

Towards 2020:

New Horizons for RTD and Innovation in the Western Balkan Region

WBC-INCO.NET Final Conference & Brokerage Event

Tech Gate Vienna / Donau-City-Straße 1 / 1220 Vienna / Austria

1st Panel

Cooperation on Research and Innovation
at Regional Level: Creating Synergies

Regional Cooperation in Research and Innovation: Creating Synergies for Inclusive Growth

Dusan Vujovic,
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FEFA, Belgrade

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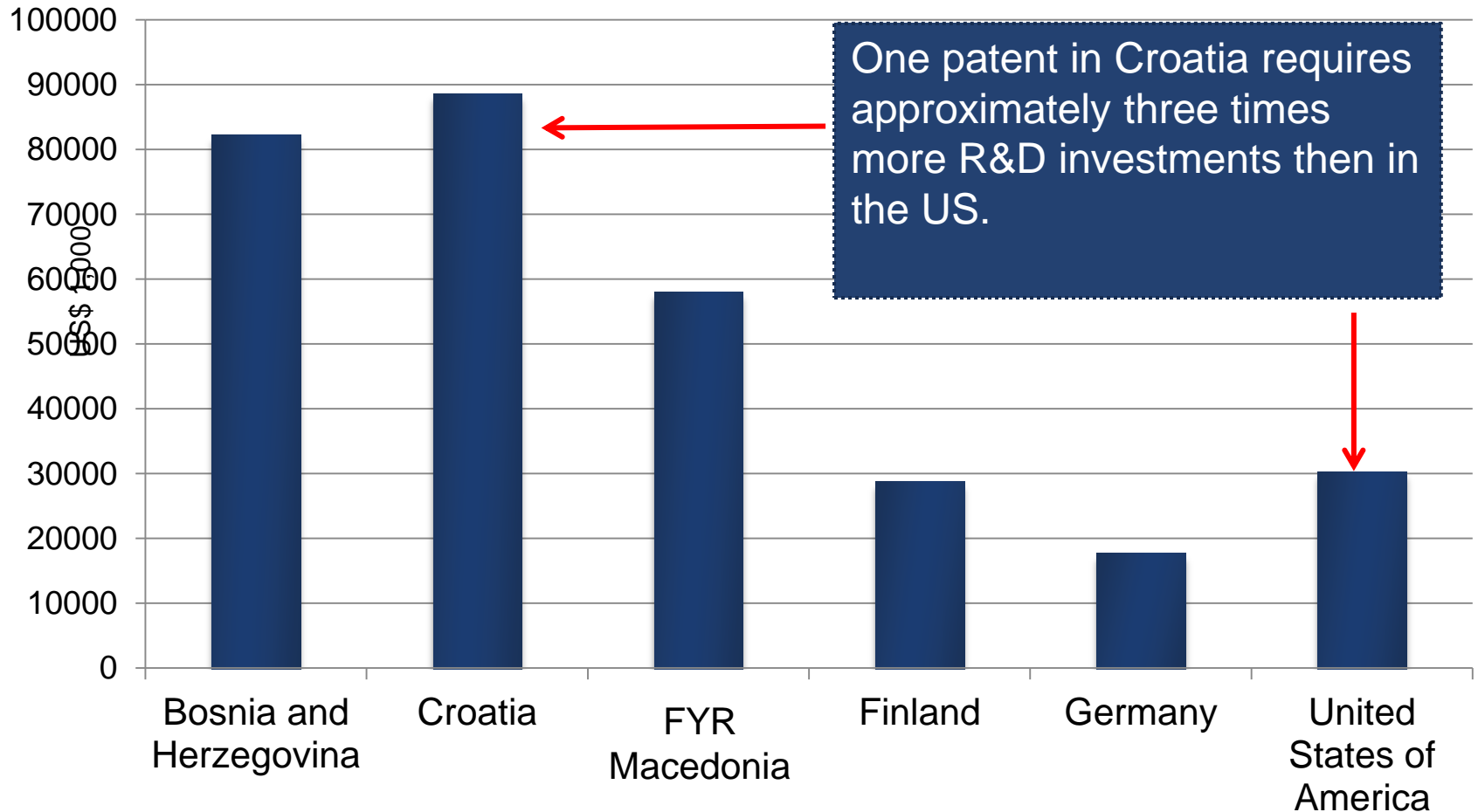
- ▶ World Bank Consultant on the Western Balkan Regional R&D Strategy for Innovation
- ▶ Professor of Economics, FEFA – Faculty of Economics, Finance and Administration, Belgrade

What: Diagnostics – The status of the Research and Innovation Sector in WB

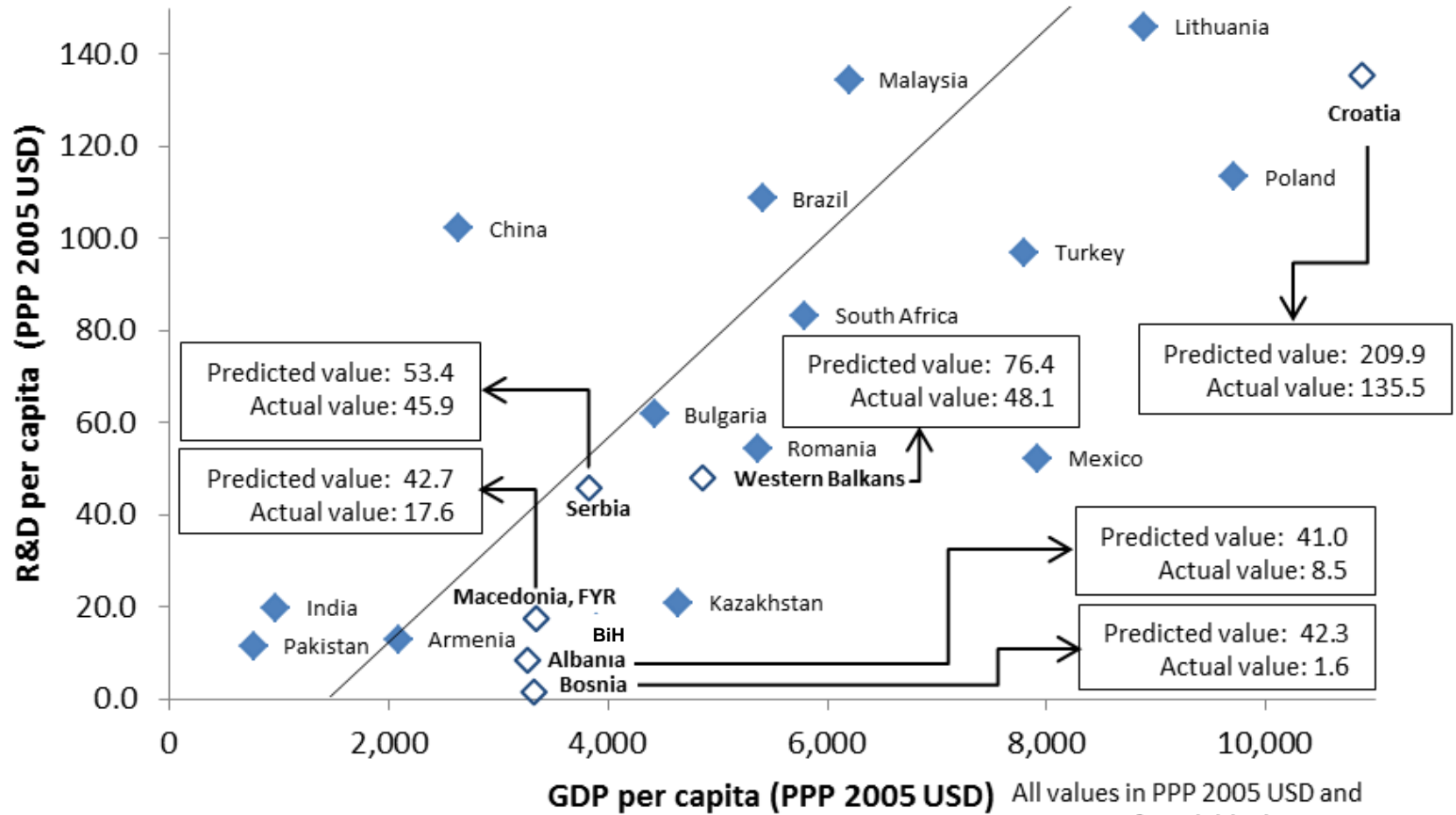
- ▶ **Low R&D Investment Levels**
 - ▶ Most WB countries are below the trend line
- ▶ **Costly Results of R&D Effort**
 - ▶ WB invests little and produce even less R&D results
 - ▶ Croatia takes 3 times more R&D investment per patent than the US
- ▶ **Underlying Causes**
 - ▶ Research – underfunded and drained of talent
 - ▶ More and Better R&D investments are needed
 - ▶ Technology Transfer – not adequately supported
 - ▶ Business Innovation – haphazard and weak
 - ▶ Governance – non-transparent and often weak.

COSTLY RESULTS OF R&D INVESTMENTS

GERD/ Total Triadic patents



R&D Expenditures per Capita (Predicted and Actual), 2007-11



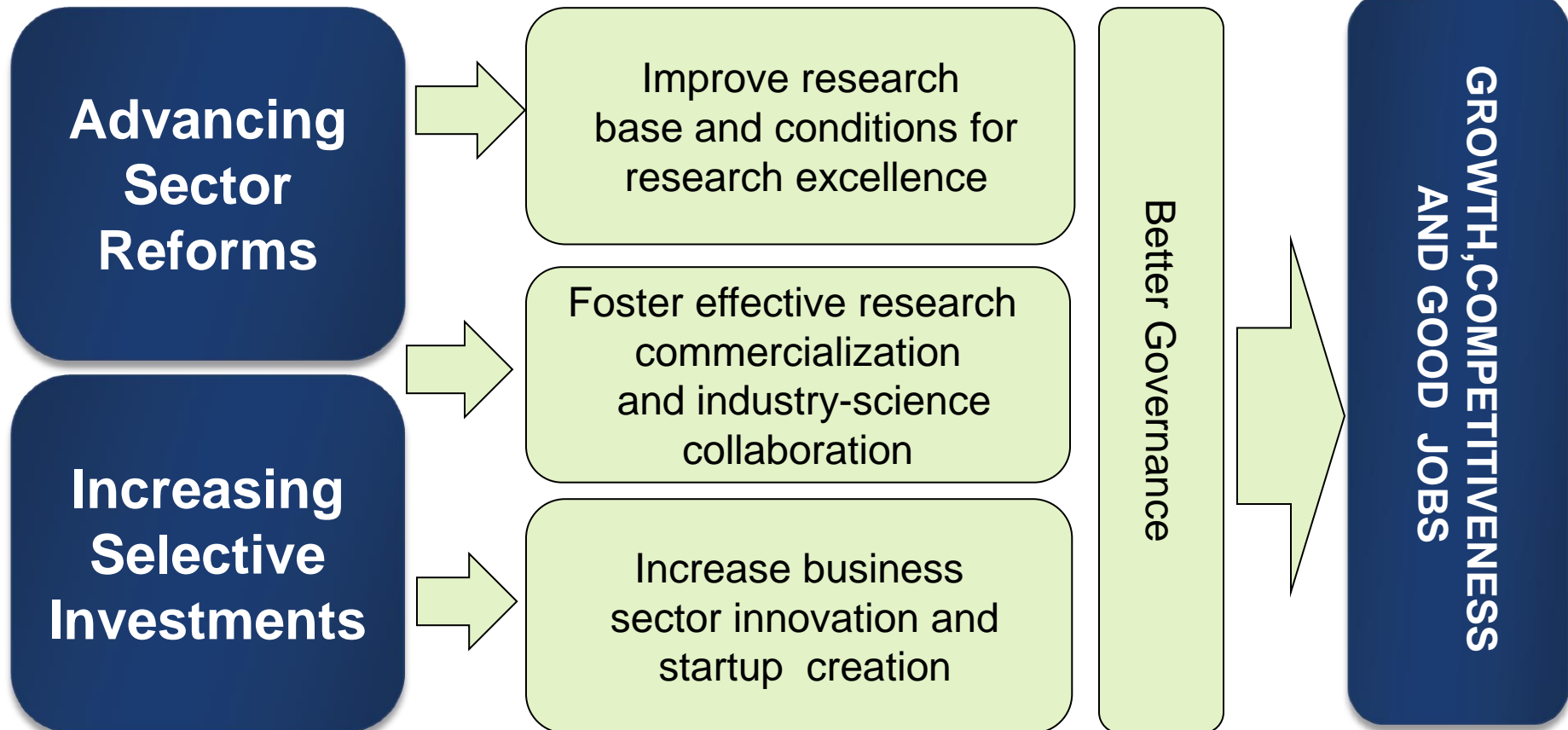
All values in PPP 2005 USD and averages of available data points between 2007-11.

HOW: Policy Reforms and Strategic Investments: A 'sector – wide' approach

Two Levels of Action

Four Strategic Goals

Impact



HOW: The Value of Regional Collaboration

- ▶ Increase **STABILITY** of programs and policies (including predictability of funding);
 - ▶ Seek regional commitments
- ▶ Optimize **SCALE** (by avoiding duplication and reaching appropriate *critical mass* in key sectors);
 - ▶ Share research facilities and infrastructure
- ▶ Promote **MERITOCRACY** (as the rule of the game for the research community); and
- ▶ Advocate good **GOVERNANCE** and Results-Orientation

HOW: The Value of Regional Collaboration – 4 regional programs

- ▶ A **research fund** to increase international collaboration (including with the scientific Diaspora) and expand opportunities for young researchers
- ▶ **Regional ‘networks of excellence’** in selected fields – consistent with ‘smart specialization’ approach.
- ▶ **Technology transfer facility program**
- ▶ **Early stage innovation facility** to complement the support to be provided by the Western Balkan Enterprise Development and Innovation Facility (EDIF).

Plus a slim **regional organization** to supervise the implementation, promote policy reforms and systematic capacity building (The Western Balkans Innovation

▶ Strategy Exercise- WISE)

WBIF

EC : IPA2,
Horizon 2020

Country Budgets

Other donors

Western Balkans Innovation Strategy Exercise – WISE
A Results-Based Framework for Research and Innovation

Managing Public Policies

**Policy Dialogue
Analysis and Monitoring**

**Research for
excellence
fund**

**Regional
centers of
excellence**

**Technology
transfer
program**

**Innovation -
early financing**

Increased
research and its
quality & links
with Diaspora

Better joint
infrastructure
in selected
centers

Improved
diffusion and
private sector
collaboration

Develop a
pipeline for the
Western
Balkans VC
initiative

Measureable results ...

and clear metrics

PRODUCTIVITY & JOB CREATION

M&E yields redesign and results improvement



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Thank You For Your Attention!

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