

PRESS RELEASE

IDAL Organized the "Supporting Innovative Start-ups" Workshop at the Grand Serail

Itani: Technology is the most important infrastructure of all sectors
Minister Kheireddine: SMEs are the engine for innovation in Lebanon

Beirut, July 6, 2012 – The Investment Development Authority of Lebanon “IDAL” organized a workshop on "Supporting Innovative Start-ups in Lebanon" at the Grand Serail under the auspices of the Presidency of the Council of Ministers, represented by the Minister of State for Parliament affairs Marwan Kheireddine.

The aim of this workshop is to highlight the national government commitment to support start-ups, in line with its vision to foster innovation as a key element in economic growth, in addition to sharing the expertise of international accelerators, and recommend short and medium term action steps to boost the Lebanese start-up ecosystem. The workshop was presided by minister Kheireddine and the chairman of IDAL Nabil Itani, and gathered most of the emerging companies in Lebanon, fund representatives, foreign experts as well as representatives from the public sector and universities.

“The technology sector revealed to be vital and necessary, as it is recognized to be the most important infrastructure for all sectors and businesses, especially innovative ones”, Itani declared. He added that the Investment Law No. 360 places a high interest on SMEs and start-ups, especially in the ICT sector due to its importance and its impact on the economy in general.

Itani unveiled that the support of start-ups has to be more pronounced with the recent introduction of amendments to the investment law decrees, especially by reducing the criteria needed for projects to benefit from fiscal exemptions, which can be up to 100 percent on income tax for a period of 10 years. He explained that IDAL has the legal mandate to participate in the equity of incubators involved in high tech and ICT activities, pointing out that the work is currently focused on this subject, which will give a major boost for incubators and accelerators.

Minister Kheireddine

Minister Kheireddine assured that Lebanon is a country of opportunities and endless possibilities, pointing out

that the government recognizes the importance of the private sector, especially SMEs, which are considered to be the largest contributors to GDP growth and the main creators of specialized jobs. He considered that small and medium enterprises are the engine of innovation in Lebanon that will ensure the development and maintenance of Lebanon's competitiveness.

He added that the establishment of a successful entrepreneurs' eco-system can only be achieved through a solid partnership between the public and private sectors. Therefore, it is necessary to take steps at different levels, especially in terms of removing barriers to ensure that start-ups can be easily set up and at a low cost and granting tax exemptions and other incentives through IDAL. Among these steps is the support to facilitate access to funds through our banking system (subsidized loans and guarantees), stressing the need to improve the infrastructure, especially communications networks, bringing Lebanon back again to the global technological map.

Sessions

The workshop was divided into three sessions. The first working session focused on "The Accelerator Model: Best practices and Main Success Factors." The second session tackled "The Business Model of Accelerators: Profitability and Sustainability." and the last session covered "The Start-ups Eco-System: Key enablers and Support Structures".

Many recommendations came out of this workshop stressing on facilitating access to capital, whether from the Lebanese government or through PPP, as well as to foster an entrepreneurial culture that will help start-up formation, in addition to spreading the culture of entrepreneurship to help create new businesses and the re-activation of the special economic technology zone.

About IDAL

The Investment Development Authority of Lebanon (IDAL) is Lebanon's national investment promotion agency. It aims to promote Lebanon as a key investment destination, and attracting, facilitating, and retaining investments in the country. IDAL provides local and foreign investors alike with a range of incentives and business support services across the following sectors; Industry, Agriculture, Agro-Industry, Tourism, Information Technology, Technology, Telecommunication, and Media. In addition to its role as an investment promotion agency, IDAL is entrusted with the active promotion and marketing of Lebanese exports including but not limited to agricultural and agro-industrial products.

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