

Annex

Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport

Building on the Joint Declaration “A Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport”, this document presents the specific objectives, priorities and a tentative roadmap of key actions of this Agenda.

Fostering the stability, prosperity and the European perspective of the region remains a key priority for the EU, taking into account the effect of the COVID-19 pandemic which is hitting hard the Western Balkan societies and economies. In line with the European Commission priorities, **green transition, digital transformation and an economy that works for people** are crucial for relaunching and modernising the economies of the Western Balkans, helping to create jobs and growth, addressing the long-standing challenges faced by young people in the region such as limited job prospects, and inequality. Research, innovation, education and culture are essential drivers in this process as underpinned by evidence-based policymaking. Culture and inter-cultural dialogue processes also have an outstanding role in creating an enabling environment for strengthening and reconciling communities.

The Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport outlines a comprehensive, long-term strategy for cooperation with the Western Balkans in these fields. It will contribute to social and economic development and regional cooperation in the Western Balkans building on the overall EU support for a rapid restart of the region’s economy and the on-going accession process.

The Commission has launched an ambitious **Economic and Investment Plan for the region, to support the twin green and digital transition**¹, proposing to mobilise up to EUR 9 billion of IPA III funding for the period 2021-2027, including a new Western Balkans Guarantee facility, with the ambition to potentially raise investments of up to EUR 20 billion. Its flagship on the Youth guarantee will support youth activation and employability in the region. This is complemented by the European Commission’s proposal on vocational education and training for sustainable competitiveness, social fairness and resilience² as well as the New European Skills Agenda³ and the European Pillar of Social Rights⁴. This Agenda is closely interlinked with the Common Regional Market Action Plan endorsed by the Western Balkans’ Leaders at the Sofia Summit in November 2020⁵.

The external dimension of the European Green Deal⁶, identified launching a Green Agenda for the Western Balkans as one of its key initiatives. The new all-encompassing EU growth strategy, based on decoupling economic development from resources use and greenhouse gas emissions while pursuing climate resilience and a circular economy, can only be fully effective if the EU’s immediate neighbourhood also takes action at an early stage. This is all the more valid for the Western Balkans given their European perspective and commitments to align with the evolving EU acquis as well as the 2030 Agenda for Sustainable Development and the Paris Agreement. Within this perspective, a Green Agenda for the Western Balkans, embedded in

¹ Commission Communication “An Economic and Investment Plan for the Western Balkans” COM(2020) 641 final

² Proposal for a Council Recommendation on vocational education and training for sustainable competitiveness, social fairness and resilience COM(2020)275 final

³ European Skills Agenda for sustainable competitiveness, social fairness and resilience, 1 July 2020

⁴ European Pillar of Social Rights. Building a more inclusive and fairer European Union.

⁵ <https://www.rcc.int/pages/143/common-regional-market>

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1596443911913&uri=CELEX:52019DC0640#document2>

the Economic and Investment Plan⁷, has been endorsed through a political Declaration⁸ by the Western Balkans leaders at the Sofia Summit.

This Agenda contains clear references to the two relevant Macro-Regional Strategies operating in the region: the “EU Strategy for the Adriatic and Ionian Region” (EUSAIR) and the “EU Strategy for the Danube Region” (EUSDR). These Macro-Regional strategies are supported by the highest political levels of the EU, the Member States and the regions concerned and are an integral part of EU regional policy.

The focus of the actions in this Agenda is grouped in three main axes; **political, regional and thematic**, and these set the context for cooperation with the Western Balkans in the above-mentioned areas while remaining flexible with a view to adapting the actions to new developments or emerging priorities. Foresight, technology transfer, capacity building activities and evidence-informed policymaking will guide this Agenda.

This Agenda and proposed implementation actions will contribute to a number of priorities and missions in the region:

- Bringing research and innovation eco-systems closer to EU standards to boost the region’s innovation capacities;
- Reducing the gap in economic performance of regional economies;
- Counteracting climate change and environmental degradation;
- Supporting the digital transformation;
- Promoting the implementation of the Green Agenda for the Western Balkans and its five pillars: decarbonisation (climate action, clean and just energy transition and smart mobility), depollution of the air, water and soil (not least in view of the significant health and economic impact of air pollution in the region), engaging in a circular economy, sustainable farming and food production, and protecting biodiversity;
- Enhancing the quality, inclusiveness and equity of education and training systems, starting with the early childhood education years and including also the lifelong learning context;
- Supporting the development of a digital education ecosystem and the development of digital skills and competences;
- Offering young people the possibility of civic participation;
- Establishing high quality standards of European vocational education and training as a reference for skills development, including micro credentials; nurture knowledge-based societies;
- Boosting human capital development in priority economic and investment sectors;
- Promote and support brain circulation in particular with the Western Balkans diaspora;
- Reducing the gender and digital divide as well as promoting and implementing new technologies in line with priority fields in education;
- Improving sustainable mobility and connectivity;
- Fostering cultural, academic and youth cooperation within the region and the EU;
- Strengthening regional cooperation and the Common Regional Market.

⁷ https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/green_agenda_for_the_western_balkans_en.pdf

⁸ <https://www.rcc.int/download/docs/Leaders%20Declaration%20on%20the%20Green%20Agenda%20for%20the%20WB.pdf/196c92cf0534f629d43c460079809b20.pdf>

In so doing, it will contribute to fostering a sustainable economy (post COVID-19) and help create jobs.

The continued assessment of the implementation of this Agenda is based on the completion of precise actions underpinned by a set of indicators with well-identified base lines and targets. Given its inter-disciplinary and cross-sectoral nature, the successful implementation of this Agenda will require a broad, comprehensive and synergetic implementation process at various levels, including European, regional, and local.

The involvement of a number of actors will be important for the achievement of the priorities and missions of this Agenda. Key actors include EU institutions and Western Balkans authorities, various stakeholders in the Western Balkans, such as large companies and SMEs, higher education institutions (HEIs), research organisations, research and technology infrastructures, vocational training providers, schools, the cultural and creative sectors, civil society as well as education, culture, youth and sport organisations.

1. A Political Agenda

The EU is committed to further intensify its engagement with the region, reconfirming its European perspective, and supporting the implementation of systemic transformations via reforms, as reflected in the Enlargement Package 2020, and the Economic and Investment Plan for the Western Balkans, and through the Economic and Reform Programme process.

The EU and the Western Balkans are tackling the common challenges together, as was clearly demonstrated by the unprecedented solidarity between the EU and the Western Balkans in addressing the immediate impact of COVID-19⁹.

However, the region's economies are struggling to raise their competitiveness levels. There is a good momentum presently for the Western Balkans economies to build a more sustainable, resilient and decarbonised future.

The main priorities and accompanying actions for this Political Agenda are as follows:

- Support the reforms in the region in the fields of Science and Research and in Education, Culture and Youth by implementing the *acquis communautaire*. Support the work on **accession negotiations for Chapters 25 and 26** for Albania and North Macedonia under the "Competitiveness and inclusive growth" cluster.
- Enhance the implementation of the relevant joint policy guidance as well as relevant reform measures adopted in the context of the **Economic Reform Programme** process.
- **Full Association to Horizon Europe for the Western Balkans** - Association to the EU's Framework Programme on Research and Innovation is the closest form of cooperation in science and technology. It has proven instrumental for cooperation and funding of joint innovation projects enabling mutual access to excellence, innovation, network and research resources. It has provided invaluable opportunities for human development, amplifying the chances of success in finding joint solutions to global challenges.
 - Strengthen the regional cooperation among universities, research organisations and SMEs linking them into the European STI cooperation and exchange mechanisms (e.g. through integration into pan-European Research and Technology Infrastructures, Missions, European Partnerships, COST, MSCA as well as the EIT and its KICs).
 - Contribute to the dedicated programmes and planned foresight exercises involving governments, the business sector, universities and research centres, as well as civil society.
 - In line with the Horizon Europe "**European Innovation Ecosystems**" work programme, enable sustainable regional innovation partnerships, networking, joint programme actions, actions for scaling up innovative solutions, innovation intelligence gathering, and excellence clusters in the region (e.g. via Enterprise Europe Network, linking of Science and Technology Parks and Digital Innovation Hubs).

⁹ 2020/0065 (COD) Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on providing Macro-Financial Assistance to enlargement and neighbourhood partners in the context of the COVID-19 pandemic crisis, 22 April 2020

Communication on the Global EU response to COVID-19 (JOIN(2020)11 final) of 8.4.2020

COM(2020) 315 final European Commission Communication on Support to the Western Balkans in tackling COVID-19 and the post-pandemic recovery - Commission contribution ahead of the EU-Western Balkans leaders meeting on 6 May 2020

- Encourage increased participation in the MSCA part of the programme by providing in particular more opportunities for the MSCA Doctoral networks and MSCA Staff Exchanges as well as Postdoctoral Fellowships. Promote applications to the MSCA COFUND for stimulating local and regional doctoral and fellowships programmes.
 - Strengthen the role of the EIT in the region via the reinforced EIT Regional Innovation Scheme (RIS) and cross- Knowledge Innovation Communities (KICs) activities targeting the Western Balkans. Encourage the use of transnational and regional programmes to contribute towards EIT instruments, aimed at strengthening the domestic and regional innovation eco-systems of the Western Balkans, as well as promote equal and active participation in the activities of the EIT KICs, across the whole Western Balkan region in line with the EIT Strategic Innovation Agenda 2021-2027.
- **Full Association as Programme Countries of all the Western Balkans to the new Erasmus and European Solidarity Corps (ESC) programmes**
- Assist the full association of all Western Balkan partners to Erasmus10 and the European Solidarity Corps¹¹ by supporting the implementation of preparatory measures.
 - Ensure the firm commitment and investment from the partners, to set up the required management structures and compliance measures, which is a pre-condition for this process¹².
- **Association to the SME pillar of the Single Market Programme**
- Association will allow organisations from the Western Balkans to participate in the different initiatives such as the Enterprise Europe Network (EEN), Erasmus for Young Entrepreneurs and Cluster collaboration projects.
 - Members of Enterprise Europe Network in the Western Balkans can help SMEs on finding business and R&I partners in the EU, help SMEs to participate in Horizon Europe, provide information to Western Balkans SMEs on how to develop their business in the Single Market and help them to find sources of financing available in their region.
 - In addition, EEN members in the Western Balkans can help SMEs in their transition to more sustainable business models and more resource-efficient and circular processes and infrastructures. The Commission will enhance and upgrade the EEN with dedicated Sustainability Advisors to address sustainability challenges and opportunities for SMEs.

¹⁰ The preparatory process for a partner normally lasts at least four years but it can be further extended if the level of preparedness of the newly set up National Agency does not meet the strict criteria of the Erasmus+ programme. North Macedonia and Serbia are already Erasmus+ Programme Countries.

¹¹ North Macedonia is already a European Solidarity Corps Programme Country.

¹² This is a medium-term objective requiring extensive resources for the Western Balkans Ministries of Education and Youth, as it will imply in each case the creation of a fully operational National Agency. During this preparatory period, the future National Agency has to set up an appropriate organisational structure by ensuring the necessary preparedness in terms of staff training, recruitment, management supervision, level of assurance, managing call for proposals, providing assistance to applicants and beneficiaries. The process has high costs both in terms of human resources and finances. It requires a strong administrative and human investment from the new programme country.

- As part of the triple transition, and using digital technologies an important enabler for sustainability, the EEN will also support SME's digitalisation by helping adapt their processes, use digital technologies and develop new products and services using new digital means.
 - By participating in the Erasmus for Young Entrepreneurs exchange scheme, new and experienced entrepreneurs based in the Western Balkans can exchange experience with international counterparts, innovate and gain new market knowledge.
- **Association of the Western Balkans region to the new Creative Europe Programme (CE)**
- Increase the participation and success rate of stakeholders from the region in the various actions of the CE programme.
 - Improve the capacity of cultural operators to cooperate internationally for the benefit of the regional cultural landscape as a whole.
 - Encourage Kosovo*¹³ to apply for full membership of the CE programme by advancing preparations for full alignment with the EU audio-visual media service directives¹⁴.
 - Increase and enable a stronger cooperation on cultural heritage by extending an invitation to the Western Balkans partners to participate in the Commission Expert Group on Cultural Heritage and explore the possibilities of inviting Western Balkan partners to the European Heritage Label programme.
 - Encourage and support Western Balkan partners in the EU action European Capitals of Culture.
- **Establishment of a Western Balkans Ministerial Platform on Culture**
- Organise a Regional Policy Dialogue on culture in line with the objectives of the 2016 Joint Communication, *Towards an EU strategy for international cultural relations*, the framework for the EU's cultural cooperation with third countries.
 - Enhance the integration of the Western Balkans in the cultural cooperation at European level thus enhancing international cooperation, one of the pillars of the 2018 Communication, *A New European Agenda for Culture*, and other strategic documents¹⁵.

¹³ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

¹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L1808&from=EN>

¹⁵ Council conclusions on an EU strategic approach to international cultural relations and a framework for action (2019); A New European Agenda for Culture (2018); New European Consensus on Development (2017); Joint Communication "Towards an EU strategy for international cultural relations" (2016); Global Strategy for the European Union's Foreign and Security Policy (2016)

- **Integration in the new European Research and Innovation Area (ERA)** through linking to the Key Actions of the ERA Roadmap process - enabling a smooth transition towards a performant R&I system. The new vision for the ERA¹⁶ is one of a transformative R&I policy that shapes technological and societal change to deliver a sustainable European society. It calls for an attractive and excellent R&I system spanning across Member States and Associated Countries. It accelerates the transition towards climate neutrality, strengthened resilience and preparedness, digital leadership, and gender equality. Being part of the ERA represents a driver for reforms and policy transitions towards a more performant R&I system, helping the region to increase its capacities and potential in infrastructures and their networking.
- Fully implement the four strategic ERA objectives through 14 key actions; include the Western Balkans in the European Innovation Scoreboard, regular ERA monitoring and reporting, and other actions as indicated in the new ERA for Research and Innovation Roadmap.
 - Fully exploit the integration into ERA as a driver as for reforms and policy transitions towards a more performant R&I system, for instance through participations into Horizon Policy Support Facility activities.
 - Establish foresight activities to guide the post COVID-19 green recovery efforts through innovation and by ensuring synergies and, where relevant, synchronisation with European actions and instruments¹⁷.
 - Promote the coordination and synergies of local, regional and EU funds to stimulate excellence in education, research and innovation (e.g. via the Steering Platforms on Education and Training & Research and Innovation).
 - Develop, implement, and sustain inclusive gender equality plans in order to be eligible to apply for Horizon Europe funding, in line with the ERA communication action to promote gender equality in Research and Innovation¹⁸.

¹⁶ Communication on 'A new ERA for Research and Innovation', COM(2020) 628; 30/09/2020

¹⁷ CBRN CoE Initiative through the Instrument contributing to Stability and Peace (IcSP), RIA Research and Innovation action, R&I Policy Support Facility, JRC Foresight and Value Chain Analysis, etc.

¹⁸ The concerned legal entities for the eligibility criterion are public bodies, research organisations and higher education institutions in Member States and Associated Countries

➤ **Enable a stronger participation in the European Higher Education Area (EHEA), the European Education Area (EEA) and the European Education Area strategic framework for Education and Training (2021-2030)**

- Support the proper implementation of the Bologna process commitments and the priorities of the Rome Communique to complete the reform of the higher education sector based on fundamental academic values in the framework of the EHEA, and prepare the region to benefit in the long-term from the EEA.
- Expand the availability and quality of inclusive Early Childhood Education and Care (ECEC) services by promoting sector reforms to better align with the Council Recommendation on High-Quality Early Childhood Education and Care Systems.
- Support the region in the implementation of the Lisbon Recognition Convention and the key commitments of the Bologna Process for recognition of quality assured academic qualifications¹⁹ and study periods abroad, in line with the Common Regional Market Action Plan endorsed in the framework of the Berlin Process as well as other regional initiatives in the framework of the EUSAIR and EUSDR²⁰ or ENIC centres²¹.
- Support the work of the network of National Academic Recognition Information Centers (ENIC_NARIC). Work towards automatic recognition for academic purposes, inspired by the Council Recommendation on automatic recognition of qualifications and study periods abroad.
- Promote EHEA projects aimed at implementing the priorities of the Rome Communique, and enhance opportunities for cooperation and capacity building in these areas through Erasmus+. The aim is to boost structural projects for capacity building in higher education with direct participation of Western Balkans authorities. Promote knowledge sharing and cooperation, including through the Western Balkan Ministerial Platform for Education and Training, with regard to the development of the EEA and related initiatives.
- Capitalise on the European Universities Initiative to inspire transformation of the higher education sector in the Western Balkan region²².
- Strengthen the mutual learning support to the Western Balkan partners to actively participate in the European Education Area strategic framework for Education and Training (2021-2030).

¹⁹ In line with the Poznan Declaration and its key principles as well as Bologna Process principles and commitments.

²⁰ The “EU Strategy for the Adriatic and Ionian Region” (EUSAIR) and the “EU Strategy for the Danube Region” (EUSDR).

²¹ A National information centre (ENIC or ENIC-NARIC) is an entity established by each Party to the Lisbon Recognition Convention (LRC). The National information centre reports to their respective national competent authority (ministry of education or another body). Upon request, the National information centre may provide information to UNESCO and the Council of Europe, in their role as Co-Secretariat of the LRC, but also to the Lisbon Recognition Convention Committee (LRCC).

²² Serbia and North Macedonia as Erasmus+ programme countries can already now be involved in the European Universities initiative.

➤ **Enable a stronger participation in the Copenhagen Process for Vocational Education and Training (VET) and the Osnabrück Declaration on Vocational Education and Training**

- Strengthen monitoring of the Copenhagen Process commitments to report on progress towards the goals agreed with the support of the European Training Foundation.
- Support the implementation of reforms of VET for sustainable competitiveness, social fairness and resilience in cooperation and prepare the region to respond to the dual green and digital economy.
- Support the region to develop joint standards and procedures for recognition of quality assured academic and professional qualifications and study periods abroad, in line with the Multiannual Action Plan on the Common Regional Market in the framework of the Berlin Process.
- Promote projects aimed at improving automatic recognition, qualifications frameworks and quality assurance, and enhance opportunities for cooperation and capacity building in these areas through EU tools and programmes and initiative. The aim is to boost structural projects for capacity building including vocational education and training with direct participation of Western Balkans Authorities.
- Promote the inclusion of Western Balkans in EU wide networks and actions, in particular in quality assurance, mobility schemes, apprentices' network with the support of the European Training Foundation, the EU agency active exclusively in HCD in the external dimension.
- Promote knowledge sharing and cooperation, including through the Western Balkan Ministerial Platform for Education and Training and in cooperation with the European Training Foundation.

➤ **Finalise the Smart Specialisation Strategies (S3s) and support their implementation for all Western Balkan partners**

Smart Specialisation Strategies guide socio-economic transformation processes by aligning resources and strategies between private and public actors from different governance levels. The Smart Specialisation approach focuses on promoting sustainable economic development and growth through innovation in a cross-sectoral manner, by identifying specialisation areas, which are defined by mapping of economic, innovation and scientific potentials followed by a comprehensive dialogue coined as the "entrepreneurial discovery process" that includes policymakers from various government ministries and agencies, private-sector stakeholders, academia, and civil society. In the case of Western Balkans, Smart Specialisation Strategies can mobilise the entrepreneurial discovery process of local opportunities in digital and green transformation, and in particular the deployment of European strategies that define common objectives. Once established, S3s would set the basis to lead to a stronger, sustainable and more focused cooperation with EU regions that have similar priorities in the field of technology, science, creative industries and innovation. EU Macro-Regional Strategies and Interreg IPA programmes can play an important role in fostering coordination and cooperation among S3s at regional level²³.

- Support the development and implementation of Smart Specialisation Strategies through expertise and best practice under the guidance of the Joint Research Centre²⁴ and mobilise technology transfer networks and actors throughout the region.
- Further develop skills and competences for the implementation of Smart Specialisation priority domains, including green ones; while linking economic priorities with skills and competence development.
- Encourage partners to establish and maintain regular dialogue of the quadruple helix throughout the implementation of sustainable S3s (representing public, private, research and education sectors, – including vocational education and training and civic society).
- Encourage EU Member States and sector actors to share best practices and facilitate the implementation of Smart Specialisation Strategies in a synergetic way with partners in the region.
- Discuss the key regional initiatives to spread innovative technologies and business models as well as direct industrial and innovation ecosystems towards more inclusive and sustainable pathways to growth while engaging with European governmental actors on their implementation at the Western Balkans Steering Platform on Research and Innovation.

²³ It is paramount to capitalize on already implemented transnational projects on Smart Specialisation Strategies in the region: e.g. OIS-AIR establishes and develops the Open Innovation System of the Adriatic-Ionian Region (<https://oisair.adrioninterreg.eu/>)

²⁴ Montenegro and Serbia have both adopted the Smart Specialisation Strategy (Serbia is yet to adopt an action plan to the strategy), while the other economies are in the process of developing them

2. A Regional Agenda

The Western Balkan economies are presently showing a volatile and slow growth, with high unemployment rates, and particularly high youth unemployment. They are also affected by emigration (temporary or long-term), especially by young people.

Despite efforts by some economies in the region to invest in new R&D&I infrastructures, there is overall an insufficient level of support for innovation ecosystem development in the region. Main causes include a limited access to potential funding sources, lack of proper know-how and skills, low capacities for technology and knowledge transfer, as well as dispersed, fragmented and inconsistent innovation support measures and infrastructures for enterprises.

The ongoing process of reforming education, training and research systems in the region should be reinforced and accelerated, by providing more opportunities for upskilling and reskilling to young people and adults, through capacity building and business orientation, and increasing the innovation potential that are closely interlinked with the actions and commitments of the Industry and Innovation Area of the Common Regional Market. Where relevant, the EUSAIR and the EUSDR can enable a balanced recovery and an even playing field reducing regional disparities and increasing cohesion and convergence.

The main priorities and accompanying actions for this Regional Agenda are:

- **Increase investment in SMEs and their capacity to innovate, scale-up and grow** - One of the causes for the low investments in sustainable economic growth is the low business expenditure on research and development and insufficient skills for innovations. At the same time, capital and financial markets in the region are characterised by the inexistent and/or insufficient use of alternative financial sources, more appropriate to finance notably innovative start-ups. The EU in close cooperation with the International Financial Institutions has mobilised a package of over EUR 3.3 billion for the Western Balkans to address the COVID-19 crisis²⁵.
 - Guide and stimulate the region's ability to effectively use resources in support of innovation, especially through improving substantially the business and investment environment notably for start-ups and the establishment of mechanisms to found, support and promote start-ups oriented towards green transition/green economy, digital economy, circular and sustainable economy and supporting development of regional innovation infrastructure (e.g. through local Innovation Funds, Science and Technology Parks, Technology Transfer centres, Digital Innovation Hubs, clusters), which are transparently managed respecting state-aid rules, avoiding overlaps between instruments and are evaluated against their expected impact.
 - Facilitate the access to financial markets - including for SMEs²⁶ and start-ups through the EIC²⁷ and in coordination with the EIT as well as through the Western Balkans Investment Framework (WBIF), including its private sector platform Western Balkans Enterprise Development and Innovation Facility (WB EDIF) and the new Western Balkans Guarantee Facility (EFSD+).

²⁵ This includes a dedicated EUR 389 million of Instrument for Pre-Accession (IPA) funding and a further EUR 455 million economic reactivation package to support the social and economic recovery and growth

²⁶ Commission Priorities 2019-24: Priority 2 An economy that works for people – Supporting SMEs investment and financing

²⁷ And the forthcoming SME Strategy offering a simplified landscape to access financial resources

- Support the creation and expansion of innovation eco-systems to develop a robust private sector by creating and implementing new models of support to start-ups, MSMEs and SMEs with innovative ideas. This should be aligned with the Economic and Investment Plan objective of boosting the private sector²⁸ and the Sofia Summit Conclusions²⁹. In this context, and in line with the Team Europe collaboration model, synergies between regional actors, EU Agencies, international organizations and EU together with IFIs and other international funds and programmes should be promoted to achieve higher economic growth and create more jobs. This will be supported by the Western Balkans Investment Framework and Western Balkans Enterprise Development Facility alongside Horizon Europe and other EU SME support measures³⁰ addressing regional start-up and early stage innovation support schemes, blending public and private sector financing moving towards a Regional Industrial and Innovation Area. New funding schemes, including the Regional Early Stage Innovation Funding Scheme, providing early-stage grant financing may complement existing measures. Finally, continuously connect allocations and measures to the priorities defined by the Smart Specialisation Strategy.
 - To use the Enterprise Europe Network more effectively to make innovation eco-systems more attractive, benefit from technology transfer opportunities and find co-operation partners for scale up. A closer co-operation among network members in the region would bring forth economies of scope, notably if in line with smart specialisation strategies, and scale in the Common Regional Market, thus benefiting from the modernisation of the regional economies and raising the attractiveness of the regional value chains for global enterprises.
 - Align with the InvestEU Programme (Fund and Advisory Hub) and European Fund for Sustainable Development+ (EFSD+) (notably the Western Balkans Guarantee Facility expected to raise up to EUR 20 billion investments) to access guarantees which cover a variety of sectors from sustainable and climate-resilient infrastructures to various forms of support to SMEs.
- **Foster research, innovation, education and vocational training capacity building -** Stimulating the process of reforming education, training (including early childhood education and care (ECEC) and vocational education and training (VET) and micro-credentials) and research systems in the region to transform them into driving forces of creativity, innovation and economic development³¹.
- Encourage and support Western Balkan economies to increase their research and innovation investments by 50% in the next 5 years, and to allocate at least 4% of GDP for education through investments both in human capital and in infrastructures; continuously connect these allocations and measures to the priorities defined by the Smart Specialisation Strategy.

²⁸ EIP Flagship 9: 'Investing in the competitiveness of the private sector' - 50% of EU private sector funding should be dedicated to innovation and green growth

²⁹ Common Regional Market 'A catalyst for deeper regional economic integration and a stepping stone towards EU Single Market' and Action Plan action Nr 4 as endorsed by the Western Balkans leaders in Sofia, 2020

³⁰ EIT, EIC, Start-up Europe, etc.

³¹ e.g. following the example of the Higher education in Smart Specialisation (HESS) project (s3platform.jrc.ec.europa.eu/hess)

- Encourage investments in capacity building and facilitate cooperation and coherent policy making via the Ministerial Steering Platforms on Education and Training and on Research and Innovation.
- Promote Widening Initiatives under Horizon Europe and launch a specific Twinning Call for the Western Balkans to increase the attractiveness of the region for young and female talents. Unlock the regional potential, promote brain circulation and facilitate mentoring networks between Western Balkans and leading European research institutions, inspired by the EU-Western Balkans Research Fund put forward within the Berlin Process.
- Increase the Western Balkans involvement in the activities of the European Institute of Innovation & Technology (EIT) Knowledge and Innovation Communities (KICs) (including in the new KIC on Cultural and Creative Sectors and Industries (CCSI) to be launched in 2022 or 2023³²), in particular (but not exclusively) through the participation in the activities supported by EIT Regional Innovation Scheme in synergy with Smart Specialisation Strategy activities.
- Encourage and promote active participation from the Western Balkans in initiatives like COST, and EUREKA, fostering the further linkage with European partners and increasing international cooperation.
- Support the establishment of a National Contact Point (NCP) network in the forthcoming Horizon Europe programme, to facilitate the flow of information about opportunities, including in MSCAs, EIT and KICs activities.
- Enhance Open Science regional partnerships between academic and business community through practical collaborations in fields of open data sharing, and open access to research and technology infrastructures. Enable rapid open access publishing and open software. Work towards a scientific eco-system for research data and skills development of researchers to achieve minimum standards for OS and OA regarding to the FAIR principles; foster a regional OA/OS platform for training, data sharing and scientific advice.
- Support the participation of the Western Balkan partners in international tests such as PISA, TIMSS and PIRLS, as well as the inclusion of the WBs in ICILS 2023 (International Computer and Information Literacy Study) and TALIS 2024 (Teaching and Learning International Survey).
- Encourage universities to develop study programmes that match graduates' skills better to the real needs of labour markets, including through cooperation with businesses, and encourage universities to develop research and technology infrastructures and entrepreneurial university models together with the private sector.
- Support partners in the design, implementation and monitoring of Youth Guarantee schemes, including the targeting, activation and integration of youth into the labour market, through the coordination between employment, education, civil society, youth, private sector and innovation stakeholders.
- Encourage the development of Regional Vocational Education and Training (VET) Centres of Excellence in cooperation with the European Training Foundation to

³² 2019/331 (COD) Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the European Institute of Innovation and Technology, 11 July 2019

respond to the needs of the labour market in regionally defined by Smart Specialisation Strategy priorities with potential for regional specialisation (through improving and adapting skills, knowledge and competences of the youth and adults).

- Support the international mobility of VET staff and learners, as well as capacity building for VET schools based on the results of two pilot calls³³ for VET mobility for the WB region in preparation of Erasmus and its component for VET. Foster links to overall system reforms in a lifelong learning perspective and in cooperation with the European Training Foundation.

- **Deepen Economic Union by linking the Western Balkan education and innovation activities and by bringing them closer to the EU ones** – Skills and innovation, underpinning the modernisation of the economies in the region, more extensive and deeper linkages between those active in innovation, creativity and education can bring forth growing ties among enterprises. Smart specialisation with its purpose to focus scarce human and financial resources on different strengths and visions across the diverse region forms bonding opportunities, informed by suitable intelligence.
 - Through the participation in the Common Regional Market and EU programmes (Horizon Europe, Digital Europe, Interreg IPA, etc.) analyse and identify Western Balkans value and supply chains suitable for future investments within the broader South-East European region and raise their attractiveness for industrial eco-systems in the EU.

- Improve the conditions for innovative activities in the Western Balkans by encouraging technology transfer in line with the orientations of the smart specialization strategies of the regions in the economies and by promoting best practices. **Foster the Western Balkans transition to sustainability** in line with the Guidelines for the Implementation of the Green Agenda for the Western Balkans accompanying the Economic and Investment Plan. A paradigm shift in the economic development model towards one based on low-carbon, climate resilient and a circular economy, where recycling and reuse are the rule while the use of natural resources is significantly reduced, is needed³⁴. Some of the main challenges in terms of boosting competitiveness and long-term and inclusive growth are (i) Improving skills of the population, including vulnerable communities, in relation to labour market needs and new technologies, (ii) Renewable energy, (iv) Smart mobility, (v) Sustainable agriculture and industry and (vi) Improving the business and investment environment.
 - In cooperation with the Steering Platforms on Education and Training and on Research and Innovation, guide large-scale investments and facilitate coherent policy making, specifically through Ministerial meetings of the Steering Platforms on Education and Training and Research and Innovation.
 - Facilitate and promote foresight exercises (local and regional) and linking with the future EU-wide Foresight Network as integrators of international knowledge programming, structuring the engagement of stakeholders in the region and guiding recovery roadmaps for a green, digital transition.

³³ First pilot call currently being implemented successfully with partners from all 6 WBs. Second pilot call launched in April 2020 with activities expected to start in January 2021

³⁴ A new Circular Economy Action Plan For a cleaner and more competitive Europe (COM/2020/98 final)

- In collaboration with policy-oriented research centres in Europe, support the Western Balkan partners in developing scientific advice mechanisms for an informed and evidence-based policy-making and societal scientific literacy, helping also to build trust in science and acceptance of new technologies.
 - Promote regional cooperation between the quintuple helix actors to boost economic sustainability and transition towards green economy.
 - Promote collaboration on Smart Specialisation Strategies priorities and the strengthening of the integration in international (transnational) industrial eco-systems and value chains and by building on actions and projects in the framework of Interreg, IPA, Transnational and Regional programmes, and EU macro-regional strategies operating in the Western Balkans, namely the EUSAIR and EUSDR.
 - Continue to promote regional cooperation on technology transfer and entrepreneurship activities, supporting skills-creation for local entrepreneurs and enhancing opportunities for start-ups and scale-ups, regionally and internationally, notably in line with Smart Specialisation Strategies priorities.
- **Fostering cultural cooperation** contributes to the development of the cultural creative sectors, which represent an untapped potential for socio-economic development, and can help restore trust and bring tangible benefits to citizens. The Western Balkans is a region with abundant cultural and creative talent and potential. Culture and cultural heritage and inter-cultural dialogue can strengthen common narratives between communities and foster links between people.
- Promote the regional programme³⁵ on culture and creativity in the Western Balkans to build capacities and support the culture and creative sectors, including cultural heritage, leading to a more successful participation in the future Creative Europe programme.
 - Foster cultural co-operation both within the Western Balkans and between the region and the EU, with an accent on co-creation and audience development.
 - Support the development of inclusive cultural policies from local to regional level, and promote cultural heritage involving the local communities following the approach outlined in the European Framework for Action on Cultural Heritage³⁶.
 - Boost the development of digital and entrepreneurial skills of cultural professionals.

³⁵ EUR 8 million from the IPA-II Multi-Country Programme 2020 budget

³⁶ Serbia and Albania have responded positively

- **Regional cooperation and people-to-people exchanges** are essential for progress on the region's European path. People-to-people exchanges, such as mobility measures in the academic, youth, cultural and sport fields have a unique potential to contribute to political stabilisation and create economic opportunities but also foster greater tolerance, promote European values and strengthening the cohesion of society. Better learning of each other's languages and cultures will additionally lead to rapprochement between neighbours and this is an instrument in overcoming the challenges of the past.

Through Erasmus+ and the European Solidarity Corps, the EU has been promoting non-formal learning opportunities for young people and youth workers in the region. In this context, the EU contributes more widely to developing the quality of youth engagement and supports youth policy reforms.

- Strengthen the capacity building activities in the field of Youth under the Erasmus+ Programme, funding projects between organisations active in youth, education, training and other socio-economic sectors in the region.
- Develop together with the Western Balkan partners the quality of youth engagement through initiatives such as the Regional Youth Cooperation Office (RYCO), the School Exchange Scheme, the EU Scheme for Young Professionals in the Western Balkans or the Youth Policy Labs, the EU Macro-Regional strategies in the region (EUSAIR, EUSDR).
- Reinforce the role of the different alumni associations, (e.g. Western Balkans Alumni Association³⁷, EIT Alumni³⁸, DG JRC Alumni or Marie Curie Alumni Association³⁹) to support the Regional Diaspora Knowledge Transfer Initiative and Regional Network of Women in STEM by enhancing opportunities for networking and facilitating their cooperation with regional policy-makers.
- Support innovative people-to-people formats that allow cross-cultural learning in the region and beyond and the affirmation of European core values such as through the Erasmus+ Virtual Exchanges.
- Expand the Western Balkan dimension of the European Week of Sport Beyond Borders and promote active participation in the #BeActive campaign, to enhance the number of young women and men practicing sport.
- Build on the results of the Preparatory Action on Exchanges and mobility⁴⁰ in sport to expand the international dimension of the Erasmus Programme through better inclusion of Western Balkan sport organisations.
- Promote joint regional sport activities and events (e.g. sport events and mobilities in the context of sport and educational events, as well as promotion of physical activity and common values).
- Follow-up to the Tartu Call for a Healthy Lifestyle, strengthen the policy dialogue and exchange of best practices in the field of sport.

³⁷ <https://www.western-balkans-alumni.eu/>

³⁸ <https://eitalumni.eu/>

³⁹ <https://www.mariecuriealumni.eu/>

⁴⁰ PA Mobility – 3 years specific call (2018, 2019, 2020) aiming at promoting learning mobility of sport staff and coaches. Mobilities have to include participants from at least one of the following regions: Africa, Asia, Latin America, Eastern Partnership and Western Balkans

3. A Thematic Agenda

In line with the new Commission priorities and the Economic and Investment Plan for the Western Balkans, the Green Deal and its external dimension, the Digital transformation and an Economy that works for and connects people are essential for the relaunch and modernisation of the Western Balkan economies. This has been underlined by a number of stakeholders and initiatives, i.e. Policy Support Facility⁴¹, the Berlin Process⁴², the Western Balkan Platforms on Research and Innovation and Education and Training, and the Smart Specialisation Strategies (S3s).

Innovation measures in these thematic areas will continue to be supported by the Horizon Europe implementation and specifically its Missions, together with MSCA, EIT and its KICs, Interreg, IPA, IPARD, and the implementation of the S3s.

The main priorities and accompanying actions for this Thematic Agenda are in line with the Commission's priorities in the areas of:

- **A Green Agenda for the Western Balkans:** Climate change and environmental degradation are key challenges to Europe and the world. The Western Balkans are projected to be severely hit by climate change. Without enhanced ambition, an increased frequency and intensity of droughts, floods and other extreme weather phenomena are expected, resulting in the need for climate-neutral buildings and infrastructures, decarbonisation of energy and mobility, and a sustainable management of natural resources, particularly of forests and waters. Environmental pollution, in particular air pollution and water pollution, is a key problem in the main cities, which affects the health of citizen and the economies of both Western Balkans and EU Member States. In this regard, the climate-neutrality, resilient zero-pollution ambition of the EU Green Deal is to be implemented in the Western Balkans through a dedicated Green Agenda⁴³. There is a need to enable a profound change in peoples' behaviour and skills, and this can be done by using the education and training systems and institutions as catalysts. Digital transformation will be a key enabler supporting the green agenda.
 - Through increased participation in Horizon Europe programmes, partnerships, the macro-regional strategies covering the region (EUSAIR, EUSDR) and the Interreg IPA programmes, promoting cross-sectoral nexus innovative approaches and knowledge sharing, encourage, support and guide the transition to clean, sustainable, competitive, secure, safe and smart energy as well as circular, resilient and low-carbon economy.
 - Work together with Western Balkans to establish a virtual Environmental Observatory, covering the entire Balkan Peninsula, as an information system that supports real-time collection and analysis of data relevant to climate and the environment, thus providing the basis for scientific advice, evidence-based policy measures and foresight⁴⁴.
 - Engage centres across the region on Disaster Risk Management, also drawing upon the Copernicus Emergency Management Service with its early warning systems, such as the

⁴¹ <https://rio.jrc.ec.europa.eu/policy-support-facility/specific-support-montenegro-towards-entrepreneurial-innovation-ecosystems>

⁴² wbc-rti.info/object/document/16406/attach/1_overview_wbrf_en.pdf

⁴³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1596443911913&uri=CELEX:52019DC0640#document2>

⁴⁴ It is intended that the Observatory brings together knowledge resources from existing institutions and collaborative formats from the EU and the Western Balkans, on the EU side particularly those of the Joint Research Centre and the European Environmental Agency in an integrated virtual framework.

European Flood Awareness System (EFAS)⁴⁵, the European Drought Observatory (EDO)⁴⁶ and the European Forest Fire Information System (EFFIS)⁴⁷; as well as the Copernicus Climate Change Services and to use climate simulations carried out by EuroHPC⁴⁸.

- Support the networking of Western Balkans research on disaster assessment and management efforts and support the transformation of the infrastructure and equipment of such centres at local level, strengthening the capacities on prevention and policy making at all levels, as well as collaboration between partners on civil emergencies interventions and preventions.
 - Reinforce cooperation with the EIT KICs engaged in the Green Agenda, with the aim of nurturing and further developing the thematic innovation ecosystems in the region, and supporting the involvement of WB partners in European strategic value chains.
 - Encourage the participation of the region in the Education for Climate Coalition, as one of the dimensions of the European Education Area, with a focus on education on environmental sustainability, behaviour change and resilient skill-development from a young age. It aims to mobilise expertise, provide resources for networking and support creative approaches with teachers, pupils and students by creating a strong link between bottom-up initiatives and those at European level.
- **A Europe fit for the digital age** - adapting the region to the rapid transformative technological development in order to remain prosperous and competitive. The EU will promote cooperation in digital education globally through the new Digital Education Action Plan (DEAP) for the period 2021-2027 and develop cooperation with priority partner regions such as the Western Balkans. Synergies with digitalisation-related activities in the Berlin Process, particularly with the Connectivity Agenda and the Common Regional Market will be pursued.
- Boost innovative digital transformation through encouraging the deployment of platforms and policies such as e.g. digital skills in and access to culture and cultural heritage, digital skills in education, Open Access to research data and results, Investments into broadband, and the inclusion of all economies into EuroHPC.
 - Support the digitalisation of all sectors, in particular the energy sector, in order to enhance sustainability and economic performance of companies and support the twin digital and green transitions.

⁴⁵ <https://ec.europa.eu/jrc/en/publication/assessment-capacity-flood-monitoring-and-early-warning-enlargement-and-eastern-southern>

⁴⁶ <https://edo.jrc.ec.europa.eu/edov2/php/index.php?id=1000>

⁴⁷ <https://effis.jrc.ec.europa.eu>

⁴⁸ <https://eurohpc-ju.europa.eu>

- Foster the development of regional Digital Innovation Hubs and their linking to the Science and Technology Parks, and the EIT KICs as one-stop-shops supporting companies boost their competitiveness using digital technologies especially in the take up of artificial intelligence in the business sector (notably for SMEs) in line with EU efforts and guidelines. In the framework of the Digital Agenda for the Western Balkans⁴⁹ and the new DEAP, promote the digital skills development and virtual learning in the region. The strong international dimension of the new DEAP will contribute to improving digital skills and literacy, transforming digital competences, increasing availability of online education learning and content initiatives, sharing good practice and building communities of practice through collaboration and EU projects.
 - Enhance participation in platforms and initiatives such as SELFIE⁵⁰ and eTwinning⁵¹ in cooperation with ETF and JRC, HEInnovate⁵², the Digital Education Hackathon⁵³ and EU Code Week⁵⁴.
 - Encourage the development and implementation of Digital Education Strategies in the region⁵⁵; support teacher training and online, distance and blended education learning and content initiatives⁵⁶.
 - Foster the implementation of the Multi-stakeholders Regional Working Group on Digital Skills under the Regional Cooperation Council (RCC) while ensuring complementarity with developments at partner level.
 - Expand the current Erasmus Virtual Exchanges pilot action to the Western Balkans under the new Erasmus+ Programme.
 - Encourage the usage of the common guidelines for teachers and educational staff to foster digital literacy and tackle disinformation through the implementation of the Digital Education Action Plan.
 - Promote the 3D laser scanning of cultural heritage sites to help their preservation and provide opportunities for additional scientific and cultural projects.
- **An economy that works for people** building constructive partnerships and tackling common challenges through coordinated efforts to improve competitiveness, innovation and technology aiming to provide region-wide opportunities for inclusive growth and alignment with the European Pillar of Social Rights.
- Following the examples of BioEAST⁵⁷, ANTARES and the regional centres of excellence (i.e. Biosense⁵⁸ and BioICT institutes), support the region in a paradigm shift in its economic development model towards a climate-neutral, resilient, sustainable and circular economy - leapfrogging to innovative green technologies.

⁴⁹ https://ec.europa.eu/commission/presscorner/detail/en/IP_18_4242

⁵⁰ Self-reflection tool for digital readiness of schools - SELFIE

⁵¹ <https://www.etwinning.net/en/pub/index.htm>

⁵² Tool measuring innovativeness and entrepreneurship in universities where digital transformation is one of the eight areas

⁵³ <https://digieduhack.com/en/>

⁵⁴ <https://codeweek.eu/>

⁵⁵ Presently only Serbia has approved one in February 2020

⁵⁶ i.e. Digital Opportunity Traineeships for students, teaching staff and Digital Education Content Framework

⁵⁷ <https://bioeast.eu/>

⁵⁸ https://biosens.rs/?page_id=10010&lang=en

- Strengthen the cooperation between the Instrument for Pre-accession Assistance for Rural Development (IPARD⁵⁹) and the envisaged *Caring for Soil is Caring for Life*⁶⁰ Mission in Horizon Europe to facilitate regional Farm-to-Fork efforts, the establishment of food quality laboratories in close cooperation with Universities and Technology Parks.
- Encourage the continuous involvement of the regions' stakeholders in all European COVID-19 mitigation, research and innovation actions to overcome the crisis and rebuild societies and the economy.
- Accompany plans to map and interconnect research infrastructures in the Western Balkans, to develop new research infrastructures⁶¹ in the region, and to enhance participation of Western Balkans researchers and research organisations in existing European research infrastructures consortia.
- Apply the Cultural and Creative Cities Monitor methodology and capacity building tools to the Western Balkans to help city administrations harness culture and creativity to support social and economic development⁶².

⁵⁹ <https://ec.europa.eu/info/food-farming-fisheries/farming/international-cooperation/enlargement/pre-accession-assistance/overview>

⁶⁰ https://ec.europa.eu/info/publications/caring-soil-caring-life_en

⁶¹ E.g. the development of a novel pan-European Research and Technology Infrastructure, the South East European International Institute for Sustainable Technologies (SEEIIST, <https://seeiist.eu/>) and its key regional role in Conquering Cancer: Mission Possible (https://ec.europa.eu/info/publications/conquering-cancer-mission-possible_en).

⁶² DG JRC launched a Cultural and Creative Cities Monitor in 2017, covering the EU-27 Member States plus UK, Norway and Switzerland. In 2019, based on its methodology, DG JRC carried out a preliminary assessment of the performance of capital cities in Western Balkans.