



FOSTERING INNOVATION IN B&H

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Research for WBC
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FIRMA Objectives



Resources: 5 years, \$20 mm, \$3mm grants

Purpose: “Capacity to cope with EU competitive pressure”

Goals are ambitious, transformational:

- Substantially expand business results for SMEs covering **40%** of the output of targeted sectors:
 - Wood processing
 - Metal processing
 - Tourism
- Substantially advance cross-cutting goals:
 - EU Alignment
 - Gender / Inclusion
 - Workforce Development

*And make it all **sustainable***

- Organization of Activities**
1. Product & Productivity
 2. Market Connections
 3. Access to Finance
 4. Workforce Development
 5. Business Environment

Innovation Challenges in B&H

- Global Innovation Index: 116 out of 132 countries [1]
 - University-Industry collaboration 129
 - Cluster development 115
 - Innovation culture 116
 - Knowledge creation 132
- Low investment in STI (below 0,1% of GDP) [2]
- Underdeveloped collaboration between R&D institutions and industry
- Fragmented legal /institutional framework for STI
- Lack of strategy on business-level innovation

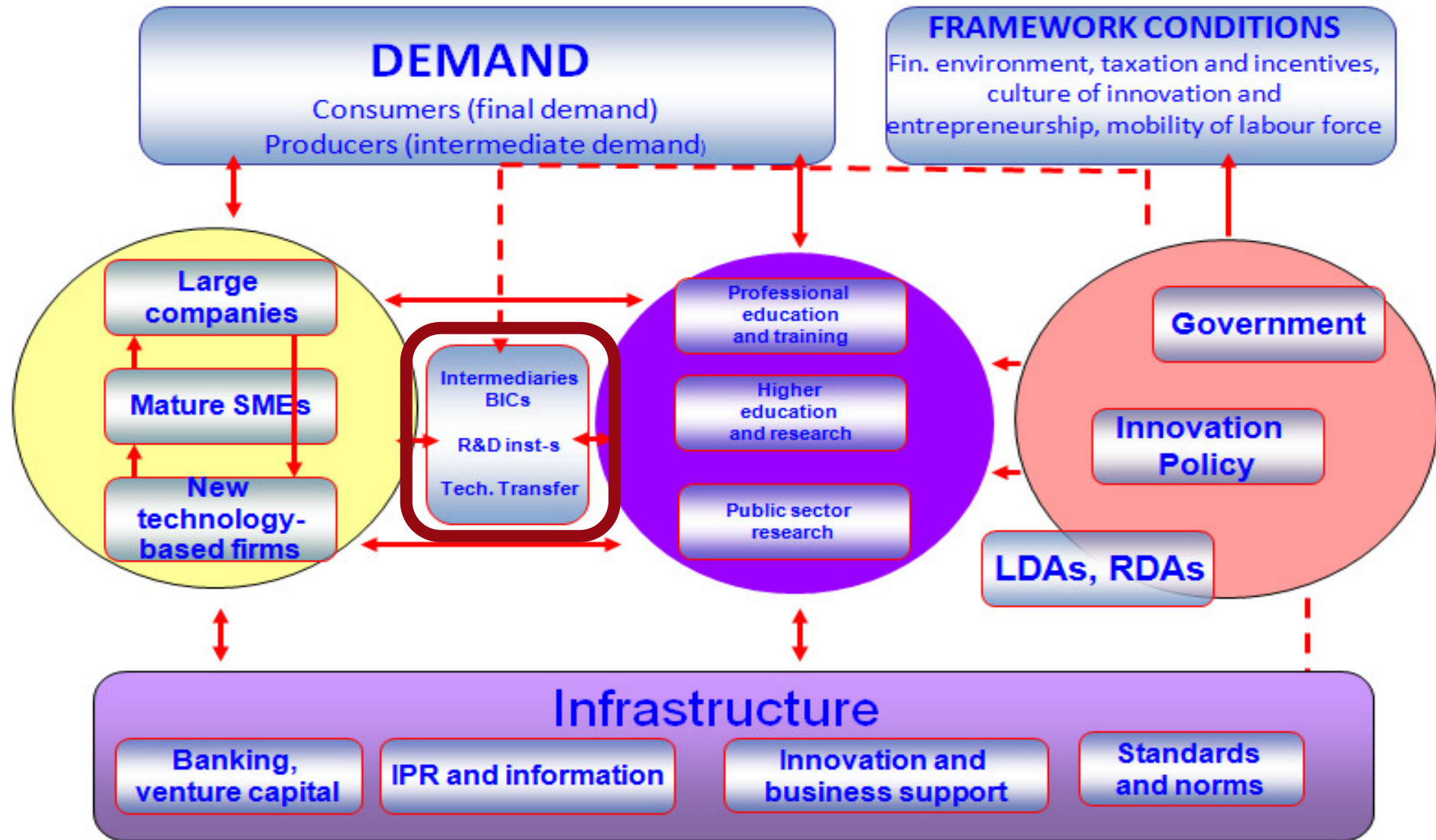
[1] www.globalinnovationindex.org Similarly, the World Economic Forum's Global Competitiveness Index <http://gcr.weforum.org/gcr09/> B&H is ranked 131 out of 133 countries on the innovation pillar.

[2] http://www.fmon.gov.ba/index2.php?option=com_docman&task=doc_view&gid=27&Itemid=131

FIRMA Innovation Initiative

- Create awareness
- Support policy level coordination
- Stimulate innovation development from the demand side
- Improve competences of innovation service providers
- Encourage collaboration between BICs, RDA/LDA and SMEs.
- Facilitate international cooperation
- Support access to available donor programs
- Encourage development of B&H government programs for support of innovation

Country's Innovation System



BICs in B&H

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- A number of LDAs and Technology Centres perform some of the key functions of BICs (support to innovative SMEs – start-ups and existing ones)
- Some have business incubators
- Satisfy many quality criteria – number of staff, areas of expertise
- Some support cluster development

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- Only one BIC in BiH is registered with EBN
- Lack of innovation support services (diagnostic, product development, technology transfer, IPR protection)
- Lack of pro-active approach to SMEs among technology centres
- Weak cooperation between science and business support

ISN - Innovation Support Network

Innovation service providers capacity building:

- Initial ISN workshops: awareness raising, best practice presentations, thematic working groups
- Association with EBN - European Business Innovation Network
- Development of quality standards and systems for BICs
- Individual BIC action plan development
- Development of transferrable innovation support products/services for dissemination throughout the network
- Closer cooperation with NCPs and access to international innovation networks /programs (CBC, Eureka, FP7, CIP)

New Products Development Initiative

- Assessment of SMEs innovation capacities - Innovation scan
- Pre competitive phase support to micro-clusters of SMEs
 - Raising awareness about innovation
 - Learning about technical and technological opportunities
 - Transfer of technology and know how
 - Implementation of technical and technological solutions
- Providing innovation services to selected individual SME's
 - Development of new product ideas
 - Development and design of prototypes
 - Registration of patents and licenses
 - Commercialization of new products

ISN Future Agenda

- Innovation competitions and awards
- Innovation voucher schemes
- Connecting ISN to VC funding and business angels
- Innovation and Technology Transfer Funds
- Internationalization initiatives - EBN
- Innovation surveys and regional strategies
- Innovation conference

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