Business Innovation Center of Croatia

BICRO Ltd.

Hrvoje Prpić
STRATEGIC GOAL OF THE EUROPEAN UNION

“The Union shall become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.”

— LISBON STRATEGY, 2000 –

STRATEGIC GOAL OF CROATIA

“Transform Croatia into a knowledge-based society and make Croatian science and education sector the most competitive in this part of Europe by 2010.”

— EDUCATION SECTOR DEVELOPMENT PLAN 2005-2010 –
TOWARDS A KNOWLEDGE-BASED SOCIETY

- **Re-launched Lisbon Strategy (2005)** – To increase investment in higher education from current 1.28% (EU25) to at least 2% GDP by 2010.
- **Modernisation of European universities** – challenges

<table>
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<tr>
<th>EU25</th>
<th>USA</th>
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<tbody>
<tr>
<td>450 million inhabitants, 12 million students (2.66%) and low graduation rate</td>
<td>300 million inhabitants, 16 million students (5.33%) of which 14 mil. B.A. and 2 mil. M.A./Ph.D. students</td>
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<td>Around 1,000 universities offering doctoral programs</td>
<td>Around 260 universities offering doctoral programs</td>
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<tr>
<td>Only 2 universities among the top 20 in the world</td>
<td>16 out of top 20 universities</td>
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*Croatia: 148.300 students in 2005/2006 (3.5% of population)*
INSTITUTIONS AND BODIES

1. Ministry of Science, Education and Sports
2. National Council for Higher Education
3. National Science Council

New institutions and bodies:
4. Agency for Vocational Education
5. Agency for Adult Education (concept of Lifelong Learning)
6. National Centre for External Evaluation of Education
7. Education and Teacher Training Agency (former Institute for Education)
8. National Council for Curriculum
9. Agency for Science and Higher Education
10. Croatian Institute of Technology (HIT)
11. National Foundation for Science, Higher Education and Technological Development
EDUCATION LEVEL ATTAINED
15-YEAR-OLD AND OLDER, 2001 CENSUS

- no education 2.86%
- incomplete primary ed. 15.76%
- primary education 21.75%
- secondary education 47.06%
- tertiary ed. - vocational 4.08%
- tertiary ed. - university 7.82%
- unknown 0.67%
REFORMS IN THE SCIENCE AND TECHNOLOGY SECTOR

MOSES
Science and Technology Policy
2005 - 2010

National Science Council

Technology Council

State Bureau for Intellectual Property

Croatian Institute of Technology (HIT Ltd.)

Business Innovation Center of Croatia (BICRO Ltd.)

National Foundation for Science, Higher Education and Technological Development

SHORT-TERM PRIORITIES (2006 - 2008)

- Environment
- Health
- Energy and materials
- Croatian identity
LONG-TERM PRIORITIES (2006 - 2010)

- Knowledge-driven basic research
- Environmental protection and economic development of the Karst regions, Adriatic coast, sea and islands
- Agriculture, biotechnology and food
- Health
- Information and communication technologies
- Nanoscience, new materials, construction and new production processes
- Energy, sources of alternative and renewable energy, transport, and security
- Social and human sciences and Croatian identity
- Social integration, learning and education, lifelong learning
January 2006  New criteria for selecting science projects and programs adapted to EU standards.

Five key innovations:
1. Stimulating concentration of research (programs), supporting scientific cooperation between researchers within Croatia and with diaspora.
2. Stimulating and rewarding excellence in project results.
3. More adequate system of evaluation with significantly higher participation of foreign evaluators (Slovenia, Austria, Hungary, Ireland, etc.).
4. Integrated information system for management of application and evaluation process.
5. Publication of key data on positively evaluated projects and programmes, including data on financing.

By March 10 – 2,732 project proposals applied for MSES support.
Croatia has been participating in FP6 as a third country since 2003.

In January 1, 2006 Croatia became a full member of the Sixth Framework Programme.

For full participation in the program Croatia paid €3.18 mil. from the State Budget and secured additional €4 mil. through PHARE program.

60 contracts have been signed, with the total EC co-financing until now of almost €7 million.

Its investment/return ratio makes Croatia one of the most successful countries in the region.
“Research and development and innovation is to be given a boost. The overall spending on these should be increased to reach 3% of GDP by 2010. Two-thirds of this investment should come from the private sector!”

THE LISBON SPECIAL EUROPEAN COUNCIL:
TOWARDS A EUROPE OF INNOVATION AND KNOWLEDGE, MARCH 2000

CROATIA

“The overall spending on research and development and innovation will be increased to 2.5% of GDP by 2010, of which two-thirds should come from the private sector.”

CROATIAN R&D INVESTMENTS AS % OF GDP IN 2003: 1.14

Source: Eurostat 2005
Objectives for Promoting Business Innovation and Technology Development

- Promote creation and growth of knowledge-based enterprises
- Create technology infrastructure to support knowledge-based SMEs and technology-based start-ups
- Stimulate demand for R&D from business
- Manage intellectual property
- Diversify funding sources for R&D, attract private sector investments and create risk capital industry
- Promote public confidence in science and innovation awareness
Obj. 1. Promote creation and growth of knowledge-based enterprises

- TEST – implemented by HIT
- RAZUM – implemented by BICRO (STP WB)
- Rugjer Innovation Agency – established by IRB (STP WB)
- Unity through Knowledge Fund (MSES WB)
Obj. 2. Create technology infrastructure to support knowledge-based SMEs and technology-based start-ups

- TEHCRO – implemented by BICRO (STP WB)
  - Technology Business Centers
  - Science & Incubation Centers
  - Research & Development Centers

- IPA Project – MSES & BICRO
  - Incubation center for bioscience (8 M EUR, 75% IPA)
    - Zagreb University
Obj. 3. Stimulate demand for R&D from business

- IRCRO – implemented by BICRO (STP WB)
  - matching grants
  - cooperation between scientific institutes and industry

- Restructuring of R&D Institutes (STP WB)
  - Brodarski Institut
  - Institut Rugjer Bošković
    - commercialization, market potential
Obj. 4. Manage intellectual property

- **CARDS Project** – implemented by MSES
  - Universities and Polytechnics
  - Zagreb, Rijeka, Osijek and Split

- **IPA Project** – MSES & BICRO
  - Science-Innovation Investment Fund (6 M EUR, 75% IPA)
    - Start-up centers (Universities, Polytechnics)
      - technology transfer
      - filing patents
      - preparing BP, searching for investment....
Obj. 5. Diversify funding sources for R&D, attract private sector investments and create risk capital industry

- **VENCRO** – implemented by BICRO (STP WB)
  - 4.5 M€ will be invested in one venture fund
  - Target size of the fund – 20 M€
  - BICRO has a role of the first investor, but also gives a possibility of buy-out to other investors
Obj. 6. Promote public confidence in science and innovation awareness

- Promotion campaign (STP WB)
  - MSES, BICRO, IRB and Brodarski Institute
MINISTRY OF SCIENCE, EDUCATION and SPORT

BICRO d.o.o.
Business Innovation Center of Croatia

STP
Science and Technology Project (WB)

HIT d.o.o.
Croatian Institute of Technology

BICRO d.o.o.  UKF  Brodarski institut d.o.o.  IRB/Ruđer inovacije d.o.o.
Thank you for your attention

Hrvoje Prpić