

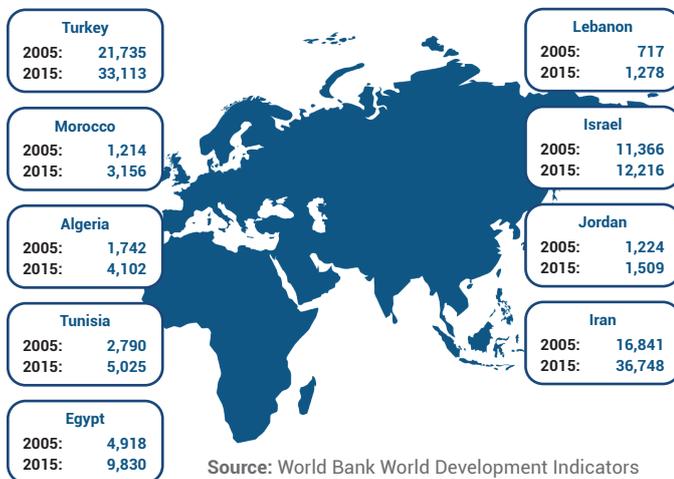
# Science, Technology and Innovation (STI) as Drivers for Economic Development in Southern and Eastern Mediterranean Countries (SEMCs): What Role for the EU?

Authors: Ahmed Badawi, A. Hamid El-Zoheiry

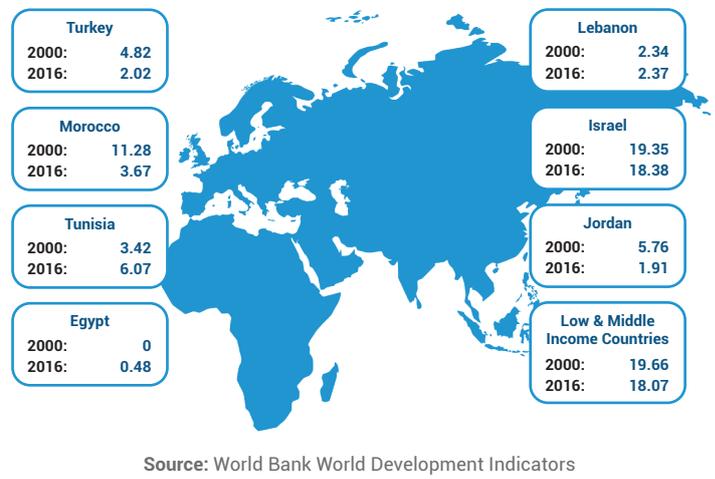
## Critical Issue:

STI benefitted thousands of researchers from the EU and SEMCs, but focus has not progressed beyond "performance" of research into "utilisation" of knowledge to expand economic development in the region.

### Number of scientific and technical journal articles



### High technology exports (% of manufactured exports)



## Obstacles to more effective STI cooperation between EU and SEMCs

### Supply and demand for knowledge in SEMCs

-  Weak linkages between researchers and entrepreneurs.
-  No adequate protection for property rights.
-  Universities focus on teaching rather than research.
-  Environment is not ideal for knowledge creation and utilisation.
-  Industrial entrepreneurs have short-term vision and are risk-averse.

### Asymmetry between EU and SEMCs

-  **Institutional asymmetry:** STI systems in both regions are incompatible in terms of governance structures, number of researchers, research infrastructure, etc.
-  **Financial asymmetry:** No real partnerships have developed given disparity in financial contributions to projects between the two regions; an unbalanced relationship.
-  **Unequal terms of trade:** Large trade surplus in favour of EU and lack of adequate access to EU markets.

## Measures to enhance the supply and demand for knowledge



- Create an enabling environment that can establish and reinforce linkages between research and business sectors.



- Develop and implement a robust industrial policy, focusing on carefully selected strategic sectors.



- Improve educational systems on all levels, encouraging and fostering STEM (Science, Technology, Engineering and Mathematics) education and linking education to the jobs market.

## Measures to reduce asymmetry between STI systems in EU and SEMCs



- The EU needs to encourage regional cooperation in the Mediterranean.



- Create a Trans-disciplinary Academy for the Future of the Mediterranean.



- Build on current bi-regional EU-supported initiatives, like the PRIMA initiative.



- Capacity building, technical assistance and financial support, provided by the EU for creating a dedicated group of science and innovation managers in relevant SEMC institutions.



- Modify free trade agreements with SEMCs to help protect strategic industrial sectors.