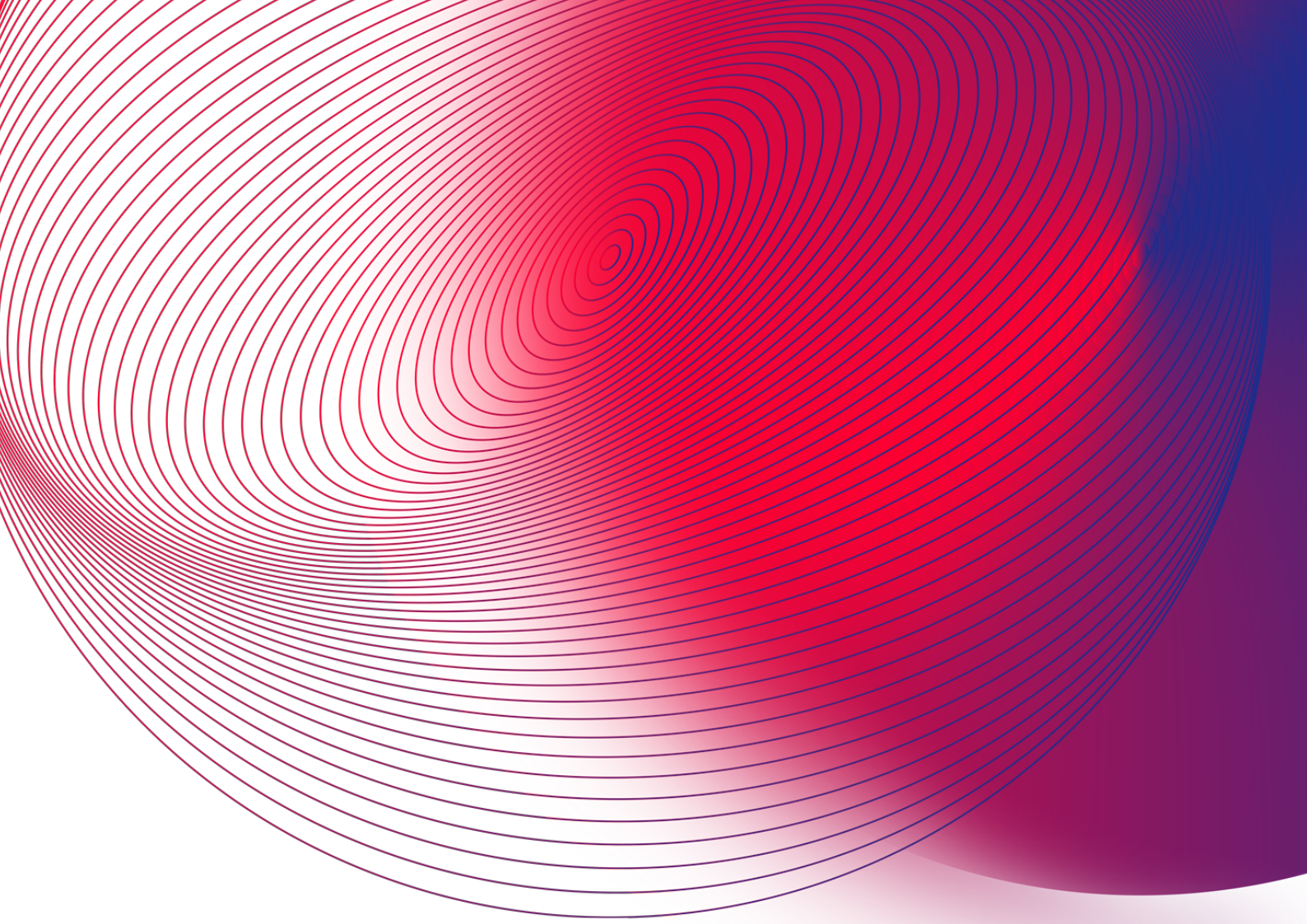


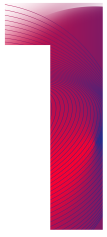


PUBLIC CALL GUIDEBOOK
FOR PILOT SUPERCLUSTERS

SERBIAINNOVATES



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SERBIA INNOVATES PROJECT AND SUPERCLUSTER AS A MODEL

The primary purpose of this document is to present and in detail explain all activities related to the public call for pilot superclusters organized by the project Serbia Innovates. The call is open from 29 December until 28 February 2022.

Serbia Innovates is a four-year project managed by ICT HUB with the assistance of the USAID, committed to the strengthening Serbia's economy. The primary purpose of the project Serbia Innovates is to create the regulated framework and provide opportunities for targeted development of domains recognized as most promising in the innovation industries of our country. Their development would accelerate the economic growth of Serbia, enabling domestic companies doing business in these fields to position themselves among global leaders. The project will gather the best consortia from specific fields and enable them to access necessary resources. This will facilitate them to cooperate in the best possible way and create new values through joint forces. Following the ideas of cooperation and technological progress, the project Serbia Innovates is based on a globally recognized supercluster economic model. The ICT Hub is the project leader, and together with a company WM Equity Partners, it will provide support for the development of the innovation supercluster.

ICT Hub is a centre for technological entrepreneurship and innovation. Founded in 2014 with the financial support of the USAID in Serbia, it positioned quickly as the ecosystem connecting all relevant actors in the innovation process – individuals, teams, companies, professionals and institutions, providing education and guiding them through changes of strategy and digital transformation.

Company WM Equity Partners is a consulting company that focuses on supporting SMEs in their efforts to access the finance by enhancing their internal capacity and by connecting SMEs with domestic and regional investors.

1.1. What is a supercluster?

The supercluster is a model for mature companies, start-ups, investors, universities and institutes, including important government institutions, to cooperate intensely to accelerate innovation development in specific fields. Simultaneously, by means of cooperation of all supercluster key participants and synergy, new values are created through commercial projects, the most significant challenges are resolved, and knowledge is being exchanged.

Supercluster methodology has already proved its success potential in the USA, Canada, Great Britain, Denmark, Norway, etc. Through this methodology, individual participants of the economic ecosystem become a part of the network directed towards the common goal. The participants receive operational infrastructure and financial support for strengthening and development through this network.

2

GOALS AND EXPECTED RESULTS OF SUPERCLUSTER

The primary goal of the project Serbia Innovates is to improve the competitiveness and innovation of the Serbian economy through the cooperation of various organizations in fields with significant growth potential. The project will support the consortia of innovation ecosystem organizations in specific domains to realize the following results through the supercluster model:

- Building joint competitive advantages for a supercluster to attract the cutting-edge research, investments and talents, through coordination of activities of different actors, bridging mutual differences, aligning forces, improving quality and positioning of global innovation epicentre in a specific domain;
- Increasing investments in research and development and improving the entire series of business-led innovation and activities oriented towards tech leadership to address important industry challenges and stimulate productivity, performance and competitiveness of domestic economic sectors;
- Opening of new companies, technology transfer and commercialisation of new innovative products, processes and services to enable scaling, integration in global value chains and shift to activities creating higher value, oriented towards export and enabling leadership status in global market;
- Establishing a critical mass of companies oriented towards growth and strengthening cooperation between private companies, public sector and academic-scientific community directed towards innovation and commercial activities enabling the improvement of the collection of resources, abilities and knowledge of superclusters;
- Creating new high quality and well-paid jobs stimulating creative action and ensuring the full exhibit of experts and talents' potential;
- Improving potential of the domestic economy to absorb innovative solutions through establishment of permanent contact with the innovation community.

3

WHO SHOULD APPLY FOR THE PUBLIC CALL

The call is meant for consortia organisations of all stakeholder groups from the innovation ecosystem (economy, science and academia and public administration), who want to get engaged in establishing innovative Serbian supercluster with the support of the Serbia Innovates project in the following fields:

- **high technology in agriculture and food industry,**
- **gaming environment and virtual reality,**
- **the Web3 and blockchain technology, and**
- **advanced solutions in medical technology and biotechnology,**

the consortium should include minimum:

- **one mature company with**
 - more than 100 employees and/or
 - a total annual income of minimum EUR 10 million in 2019, 2020 and 2021
- **one start-up company with**
 - innovative product or service with tremendous growth potential
 - maximum 100 employees and/or
 - a total annual income of a maximum EUR 5 million in 2019, 2020 and 2021
- **one representative of the academic and scientific community.**

The project Serbia Innovates encourages stakeholders to include several organisations from the minimum prescribed structure into the consortium, those belonging to the same stakeholder groups or others such as **organisations supporting innovation ecosystem, specialised companies** (marketing agencies, lawyer's office, and similar) and public administration organisations willing to provide support and participate in the development of Serbian innovation supercluster.

The candidates should be committed entirely to strategies they suggested during the pilot supercluster duration. It means active participation of members in organisation management, engaging in leadership activities such as project management, team management and delegating roles, including responsibility for all funds required from the project Serbia Innovates.



DOMAINS PARTICIPATING IN PILOT SUPERCLUSTERS

Based on several months of research and many conversations with experts in various fields, including representatives of the economy, academic-scientific community and public administration, we concluded that the four most promising domains in the field of technological innovation in Serbia are:

- high technology in the agriculture and food industry,
- gaming environment and virtual reality,
- the Web3 and blockchain technology, and
- advanced solutions in medical technology and biotechnology.

High technology in agriculture and food industry

In 2050, there will be almost ten billion people on our planet, meaning 25% people more than today with food needs to be satisfied. Serbia was always superior when it comes to tradition, knowledge and favourable natural conditions in the agriculture and food industry. The fantastic results of our innovators and companies standing out among the survey results carried out within the project Serbia Innovates demonstrate the considerable potential for innovative growth in this domain.

This domain includes all activities of various actors in an innovative ecosystem directed towards using multiple modern technologies and tech-based solutions to improve the entire value chain in the agriculture and food industry, including improvement of existing and development of new products, services, technologies, business processes and models, starting from primary production (agriculture), secondary (processing and food production) and tertiary sector (trade).

Gaming environment and virtual reality

In the scope of the research of the project Serbia Innovates, compared to the rest of the IT community, this domain stands out because of its very active ecosystem and developed domestic gaming community, the fantastic success of our companies and foreign companies' presence in Serbia. In addition, the recognition from the Startup Genome for the third year in a row confirmed that focus on this field could additionally strengthen domestic capacities for creating new globally competitive video games.

However, gaming is not only about video games. It includes technologies with huge application potential in other industries – from trade, marketing and entertainment industry, serious gaming and EdTech up to MedTech and many others. The gaming concepts penetrate other industries, and “gamification” improves experience and efficiency and opens new growth opportunities. The constant development of virtual reality and expectations of its broader use

will open new horizons, so these two trends must be observed together to get a complete picture of the available potential.

The Web3 and blockchain technologies

The Internet as we know it for the last thirty years has reached its limits. The change in social circumstances and change of focus regarding matters of privacy, transparency, efficiency and decentralization have influenced the need for change inside the Internet environment.

This is visible now in the Web3 and blockchain technologies that bring revolution in the creation and exchange of values, becoming the necessary factor for modern business and life. The decentralization of the Internet is opening new opportunities for development and product growth in many traditional industries such as finance, education, health care, public administration, cyber security, transport and others.

Robust engineering base and community with more than 100 teams active in their domains represent a massive potential for Serbia to take up the leadership position as a pioneer in the global market and become a forerunner of new internet generation – as Startup Genome has recognized many times before.

Advanced solutions in medical technology and biotechnology

The Covid-19 pandemic is the most drastic 21st-century study of collective helplessness in front of the unknown. However, the twist of focus and investments in science and innovation brought about quick and high-quality solutions, which are why scientists talk about the end of pandemic more regularly.

Health as the universal priority of modern society creates an unlimited market opportunity for experts and talents to utilize their knowledge for the realization of noble goals, at the same time creating economic value and growth based on innovation. The research showed that our academic-scientific community possessed huge potential that could be transformed into concrete results with the global application through cooperation with other stakeholders from this domain.

This domain, characterised by a long and complex development process from an idea, then going to market, plus high scalability, includes the pharmaceutical industry, BioTech, MedTech and HealthTech. Through an additional focus on these fields, multidisciplinary approach and support to innovation, the chances of solving numerous health problems that humanity faces are growing significantly.

5

SELECTION PROCESS AND CRITERIA

The selection process for choosing a consortium to participate in pilot superclusters will be implemented in two phases. In phase one, starting immediately after the announcement of the call for proposals, all interested consortia should express their intent on participating in the pilot supercluster by submitting a letter of intent and filling out the form on the website. The successful consortia from the first phase will be invited to work out in detail their pilot supercluster strategy in the second phase, with the support of the Serbia Innovates team and external experts.

The international jury will give recommendations for the final selection based on criteria set out in this guidebook.

5.1. Phase 1 – Submitting a letter of intent

The first step of the previously formed consortia to participate in pilot superclusters is to submit the letter of intent. This document essentially contains general details on members of the consortium team. Besides, the letter of intent provides space for consortia to properly present their ideas, potentials and contributions inside the supercluster by responding to previously defined questions proposed by the project Serbia Innovates. The letter of intent should describe:

- Supercluster vision in the given domain
- The vision of Serbia's future in the given domain
- Foundations for development of supercluster in the given domain
- Potentials that might develop based on the cooperation of stakeholders
- Required resources for realisation of those potentials
- Consortium contributions to improved collaboration inside the domain
- Competitive advantages of consortium
- Types of consortium engagement to realise potential
- Consortium proposal on supercluster organisation structure
- Consortium expectations (benefits) from participation in pilot superclusters

After the deadline for consortium application for pilot superclusters (28 February 2022), the project Serbia Innovates will review all applications in detail. Only complete applications with precise answers to questions will be taken into further consideration. After the primary selection, based on criteria prescribed by the project Serbia Innovates, the consortia will be shortlisted for the second selection phase. The selected consortia will be contacted by 15 March with information on upcoming process.

5.2. Phase 2 – Strategic planning

In the second phase of the application process, the selected consortia will participate in developing strategy and most important aspects of the supercluster development at the early stage, including the long-term vision. The consortia will be provided with all necessary resources (technical tools, infrastructure, expert opinions, advice, etc.) to respond to the selection process

demands in the best possible way.

The second phase of the application process is interactive. During this phase, the consortia will work on developing a strategic framework with the support of the project team and external experts for pilot superclusters before the final selection. In addition to the development of the strategic framework, in this phase, consortia will explore possibilities for first joint projects inside superclusters. These projects should be used as a motivating factor for consortia participants and also give them clear values that will be provided by the cooperation inside the supercluster.

In the event of several consortia submitting complementary applications for the same domain, the Serbia Innovates project reserves the right to suggest merging several consortia.

The outcome of the second phase of the application process should be the overall plan, which at a minimum will include:

- Estimation of competitiveness inside the domain and analysis of competitive advantages
- The strategic focus of pilot superclusters
- The business model that will enable long-term sustainability and inclusiveness of supercluster
- Action plan with established time-frame, milestones, structure and estimated costs, demonstrated model of governance based on market-orientation taking into consideration the variety of all participants in the pilot supercluster.
- Identified management and all main roles responsible for the implementation of the established strategy.

5.3. Criteria

For the application process to result in the selection of the best quality of consortia that will participate in pilot superclusters, project Serbia Innovates establishes the criteria that will be considered in the course of selection:

- Impact and strategic importance
- Capacities and resources adjusted to the proposal
- Inclusiveness
- Relevance and quality of the proposed supercluster strategy
- Organisation and management plan
- Dissemination and transfer of knowledge
- Spillover potential (positive impact on the rest of economy and society) and hybridisation (application of the domain produced solutions in other fields)



ACTIVITIES DURING PROJECT

Following the adoption of the final decisions and selection of the consortia, the activities on the development of 4 pilot superclusters will start.

6.1. Training teams for pilot superclusters

Organising the management of supercluster is a necessary prerequisite for successful functioning. Due to the complexity of the process, the project Serbia Innovates is obliged to ensure and provide adequate training to all selected consortia. The training will include an introduction to concepts and the most relevant skills and tools for supercluster management.

6.2. Realisation of pilot superclusters

The pilot superclusters are planned to last from April 2022 until June 2023.

In the course of the pilot superclusters, the project will enable consortia:

1. To build supercluster infrastructure which shall, among others, include:
 - Developing relationships and trust between members of the supercluster through joint meetings, events, working groups, workshops, etc.
 - Developing trust among all members of supercluster according to supercluster model and its processes by nurturing cooperation projects, organising study visits to the most developed ecosystems, etc.
 - Strengthening capacities of the supercluster team management
 - Similar activities
2. To launch at least one collaborative project with other members of supercluster, among others, by giving support to:
 - Engage experts in developing technology and business.
 - Use tools for stimulating cooperation such as hackathons, round tables, think tanks, participation in conferences and/or their organisation, etc.
 - Access to various sources of financing

The fundamental goal of the pilot supercluster phase is to confirm the model's functioning in practice. In an experimental environment, the project team will closely cooperate with the teams for supercluster management and engage all available resources to support the achievement of expected results. The resources shall mean funds for support in realization of the plan, fees for the supercluster management team, availability of finest experts and mentors in business or technology, organization of various events, study visits, internal/external hackathons, collaborative workshops, promotional and marketing activities, etc.

Practical support of the project team and external experts in building innovation community, availability of resources for launching activities and bottom-up approach represent the key aspects of the project Serbia Innovates.

During this phase, each pilot supercluster will develop a three-year strategy that should include a clear organizational and HR structure, a supercluster business model, and a plan for extending membership by attracting relevant innovation ecosystem actors from each stakeholder group.

6.3. Decision on selecting the first Serbian supercluster

After completing pilot superclusters in four domains (the planned deadline is June 2023), the project Serbia Innovates will review results for all 4 pilots and select the one that will continue receiving financial support from the project until June 2025.

The potential scenarios when adopting the decision might be:

- One supercluster will be selected to be supported further,
- Merging two or more pilot superclusters will be suggested, and they will be supported as one in the future,
- Two pilot superclusters will be supported (exclusively if the project Serbia Innovates ensures additional funds).

The decision will be adopted based on achievements during the pilot period, a three-year plan, the potential for building supercluster in the future, and the global positioning of Serbia in the given domain.

6.4. Supercluster growth

The project will continue providing support for activities on the development of supercluster by 2025 and in parallel work on developing a sustainable model of functioning together with members of the cluster to ensure the sustainability of Supercluster after the project Serbia Innovates has completed.

A particular focus lies on:

- Providing clear values to supercluster members
- Providing know-how and supercluster methodology
- Increasing number of members from each stakeholder group
- Building sustainable business model and financing structure
- Establishing relationships and partnerships with the relevant ecosystem, clusters and other stakeholders from the entire world
- Positioning Serbia as the location of cutting-edge innovation and business in a specific domain.

6.5. Monitoring and adaptation

The project will establish the monitoring and evaluation system for permanent monitoring of progress and success of supercluster. The most relevant criteria will be continually assessed to extract valuable information, analyse the outcome of specific actions and adapt plans in accordance with the needs.

The impact assessment will be a significant part of the monitoring and evaluation system to prove the impact of superclusters on the innovation ecosystem, the business community, and economy and society in the region and state.



TECHNICAL INFORMATION

Public call for pilot superclusters is open from 29 December 2021 until 28 February 2022. The application process for pilot superclusters will consist of two phases.

The first step is to submit a joint letter of intent and fill out the application form **via the Serbia Innovates website.**

Take the draft letter of intent **HERE.**

Deadline for submitting the application is 28 February 2022.

The successful consortia from the first phase will be invited to work out in detail their pilot supercluster strategy in the second phase, with the support of the Serbia Innovates team and external experts.

The Serbia Innovates project team is at your disposal for any additional information. Do not hesitate to get in touch with us by email info@srbijainovira.rs.



ADDITIONAL INFORMATION

The project Serbia Innovates hereby notifies all consortia applying for participation in pilot superclusters that all activities and results they achieve during the pilot superclusters must be transparent and publicly available.

The project Serbia Innovates reserves the right to use the activities of consortia during the project for communication, taking care of preserving the reputation and dignity of all organizations and promoting them in a positive context.

Intellectual property rights resulting from supercluster activities during the project will be regulated among supercluster members under applicable legislation in the Republic of Serbia. The project Serbia Innovates will not claim intellectual property rights resulting from the work of supercluster.

The project participants shall undertake that they will abide by all legally prescribed ecological standards during the project, putting in efforts directed at environmental sustainability, enabling and stimulating gender equality, and acting upon the principles of modern democratic societies.