to share the knowledge and know-how between the incubator managers in this network.

The first conference session was titled **Innovation and Entrepreneurship Policy Frameworks** and included presentations from Syria, Iran, Turkey, Tunisia, and Jordan. **Dr. Hisham Khayat**, Business Development Consultant, SEBC Business Incubator, presented the experience of the incubator of SEBC (Syrian Enterprise and Business Center). He also presented the Syrian policies and frameworks concerning innovation and entrepreneurship, comparing these policies and frameworks with the ideal standards. The presentation of Mr. **Oguz Taz** from KOSGEB, Turkey, included a survey about innovation and entrepreneurship support in Turkey and **Dr. Amjed Al-Fahoum** from Yarmouk university, Jordan, gave a presentation about “The Jordanian System for Promotion of Innovative Entrepreneurship”. Mr. **Mounir Zalila** from Tunisia spoke about Innovation and Entrepreneurship in Tunisia, and **Dr. Habibollah Asghari**, Rooyesh Incubator, Iran, reported on “The Network for Innovation and Entrepreneurship in Iran” focusing on the Iranian experience regarding the importance of frameworks and regulations that rule the establishment of business incubators in Iran.

The second session was titled **Innovation and Entrepreneurship Support in Syria**, provided an overview on the organizations involved with supporting innovation and entrepreneurship development in Syria. A presentation about the SHABAB program at Trust for Development, was given by Mr. **Anas Dharweesh**, who briefed on the activities lead by his organization to encourage the entrepreneurial spirit among the Syrian youth. Mr. **Nawar Rai** from Junior Chamber international in Syria presented the experience of JCI in promoting entrepreneurship in Syria. An overview about the experience of MAWRED in the domain of Women Business Incubation was presented by Mrs. **Christine Kashar**, who focused on the importance of women incubation in developing societies, and gave some success stories from the MAWRED business incubator. This session also provided insight into rural area development programs with the experience of FIRDOS Village business incubator, presented by Ms. **Leen Habash** from Syria Trust for Development, including project objectives and mission as well as few success stories. Mr. **Ahmad Kanj**, the manager of The Village incubator of Harran Al-Awameed, by the Ministry of Social Affairs and Labor also gave a brief about his village business incubator. With this session many Syrian NGOs, and government programs were scanned to inform about the different programs in Syria to support innovation and entrepreneurship, women incubators, rural incubators, micro financing programs, youth programs to stimulate the entrepreneurial spirit among the Syrian youth.

The third session was titled **Financing Incubators and Young Enterprises** and covered different financing schemes for SMEs. The micro financing program supported by the committee of SMEs development in the Syrian ministry of social affairs and labor was presented by Mr. **Ahmad Khalil**. The role of NGOs to finance startups was presented by Mrs. **Rana Shanawani** from BIDAYA, a Syrian NGO, that offers micro financing programs for startups, accompanied with business mentoring and coaching. The experience of IV Holdings, a Jordanian venture capital with its financed SME Jeeran was presented by Mr. **Emile Cubaissi** CEO of IV Holdings, and Mr. **Laith Zraiqt** CEO of Jeeran, as a success story about the venture capital experience in Jordan. Dr. **Wissam Rabadi** has presented the different activities lead by ASTF (Arab Science and Technology Foundation) to finance startup companies in the field of technology in the Arab world.

The second day included two main sessions: a round table titled **Incubation and Venture Capital: Synergies and Challenges**. and a session titled **Technology Commercialization, and University Based Entrepreneurship**

The roundtable session examined relations between business incubators and venture capitalists and to what extent does business incubators and venture capitalists collaborate. The objective of this session was to improve the understanding of the factors influencing the relation between business incubators and venture capitalists. In addition, by bringing together incubator managers and venture capitalists, the session will contribute to developing a better understanding and improve communication and links between VCs and Manager of

Incubators in the region. **Dr. Wissam Rabadi**, Investing in Technology Program Manager of ASTF, started the session with some observation on the relationship between VCs and Entrepreneurs and the role of the incubator manager in building bridges and preparing the entrepreneur to be “investment ready”. One of the main challenges is the lack of understanding on the entrepreneur part of how the VC industry works and their readiness to meet external investor’s criteria. This, in many cases creates some mistrust in the VC and prevents the establishment of synergetic relationship. The incubator manager can play a vital role in providing higher visibility of procedures, practices and names of venture capitalists, as well as creating more opportunities to foster relationship between the VC and the incubated entrepreneur.

Dr. Ahmad Almanasreh, Chairman, SANAD Venture Capital, Jordan, presented an overview of SANAD, a Jordan-based Venture Capital firm and different companies in which SANAD has already funded. He then preceded his discussion on discussing the VC industry worldwide and in the MENA region and the role the VC firm plays in the economic development of the country and in helping entrepreneurs succeed. Dr. Almanasreh then presented a list of common weaknesses that hinder the regional progress including: Slow pace of reform in the countries’ education systems, inadequate public awareness of science and technology and insufficient degree of preparedness for knowledge activity, risk-averse approach to investment with regard to venture capital and technology financing, and the lack of regional coordination of investments and scientific efforts. Finally the speaker offered some valuable recommendations to improve the VC-Entrepreneur relationship including: give up majority shares, consider proposals even it plan is not to standards be lean on valuations and be rather informal.

Dr. Osama Al Ansari, Chairman, NOSSTIA, Syria gave the audience an overview of role of enterprenures and VC as main pillar at the macroeconomic level and **Laith Kassis**, PICTI, Palestine talked about the technology financing and the role of incubators in fostering innovation and creating viable companies. He them presented the different stages in the incubated company’s life cycle and the associated type and source of different financing methods: public funding, Friends and Family, business angels and VCs. Finally, Mr. Kassis gave the audience a comprehensive view of the best practices that the entrepreneur must follow to improve his or her chances for a successful high growth enterprise. **Rima Shaban**, ITC Incubator Director of SCS(Syrian Computer Society), Syria, gave a brief presentation about the experience of the ITC Incubator in Syria, and its various methods of financing including: government small loans, micro-loans and non-government programs. Ms. Shaban also shed the light of the particular challenges that faces incubated entrepreneurs at the ICT including: lack of business maturity, lack of trust in business people and lack of proper legislation to protect IP rights. On the investor side, the challenges included lack of maturity, prefer to get employees than partners and lack of exit strategy. She concluded her talk with some recommendation on addressing these above challenges such as: Creating awareness among entrepreneurs and investors, publicizing success stories and passing proper legislations. Mr. **Ilyas Azzoui**, RFME, Morocco presented the Morocco Incubation & Spin-off Network which is a public private partnership that works in the fields of Research, Technology Transfer, Innovation and Entrepreneurship. Its main mission is to provide assistance and financial support to innovative technology-based viable projects through an incubation approach. He described the challenges facing RFME in Morocco such as : The lack of legal and financial environment required to satisfy the specific needs of innovative start-ups, the Inadequate evaluation and selection of the projects, lack of business experience among Incubator management which leads to insufficient business assistance and inadequate services to the clients. He then presented the potential opportunities including: A positive attitude among politicians on drafting a law related to innovation, incubation and entrepreneurship, the availability of new funds to assist and support entrepreneurship and the positive attitude towards entrepreneurship among students

The last conference session titled **Technology Commercialization, and University Based Entrepreneurship**, was aimed at informing about the possibilities to use technologies

developed in universities and other research facilities as a source for new business ideas. The workshop also will discuss ways for bringing technology business together with potential investors. In this session, Dr. **Assef Diab**, head of the higher committee of scientific research, gave a brief about the status of technology commercialization in Syria. Then **Rima Shaban**, Director of the ICT Incubator, at Syrian Computer Society, highlighted the experience of ICTI to be the first ICT business incubator in Syria, and the synergy it has with Damascus university. Mr. **Uwe Seidel** presented the experience of Germany in the domain of university based entrepreneurship, and summarized the experience of the EXIST program presented by VDI/VDE – IT In the domain of establishing university incubator and entrepreneurship programs at universities. Mr. **Ahmad Gdoura** from MEDIBTIKAR presented the Initiative of MEDIBTIKAR to Develop Technology Partnership / Transfer and Commercialization, in the MEDA countries. Dr. **Ahmed Shawky Moussa**, Director, Incubation Management Unit, Information Technology Industry Development Agency (ITIDA), Ministry of ICT (MCIT), Gave a presentation about “The R&D Centers of Excellence and Incubation Programs” in Egypt lead by ITIDA project, where he highlighted the activities and programs offered and some success stories of joint ventures started at the incubator in Egypt.

For the remaining one and half days of the event, six work groups were formed to discuss important and actual topics that were raised during the previous MENA^{inc} workshop in Bahrain: technology commercialization, university based entrepreneurship, rural area development programs, financing incubators and you enterprises, building national networks, and cross network knowledge exchange. The results of these workgroup sessions are made available on this website as separate files for download.

At the end of the 6th MENA^{inc} Workshop, the **Syrian Network of Innovation and Entrepreneurship Programs** was launched. Most of the NGOs working in the domain of innovation and entrepreneurship programs have joined this network as well as some government organizations who support and backup programs in this domain.