

Speech of H.E. Dr. Tarek Kamel
Minister of Communications and Information Technology
at
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Ladies and gentlemen, distinguished guests, good morning,

It gives me a great pleasure to address this esteemed gathering, where innovations and brains from various countries get together catering for know how build-up and exchange , in the fastest growing Industry which is the ICT Industry. Perhaps it could be relevant to the audience give some overview about the R&D , innovation and high value add activities and programs headed by MCIT and ITIDA (an affiliate body in charge of IT Industry development) in the ICT sector in Egypt

Our Strategy to encourage R&D and SMEs to target the high end of the value chain is two folds :

1. Encourage Multinationals to establish R&D centers , and High Value Add companies in Egypt . In this Regards , we have Microsoft innovation Center , one of two centers world wide , utilizing 20 high Caliber Researchers and Engineers working on Information retrieval, Collaborative Content Services , and Digital content Services. Valeo the well known French automotive Company has established a presence in Egypt hiring 120 Engineering working on advanced Embedded SW Engineering technologies and Image processing to serve Valeo Customers World wide. France telecom/Orange have signed an MOU to start and R&D innovation center in Egypt in the coming week for Research areas in Mobile Speech Recognition, Advanced Mobile payment , and Cost effective Wireless solutions. They Plan for 50+ Researchers. We also have Mentor Graphics employing 250 Engineers in Integrated Circuit Design representing one of the largest 64 operation centers worldwide.

2. Organically Building Internal R&D Capacity in the ICT Sector while Encouraging cross Fertilization through Virtual R&D Centers , linking International Expats Local Universities and SMEs . Currently we have a Data Mining Center of Excellence working on various tracks in oil and gas, Tourism and text mining . There are Plans for another Center of Excellence on Electronic Design and Wireless technologies. Nano technology is indeed an area that cannot be missed and I am happy that this will be thoroughly discussed in today's conference , There are some initiatives in this important field, and we look forward to see the Closing Recommendations in this regards .

On another Front , as MCIT and ITIDA , we put great emphasis on seeding innovation and ideas. An Incubation Program has been run by the government in the last couple of years . This ambitious program announces a business plan competition annually and the best breed are incubated in the smart Village , supplying them with the IT infrastructure, resources and guidance needed to reach a more mature stage, and be able to stand on it's feet. Couple of successful incubators now export their Services to the international Market. Started in Cairo in Smart Village and faculty of Engineering cairo university, the program is extending now to other governorates , and Universities , Like Alexandria , mansoura and Assiot to give an Equal and fair Chance to good and viable ideas throughout Egypt.

- Moving a Step higher from GrassRoot incubation Angel Funding , . *An ICT-Dedicated VC fund has been issued for Fostering the ICT SMEs and start-ups , which provides equity investments for selected incubations as well as other SMEs with an initial issuance of 10M\$, now targeting 50M\$. The VC is a perfect example of Private Public Partnership (PPP) embracing shareholders from Telecom Egypt, Financial and insurance institutions . We believe that in addition to the well known value the VC brings to the Economy in general, what was important to Egypt and perhaps most Developing countries , is to encourage the **VC culture to grow** , as this is a key vehicle for industry Growth.*
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- I want to add that Egypt is **A young nation** where 60 percent of the Egyptian population(77 millions) is under the age of 30. Egypt competitiveness comes out

of its young talent. We have 250,000 graduates from universities each year, out of which 20,000 in IT . We perceive that as a real asset but in the same time a real challenge to leverage this pool to the Deployable , and internationally competent Level. In this regards , serious efforts are now being conducted with cooperation with the Ministry of Higher Education and Scientific research to modify/enhance the curriculum to be more closer to the ICT Industry requirements, thus narrowing more and more the Skill Gap which is as we know will be an ongoing process and we have to start somewhere.

Finally , I wish all participants a successful conference , and an enjoyable stay to our guests who came from different countries all over the world . Thank you