

Development of Social Innovation in Bosnia and Herzegovina

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- **What is the history of social innovation in your country - what has been happening in the last 10 years?**

Social innovation is a relatively new concept in BiH 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.

Most of the growth in Bosnia (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.

In comparison with other Balkan countries BiH has two autonomy entities which are: The Federation of Bosnia and Herzegovina (FBiH), which comprises 10 cantons and the Republic of Srpska. In this regard, many measures, policies and regulations in places do not necessary apply for both entities. More specifically, in case of Federation of BiH, many regulations and policies do not apply for all cantons – they all have their autonomy in certain areas. Bosnia is a very decentralized country. Apart from the two entities, there is a separate administrative unit – Brčko District.

Bearing in mind the above fact, the responsible institutions with the focus on advancement of scientific research activities, innovation, development of investment technologies and preparation of programs and cooperation's/agreements are the Federal Ministry of Education and Science (FBiH) and the Ministry of Science and Technology of the Republic of Srpska. In addition, the Federal Ministry of Development, Business and Trade, supports the application of innovations and introduction of modern technologies in the field of business and trade¹.

In the last decade the country has implemented many strategies and reforms to raise the infrastructure and promote innovation within the country. In 2005 was created the Business Innovation and Technology Center Tuzla². The purpose of the incubator is to assist in and speed up business development processes in companies located in the BIT Center Tuzla. This objective is to be met by providing incubator companies with enabling tools, training, infrastructure and other support necessary to create financially stable high growth enterprises. Up to now the BIT Center has succeeded to host 42 companies, 1 ICT Lab, and 4 idea developer projects.

¹ <http://www.fmrpo.gov.ba/ministarstvo/nadleznostidjelokrug/> Last time assessed 08.10.2015

² <https://sites.google.com/a/bitcentar.com/engleski/home> Last time assessed 08.10.2015

In April 2009 the Parliamentary Assembly of Bosnia and Herzegovina adopted the *Framework Law on basics of science-research activities and coordination of internal and international science-research cooperation in Bosnia and Herzegovina*³. This law set special interest in area of science and technology in Bosnia and Herzegovina, basic principles of science-research activities, accomplishment of international science-research cooperation and science-research cooperation within Bosnia and Herzegovina, it's financing, ways of coordination achievement among institutions responsible for area of science and technology, establishment of Council for science Bosnia and Herzegovina, as well as coordination of informational system for area of science-research activities in Bosnia and Herzegovina.

In the same year was adopted the Strategy for the Development of Science 2010 – 2015 with the action plan. The document prepared by the Ministry of Civil Affairs has specified the role of the public authorities covering all aspects of the country's science and research.

In 2010 was established the Council on Science of Bosnia and Herzegovina. This Council is the first state-level advisory body that is responsible for making recommendations to the government (in particular to the Ministry of Civil Affairs) concerning all issues related to research, technology and innovation policy. The Council drew up guidelines for RTD strategy and monitoring its implementation. It is also expected to contribute to the wider aim of including Bosnia and Herzegovina's science and humanities in the European science and technology system. Finally, the Council was responsible for a continuous dialogue between the scientific community and policy makers on the subjects mentioned above.

In 2012 the Government of the Federation of Bosnia and Herzegovina adopted a proposal for the "Strategy of Development of Scientific-Research and Research-Development Work in the Federation of BiH for the period 2012-2022" which was submitted to the Parliament of the Federation of BiH for adoption. The strategy aims to improve the promotion of scientific work in universities, with a particular focus on education and the promotion of young researchers.

In the last Report on Global Innovative Index⁴ Bosnia and Herzegovina was ranked 79th, while in 2014, the country was ranked at 81st place. Also, an important step for the country was the agreement signed in 2014 of the new EU research and innovation program Horizon 2020 (covering 2014-2020), which is considered an important steps to country development in the area of research and innovation.

With the support of the foreign donor and investments were created 17 business start-up centers/ technology incubators. They support entrepreneurs and help start-up companies through the use of shared resources, management expertise, counseling, training

³ Official Gazette of BiH, No. 43/09

⁴ <https://www.globalinnovationindex.org/userfiles/file/reportpdf/GII-2015-v5.pdf> Last time assessed 08.10.2015

programs, the provision of services (administrative support, office equipment, marketing etc.), networks for potential business partners, etc.

- **What challenges are being addressed by social innovation?**

Innovation can be applied in many sectors. There is no official data on the challenges that are being addressed by the social innovation in BiH. However from the desk research and taking into consideration the available projects that are currently implementing, social innovation addresses the challenges in the following sectors: lack of employment, lack of education, lack of development of infrastructure in agriculture sector, development of ICT in serving the communities in need, enhance capacities especially of young entrepreneurs to stimulate innovative solutions for social needs, ect.

- **Who are the key actors? - What kind of businesses, what parts/levels of government, which sectors support social innovation if anything? What other organisations are involved in doing social innovation? What about citizens or local communities?**

The international donors and institutions had played an important role to boost social innovation in Bosnia and Herzegovina. In this regard **USAID** funded a five- year program called “Partnership for Innovations”⁵ The project was presented from 2011 and the goal is to improve the competitiveness and productivity of SMEs, enabling them to meet market demand and preserve and generate jobs, and to enhance employment and entrepreneurship among youth, by providing the support they need to use ICTs to identify and exploit new opportunities.

In addition, **European Commission** launched a regional call related to support social innovation and some activities are expected to be implementing in Bosnia as well.

Ministry of Civil Affairs of Bosnia and Herzegovina⁶ – The Ministry of Civil Affairs of BiH is a state level authority responsible, besides other policies, for education and science policies at the state level. The Department for Education, Science and Culture performs the following activities related to the policy field of science: coordinates activities of the entity authorities (the Federation of B&H and in the Republic of Srpska); defines the strategies relevant for the international cooperation; participates in the work of international organizations with the focus on research and science; ensures execution of international obligations of BiH; participates in preparation of international agreements; monitors application of local agreements and strategic documents; follows the European integration processes and initiates their implementation; monitors application of adopted European conventions and declarations; prepares participation of BiH representatives at the world and European conferences; leads and coordinates cooperation with the organizations, bodies and authorities of the European Union; keeps up with the programs of the EU and world associations, and initiates applications for

⁵ <http://innovation.ba/about/> Last time assessed 28.10.2015

⁶ http://www.mcp.gov.ba/Default.aspx?langTag=en-US&template_id=107&pageIndex=1 Last time assessed 05.10.2015

them; collects and analyses information about the science in the country; acts as service for advisory and other bodies established for dealing with science; promotes and fosters science as an important part of socio and economic progress of B&H.

City Development Agency Banja Luka⁷ – is a non profit organization but which is supervised by the City Assembly and the Mayor of Banja Luka. It serves as a functional and operational unit which continuously initiates, propose, prepare and implement development projects in line with the global development trends.

Association of the Inventors of Republic of Srpska⁸ – is established since 2004 and function as a non profit association. The main goal of the association is to and influence the development and finalization of Strategies, Laws and Innovation Activities related to innovative sector, supported by adequate measures of economy and politics of the Republic of Srpska.

Center for Rural Development and Agriculture⁹ – is functional since 2003 aiming to increase the level of rural and agriculture development of Herzegovina region. In 2008 the Center started with implementation of project “Voucher Scheme of trainings and counseling for business subjects”, with the main purpose of strengthening competitiveness of the small and medium enterprises in the Herzegovina region through counseling system by trained and certified consultants.

Local Development Agencies target small and medium – sized enterprise and aim to promote entrepreneurship and create condition for employment growth within their local communities.

- **Please show a few of the key projects that illustrate social innovation in your country**

Mozaik Foundation¹⁰ is founded in 2002 with the aim of encouraging the development of rural communities. Today, Mozaik is a leading social enterprise in the region, whose vision is an economically and socially strong BiH. The focus is to mobilize local resources and sustainability of socio-economic development which we achieve through our programs: YouthBanks and All Inclusive. Through the award of grants we support nonformal youth groups and organizations whose actions bring economic and social benefits. By opening two social businesses, EkoMozaik Ltd. and MaŠta Agency Mozaik can serve as an example of successful business and responsibility to society.

Bosnian Handicrafts¹¹ is an enterprise which unites creative humanitarian business and personal development elements in a balanced and successful manner. It is the oldest

⁷http://www.cidea.org/index.php?option=com_content&view=article&id=3&Itemid=20&lang=en#, Last time assessed 08.10.2015

⁸ <http://www.savezinovatorars.org/> Last time assessed 05.10.2015

⁹ http://www.crrp.redah.ba/index.php?option=com_content&view=article&id=20&Itemid=1 Last time assessed 05.10.2015

¹⁰ <http://www.mozaik.ba/en/> Last time assessed 05.10.2015

¹¹ <http://www.bhcrafts.org/AboutUs.html> Last time assessed 28.10.2015

handicraft in Bosnia and Herzegovina. BHcrafts produces handmade clothing and decorative items, which involves women within the country.

Lejla Radoncic started this project in 1995 as the director of a refugee center built by The Norwegian People's Aid after the highly destructive war in Bosnia. It began as a humanitarian enterprise, and today has developed into a successful export-oriented business which is still growing. BHcrafts promotes the cultural heritage of Bosnia while using its traditions to develop products appealing to the modern market.

Business Innovation Zoo¹² is a startup accelerator and startup event organizer with wide network of local and international mentors and angel investors based in Sarajevo, Bosnia, and Herzegovina. It helps startups build and develop a sustainable ecosystem, offering resources, knowledge, top mentors, and access to the latest technology.

In June 2011 PLOD Center for Promotion of Local Development Bihać started implementation of project “**LED NET - Initiative for Creation of Local Economic Development Network in B&H**” with the objective to network civil society organizations in B&H, exchange knowledge, strengthen their role in the process of local and regional economic development and improve cooperation between governmental, non-governmental and private sectors. The project is implemented in cooperation with other organizations active in the sector of local/regional development: Independent office for Development (NBR) Modriča, Association of Entrepreneurs and Employers (UPIP) Žepče, Association of Entrepreneurs and Business LINK Mostar and Centre for Development of Herzegovina (CRH) Trebinje, which signed Memorandum of Understanding in order to establish Network for local economic development in B&H on September 9th, 201

LED NET¹³ was established as a response to the lack of involvement of civil society in the process of implementation of socio-economic reforms in B&H in order to support and strengthen networking of civil society organizations and their contribution in the sector of local and regional economic development in B&H. The project will provide long-term cooperation between organizations, as well as exchange of knowledge and positive practices, which leads to strengthening the local economy and creation of better conditions for economic growth and entrepreneurship development.

¹² <http://www.bizoo.ba/> Last time assessed 08.10.2015

¹³ <http://www.plod.ba/en/current-projects/itemlist/category/8-lednet> Last time assessed 08.10.2015