

**Speech of Ambassador Angelina Eichhorst
Head of the Delegation of the European Union**

Launching of the 'Innovation Voucher' Project

**Industrial Research Institute, Hadath
Tuesday 12 June 2012 at 11:00**

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H.E Mr. Vrej Sabounjian, Minister of Industry,
Dr. Bassam Frenn, Chairman of the Industrial research Institute,
Distinguished Guests, Ladies and Gentlemen,

It is a great pleasure to be here with you today to launch our new Innovation Voucher Project.

Innovation provides real benefits for us as citizens, consumers, and workers. It speeds up and improves the way we conceive, develop, produce and access new products, industrial processes and services. It is the key not only to job creation, to building a greener society and to improving our quality of life, but also to maintain our competitiveness on the global market.

With an ageing population and strong competition in a globalised market, Europe's future economic growth and jobs will increasingly have to come from innovation in products, services and business models. That is why innovation has been placed at the heart of the Europe 2020 strategy for growth and jobs. With over thirty actions,

the Innovation Union aims to improve conditions for and access to finance for research and innovation in Europe, to ensure that innovative ideas can be turned into products and services that create growth and jobs.

Innovation is not only a crucial investment for the future of the European Union. It is also crucial for Lebanon.

The project we are launching today is the result of a long standing cooperation with the Ministry of Industry and the Industrial Research Institute. The European Union is providing a total of 200 000 Euros, and the Industrial Research Institute is also providing substantial resources, including staff and expertise.

The project aims to support Lebanese Small and Medium Enterprises and to encourage entrepreneurs to engage researchers in solving their current challenges in terms of competitiveness. **By putting together research and entrepreneurship, new and more competitive products, processes, services and business models can be created.**

The Innovation Voucher Project is important for small industries that feel the urge to improve their products and services but cannot afford to finance their own Research and Development. Sometimes, these small enterprises have limited experience in working with research and innovation institutions and need support to get started.

The ultimate objective for us is to help Lebanese SMEs to develop new products, improved industrial processes, services, and business models with high market potential and with the possibility of creating quality jobs. **We want to help the Lebanese private sector acquire a 'competitive edge' and conquer new markets.**

Lebanon faces challenges concerning research and development, notably, the high rate of highly qualified graduates who emigrate each year in search of better job opportunities. Also, there are limited resources, whether public or private, for research and development for entrepreneurs.

But Lebanon also has a number of strengths when it comes to innovation, the main ones being:

- Strong entrepreneurial and commercial drives;
- A highly educated work-force, that is multi-lingual and IT literate
- And significantly, a large network of Lebanese scientists abroad.

We strongly believe that Lebanon possesses extraordinary potential for innovation and can build on its rich cultural diversity.

The European Union seeks to promote further partnerships with our Southern neighbours in all sectors – not just through political dialogue, trade relations and development cooperation but also in people to people contacts, including the business community.

The European Union seeks to develop further partnerships with our Southern neighbours in the field of academic and scientific partners, as well as the business community. Its 7th Framework Programme, with an overall budget of 50.5 billion Euros, is open to the Southern Mediterranean countries and promotes collaborative research and knowledge-sharing both inside and outside Europe.

In spite of a fairly good rate of success in their application, it seems that the funding opportunities are still not used to their full potential in Lebanon.

I would also like to mention the European Union's readiness to provide technical assistance, which can also serve to support innovation in Lebanon. The Technical Assistance Information Exchange instrument (TAIEX) mobilises experts from Europe to explain to our key partners EU legislation and regulatory systems, as well as to help in ensuring compliance and application of European best practice.

One of the characteristics of TAIEX is that it is essentially a demand-driven instrument, and as such requires a proactive approach from the receiving countries.

Fostering partnerships between European and Lebanese research centres, exploring new sources of funding such as the 7th Framework Programme and TAIEX are just some of the many paths to explore and boost our cooperation in addition to the Innovation Voucher Project we are launching today.

We are talking about industrial innovation today but I hope that Lebanon will start soon developing new concepts, such as social innovation.

Social innovation is about new ideas (products, services and models) that work to address pressing social needs and to create new social relationships and collaborations.

The question that remains is how we can nurture these initiatives to create jobs, growth and social impact?

Ladies and gentlemen,

Innovation means more jobs, improved lives, better society. The EU remains ready to work closely with Lebanon in this grand endeavour.

I wish all the success to this new initiative.