



Digital Opportunities for Employment and Economic Growth



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AGENDA

Paradigm Shift

ICT and Youth in the Arab World

New Economic Growth Model

Education and Training issues

Enabling Factors

Entrepreneurship and Digital SMEs

Incubation in The Arab Region

Finance issues

DIGITAL OPPORTUNITIES FOR EMPLOYMENT AND ECONOMIC GROWTH

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PARADIGM SHIFT



Industrial Society ...

Knowledge Society ...

Innovation Society ...



wired city

Telecity

Teletopia

Ubiquitous
city

Cyberville

ICT is no more a luxury, it is no more a necessity, it is part of our existence ...

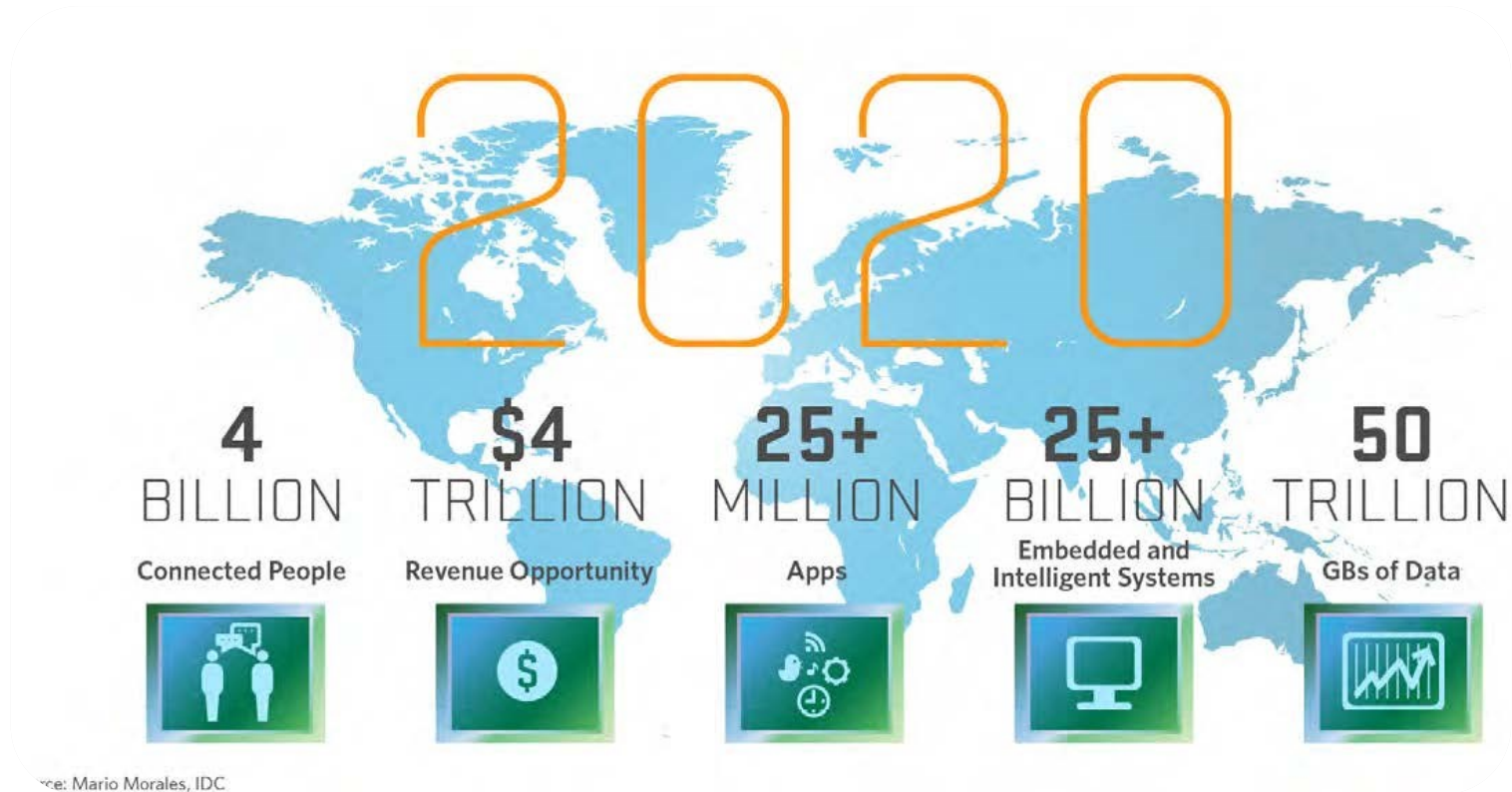
The cyberspace

So let us speak about innovation and development within this augmented reality. Our world is now having an extra sphere, the **cybrosphere** like the atmosphere and the stratosphere.

The new Globe

2020

According to Mario Morales 2012 IDC it is estimated that @



Now in 2017 these figures are already realized.

New Economic Growth Model

Why investing in innovation SMEs!

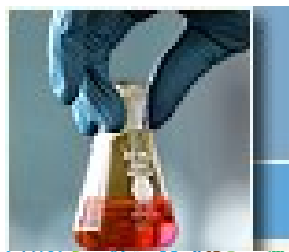
NEW ECONOMIC GROWTH FORMULA

Economic Growth EG is a function of

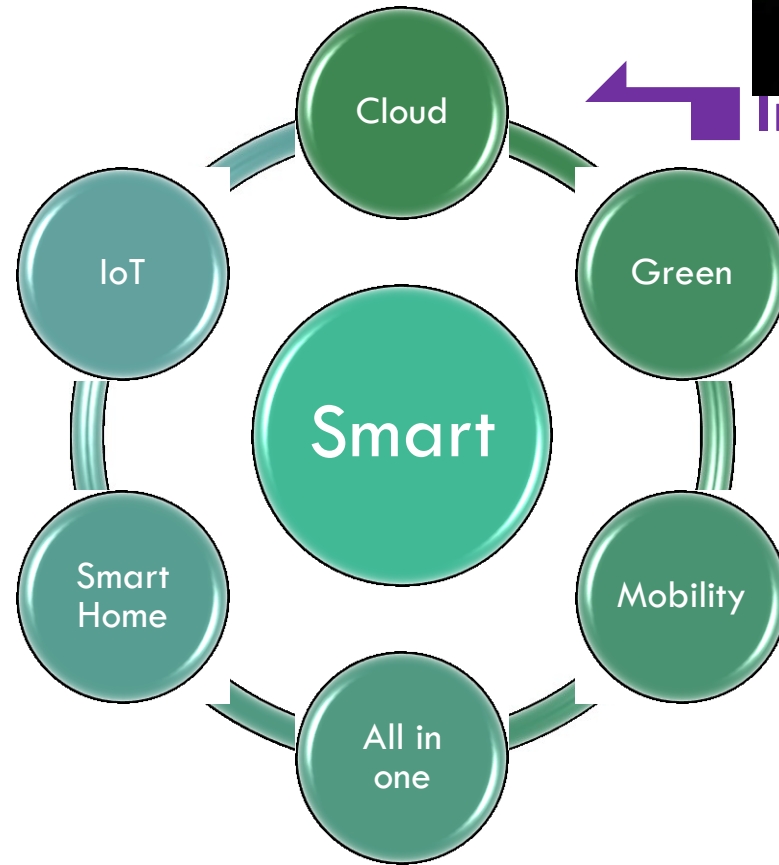
(Technological Development TD + Savings S * Technology Level TL)

$$EG = f_{\text{innov}} (TD + S*TL)$$

Innovation index characterizes the function

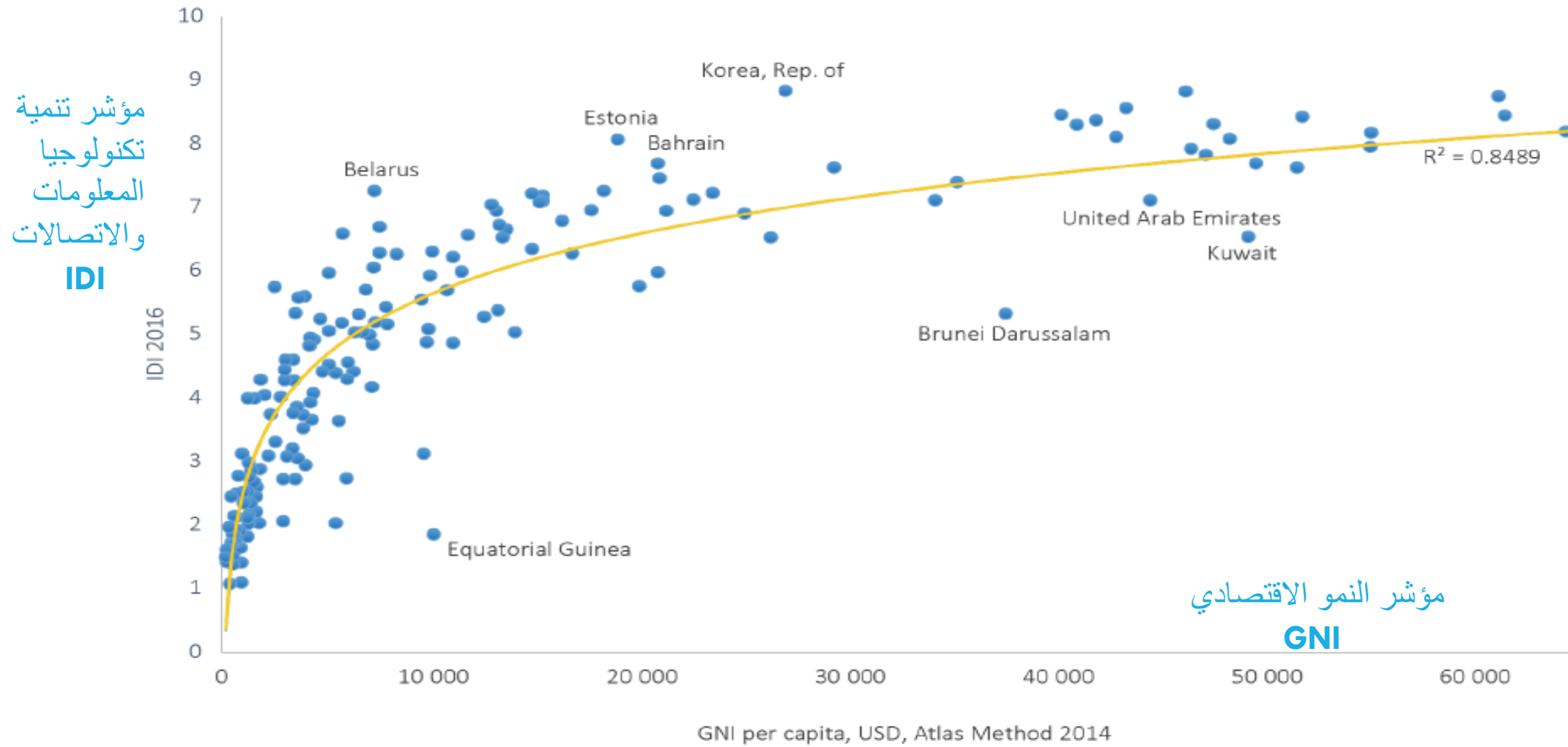


Innovation



Innovation & ICT are Main Drivers for Development

Chart 1.7: IDI and GNI p.c., 2016



ICT AND YOUTH IN THE ARAB WORLD

The contemporary Arab world has a combined population of around 422 million people, over half of whom are under 25 years of age (UNESCO)

Adult literacy (ages 15 and older) is 76.9%

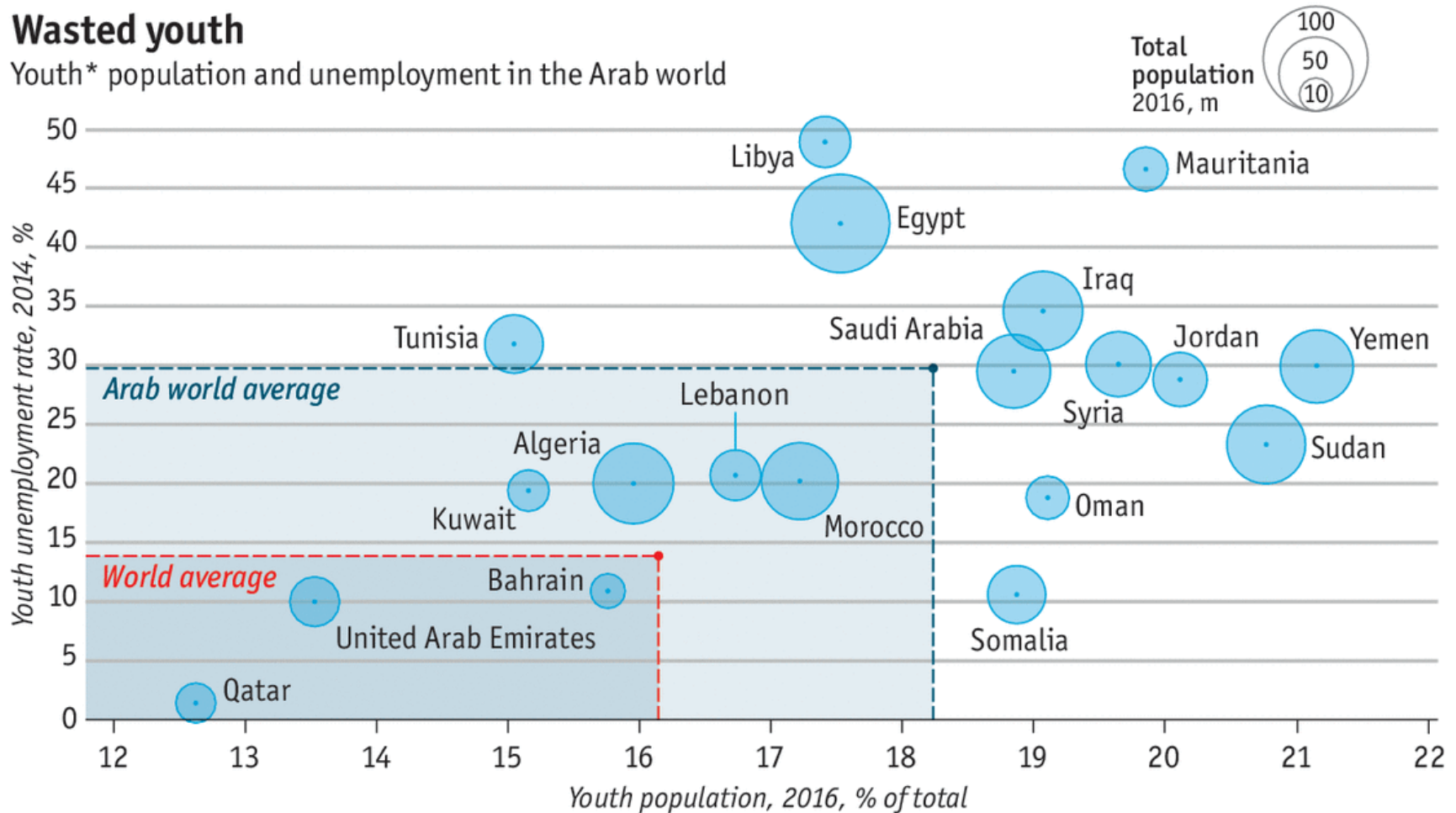
Arab Spring (An ICT phenomena)

total Arab world GDP is estimated to be worth at least \$2.8 trillion in 2011 (Alarabia)

WASTED YOUTH

Wasted youth

Youth* population and unemployment in the Arab world



Sources: ILO; World Bank; US Census Bureau

*15- to 24-year-olds

EDUCATION AND TRAINING ISSUES

“For the young, jobs are few and far between. In 2010, on the eve of the Arab uprisings, total and youth unemployment rates in the Arab world were already the highest of any region, at 10% and 27% respectively. Since then these figures have risen further, to nearly 12% and 30%. Amazingly, in some Arab countries, the more time you spend in school, the less chance you have of finding a job. In Egypt 34% of university graduates were unemployed in 2014, compared with 2% of those with less than a primary education.” The Economist

Accredited Education

Certified Training

Soft Skills

INNOVATION, CREATIVITY AND INVENTION

- Creativity : Is the mental activity and exercise of bringing original novel inventions
- Invention : Is the bringing of new idea or technique for the first time
- Innovation : It is the creative development and successful implementation of new ideas

الإبتكار هو التطوير الخلاق و هو التطبيق الناجح للأفكار الجديدة
الإختراع هو الإتيان بفكرة أو أسلوب جديد لأول مرة
الإبداع هو النشاط العقلي المنتج لإختراع على غير مثال.

INNOVATION-BASED ECONOMY

Innovation-based economy is already taking place all over the globe. In some place like G7 and BRICS innovation economy is dominating the arena,

in some other economies like Turkey countries are heading towards that.

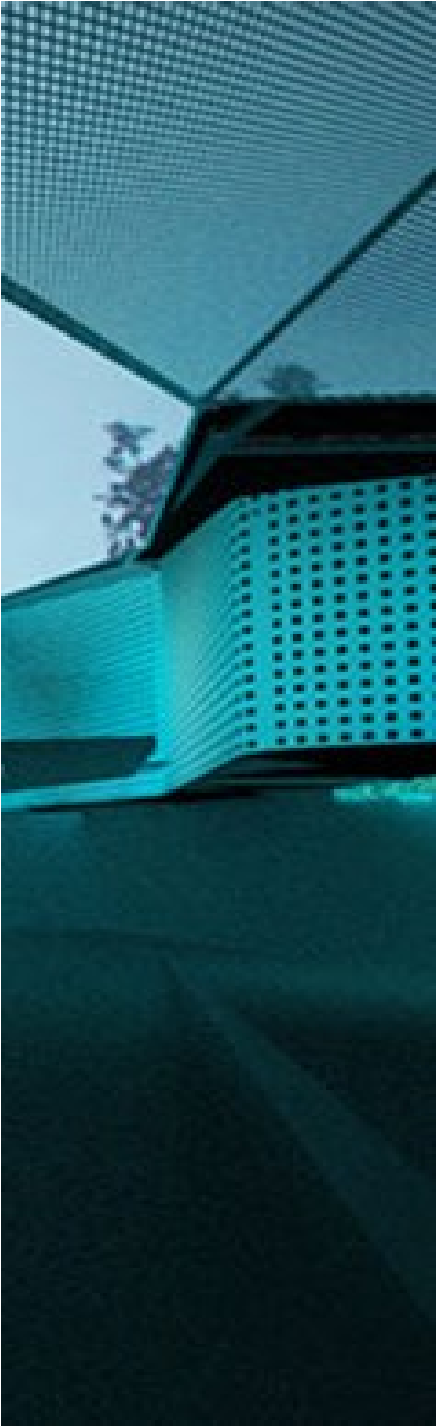
LCDs and especially in Sub-Sahara are still economies that are struggling the resource-based scenarios.

Innovation with its nature is based on the capacities of individuals and the culture of the society.

NATIONAL INNOVATION ECOSYSTEM

Is the enabling environment that fosters innovation to solve national problems and accelerate socioeconomic development and growth.

It is the **people** and set of **entities** and their **relations**, **policies** and **acts**; Moreover it is the **culture** and structure that sustain an innovative nation.



Training

Venture Capital



Incubation

Synergy

Main Enablers

INNOVATION-BASED ECONOMY ...2

Innovation based economies are those who had discovered ways and means of incubating, supporting and harnessing innovation in their ecosystems.

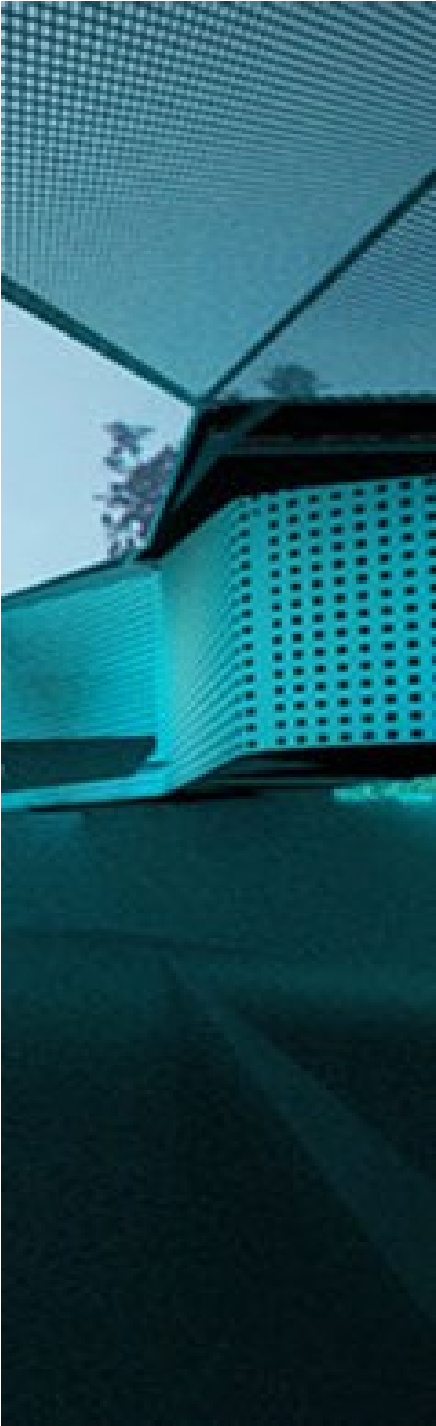
A healthy economy is healthy from its grassroots.

Innovation for inclusive growth is now a major issue in the global forums.

One of the key issues is how to support innovation startups to withstand and grow.

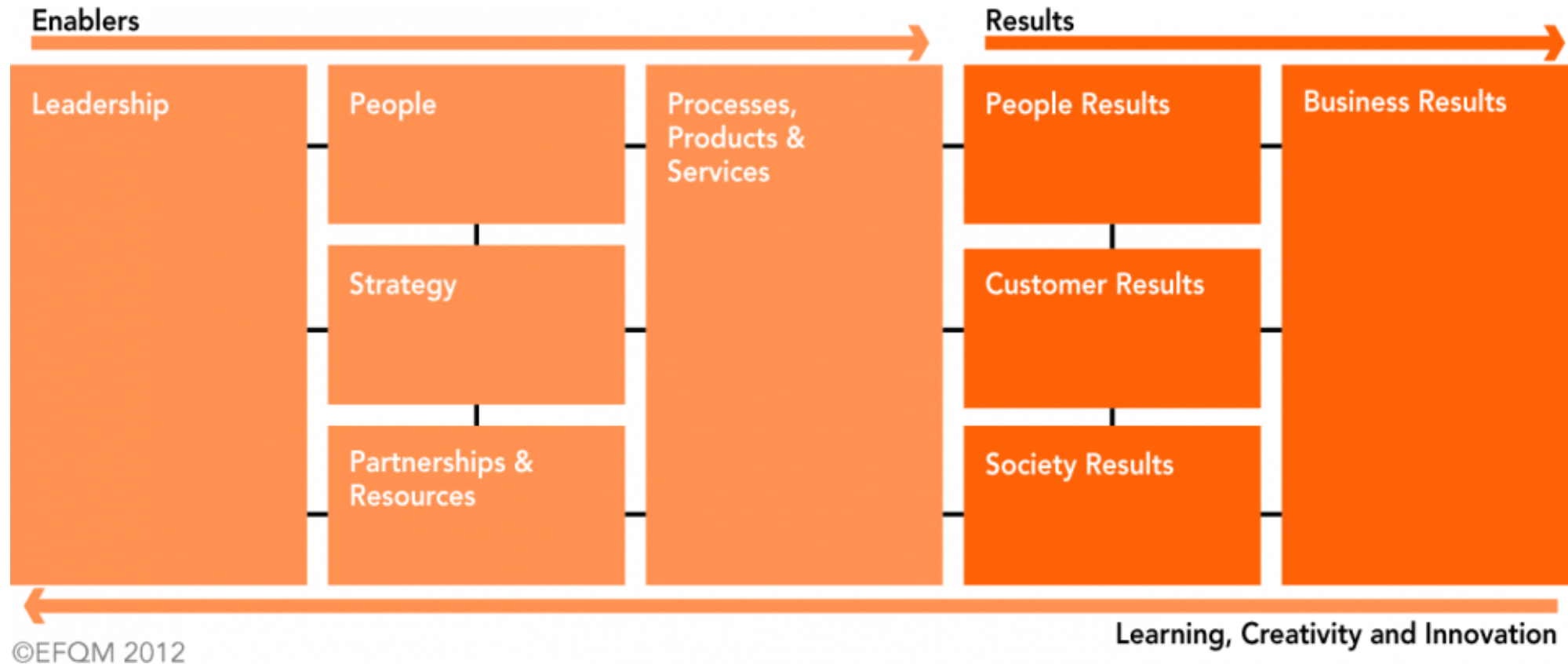
Incubation is the business process of supporting the acceleration of innovation SMEs by providing them with an array of resources and services.

A key service is finance.



National Innovation Ecosystem

EUROPEAN FOUNDATION QUALITY MODEL EFQM



DIGITAL SMEs

Digital SMEs are SMEs that are either:

- SMEs that uses digital channels and systems or
- SMEs that works in the ICT area.



EDU Educational content development



BPO Business process outsourcing



DA Digital Arts



SE Software Engineering

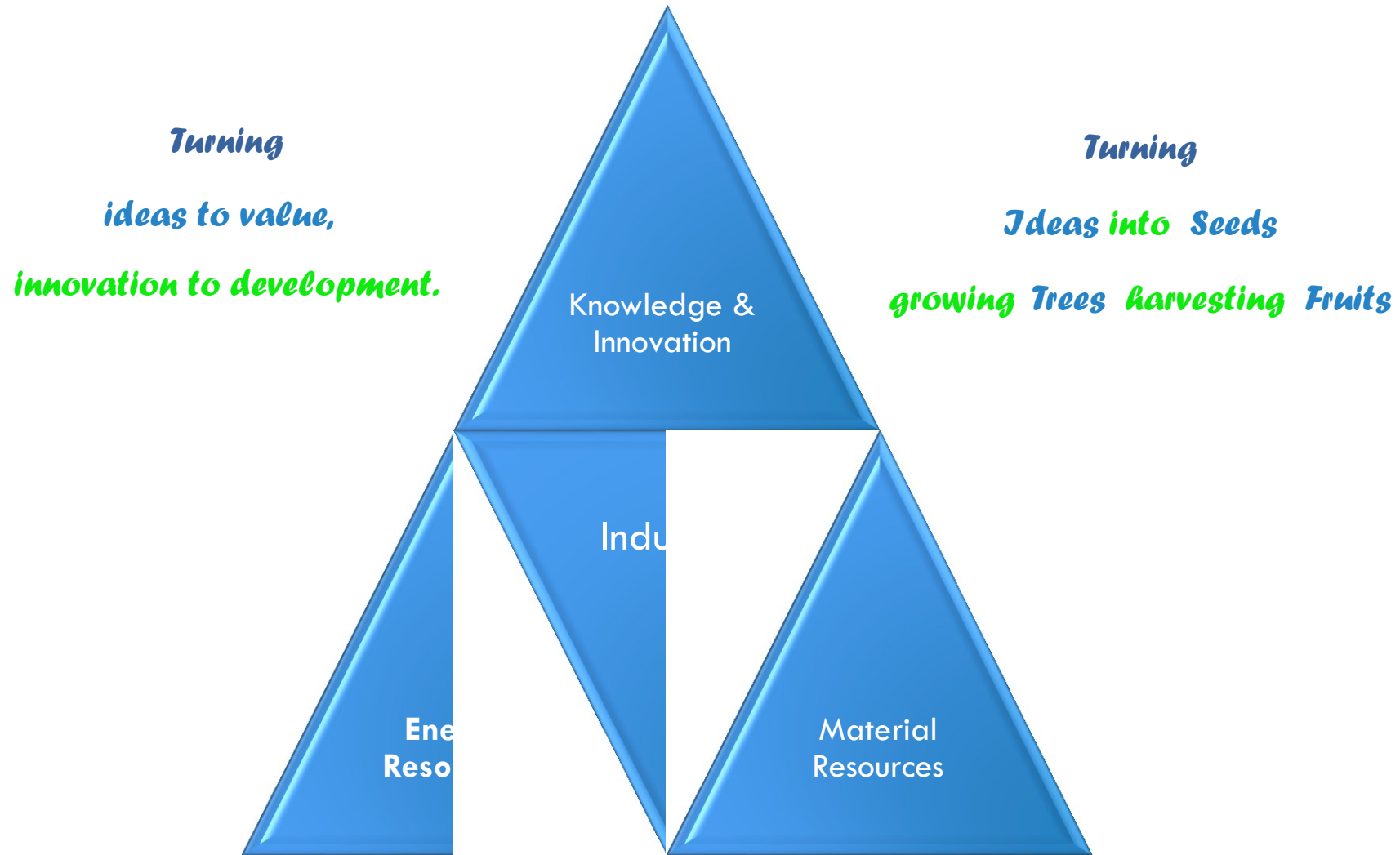


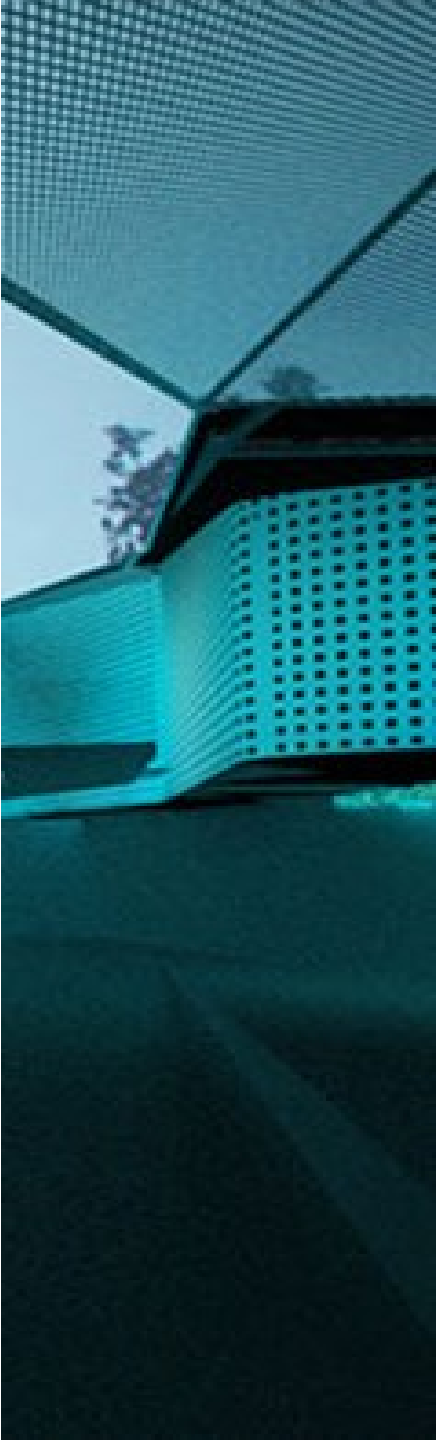
Call Center Call Centers

Digital SMEs

Sustainable Growth

JNNOVATION-BASED ECONOMY





Innovative

Social



Enabled

Connected

The innovator

www.act.sd مدينة أفريقيا التكنولوجية Africa City of Technology



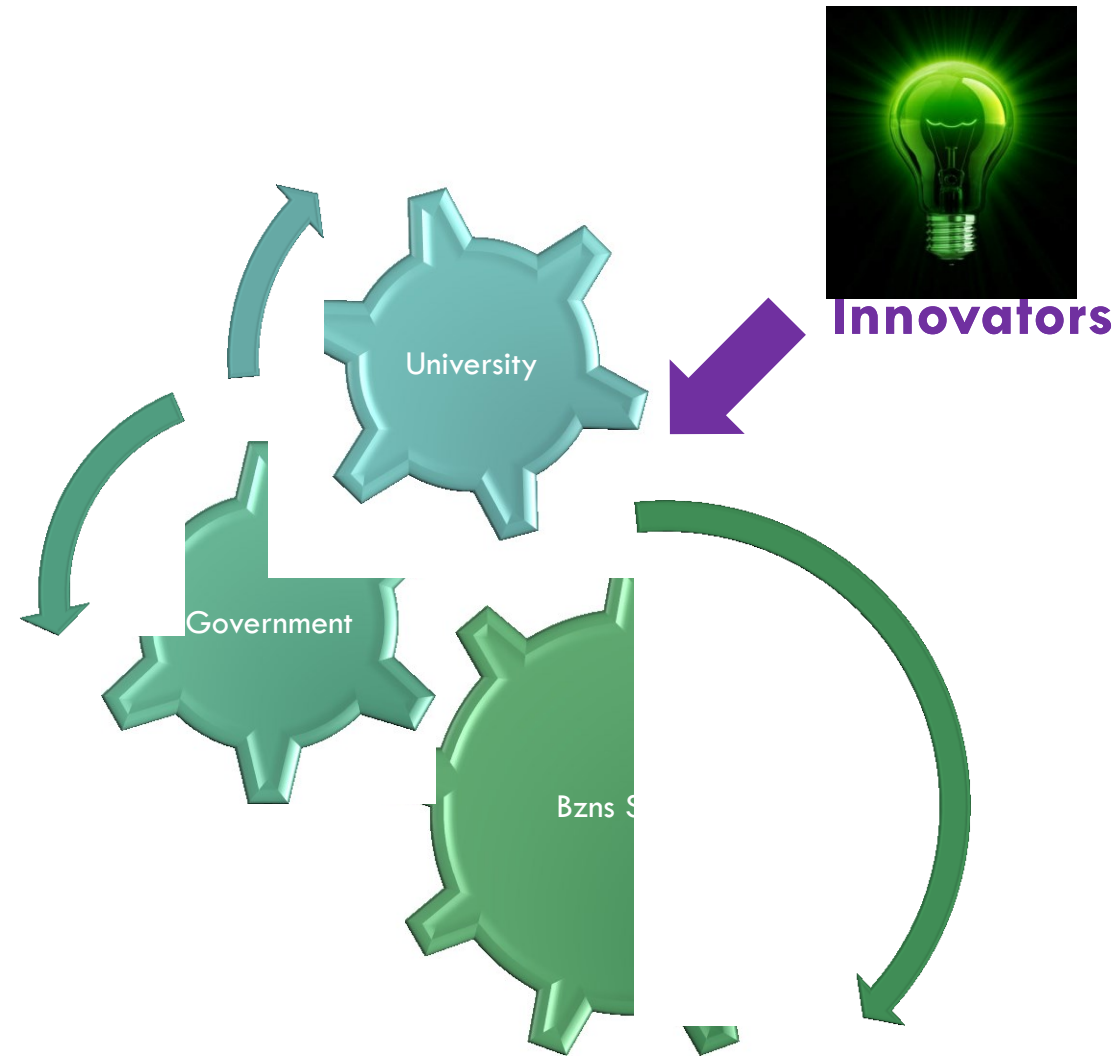
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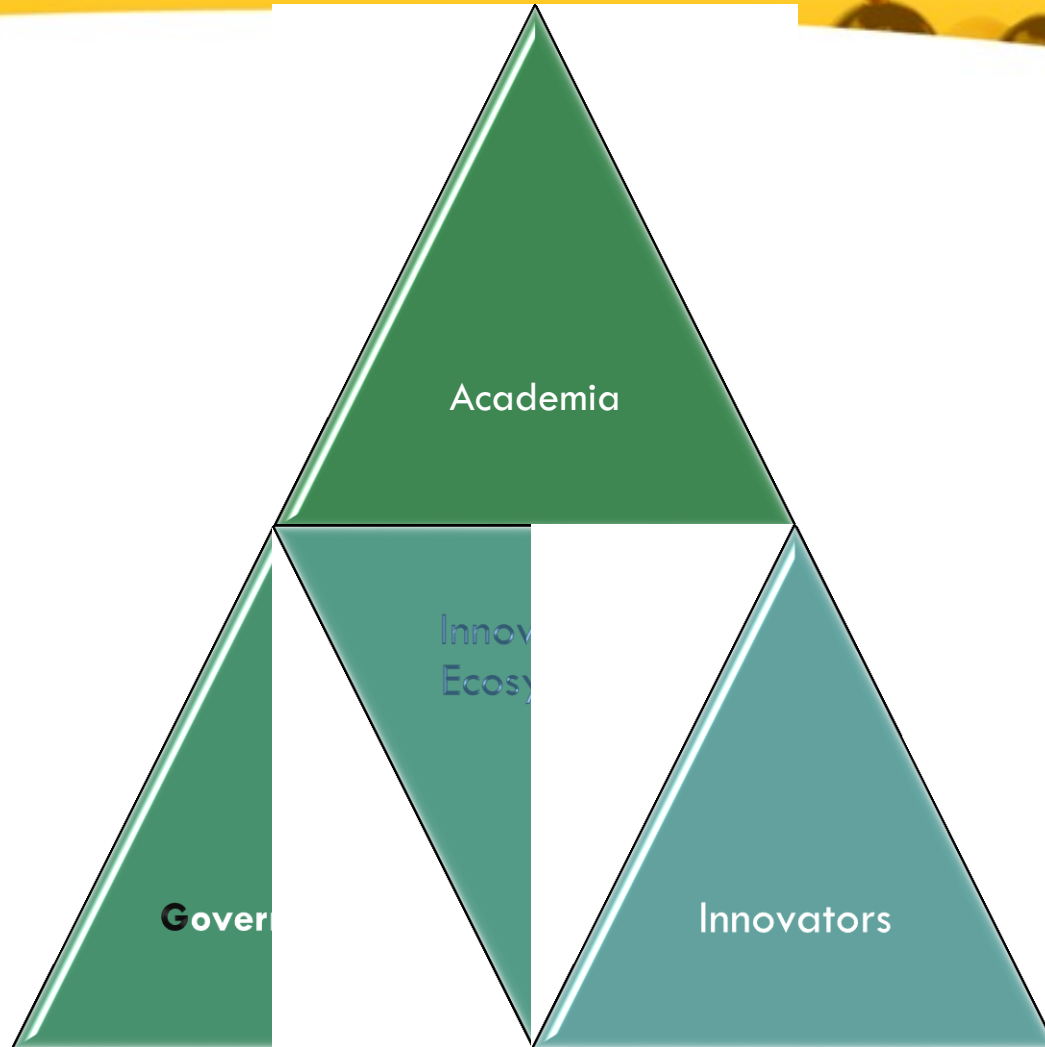
Quad Helix Model

Academia-Government- Industry-
Finance



Development of Joint Innovation Ecosystems to give Leverage to a Global Knowledge Triangle

KNOWLEDGE TRIANGLE



Integrating ICT innovation in national Agenda

KNOWLEDGE TRIANGLE



ISSUES

Trust Gap

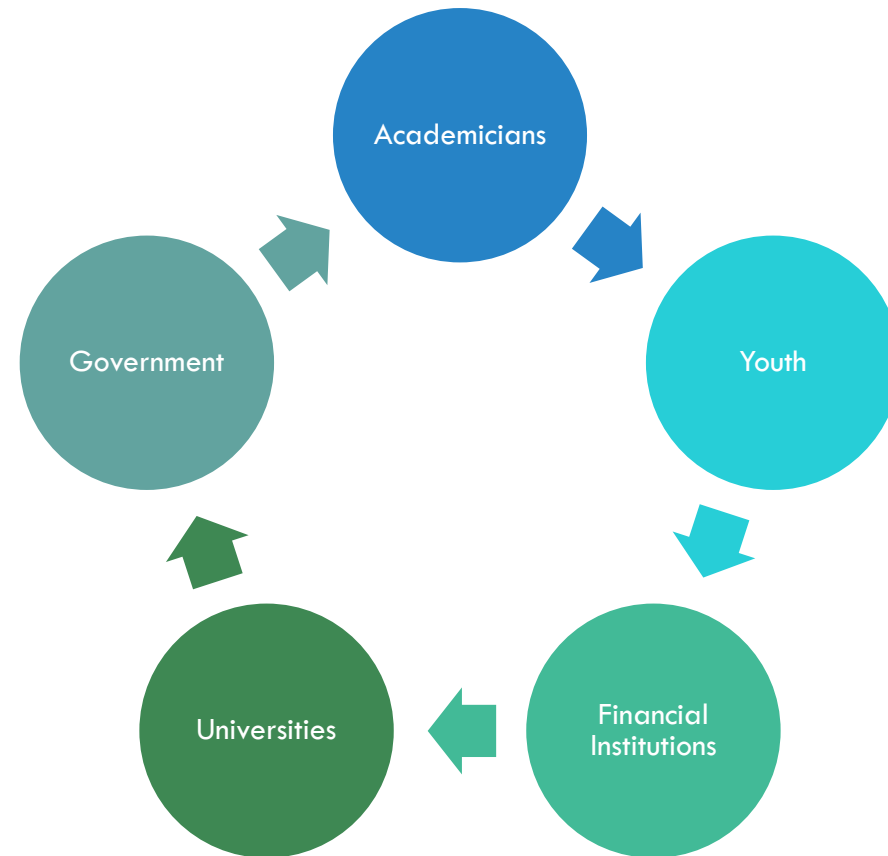


Lack of Coordination

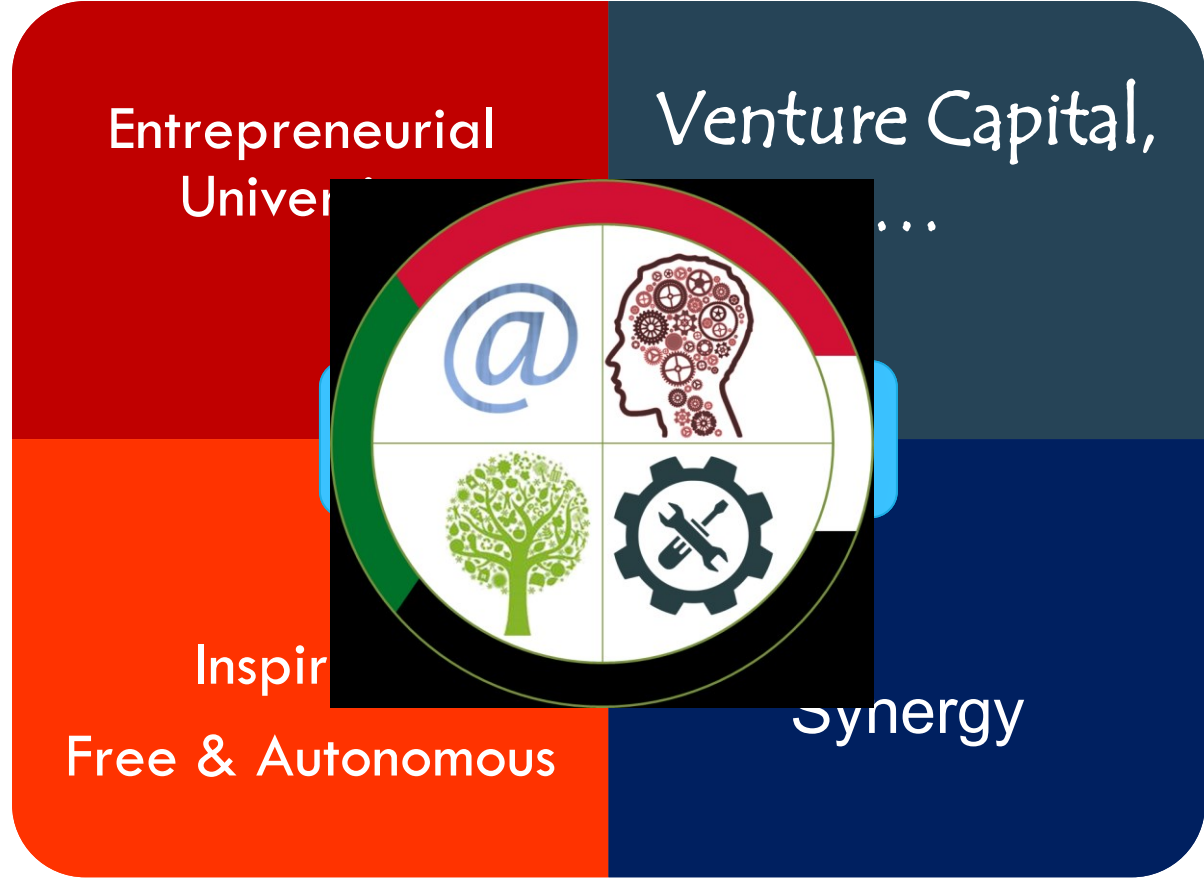
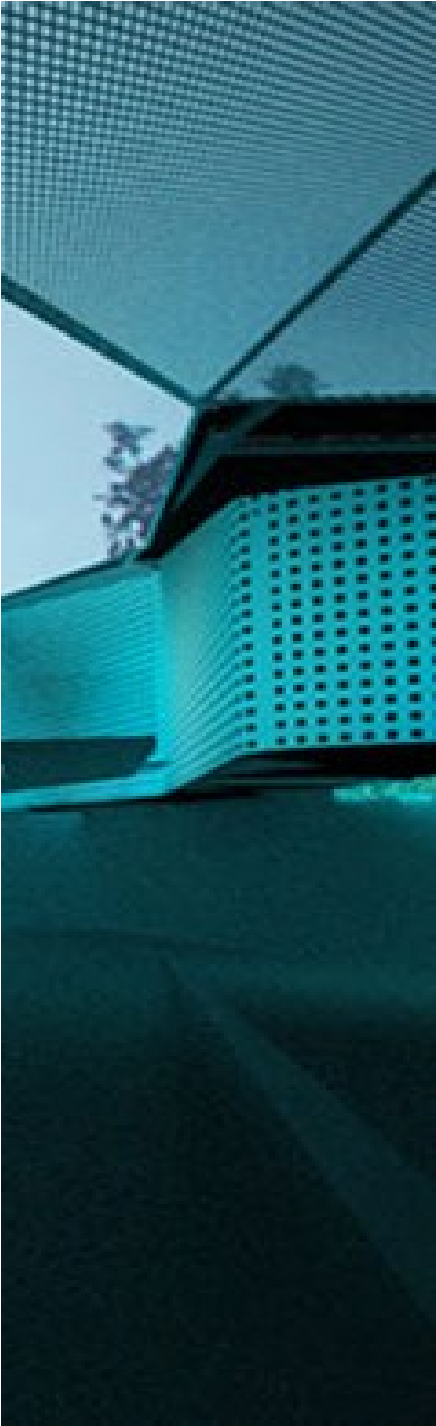


Lack of joint Vision

Players Roles and Initiatives



Integrating ICT innovation in national Agenda



Solutions for Integrating ICT innovation in national Agenda

Technology Incubators:



Incubation is a business support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

حضانة الأعمال هي عمليات دعم الأعمال التجارية و التي تعجل بعملية التنمية الناجحة للبدء وللشركات الوليده من خلال توفير مجموعة متنوعة من الموارد والخدمات المستهدفة للمبادرين.

حاضنات الأعمال تجلب النمو والثروة والفرص والعمالة والتجدد في الاقتصادات المحلية والإقليمية والوطنية

VISION

*Turning
Ideas into Seeds into,
Trees into Fruits .*

فكرة بذرة شجرة ثمرة



Goal:

A technology incubator's main goal is to produce successful technology firms that will leave the program financially viable and freestanding.

الهدف الرئيسي لحاضنة الاعمال التكنولوجية هو انتاج الشركات الناجحة التي ستغادر البرنامج مقتدرة ماليا وقادرة على البقاء بذاتها.

تعمل الحاضنات التكنولوجية علي إستضافة تلاحح التكنولوجيا والإبداع حيث يتم إبتكار المعرفة وتطبيقها العملي على المجتمع.

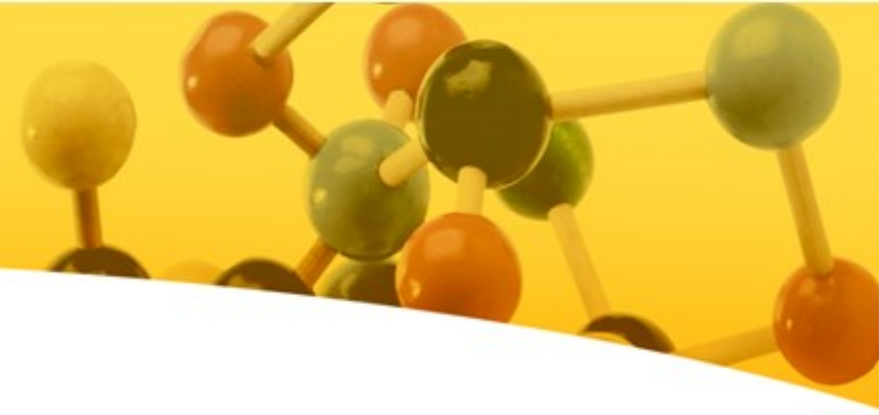
Technology Incubators:



A graduate of the incubator have the potential to create jobs, revitalize neighborhoods, commercialize new technologies, and strengthen local and national economies.

لدي خريج الحاضنه القدرة على خلق فرص العمل وانعاش المحيط ، وتسويق التكنولوجيات الجديدة ،
وتعزيز الاقتصادات المحلية والوطنية.

المنتج



A graduate of the incubator have the potential to create jobs, revitalize neighborhoods, commercialize new technologies, and strengthen local and national economies.

لدي خريج الحاضنه القدرة على صنع فرص العمل وانعاش المحيط ، وتسويق التكنولوجيات الجديدة ، وتعزيز الاقتصادات المحلية والوطنية.

ARAB ICT INCUBATORS AND TECHNO PARKS ASSOCIATION (ARTECNET)

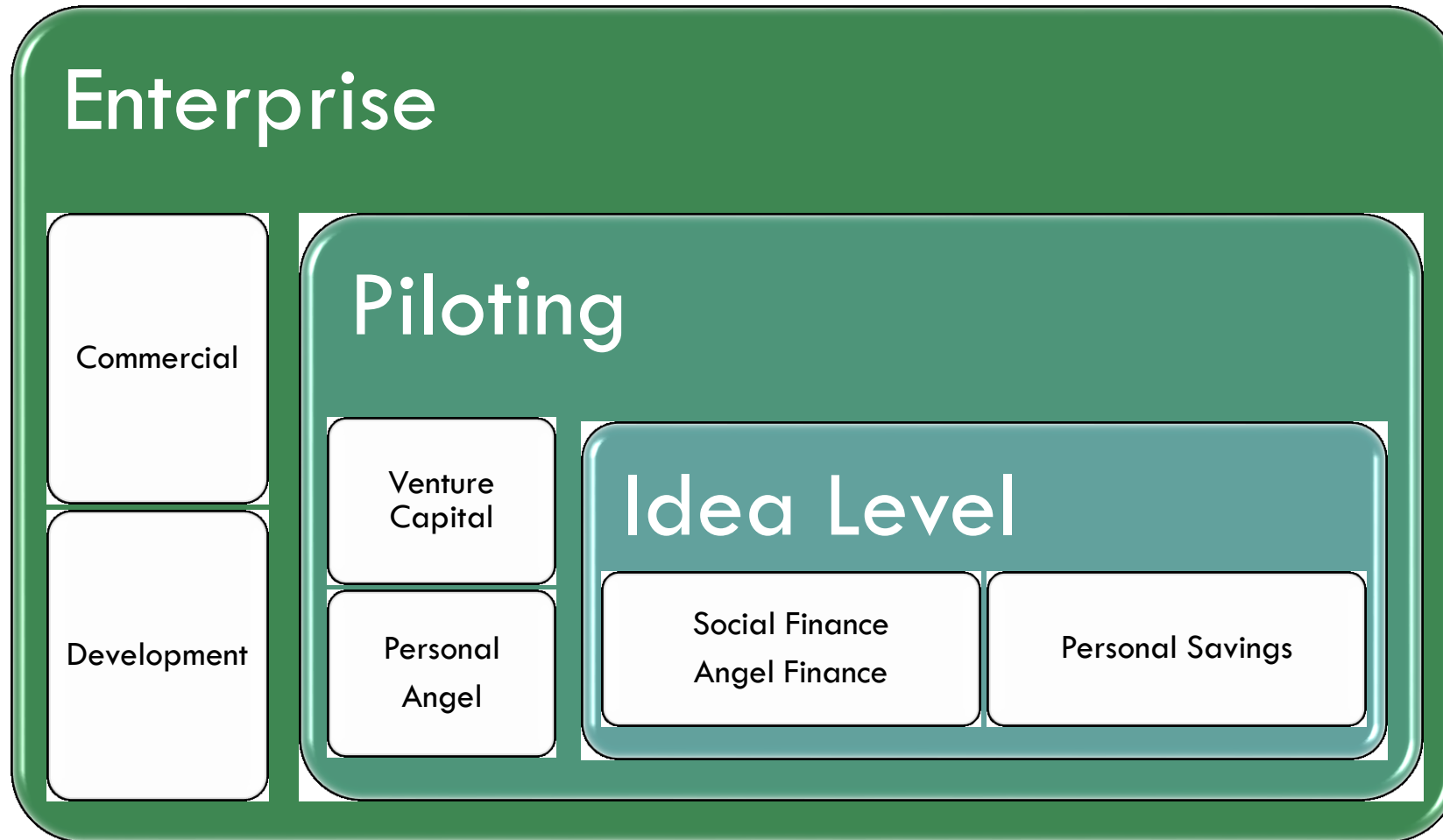
ITU Arab Region Initiative 2013

Objectives of the ARTECNET :

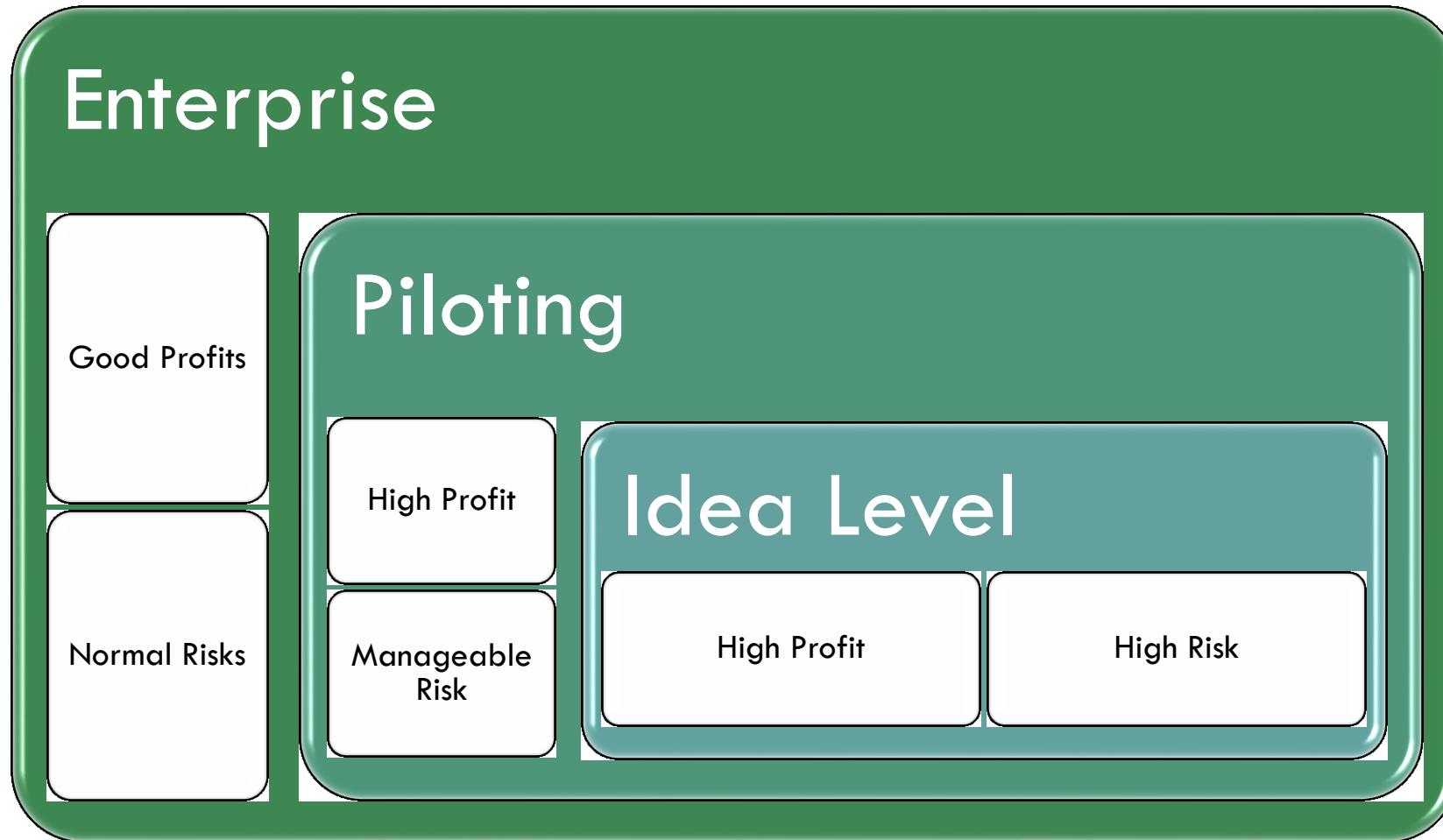
- Promote the Arab Technopolitan system at the regional and international level.
- Develop cooperative relationships and partnerships with similar organizations internationally.
- Strengthen the capacity and skills of members through training, coaching, etc..
- Promote synergy between the members and their networks in order to promote collaborative projects, exploitation of research results, innovation, business creation and technology transfer.
- Developing the exchange of information, sharing best practices and developing common tools.

Members from (Tunis, Algeria, Sudan, Egypt, Bahrain, UAE, Saudi Arabia, Libya, Morocco, Mauritania, Palestine, Jordon, Syria, ...)

FINANCE MODEL



RETURN ON INVESTMENT



RETURNS



Intellectual Property

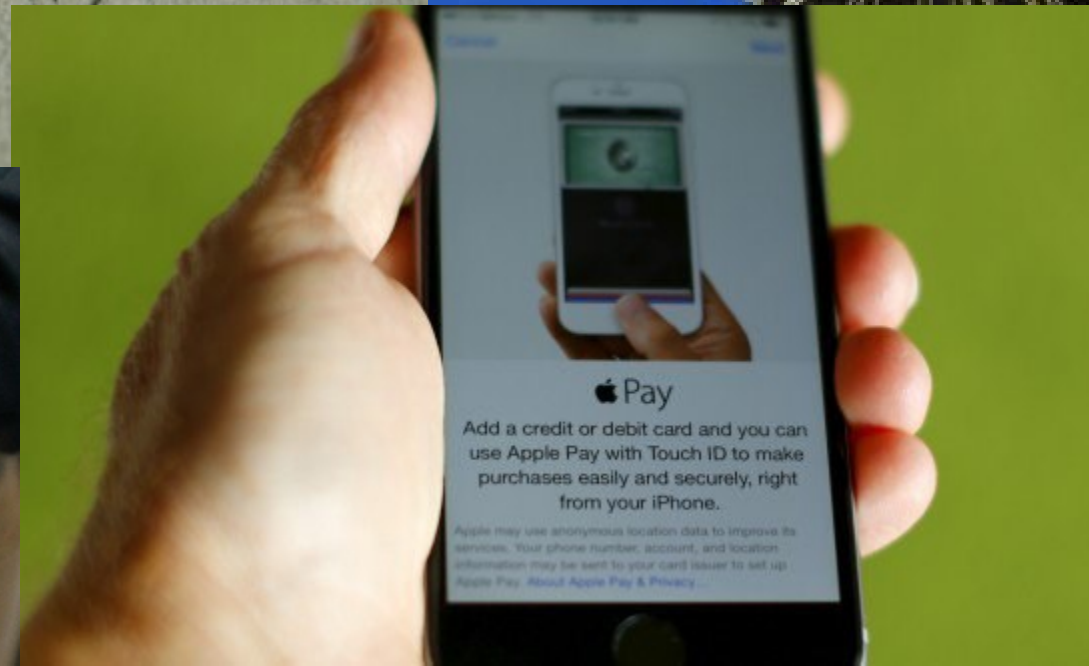


New Value Models
(eg. in WEB no of visitors)



Direct revenues

FUTURE PAYMENT SOLUTIONS



New Finance Systems

Crowd Funding

Crowd funding

The screenshot shows a web browser window displaying the 'Top 10 Crowdfunding Sites' page on gofundme.com. The page header includes the gofundme logo, 'Over \$1 Billion Raised!', and a 'Start Raising Money' button. The main heading is 'Top 10 Crowdfunding Sites' with a subtext: 'This list is based on independent traffic data found on Alexa & Compete.' Below this is a 'TOP 3' section containing a table of the top three crowdfunding sites.

Rank	Crowdfunding Site	2014 Volume	US Alexa Rank	Fee	Important to Know...
1	gofundme	\$470M	275	5%	Over \$1 Billion raised for personal fundraisers. Processing fee of 2.9% + \$0.30 applies.
2	KICKSTARTER	\$444M	203	5%	Personal fundraising <u>not allowed</u> . Creative only. Processing fees of between 3-5% apply.
3	indiegogo	???	728	5%	3% processing fee. \$25 fee for international wire.

HIDDEN FEE ALERT! Sites claiming to be '100% Free' will charge your donors up to 1.5% and you'll still need to pay 3% for

CONCLUSION

National economies are aggregates of grassroots economies

Arab Region is characterized by innovative individuals

Lack of Suitable Finance Models is hindering the overall growth of Macro economies

A step into the future needs that SME finance to be adequate.

Incubation is a MUST issue