

CONCEPT NOTE
CONTRIBUTION TO THE ACTION PLAN TO INCREASE INNOVATION CAPACITIES
IN THE WESTERN BALKAN COUNTRIES (WBC)

Title of the suggested Action: Development of the regional joint Social innovation Fund in the WBC region

Subtitle (or short description in one sentence): Bridging science and technology innovations with private, public and civil sector initiatives in order to provide new, effective and innovative solutions to key socio-economic challenges.

Social innovation includes new strategies, concepts, ideas, processes, services, targets, business models, tools and methodologies or a combination of all that meet social needs. Social innovation is also a change in the relationship between service providers and users, public authorities and other stakeholders and between **human and physical capital**.

Description of the Action (approx. 1 page):

Social innovation is a relatively new concept in Western Balkan region, and as such has not been defined by any particular actors. For that reason, there is a need for first of all defining and promoting this concept, and then developing a network of social innovators that will be involved in the process of mapping and promoting new concepts, tools and practices to socio-economic challenges. Additionally, since this concept is already underway in Europ, as well as world-wide, there will be a need for connecting with those networks and promoting contextualized good practices in this region.

Some of the challenges for social innovators include the following: First of all, the general environment is not stimulating enough to enable the appropriate development and mapping of social innovation. This is due to the lack of evidence based policy making knowledge and practice, lack of consistent and coherent, innovative policymaking practices that will create optimal conditions for open dialogue on pressing policy issues with key actors on all levels, including national and local governments, civil society organizations and private sector, as well as lack of adequate and broadly understood mechanisms, tools and innovative solutions that will put the accelerated process of adopting the principles of democratic governance and the European Acquis into practice. Secondly, there are many projects, (including those that implement science and technology innovations) that are targeting employment and other economic issues, and as such could be seen as examples of social innovation. However, since there are baseline and methodology for evaluating impact of science and technology innovations to problems such as unemployment, environment, poverty or any others, it is difficult to say to what extent those innovations have an impact on the betterment of life of citizens in the region. The proposed action will not only help define and promote social innovation but also help provide long/term, structured funding for regional, cross-sector initiatives that are primarily targeting key socio-economic problems in the WBC region.

Concrete actions would include the following:

- 1) Develop a working group of **cross-sector experts and practitioners** in the WB region
- 2) Conduct a more **in-depth analysis of socio-economic challenges** focusing on key challenges such as youth unemployment, ageing and corruption and the level of government spending – all issues relevant for the region

- 3) Develop a **joint Social Innovation Fund** that would bridge science and technology innovations with public, private and civil sector initiatives with the goal to provide joint, cross-sector and multi-disciplinary solutions to key socio-economic challenges, as defined in the previous action.
This action would require a joint discussion on the institutional structure of the SI Fund as well as the suggestions on the funding structure.
- 4) **Initiate the regional SI competition award for best SI practices**

References to running activities, lessons learnt from other regions, etc. (one paragraph):

Most of the growth in WBC (in science and technology but not social innovation) could be seen in the academia and the business sector (to some extent) through the projects financed by the pre-structural funds in the fields of science, R&D and innovation, but not necessarily social innovation. There are also some projects focusing on the strengthening of the SME sector and the creation of new jobs, especially in the lagging areas through the investment in the development of new and existing infrastructure in business zones, the development of new and existing incubators and other SME support institutions as well as the development of tourism infrastructure. Additionally, there are programmes implemented through the national government agency, e.g. Business Innovation Centre of Croatia (BICRO), which is primarily oriented towards technology and innovation in the SME sector but without the real implementation to key socio-economic challenges. Additionally, there are many initiatives focusing on the promotion of social entrepreneurship, which is really only one component of social innovation and is only now in the process of development.

There are many successful examples in EU and worldwide that have been promoted by the following networks: **Social Innovation Europe, Social Innovation Exchange (SIX), the Young Foundation, and many others.** SIL is a country partner to the EU/funded Social Innovation Europe and a member of SIX.

Actors to be involved in the implementation and their roles (max. half a page):

Social Innovation Laboratory (SIL) – a regional hybrid organization, aimed at the creation of an innovative policy laboratory for social innovation where knowledge, ideas and practices meet to find solutions for development challenges in the WBC regional socio-economic context. SIL was registered in Croatia but is acting in the Western Balkans (seven countries of the region) through co-founders based in Croatia, Serbia and Macedonia, as well as a wide “hub community” of NGOs, private firms, think tanks, universities and other organizations who will partner with SIL on specific projects and activities. SIL will identify and coordinate the action with relevant actors in different sectors, as well as its Regional Advisory Board, composed of a network of 15 experts from academia, research institutes, business, public and civil sectors who will provide in-depth assessment of the key socio-economic challenges in each of the WB countries and recommendations in the development of the SI Fund, and the SI network.

Other key actors:

Working group - consisting of practitioners and experts from the region

Relevant **national public bodies** - relevant ministries will be involved in the development of the SI Fund and the funding structure.

Relevant regional bodies – it will be important to include bodies such as e.g. the Regional Cooperation Council in the development of the funding structure of the SI Fund.

Other institutions – include representatives from the EU delegations on the process of SI funding development so that recommendations enter the EU funding cycles (primarily IPA and the European Social Fund).



Expected impact (one paragraph):

1. Identified linkages and gaps to key socio-economic development challenges
2. Developed networks of social innovators and cross-sector development actors - linked researchers/academicians and entrepreneurs/businesses
3. Initiated a joint regional **Social Innovation Fund** for new, innovative, cross-sector solutions to socio-economic challenges
4. Provided a platform for evaluating the impact of science and technology parks, platforms etc. in improving the quality of life in the communities

Relevance to the WBC region (one paragraph):

Actions are relevant to the WBC region and will be conducted in the region. As explained above, social innovation is a relatively new concept in the region and there are numerous challenges that need to be overcome. The action will first of all increase awareness of social innovation among different sector representatives and develop a broad network of practitioners who are interested in researching and testing different methodologies, tools and practices that bridge technology and innovation with key socio-economic challenges. It will also provide more long term, sustainable and structured funding of social innovation and help promote social innovators in the region.

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