



Creating a Knowledge Economy

Raed H. Charafeddine, First Vice-Governor, Banque du Liban

ArabNet Beirut 2014
March 5, 2014 | Beirut

Excellencies, Distinguished Guests, Ladies and Gentlemen,

It is a great pleasure to participate in the opening of the fifth edition of "ArabNet Beirut", the leading regional event for the digital creative sectors. I would like to start by commending ArabNet for persevering forward with this important initiative, year after year, despite escalations in local and regional political instabilities. ArabNet is an entrepreneurial project that the Central Bank of Lebanon has supported since its beginnings for its potential to stimulate the growth of the Arab knowledge economy and support the creation of new businesses and job opportunities for youth in Lebanon. Creative talent, innovation and entrepreneurship, the themes of "ArabNet Beirut", are hallmarks of Lebanon, which it is important for us to retain and develop.

More than ever, digital technologies and innovations are infiltrating every aspect of our daily lives; becoming an integral aspect of countries' abilities to grow their intellectual capital and competitive edge in the global economic market. In Lebanon, we have seen digital startups flourish with a positive impact in nourishing talent and creating viable career alternatives for young Lebanese looking to move abroad, thus, limiting brain-drain.

We, as a Central Bank of Lebanon, strongly believe that integral to the success of these startups is a well-developed entrepreneurial ecosystem; the support and empowerment of entrepreneurs by incubators, accelerators, investors,

mentors, as well as financial and educational institutions. Thus, we have further bolstered our dedication to fostering entrepreneurship with the launch of Circular 331, late last year.

Through Circular 331, the Central Bank has allocated over 400 million USD to support and guarantee investments in startups in Lebanon. We have incentivized the historically-strong Lebanese banking sector, to invest in a new and promising avenue for economic growth, and also by guaranteeing investments in digital ventures up to 75%. This initiative has already shown results, through the creation of multiple funds for entrepreneurs, and we hope it will help young Lebanese to build their digital innovations into businesses that leave a global mark.

Over the next two days, we look forward to hearing about the latest advances that have been made on the regional and global digital scenes and the exciting opportunities that stand before us. We anticipate stimulating discussions that will unfold about cutting-edge developments in the creative fields and the larger entrepreneurship ecosystem. We give a special welcome to the talented Lebanese and regional entrepreneurs with bright ideas and promising startups pitching in this year's Ideathon and Startup Demo competitions.

We strongly believe in the talents and resiliency of Lebanese entrepreneurs and businesses, and in these hard times, we are especially committed to partnering with them on their journeys and investing in their growth. We wish you all a productive and enlightening experience, and hope you will make the most of this unique event to broaden your digital horizons, grow your networks, hone your ideas and advance your businesses.

Thank you.