

Development of Social Innovation in Former Yugoslav Republic of Macedonia

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

The development of social innovation in the FYR Macedonia is linked with the development of solving societal needs and a competitiveness private sector within the country and the reforms undertaken in the light of EU integration agenda. In this light, during the last decade the government institutions, companies, national and international donor institutions and civil sector have embarked the country to grow and develop social innovation.

In 2005 the government adopted the Program for Development of the Scientific Research activities in the Republic of Macedonia for the period of 2006-2010. It is the first official document adopted by government in an independent Macedonia that addressed the development of research and development within the country. It aimed at increasing of the funding for research and technological development projects and for fellowships for young researchers, and in the same time aimed to increase regional and international cooperation. In 2014 the changes of the Law for Scientific Research activities² have been adopted by the parliament (official gazette nr.41/14) and the Government has adopted Program for Scientific Research activities in RM.³

On this path the FYR Macedonia government adopted in 2009 the Strategy for Industrial Policy of the Republic of Macedonia 2009 – 2020, a national strategic document which stipulate the enhancement of competitiveness of the Macedonian industry and the economy in general, through creating a stimulating business and investment climate for business wishing to develop new technologies, improve their competitiveness and access the markets. The strategy focused is on knowledge, innovation and research as means towards industrial development. In addition, the strategy stipulates five pillars of intervention, which are as follows: i) international cooperation and FDI stimulation, ii) applied research, development and innovations, iii) eco-friendly products and services for sustainable development, iv) the development of SMEs and entrepreneurship, and v) collaboration via clusters and networks.

Since the economic development, especially of SMEs was a priority of Macedonian government in 2011 was established the National Committee for Entrepreneurship and Innovation whose priorities were the improvement of the competitiveness of the FYR Macedonian economy, as well as improvement of employment and economic activity through development of entrepreneurial spirit, especially by young people. Members of the Committee were the ministers for economy, health, informatics, public administration, education and science, attraction of foreign investors, agriculture and forestry, and also representatives from the business sector and the sciences, but

¹ http://wbc-inco.net/object/document/7690/attach/1333_Stefov-UNESCO-Ljubljana.pdf

² http://www.uacs.edu.mk/Research/userfiles/files/Zakon_za_naucno_istrazuvacka_dejnost_46_7042008.pdf
f. Last time accesses 01.10.2015

³ http://www.mon.gov.mk/images/documents/Strateshki_plan_MON/Strateshki%20Plan%20MON%202015-2017.pdf page 18. Last time accessed 01.10.2015

⁴ http://erawatch.jrc.ec.europa.eu/erawatch/opencms/information/country_pages/mk/policydocument/policy_doc_0004

unfortunately in practice it does not function. Also the ministry on the annual bases develops the Programme for competitiveness, innovations and entrepreneurship.⁵

In September 2012, the FYR of Macedonia the Joint Research Centre by the EU, signed a Memorandum of Understanding in various scientific areas, with an aim to develop the institutional collaboration in the fields of energy and environment, climate change, health and protection of the consumers—also including the food safety, nanotechnology, biotechnology and natural disasters. The representative of the JRC highlighted the importance of investing in knowledge, innovations, creative potential and people curious for new challenges— not only investing in technology, but also in social innovation. He said that investing in people and creativity is the best way of spending the money, where he presented the EU programmes for innovation, as Horizon 2020, Creative Europe, Erasmus, and others.

In the same year, on October 2012 the government adopted the Strategy for Innovation. The strategy aims at initiating the transformation of the country into a knowledge-based economy able to compete on international markets through its skilled labour and innovative companies. The innovation strategy should drive competitiveness and economic development based on knowledge and innovation, thereby creating high value employment and prosperity for Macedonian citizens. According to this document, by 2020, the FYR of Macedonia should have an effective national innovation system, co-created by all stakeholders and open to the world.

The Government launched an “Innovation Strategy of the Republic of Macedonia for 2012-2020”⁶ and in May 2013 has enacted a Law on Innovation Activity which regulates the function of the Fund for innovation and technological development aimed to provide technical assistance and consulting services for start-up and existing enterprises in order to increase the investment in innovation, as well as financing and co-financing of research and innovative projects.

In this strategy a lot of focus has been provided to technological and business/private sector innovation, while social innovation in the broadest sense, is still not well understood and as such has not yet been recognized as an area that merits full recognition and targeted funding support as a specific platform for bridging sectors, addressing needs in a more responsible and multidisciplinary way, or as a means of creating economic value so that also creates value for society.

In May 2013 the Government of the FYR of Macedonia adopted a new Law on Innovation Activity which determines the innovation activity, as well as principles for commercialization of the results of the innovation activity, the scientific research activity, the technical and technological knowledge and of the inventions. The law envisions establishment of a body entitled as Fund for innovation and technological development, which will finance and logistically support the innovative projects in order to improve the competitiveness of Macedonian companies through the development of new knowledge and innovation.

⁵ http://www.economy.gov.mk/dokumenti/sektorski_programi/4385.html. The programme for competitiveness, innovation and entrepreneurship 2015. Web site of ME. Last time accessed 01.10.2015.

⁶<http://www.seecel.hr/UserDocsImages/Documents/InnovationStrategy%20EN%20version.pdf>

In 2013, the Faculty of Computer Science and Engineering with the support of UNDP office in Macedonia launched the first Regional Hub for Social Innovation⁷. This Hub aims to encourage the development of innovative IT solutions to social and economic problems (e.g., unemployment) by bringing together expertise from diverse range of sectors. To do so, the Hub facilitates and fosters new partnerships between the private sector, policy-makers, academics and other players interested in promoting social innovation.

In 2014 the Fund for Innovation and Technological Development⁸ was established as a public institution which aims is to encourage and support innovation activities in micro, small and medium-size enterprises (MSMEs) in order to achieve more dynamic technological development based on knowledge transfer, development research and on innovations that contribute to job creation, and to economic growth and development, while simultaneously improving the business environment for the development of companies' competitive capabilities.

What challenges are being addressed by social innovation?

The challenges addressed by social innovation in FYR Macedonia are mostly in regards to the lack of education, unemployment and health and social care to tackling down the social and economical challenges and problems.

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

The Ministry of Education and Science of Macedonia is responsible for organising, financing, developing and promoting scientific research, technological development, technical culture, informatics and information systems as well as the international cooperation related to these issues.

The Ministry of Information Society and Administration is the basic authorized institution for the coordination of the activities for developing information society (electronics communication and information technologies).

The Ministry of Economy works on the creation of conditions for development of the industry, regulation of the internal market, development of the energy sector, creation of conditions for stimulating business and investment climate for growth of the business activities and investments, development of the entrepreneurship and the small and medium enterprises, use of the natural mineral resources, increase and promotion of the export, and the development of the public private partnership and development of the tourism.

Faculty of Computer Science and Engineering The Faculty of Computer Science and Engineering (FCSE) within the UKIM is the largest and most prestigious faculty in the field of computer science and technologies in Macedonia, and is among the largest faculties in that field in the region.

⁷[file:///D:/My%20Documents/Downloads/Innovation%20in%20UNDP%20Supporting%20Young%20Entrepreneurs%20Examples%20Feb%202014%20\(2\).pdf](file:///D:/My%20Documents/Downloads/Innovation%20in%20UNDP%20Supporting%20Young%20Entrepreneurs%20Examples%20Feb%202014%20(2).pdf)

⁸ <http://www.fitr.mk/portfolio-item/mission-and-aims/?lang=en>

Social Innovation Lab is a regional platform for social innovations where knowledge, ideas and practices meet to find solutions for development challenges in the regional socio-economic context.

Civil society organizations are involved in tackling employment challenges through various activities including: information sharing, employability programs, policy development (e.g. action plans for youth employment and entrepreneurship), training and retraining of vulnerable groups (women, Roma, youth, persons with disabilities), and/or in creating programs with potential employment opportunities. Largely dependent on donor funds they hardly manage to sustain their activities and scale-up some of their solutions. Some of them have started social entrepreneurship initiatives as a way to ensure sustainability of their activities and have already made progress in addressing the issue of unemployment.

Donor community plays important actor and driver when it comes to social innovation initiatives in the country. In most of the cases it provides know how and financial support for innovative projects. Key players are UNDP, World Bank and to some extent EU

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

Social Innovation Hub⁹ The Hub seeks to draw skills from a diverse range of sectors – from undergraduates, from the private and the public sector, from civil society – and not just people already involved in IT but also from people with know-how in other relevant fields such as human development.

One of the main aims of the Hub is to facilitate and foster new partnerships between the private sector, policy-makers, academics and other players interested in promoting social innovation.

The combination of skills and expertise in development and IT and other areas will help usher solutions through every stage of the process from ideation to prototyping and all the way to scaling up.

The Hub will act as a kind of catalyst for the incubation of innovative IT solutions to address the most pressing needs of the population throughout the region. The products we develop will be aimed at the local, national and regional level. Some solutions may even be applicable on a global scale.

⁹ <http://socialinnovation.mk/>