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Ministry of Education, Science  
and Technological Development




# Innovation Fund of the Republic of Serbia

*Supporting companies to foster  
innovation*

*Nov. 28, 2016*

# Innovation Fund (IF) is...

- Founded by the Law on innovation activity to provide financing for innovation
  - Operational since 2011
  - Working under the supervision of Government of Serbia and Ministry of Education, Science and Technological Development (MoESTD)
  - Cooperating with international financial institutions, organizations, donors and the private sector
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# Vision

To be recognized as the pivotal public sector institution for supporting commercially applicable R&D activity.

High technology, high productivity and high quality of living in Serbia.

To contribute to the country's economic development, help bridge technology and development gap, foster the establishment of new and strengthening of existing companies and attract direct private investment in high-tech Research & Development (R&D).



# Mission

The Innovation Fund promotes enterprise innovation by managing financial and technical support provided by public and donor sources to assist innovative Serbian companies and strengthen linkages between research and business sectors.



# Innovation Fund's projects

- Innovation Serbia Project
- Serbia Research, Innovation and Technology Transfer Project



# Innovation Serbia Project

First ever concerted effort of the Serbian Government, the European Union (EU) and the World Bank (WB) to develop instruments and programs devoted to promoting innovation development in Serbia and facilitating the creation of institutional infrastructure essential to the country's innovation ecosystem.




# Innovation Serbia Project

€8.4 million, financed by the EU through Instrument for Pre-Accession Assistance (IPA) funds and administered by the WB

- **Component 1: Capacity building of the Innovation Fund**
  - **Component 2: Piloting financial instruments supporting enterprise innovation**
  - **Component 3: Provision of technical assistance to selected Research and Development Institutions (RDI)**
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# Innovation Serbia Project


## Mini Grants Program

- Supports early-stage (POC, prototype) development of technological innovation projects in micro and small companies
  - IF Co-financing up to 85%
  - Projects up to 12 months
  - Up to EUR 80,000 per project
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# Innovation Serbia Project

## Matching Grants Program

- Helping SMEs absorb risk in development of new innovative products/technologies/services and making them more attractive to strategic partners
  - IF co-financing up to 70%
  - Projects up to 24 months
  - Up to EUR 300,000 per project
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# Results:

- Established and implemented an independent international two-step project evaluation process
  - **Over 470 project proposals** received throughout 4 application cycles (2012. – 2014.)
  - **EUR 6 million** committed for financing of **41 Mini Grants** (approximately EUR 3 million) and **11 Matching Grant** (approximately EUR 3 million) projects, supporting innovative projects with global export potential in various areas and industries
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# Financed projects examples

## Ekofungi

### *From Waste to Taste*

A new technology for **production of high-quality substrate for edible and medicinal mushrooms cultivation, based on recycled cellulose waste materials.** The innovation was developed in collaboration with researchers from the Faculty of Agriculture and Institute for Biological Research in Belgrade.



## Strawberry Energy

### *Strawberry Tree Mini*

Belgrade based start-up Strawberry Energy, known for its public solar charger Strawberry Tree, has developed **a new type of solar public charger for cell phones.** The smaller and more efficient charger, with better power management system integrated with the application to monitor energy efficiency, is designed to be user-friendly and accessible to a wider market.



## BSK

### *Air Berry – Harvester*

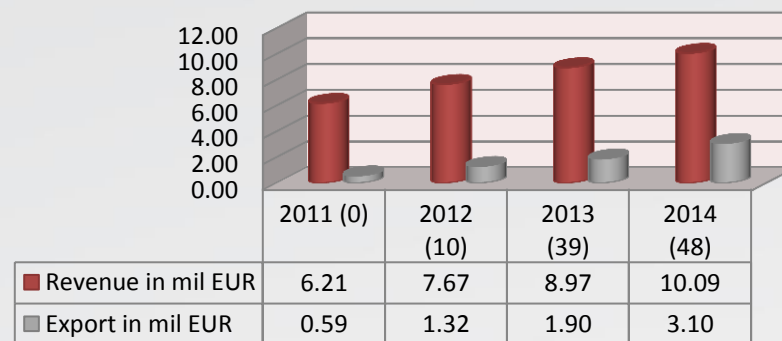
Air Berry Harvester KOKAN 500S, for contactless picking of raspberry, blackberry, blueberry and currant. The Air Berry Harvester is based on a unique and innovative **technology of air-harvesting** by blowing intermittent air pulses of controlled speed around fruitful branches. This ensures, in a natural way and without physical contact with and damage to the plant, that only technologically ripe fruit is picked.



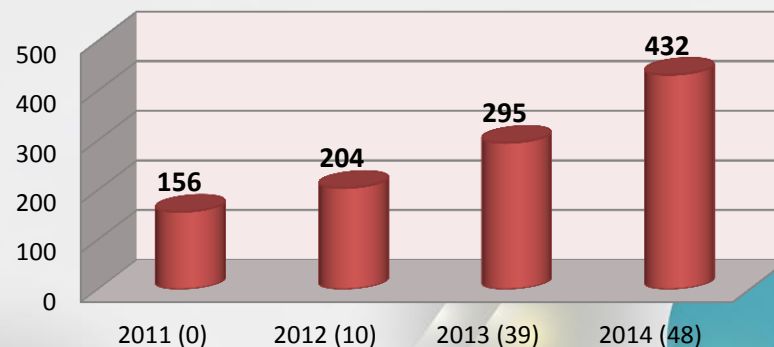
# Impact

- Significant increase in revenue of financed companies (2011. – 2014.)
- Multiple export growth multiplier
- Number of employees increased from 156 to 432
- 42 PhDs engaged on the projects
- 33 national and 25 international patent applications
- Independent monitoring of programs' impact has shown clear positive effect on employment, revenue and export

Revenue/Export of companies financed by the Innovation Fund



Average number of employees in financed companies



# Monitoring & Evaluations


## Findings

- The IF is a credible and transparent platform, accessible to many Serbian businesses, not just to a small group of entrepreneurs.
- Creates opportunities for tech-based entrepreneurs, i.e. innovative start-ups / spin-offs.
- High survival rate among supported firms:
  - Start ups: 36/38 – 94.7%
  - Other companies: 10/10 – 100%
  - Total: 46/48 – 95,8%
- Growing collaboration between Academia and Industry.
- Clear, accessible, and effective programs
- Transparent and trustworthy evaluation process
- The IF staff ranks high in Professionalism / Willingness to help / Flexibility


# Serbia Research, Innovation & Technology Transfer Project

- Total budget EUR 6.9M
  - Financing: EU IPA 2013 and RoS state budget through MoESTD, administered by the World Bank
- Objective – institutionally connect R&D organizations and industry through joint development projects and re-orient academic R&D toward the needs of private sector
  - Technology Transfer Facility – IF implemented
  - Collaborative R&D grant scheme – IF implemented
  - Development of an R&D and innovation strategy – WB executed

# Technology Transfer Facility


- Specialized unit set up at the Innovation Fund
  - Building transactional expertise, including university TTOs through practice-oriented approach
  - TTF Program
    - Eliciting invention disclosures from researchers
    - Evaluation (prior art, technology, markets, team)
    - Last mile R&D grants (patent attorneys, PoC, prototyping, external expertise, testing) ~ EUR 10,000 per project
    - Commercialization support
    - Legal support
    - Negotiation, contracting
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# Collaborative Grant Scheme

- New financial grant instrument
  - Co-financing joint R&D projects between academic R&D and SMEs aiming to create new products, services and technologies
  - 96 applications received, evaluation of proposals in progress
  - All fields of science and technology
  - Total budget EUR 3.4M
    - EUR 2.4M EU IPA funds
    - EUR 1M MoESTD
    - Additional EUR 1M from private sector through co-financing by grant awardees
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# Next steps

- Application for funding of Mini and Matching Grants programs in cooperation with MoESTD
    - EUR 2.5M EU IPA
    - EUR 2M MoESTD
  - Competitiveness and Jobs Project (WB financed)
    - Mini & Matching Grants programs
    - TTF
  - Announcement of new calls for proposals expected in 2017
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Thank you!

