

# Era of Innovation: Bahrain Focus

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In our [article](#) titled "[R&D and Innovations in the GCC Countries: Recent Updates](#)" of last year, we had looked at the era of innovation that was beginning to take shape across several countries of the Gulf Cooperation Council. Over the course of the past year, we have noted that more regional governments are coming to terms with the new direction in which the upcoming post-oil era is heading. Governments are now appreciating that this upcoming era demands a radical change in the relationship between the academic institutions and industrial sectors, and, that such change is of vital importance for the development of a sustainable future. Among those governments, figuring prominently in this new direction is that of Bahrain, where the first signs of development towards a knowledge based economy are quickly beginning to take shape. Following on from last year, this article focuses on the latest initiatives, which the Kingdom of Bahrain has taken to encourage and promote innovation across all sectors of its economy.

## Organising Research in Higher Education Institutions

Bahrain is now dedicating significant resources and efforts to balance the playing field between consumerism and productivism in its economy and usher in an era of sustainable development. In an attempt to jumpstart initiatives, Bahraini authorities have set in motion, plans to spread out entrepreneurial landscapes spanning an extensive range of programs, organizations, and student groups dedicated to fostering innovation on academic campuses and beyond. The most prominent of these plans is the Higher Educational Council ("HEC") National Research Strategy Plan 2014-2024 ("Plan"). The HEC intends on 'creating a smart Bahrain based on knowledge & innovation' (as per strategic objective 1 & 2 of the Plan) by increasing:

1. the number of patents & industrial designs filed in Bahrain & internationally; and
2. the funds available for research and development for both academia and the private sector.

Simply put, the Plan, as devised, understands that building the blocks of a knowledge based economy starts with education. The Bahraini government acted on this Plan last month by introducing Resolution No. 1247/HEC/2017 Issuing the Regulations Of Scientific Research For The Higher Education Institutions ("Resolution"). Governed by this Resolution, the HEC enacted a research organisational chart requiring higher education institutions to allocate not less than 3% of gross annual revenues to scientific research. The Resolution also allows natural and legal persons to provide academic institutions with grants, endowments and even fundraising for research purposes in adherence to Decree No. (21) of 2013 which organizes fundraising for general purposes.

## Finance

The Economic Development Board of Bahrain issued a framework for the testing of financial products/services based on new technologies, or new permutations of existing technologies in the Bahrain Regulatory Sandbox without the burden of heavy regulations and licensing procedures. To this end and in a joint effort, three leading Bahraini banks are currently in the process of establishing the new entity, Algo Bahrain, with one of its main missions and objectives being research and development in the sharia-compliant fintech sector. Algo Bahrain is a strategic company expected to bear fruit over the long term and to ensure Islamic banking stays ahead of the game.

## Healthcare

The National Health Regulatory Authority is teaming up with the Bahrain Industrial Investment Park to attract drug and biomedical manufacturing to the Middle East, which predominantly relies on the importing of pharmaceutical products. Such a move allows inventors such as Professor Mohammed Al Dahmani Fathallah of Biomedical Technology at Arabian Gulf University in Bahrain, Dean of the College of Graduate Studies, and his team to capitalise on their discoveries. Specifically, Professor Fathallah and his team have succeeded in the “unravelling of inflammation molecular codes that affect the body, into a biological drug capable of controlling the blood cells that activate upon inflammation”. The team hopes that this new drug will cure the negative effects, which are the major causes of numerous diseases of the immune system, the brain, the nervous system, cancers and heart disease.

## **Tamkeen**

Tamkeen, a semi-governmental organisation tasked with making the private sector the key driver of economic development through their numerous funding and training schemes – Small & Medium Size Enterprise are now able to become significant industry players by availing themselves of Tamkeen’s many funding schemes. In addition to supporting companies during incorporation, Tamkeen has realised that the advent of flexible manufacturing systems has created new demands for scientific insights into materials, production processes and even management. This growing preponderance in economic output of service industries produced Tamkeen’s Training and Wage Scheme with the objective of acquainting Bahrainis with scientific knowledge on organisational improvements and networking to sustain productivity advances. Since much of the new information and communication technologies are science-based, science has much to offer to help these technologies maximise their contributions to production and employment. Those efforts culminated in awarding Bahrain the bid to host the Global Entrepreneurship Congress in 2019. The Global Entrepreneurship Congress brings together entrepreneurs, investors, researchers, policymakers and other professionals from over 170 countries.

## **Being proactive**

Shifting to a new technology or even expending resources on research and development in order to improve an old technology could be a risky business decision. However, considering the rapid changes in today’s world, not taking such a risk, or even taking a conservative approach to it might be more critical and in some cases devastating, as what is now considered “up to date” could quickly change to become “outdated”. In addition to investing in innovation, it is crucial to invest in protecting the intellectual property (“IP”) resulting from innovation as soon as it is created. Special attention should be given to patents and industrial designs considering the novelty requirements that are prescribed for registration. Taking the right decisions in terms of what research and development to focus on and what, when and how to protect the IP surrounding such research and development can be quite challenging and strategic and may break or make a business in Bahrain. A prudent business will need to be proactive to stay at the forefront of technology and recognize and invest in its IP requirements in order to stay ahead of the curve.

How Can Al Tamimi help? [Our IP department](#) has a dedicated Patents & Designs –

*R&D and Innovation Practice, which can assist in a wide range of contentious and*

*non-contentious matters related to innovations, including legal protection, contractual*

*matters and litigation. For more information about our services in the field of R&D and*

*Innovations, please contact the authors or [Ahmad Saleh](#) (Partner & Head of Patents &*

*Designs – R&D and Innovations) at [a.saleh@tamimi.com](mailto:a.saleh@tamimi.com).*