



Services for Innovating Firms: Role of Technopoles and Incubators

A Joint CMI-EIB-WBI Workshop

April 28-29, 2011

Villa Valmer, Marseille

Draft Program, version as of April 8, 2011

Note: The workshop will be interactive to maximize sharing of experiences with invited participants. During each session, the Chair will introduce the subject matter for discussion, moderate the debate with panelists, and formulate any preliminary conclusions. Translation will be provided in both English and French.

Day 1: April 28, 2011

9:00 – 9:15

Welcome

**Philippe de Fontaine Vive, Vice President, EIB and
Mats Karlsson, Director, CMI**

9:15 – 11:15

Session 1:

Chair: Philippe Guinet, EIB; Guy Fleuret, EIB; Anuja Utz, CMI

**a. Innovation Climate and Policies in the MENA Region:
An Overview**

Jean-Eric Aubert, Advior, CMI

**b. Technoparks and Science Parks in MENA: Brief Presentations
by Representatives from Participating Countries**

**Panelists: Representatives from Algeria, Egypt, Jordan,
Lebanon, Morocco, Syria and Tunisia (to be determined)**

During this session, a representative from each country team will make a presentation on the state of technopoles/incubators in their country (max. 10 mins each). This will be followed by a discussion.

11:15 – 11:30

Coffee break

11:30 – 1:00

Session 2: Analysis of the Supply of Services

Moderator: Patrick Dubarle, Advisor, EIB

Panelists: M. Hafid Alaoui, Development Director of Casablanca Technopark

Hichem Turki, Deputy General Director Pôle de Compétitivité Sousse, Tunisia

Background:

Various types of services can be offered within the framework of technoparks and science parks. These include:

1. Accommodation of innovating firms (furnished office rental, domiciliation, meeting rooms)
2. Finance (preincubation, incubation and existing firms) including leveraged buy-out (LBOs); mergers and acquisitions; financial restructuring).
3. Promotion/Marketing/Internationalization (legal and financial assistance; partner search, quality certification)
4. Technology: Product/process innovation (assistance on patent and license matters, demonstration centers and test factories; technology brokerage).
5. Innovation in organization and management (assistance for enterprise creation; logistical assistance; organizational consultancy).
6. Communications (advanced services for data and image transmission, data base search)

Incubators and accelerators are specific frameworks offering a comprehensive set of services. Incubators tend to specialize (economic development, technology, mixed use), and involve a diverse set of stakeholders and sponsors.

Main issues:

- Does the provision of general services by specific institutions or companies have a real impact on technology transfer in technoparks/science parks?
- Should these services be exclusively market driven and financially self-supporting or should public funds be used to develop a long-term perspective and provide low-cost services to small local firms?

Is the concept of real service centers appropriate in technoparks? To what extent do the services offered in technoparks/science parks help tenants to cluster effectively and embark on collaborative projects? Some examples of efficient experiments include the University of Twente TOP programme, the internationalized incubators in Singapore, and the PCB (Parc Científic de Barcelona).

Discussion

13:00 – 14:30

Lunch

14:30 – 16:00

Session 3: Demand for Specialized Services and Interaction with Customers

Moderator: Christian Rey, Director, Marseille Innovation

Panelists: Maurizio Cascioli, AFD

Eng Omar Hamarneh, CEO, El Hassan Science City, Jordan

Dr Messaoud Boumaour, Director of UDTS--Unité de développement de la Technologie du Silicium, Algiers

Background:

Innovating firms have a large variety of needs depending on their size, rate of growth, and technologies that they use. Microenterprises need mentoring and tutorship services. SMEs suffer from growth management problems and have to cope with recruitment or technological renewal issues. Most new firms expect to benefit from park services that can help them to face the traditional obstacles to firm formation, that is, high fixed costs, lack of access to equity capital, insufficient technical and market information and weak management skills.

Technoparks are an attempt to increase technological creation by minimizing transaction costs associated with the collaboration of economic bodies previously hindered by institutionalised constraints. Services provided in the parks should be therefore designed to facilitate these cooperation processes that are crucial for the generation of innovation

Main issues:

- To what extent are small firms in science and industrial park able to formalize their demand for specific services?
- Is this demand limited to firms within the parks? Is the clustering imposed by technoparks an effective means of cross fertilisation and innovation diffusion?
- Are technoparks destined to be high-tech enclaves or can they be the mainspring for endogenous development strategies?
- To what extent firms within clusters are in a position to package their demand for services?

Discussion

16:00 – 16:15

Coffee break

Moderator: Aleardo Furlani, CEO, INNOVA SpA

Panelists: Dr. Khater Abi Habib, Chairman and General Manager of Kafalat s.a.l, Lebanon

Dr. Youcef Aklouf, RDI Director, Algérie Télécom, Algeria

Christian Lopez-Baillo, EIB FEMIP Risk Capital Division

Background:

Technology commercialization requires adequate access to capital given the uncertainties surrounding the innovation process and the correlative needs of innovators in order to have a robust financial base. Early development of new products generates few and often, no profit. Bridging the financing gap is therefore crucial for new firms and the development of innovation projects.

Finance for innovation is often coming from internal sources but for substantial projects and new firms external investment may be sought. Level of uncertainty is nevertheless high. Long term investment may be sacrificed to short term approach. One response to capital market imperfections of this kind is for small firms to form consortia to guarantee their own loans applications. Specific assistance services can help firms to set up associations that evaluate loan risks. Venture capital can also provide funding for projects with rapid growth potential.

Main Issues:

- How can public VC programs compensate for the lack of early stage investment capital?
- How are local VC funds and business angel networks linked with technoparks and science parks?
- To what extent can public guarantee schemes that facilitate the access to the banking sector meet entrepreneurship needs?
- What about private equity fund raising in regions where this market is particularly narrow?

Discussion

Day 2: April 29, 2011

9:00 – 10:30

Session 5: Evaluation and Best Practices

Moderator: Jean-Eric Aubert, Advisor, CMI

**Panelists: Ms. Nejiba Bouziane Khalfalla, Entrepreneurship Manager
Elgazala Technopark, Tunisia**

Nicolas Rouhana, Director, Berytech, Lebanon

Natalia Agapitova, WBI's Growth and Competitiveness Practice

Background:

Overall, the evaluation of service provision is a difficult subject. Notwithstanding several possible best practices, no established and unequivocal criterion for evaluation has emerged. Indeed, vast arrays of evaluation techniques are at work, adding sophisticated methods to the traditional toolbox of cost-benefit analysis. Experiences in the US seem to be especially fertile in producing experimental exercises with promising approaches, such as taxpayer-payback evaluation, cross-case analysis, and the like. But the inherent complexities of service provision originate insuperable challenges, as for example, the need to evaluate many objectives, and the inability to quantify long term, intangible effects like learning attitudes and structural change.

Main issues:

- The first issue concerns putting in place appropriate monitoring mechanisms to gather precise information on the delivery of services and the experiences of firms and other beneficiaries of these services, in terms of development of new activities, generation of income, and employment.
- The second issue is that of impact. This is an issue that is met with all innovation policy actions, and which are by nature, difficult to tackle. The measurement of impact is a compelling requirement for policymakers who would like to see a causal relationship between services and income growth, job creation, exports, and the like. However, this is not easy, due to the very nature of services and their infrastructural role in the economy.
- The third issue relates to finding appropriate benchmarking experiences to compare the policy measure to be evaluated.

11:00 – 11:30

Coffee Break

11:30 – 12:30

Session 6: Conclusions and next steps

**Philippe Guinet, EIB; Guy Fleuret, EIB; Patrick Dubarle, Advisor, EIB;
Jean-Eric Aubert, Advisor, CMI; and participants**

12:30 – 13:00

Workshop Evaluation

13:00 – 14:00

Lunch