INNOVATION STRATEGY
FOR SMART SPECIALIZATION
THE REPUBLIC OF BULGARIA
2014-2020

ANNEX 1
Innovation Strategy for Smart Specialisation

2014-2020

The Innovation Strategy for Smart Specialization (IS3) is an obligatory pre-condition under Regulation 1303/2013 for the new programming period 2014-2020, in relation to the funding from ESIF in the field of thematic objective 1 “Strengthening research, technological development and innovation” in the Common Strategic Framework. This document provides an overview of actions undertaken for the development of IS3, and for the implementation of the Action Plan to IS3 approved by the Council of Ministers Decision 761/06.11.2014.

Definition

_Innovation is putting into use a new or significantly improved product (good or service) or a production process, a new marketing method or a new organisational method in business practice, workplace organisation or external relations that create market advantages and increase the competitiveness of companies at that – according to Manuel d'Oslo 3e édition© OECD/EUROPEAN COMMUNITIES 2005)._  

_Innovation is often defined as a new idea which proved successful in practice. The new idea may be a new product, practice, service, production process or a new method of organisation. This new idea can be established as an innovation only if it becomes more or less basic application or proves its usefulness in practice. Transformation into basic application does not always depend only on the strength of the creative idea. It also depends on market opportunities, the willingness of the industry to accept it, economic efficiency, presentation and perception, random external factors, etc. Before the new idea can actually become a basic application, we cannot evaluate these factors and say whether the idea will find a market or whether it will be frequently applied/used. It is therefore not possible to be sure in advance whether the idea will become an innovation: one can only determine subsequently whether a new idea has led to true innovation._

Often it is not possible to define “innovation” in advance and identify certain activities as “innovative”. The familiar innovation concepts include unidirectional (“linear”) and interactive (“systems”) innovations, _i.e. based or not based on research approach_. Linear innovation is based on a research approach where the new ideas are the result of research and have been put into practice by unidirectional (linear) transfer of knowledge. Change and innovation are expected to be designed and organized, predictable and rationally planned.

In interactive “systems” innovations, the base is also a result of research, but also of practice and intermediaries, consulting services, non-governmental organisations, researchers, etc. as participants in a “bottom-up” process. Interactive innovation includes existing (sometimes tacit) knowledge, which is not always purely scientific. Innovations created by an interactive approach often provide better targeted solutions that are easier to apply, as the process is favourable for accelerating the deployment and adoption of new ideas.


1.1 An organisational structure for the development of the document has been built. The Ministry of Economy and Energy was determined leading ministry by Decision No 668/2012 of the Council of Ministers (as last amendment Decision No116 of 5 March 2014 of the Council of Ministers). By a decision of the Minister of Economy and Energy a three-tier organizational structure was established:

- Head – Minister of Economy and Energy
- Managing Authority – National Innovation Council
- Working group, chaired by the Minister of Economy and Energy. Members of the WG are representatives of the state administration – partner ministries in the development of IS3 (MES, MTITC, MAF, MEW, MRD, MF, etc.), representatives of the employers’ organizations, businesses, professional organisations, research organisations – BAS, HEIs, AA, the Council of Rectors, NGOs, representatives of local authorities and regional administrations. The National Innovation Council, whose members are senior representatives of the ministries, BAS, HEIs, labour organisations, NGOs is the designated Managing Authority.

The established organisational structure provides for the involvement of a wide range of stakeholders and exchange of information at national and regional level, improving the dialogue, creating conditions for increasing stakeholders participation in the system for implementation, monitoring and
updating of smart specialisations, determining the forms of partnership, and preparing for their participation in the process of determining the national smart specialisation. The principles of the organisation of work of the working group have been adopted.

Organizing an introductory Workshop on topic "Smart Specialisation", on the 10-11th May 2012 in Sofia, where European Commission representatives presented the idea of RIS3 to the public opinion.

1.2. The following activities have been undertaken to develop the strategy incl. cooperation with the World Bank:

- Signing an agreement on technical assistance with the World Bank, the World Bank team developed the following analytical materials:
  - Report on leading innovative infrastructure projects: Guidelines for preliminary investigation, December 2013;
  - Contribution to the programme for services for the commercialisation of innovation in Bulgaria, Analysis of the current infrastructure, organisations and picture of PIS; solutions for a more effective ecosystem for commercialization of innovation, September 2013;
  - Contribution to the Strategy for Smart Specialisation in the field of research and innovation: developing the digital agenda, August 2013;
  - Action Plan for services related to the commercialisation of innovation, December 2013;
  - Management and institutional development of the innovation system in Bulgaria in the context of the Strategy for Smart Specialisation, Proposal to reform the management of the innovation system, December 2013;
  - Management and institutional development of the public innovation system - 2
  - Support to innovation through the Operational Programme “Competitiveness” 2007-2013, Overview and opportunities to improve performance in the period 2014-2020;
  - How research and innovation can work for Bulgaria, January 2012;

At the extended sessions of the Managing Authority experts of the World Bank have presented good practices from Austria, the Netherlands, Israel, Chile and some other countries. Successful examples of
national and European projects presenting the competitiveness and innovativeness of the Bulgarian economy, a confirmation of its potential for growth, have been considered.

- An overview of all generally available analysis has been made:
  - Innovation Indicator Europe 2020;
  - Innovation System of Bulgaria (as part of Global Competitiveness 2012-2013, 2013-2014, 2014-2015);

- The following analyses have been made:
  - Competitive advantages of Bulgarian export industries in 2013, 2014 – Part One, Part Two;
  - Regional specialisation of the leading innovative activities (according to Europe 2020 Innovation Indicator);
  - Quantitative Analysis;
  - Qualitative analysis;
  - Cross analysis to determine the specific product and technology niches in which Bulgaria has the opportunity for growth;

- The information from all analytical materials developed in connection with the new programming period which are relevant to the Innovation Strategy for Smart Specialization has been summarized:
  - National Reform Programme and Recommendations of the Council of the European Union;
  - National Development Programme: Bulgaria 2020;
  - Analytical materials prepared in connection with the Partnership Agreement and the Operational Programmes;
  - National Scientific Research Strategy of the Republic of Bulgaria to 2020;
  - National Spatial Development Concept for the period 2013-2025;
  - National Programme “Digital Bulgaria”;
  - Strategy for the development of e-Government in the Republic of Bulgaria;
  - National Strategy for Development of Broadband Access;
  - Analyses of the Bulgarian Industrial Association – http://www.bia-bg.com/analysis/
  - Innovation 2012 www.innovation.bg

### 1.3. Determining the thematic areas of the Strategy

The data from the report of the World Bank were have been reviewed and summarized – the sectors with potential for growth, export competitiveness, the sectors in which Bulgaria has a competitive advantage in the global and regional markets, the experience from the policy pursued in the past period; the pros and cons and the relevant recommendations of the World Bank experts.

At an extended meeting of the Managing Authority, chaired by the Minister of Economy and Energy it was decided that in the Strategy priority should be given to export-oriented industrial areas and those in which this country has a long tradition and is well known on the European and international market.

- Regular meetings in **focus groups** have been organised together with experts from the World Bank to discuss the development potential, problems related to the human factor (lack of workforce trained in accordance with the needs of the economy), links between science and the business, challenges facing the relevant sectors of the economy:
  - 23.10.2012 – ICT focus group;
  - 07.11.2012 – Pharmaceutics focus group;
  - 08.11.2012 – Mechatronics focus group;
  - 19.11.2012 – Food industry focus group, Plovdiv;
  - 26.02.2013 – Protection and commercialisation of intellectual property focus group;
  - 26.02.2013 – ICT focus group;
  - 27.02.2013 – Innovation ecosystem and leading innovative projects focus group;
  - 27.02.2013 – Creative industries focus group;
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- To define the challenges facing the different groups of society thematic meetings have been organised where the potential of research units and how the links between research and business should be activated were discussed:
  - 06.11.2012 – meeting with representatives of the ICT Cluster;
  - 04.2013 – meeting with representatives of the Information and Communication Technology sector;
  - 05.2013 – meeting with representatives of the financing institutions – LAUNCHub, Eleven, Bulgarian Development Bank;
  - 28.05.2013 – meeting with the Applied Research and Communications Fund;
  - 03.09.2013 – meeting with representatives of the non-governmental sector;
  - 04.09.2013 – meeting with representatives of the employers’ organisations and entrepreneurs;
  - 05.09.2013 - meeting with representatives of the academia;
  - 18.10.2012 – Workshop;
  - 28.10.2013 – meeting with representatives of the National Representation of Students Councils in the Republic of Bulgaria;
  - 09.06.2014 – Financing innovation in SMEs, R & D and research in scientific and educational institutions, as well as their joint projects (of SMEs with research institutes and universities) under OP "Competitiveness and Innovation"; OP "Science and education for smart growth" and through other programmes administered by the BSMEPA with MEE, etc.

- The Innovation Strategy for Smart Specialisation has been independently developed by the working group, but during the process of development of the individual elements of the Strategy regular partnership meetings with the World Bank experts were held:
  - 19.10.2012 – the World Bank team presents Inception report identifying the stages of joint activities, MEE
  - 21.02.2013 - meeting with representatives of the World Bank;
  - 26.02.2013 - presentation of the draft report at the meeting of the extended working group;
  - 28.02.2013 – meeting with representatives of the World Bank and representatives of the WG;
  - 08.04.2013 – meeting with representatives of the World Bank;
  - 15.05.2013 – meeting with representatives of the World Bank;
  - 02.08.2013 – meeting with representatives of the World Bank;
  - 06.08.2013 – meeting with representatives of the World Bank;
  - 10.09.2013 – meeting with representatives of the World Bank;
  - 02.10.2013 – meeting with representatives of the World Bank;
  - 30.10.2013 – meeting with representatives of the World Bank;
  - 19.11.2013 – meeting with representatives of the World Bank

The first version of the Strategy was published in May 2013. This version was presented to the Managing Authority, and the proposals received from the business, academia, NGOs, prominent businessmen and scholars were reported. The vision, the strategic and operational objectives and other key points of the document were approved. As a result, the proposals to be considered in the further elaboration of the document were identified.

Based on the discussions and debates the thematic areas of the Strategy have been identified, the product and technological niches in which our country has an advantage and which will enable to solve major challenges faced by the society being discussed. The participants recognized the need to prepare:
  - a current "snapshot" of the innovation potential of the planning regions/districts and;
  - technological roadmaps as to more accurately determine the most promising product and technology niches;
At the end of 2013 the draft version of the Strategy for Smart Specialisation was prepared and forwarded to the DG “Regional and Urban Policy”.

1.4. During the development of the document there were regular communications between the team of the Strategy and the Operational Programmes the official events being held on the following dates:

- Meeting of the Thematic Working Group under Operational Programme “Competitiveness and Innovation”
  - 27.05.2013 – first meeting of the Thematic Working Group;
  - 11.07.2013 – second meeting of the Thematic Working Group
  - 24.04.2014 – third meeting of the Thematic Working Group
  - 01.10.2014 – fourth meeting of the Thematic Working Group

- Meeting of the Thematic Working Group under OPSESG:
  - 14.03.2013 – first meeting of the Thematic Working Group
  - 22.03.2013 – second meeting of the Thematic Working Group
  - 29.01.2013 – third meeting of the Thematic Working Group
  - 18.04.2013 – fourth meeting of the Thematic Working Group
  - 22.05.2013 – public hearing
  - 26.07.2013 – fifth meeting of the Thematic Working Group
  - 30.09.2013 – sixth meeting of the Thematic Working Group
  - 16.05.2014 – seventh meeting of the Thematic Working Group
  - 23.09.2014 – eighth meeting of the Thematic Working Group

1.5. Partnership meetings with the European Commission, DG “Regional and Urban Policy” and the consultants designated by the EC

- 17.01.2014 – workshop to present the draft version of the Innovation Strategy for Smart Specialisation in Brussels, where we received instructions and recommendations;
- 03.04.2014 – involvement of consultants in the presentation of the IS3 vision at a meeting of the National Innovation Council – LT, GStr;
- 14-15.04.2014 – meeting with the consultants from the EC – LT, GStr;
- 14.05.2014 – meeting with the consultants from the EC;
- 23.05.2014 – workshop with the EC on the guidelines for improving the Innovation Strategy for Smart Specialization in Brussels, an expert team;
- 13.06.2014 – workshop with representatives of the EC to present progress on TL1.1, meeting with consultants of the EC;
- 16.07.2014 – meeting with consultants of the EC – LT;
- 23.07.2014 – meeting with consultants of the EC – GSt;
- 24.07.2014 – meeting with consultants of the EC – GSt;
- 19.09.2014 – meeting with consultants of the EC;

Under the guidance of the TA consultants of the EC a new document was developed based on the existing draft version of the Strategy, which summarized all present information and presents it in the manner specified:

a) Socio-economic analysis with conclusions about the strengths of the Bulgarian economy and the challenges facing it, including a quantitative analysis identifying the potential of each business activity based on assessment of internal (volume of production, turnover, added value – as a share of total added value and as a share of the output, labour productivity, employed persons, number of enterprises and investments in fixed assets) and external (export, import and availability of competitive advantages, production and export specialisation) factors. (p. 1.7 of the Strategy). The section ends with a SWOT analysis.

b) Capacity for innovation and research potential, ending with SWOT analysis, including qualitative analysis to identify potential areas for intensive innovation development. The results of quantitative and qualitative analysis serve as a basis for Cross analysis identifying potential areas for intensive technological innovation development (specialisation) (p. 2.15 and 2.16 of the Strategy).
c) Taking into account the World Bank Report, focus group meetings conducted together with experts from the World Bank, thematic meetings with representatives of the business, academia, NGOs, correspondence and meetings with regional administrations, public administration experts – a wide range of stakeholders, seven technology areas have been identified. Cross-analysis is the starting point for identifying technology areas for smart specialization, and the logic of identification is to locate the intersection point between the strong areas of scientific and technological development and of entrepreneurship.

d) At the proposal of the business the Vision for Bulgaria in the period until 2020 has been defined.

**Vision:** (about which all agreed) By 2020 Bulgaria must make a qualitative leap in its innovation performance at EU level to tackle public challenges in the field of demography (reverse brain drain and youth entrepreneurship), sustainable development, intellectual capital and the nation’s health.

**Strategic Goal:** By 2020, Bulgaria will move from the group of “modest innovators” 1 into the group of “moderate innovators”, which will be implemented by achieving two operational objectives:

**Objective 1:** Focus the investment for the development of innovation potential in the smart thematic areas (for creation and development of new technologies leading to competitive advantages and increase in the added value of domestic products and services).

**Objective 2:** Support for accelerated implementation of technologies, methods, etc. improving resource efficiency and application of ICT in the enterprises in all industries.

The broad public debate on this topic conducted over the past two years is an expression of the will to find common ground among the participants in the innovation system so that they can unite around a common vision for the future and paths of realisation can be chosen. The main task of the strategy in the European

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sense is to identify the unique characteristics and potential of the country to develop in areas where it has competitive advantages. The approach adopted for the analysis of the innovation system in Bulgaria is a combined one.

After the approval of the Strategy, the partnership among all stakeholders in the innovation process must become a part of a clear framework that multiplies opportunities for success.

e) Analysing the results of Cross analysis in terms of market demand and positioning of the country in the European and world market the areas in which Bulgaria has growth potential have been specified.

Based on the initial and additional analyses and the wide range of discussions over the past two years – part of the process of entrepreneurial discovery – the identified thematic areas are as follows:

1.6. Peer Review

On 3 and 4 July in Dublin, Ireland, the Bulgarian delegation participated in the peer review organized by the Platform in Seville. As a result of the discussions, and the recommendations and lessons learned from representatives of other member states, the indicative activities, measures/schemes that will ensure the fulfilment of the objectives and the sources of funding were systematized.

The developed ISSS and the Action Plan were approved by Council of Ministers Decision 761/06.11.2014.
2. IS3 2014-2020 Action Plan

The approved Action Plan included the implementation of the following objectives:

- Improving the organizational structure for the governance of implementation of IS3 and coordination with the OPs
- Promotion of private investments in R&D
- Aligning research infrastructure and scientific priorities with economic priority areas identified in IS3
- Ensuring synergy to solve national and regional challenges – identifying the mechanism of implementation of horizontal and vertical links in the implementation of IS3
- Intensifying the Entrepreneurial Discovery process, activating the links between science and business by identifying the specific challenges and the ways to overcome them

Throughout the period November 2014 – June 2015 the intensification of the Entrepreneurial Discovery process continued with the purpose of focusing the thematic areas of the strategy, regional ‘snapshot’ and directions for regional smart specialization, as well as perfecting the organizational structure for managing the implementation of ISSS and for coordination between the OPs.
### Implementation of the planned activities according to the Action Plan (as approved in November 2014)

<table>
<thead>
<tr>
<th>No.</th>
<th>Activity</th>
<th>Leading institution</th>
<th>Partner institution</th>
<th>Activities to be undertaken</th>
<th>Expected results</th>
<th>Implementation</th>
<th>Notes</th>
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<tbody>
<tr>
<td>1.</td>
<td>Decision Draft of the Council of Ministers (CoM) on the activities and functions of the Council for Smart Growth (CSG)</td>
<td>ME</td>
<td>CoM</td>
<td>Clarification of the functions of the Secretariat with the CoM</td>
<td>Adoption of Decision of CoM for the establishment of CSG</td>
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<td>Functions of the Secretariat are clarified by CoM Decree 116.</td>
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<td>3.</td>
<td>Determination of “SME’s and Innovation” Directorate for Secretariat of IS3</td>
<td>ME</td>
<td>CoM</td>
<td>Preparation of Order of the Minister of Economy</td>
<td>Written and affirmed responsibilities of the Secretariat for IS3 implementation</td>
<td>√</td>
<td>Due to structural changes in ME in order to consolidate policy making, the responsible directorate is “Economic Policies for Promotion”</td>
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<td>4.</td>
<td>Identification of stakeholders for participation in the activities of the National Council on Innovation and</td>
<td>ME, MES, MAF</td>
<td>Ministries, BIA, BCCI, CEIB, AIC, HEIs, BAS, CA,</td>
<td>Sending letters for nomination of respective</td>
<td>Order for approval of council’s staff</td>
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<td>Two Councils are not envisaged due</td>
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<td>the National Council on <strong>Science and Innovation</strong> (NCSI) with the Ministry on Agriculture and Food (MAF)</td>
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<td>5.</td>
<td>Identification of authoritative representatives of business and science to participate in the activities of NCI and NSCI with MAF as private persons</td>
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<td>Consideration of the nominated representatives with an wide circle of stakeholders</td>
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<td>Determination of leaders of the working groups with representatives of science and business to the Councils after their establishment</td>
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<td>Two Councils are not envisaged due to duplication of functions. The role is undertaken by the National Economic Council.</td>
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<td>6.</td>
<td>Regular meetings of NCI and NSCI for handling incoming suggestions from business, science and all stakeholders</td>
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<td>Updating Council's staff</td>
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<td>Conducting effective Entrepreneurial Discovery Process (EDP)</td>
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<td>Detailed structure of the monitoring and evaluation process</td>
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<td>Introduction of single accounting form. For OP – in accordance with the OP rules. For national resources – in accordance with the adopted budget</td>
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<td>Introduction of clear, realizable rules for monitoring and evaluation</td>
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<td>Elaboration in process with the PSF instrument requested (Policy Support Facility).</td>
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<td>Objective: Promotion of private investments in R&amp;D</td>
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<td>8.</td>
<td>Coordinated management of OP IC and OP SESG</td>
<td>ME/MES</td>
<td>Setting-up of Inter-institutional working group (IIWG) with clear mandate to ensuring a close coordination in the management of both OPs with a view (i) to increase synergies and (ii) avoid duplications and overlaps</td>
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<td>Adoption of Statues for monitoring and evaluation of R&amp;D activities conducted by HEIs and science organizations and NFSR activities</td>
<td>MES</td>
<td>Finalizing Statutes’ texts</td>
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<td>Adoption of Decision of CoM for the establishment of IIWG and corresponding rules of procedure</td>
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<td>IIWG is established, including representatives of MAF (Ordinance 70 from 19 March 2015)</td>
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<td>9.</td>
<td>Elaboration of multiannual plan with indicative budget of the measures for IS3 implementation</td>
<td>MES, MTTTC, MAF</td>
<td>Regional Partner’s network</td>
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<td>Organizing consecutive expert meetings of the responsible institutions for clarification of time frame for future activities</td>
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<td>Survey and tracking for achievement of the IS3 objectives</td>
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<td>Introducing the rules of NIF with the Ministry of Finance</td>
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<td>Under development</td>
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<td>10.</td>
<td>Support of innovative companies for development of new products and technologies with the resources of the National Innovation Fund</td>
<td>ME</td>
<td>Authoritative scientists and businessmen</td>
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<td>Harmonizing the rules of NIF with the Ministry of Finance</td>
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<td>Opening the next NIF procedure, Attracting private investments in R&amp;D in favour of</td>
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<td>National budget ensured for NIF 2015. The rules of NIF are updated to</td>
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- **Objective:** Aligning research infrastructure and scientific priorities with economic priority areas identified in IS3

| 12. | Mapping of the research infrastructure capacity in Bulgaria | MES | Survey on research capacity and recommendations for prioritisation in IS3 Thematic areas | Elaboration in process with the PSF instrument requested (Policy Support Facility).

| 13. | Update of Research Infrastructure roadmap | MES | Alignment of the Research Infrastructure roadmap with the IS3 that:

   (i) gives priority to the RI involved in IS3 Thematic areas

   (ii) defines the role to be played by RI for IS3 at regional level | Approval by Decision of CoM on the updated roadmap | Elaboration in process with the PSF instrument requested (Policy Support Facility).

| 14. | Update of the National Strategy of Scientific Research | | Bring the National Strategy of Scientific research in line with the IS3 | Approval by Decision of CoM on the updated national strategy of Scientific research | Elaboration in process with the PSF instrument requested (Policy Support Facility).

## Objective: Ensuring synergy to solve national and regional challenges – identifying the mechanism of implementation of horizontal and vertical links in the implementation of IS3

<p>| 15. | Establishing a regional partnership network | ME | District administration | Identifying of district administration | List with nominated district administration | ✓ |</p>
<table>
<thead>
<tr>
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<th>Statutes for the activities of the Regional Partnership Network (RPN)</th>
<th>ME/MES</th>
<th>District administration</th>
<th>Meeting of District administration nominees for presentation of the objectives and tasks of the RPN</th>
<th>Order of the Minister for approval of the Statutes for the activities of the RPN</th>
<th>✓</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.</td>
<td>Organizing a regional partnership event to discuss IS3 (North-East region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholder to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>✓</td>
</tr>
<tr>
<td>18.</td>
<td>Organizing a regional partnership event to discuss IS3 (North-West region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholders to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>✓</td>
</tr>
<tr>
<td>19.</td>
<td>Organizing a regional partnership event to discuss IS3 (North-Central region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholders to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>✓</td>
</tr>
<tr>
<td>20.</td>
<td>Organizing a regional partnership event to discuss IS3 (South Central region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholders to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>✓</td>
</tr>
<tr>
<td>21.</td>
<td>Organizing a regional partnership event to discuss IS3 (South East region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholders to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>✓</td>
</tr>
<tr>
<td>22.</td>
<td>Organizing a regional partnership event to discuss IS3 (South West region)</td>
<td>ME</td>
<td>MES</td>
<td>Identifying local stakeholders to be invited to discussions</td>
<td>Realizing the “Entrepreneurial Discovery”</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Actual picture of the innovation potential of regions NUTs 2/Districts</td>
<td>ME/MES</td>
<td>Local and municipal authorities, employers' organizations, academia at local level</td>
<td>Opening Public procurement order</td>
<td>Identifying potential for development in the defined thematic areas and assessing the necessity for change/in details</td>
<td>√</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>23.</td>
<td>Thematic event „Informatics and ICT”</td>
<td>ME</td>
<td>Cluster, branch organizations</td>
<td>Identifying stakeholders from business, academia, NGOs</td>
<td>Realizing the “Entrepreneurial Discovery Process” by Thematic areas</td>
<td>√</td>
</tr>
<tr>
<td>24.</td>
<td>Thematic event „New technologies in creative and recreational industries”</td>
<td>ME</td>
<td>Representatives of the business, academia, NGOs</td>
<td>Identifying stakeholders from business, academia, NGOs</td>
<td>Realizing the “Entrepreneurial Discovery Process” by Thematic areas</td>
<td>√</td>
</tr>
<tr>
<td>25.</td>
<td>Annual meeting of science circles with entrepreneurs and investors</td>
<td>ME</td>
<td>MES, BAS, HEIs, Employers’ organizations</td>
<td>Identifying stakeholders from business, academia, NGOs</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>√</td>
</tr>
<tr>
<td>26.</td>
<td>Thematic event „Mechatronics and clean technologies”</td>
<td>ME</td>
<td>MES, clusters, branch organizations</td>
<td>Identifying stakeholders from business, academia, NGOs</td>
<td>Realizing the “Entrepreneurial Discovery Process” by Thematic areas</td>
<td>√</td>
</tr>
<tr>
<td>27.</td>
<td>Thematic event „Healthy life and Bio-technology”</td>
<td>MES</td>
<td>ME, clusters branch organizations</td>
<td>Identifying stakeholders from business, academia, NGOs</td>
<td>Realizing the “Entrepreneurial Discovery Process”</td>
<td>√</td>
</tr>
</tbody>
</table>

**Objective:** Intensifying the Entrepreneurial Discovery process, activating the links between science and business by identifying the specific challenges and the ways to overcome them.
## Innovation Strategy for Smart Specialisation 2014-2020

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>NGOs</th>
<th>Process by Thematic areas</th>
<th>Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>Elaborating Technology roadmaps related to Thematic areas</td>
<td>Industry, science circles</td>
<td>Elaborating product and technology niches with growth potential</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Opening Public procurement order</td>
<td>Elaborated documentation for launching public tender. Financing is ensured by ME.</td>
<td>Deadline: October 2015</td>
</tr>
<tr>
<td>30</td>
<td>Summary and taking notes of the received comments and remarks</td>
<td>MES, MAF, MTITC</td>
<td>Finalizing of IS3 text</td>
<td>Ongoing process</td>
</tr>
<tr>
<td>31</td>
<td>Approval of IS3 by CoM</td>
<td>MoF, CoM</td>
<td></td>
<td>Under development</td>
</tr>
</tbody>
</table>
During the Implementation of the Action Plan of ISSS in the period October 2014 - February 2015 the following activities have been undertaken:

Working group "Regional Partnership Network" was created, whose members are representatives of regional administrations (Ordinance No. RD-16-1493/28.11.2014 of the Minister of Economy). In the period 12.2014 – 02.2015 regional partnership meetings were organized in order to discuss IS3.

- Shoumen (North East Region) – 04.12.2014
- Rousse (North Central Region) – 05.12.2015
- Montana (North West Region) – 08.12.2014
- Pernik (South West Region) – 17.02.2015
- Sliven (South East Region) – 23.02.2015
- Kardjali (South Central Region) – 24.02.2015

In implementation of the Action Plan of the IS3 (and in addition to it) in the period March - June 2015 a number of thematic events / seminars in identified priority areas for smart specialization were held:

- Thematic event „Informatics and ICT” – 30.03.2015
- Round table „Dialogue for Smart Growth“ (representatives in ICT sector) – 23.06.2015
- Entrepreneurial discussion „Mechatronics and clean technologies“ – 20.04.2015
- Thematic event „Mechatronics and clean technologies“ – 24.04.2015
- Entrepreneurial discussion „Healthy life and Bio-technology“ – 21.04.2015
- Thematic event „Healthy life and Bio-technology“ – 13.05.2015
- Entrepreneurial discussion „New technologies in creative and recreative industries“ – 21.04.2015
- Thematic event „New technologies in creative and recreative industries“ – 26.05.2015

The workshops were attended by high level representatives from public administration – CoM Administration, ME, MES, MTTTC, MAF, MLSP, MYS, MC and SMEPA, active business representatives, entrepreneurs, business and professional organizations, clusters in mentioned areas, academics and NGOs representatives. At all meetings a brief presentation was presented on the principles and processes of smart specialization, which was the basis for in-depth discussion.

In order to focus on the regional dimension, in accordance with the needs and challenges at regional level, according to the defined goals and vision of "Innovation Strategy for Smart Specialization 2014-2020", further discussions were organized with members of the working group "Regional Partnership Network" - representatives of the regional administrations, as well as representatives of regional academic centers of BAS. On the 12th of May, 2015 A Workshop was organized for the identification of priority directions of the planning regions, according to the thematic areas for the development of innovation in the programming period 2014 - 2020.

On 18.05.2015, the Innovation Strategy for Smart Specialization was discussed at a major forum of the Confederation of Employers and Industrialists in Bulgaria (CEIB) - an organization uniting more than 11000 companies, collective and individual members. CEIB meeting were formulated concrete proposals focus on the thematic areas of IS3, which provided the Prime Minister. It was also attended by Deputy Prime Minister on EU funds and economic policy, Ministers of Economy and Finance, Deputy Minister of Education and others.

On 10.06.2015, the final thematic event was held - "Annual meeting of academics with entrepreneurs and investors." It reviewed and refined the proposals and views of the participants of held themed events and workshops on priority directions of ISSS. Final guidelines were identified to focus on thematic areas - priority areas for development, the challenges to be resolved, as well as any applicable models for financing projects. All held events were organized by the Ministry of Economy, with the active assistance of the Ministry of Education and Science and Bulgarian Academy of Sciences.

The results of the implementation of the Action Plan under IS3 were presented for discussion also during the sessions of the Regional Development Councils of the six regions in the Republic of Bulgaria:
Throughout the period information about the events is published on the website of the Ministry of Economy (and OP specialized site), the website of the MES, as well as on the Information Portal for EU Funds: www.eufunds.bg. On 12.06.2015, the preliminary results of the implementation of the Action Plan to IS3 are published on the Portal for Public consultations to the Council of Ministers: www.strategy.bg.

In implementation of the Action Plan for Innovation Strategy for smart specialization (ISIS) 2014-2020 on accession of research infrastructure and research priorities to areas identified in ISIS, had to be drawn map of the capacity of Bulgaria regarding research infrastructure. In this connection in period 18 June - 3 July 2015 and 01 - 09.10.2015, the Ministry of Education and Science held two information campaigns, in which participated the Ministry of Economy. Furthermore, based on information received from the Bulgarian Academy of Sciences, Agricultural Academy and universities was identified infrastructure available scientific organizations including laboratories, centers and departments to relevant scientific organizations.

After mapping, organized by the Ministry of Education and Science, were identified scientific infrastructures complexes (under the thematic areas of ISIS) as follows:

**North area** - thematic area "Industry for a healthy life and Biotechnology"

**North Central region** - thematic area "Mechatronics and clean technologies", "Industry for a healthy lifestyle and bio-technologies" and "Informatics and ICT"

**North area** - thematic area "Mechatronics and clean technologies"

**Southwestern region** - thematic area "Industry for a healthy lifestyle and biotechnology", "Mechatronics and clean technologies" and "Informatics and ICT"

**South Central region** - thematic area "Informatics and ICT" and "Industry for a healthy lifestyle and bio-technology."

**Southeast region** - thematic area "Mechatronics and clean technologies" and "Industry for a healthy lifestyle and bio-technology."

As a result of the implementation of the action plan and other measures taken to optimize the implementation of the thematic areas of RIS3 were focused, which amends item. 5.26.1 of the Strategy.

The thematic areas of RIS3 received its regional prioritization, supplemented with . 1.7 of the Strategy.

Coordination and management structure of ISIS is updated, which is updated and 7 of the Strategy.