



Municipality of Stari Grad

Local Innovation Lab Framework

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Introduction

The project NewGenerationSkills, supported by the Interreg Danube Transnational Programme, co-funded by European Union Funds (ERDF, IPA) aims to develop Innovation Labs (IL) in seven project countries in order to upgrade existing cooperation mechanisms between its key target groups of quadruple helix actors. The project has created joint local support schemes that equip local youth with new generation competences and skills. Innovation labs are conceived as a physical and/or virtual environment for generating, developing and commercializing innovative youth' ideas through relevant trainings, mentoring and technology put at their disposal, following the entrepreneurial pathway. Transnational Innovation Lab Model defines the roles, structures, and methods for community involvement, it supports the youth in realising their ideas, turning them into ventures, and to co-create with stakeholder, solving societal challenges.

Transnational Innovation Lab model and service portfolio will be tested in the local context of the Municipality of Stari Grad (as well as in 6 other project cities), leading to eventual necessary adjustments after the pilot phase to ensure that the outputs become truly useful tools, producing a measurable impact on the local innovation ecosystem in Stari Grad.

The Municipality of Stari Grad Innovation Lab Framework document is designed to be the basis for the pilot implementation and testing of the local Innovation Lab. By enhancing the collaboration among young people, the Municipality of Stari Grad innovation lab will offer community/co-working space and serve as One-Stop-Shop for innovation and entrepreneurship support for the youth. It will be able to support the local economic, cultural and sustainable development for future generations in the municipality. By fostering cross-disciplinary, multi-actor collaboration, connecting youngsters with successful entrepreneurs or initiators of community programs, the municipal Innovation Lab will support youth socially responsible ventures in various fields, especially social and cultural entrepreneurship and creative industries.

1. Local and project documentation as a basis for the Municipality of Stari Grad IL framework development

Development of Framework of the Municipality of Stari Grad (MSG) IL is fully in line with the municipal Youth Action Plan as well as with project documentation developed within the framework of the NewGenerationSkills project. MSG IL will support the specific objective defined in the Youth Action Plan relating to the development of mechanisms for financial support for youth, in particular to start-ups, social and innovative entrepreneurship. It is based on the following project activities and deliverables:

- **Youth Innovation Agenda, Municipality of Stari Grad, Belgrade, Serbia.**
Municipality of Stari Grad aims to foster new skills development (specific training and education) along with promotion of lifelong learning, stimulation of local creativity and innovation as well as high-quality audience development in culture, science and art, focusing along the way on social entrepreneurship & startups. In order to ensure synergies with the relevant municipal strategies and instruments, MSG IL will focus on the key thematic priority defined in the Youth Innovation Agenda: Creative and Cultural Industries with focus on Social Entrepreneurship.
- **Local-level comparative case study on the local innovation ecosystem.**
The main focus of this study was on mapping existing practices of innovation, introduction of existing practices of cooperation; Mapping and introducing areas of deficit; Collecting the benefits of innovation support; Introduction of existing support systems; Presentation of the local level regulating systems with respect to support of youth entrepreneurship and innovation etc.
- **Study on EU level best practices on innovation management/governance in urban areas with a special focus on the youth.**
The particular interest of this study was to learn what support measures are specific for the youth entrepreneurship. Innovative co-working methodologies taken from EU respective academic, business and community building practice elaborated in this study, serve to use good example from EU in order to create local innovation system more efficient.
- **Transnational Innovation Lab Model.**
The transnational IL model describes the operational model by local actors of the quadruple helix and a portfolio of services, as a menu for the local ILs to take over. Transnational Methodology is a subject to adaptation to local circumstances. The model will be then fine-tuned through continuous feed-back from local testing.

2. Functioning and operation framework of the MSG IL

The core idea behind the MSG IL is to motivate local youth to actively use their intellectual potential to generate innovative ideas, ideas for an existing initiative or a non-business initiative. It is conceived as open space that welcomes young people who have starting ideas or creative potentials, but who lack skills and resources to realize that potential. Two main pillars of the MSG IL are:

1. Dynamic learning package (DLP) - Socially responsible entrepreneurial learning/ coaching for motivated youth;
2. Match-making to facilitate the development of ideas to socially responsible ventures as well as profit oriented entrepreneurial learning.

First pillar offers young people an education entry point equipping them with entrepreneurial skills as well as soft skills and competences beyond the formal education. This tool targets motivated, high potential young people that can significantly contribute to innovation and sustainable local growth.

Second pillar will be supported by active mentoring, entrepreneurial skill development and ICT infrastructure. During this process, youth teams will have the opportunity to be mentored, guided and advised by different stakeholders, mainly from the business sector.

DLP and active mentoring and entrepreneurial learning are interconnected. Active mentoring supports implementation of DLP. DLP will be the combination of learning and mentoring processes so that youngsters will be able to develop their socially responsible business ideas to new business ventures.

2.1. Infrastructure of the MSG IL

Infrastructure refers to basic facilities, services, and installations i.e. features required for the operation of an Innovation Lab. The MSG IL environment is designed to provide full hardware, software, institutional and scientific support for the proper growth of any good youth initiative that fits the IL course of action.

Municipality of Stari Grad has signed a Memorandum of Understanding (MoU) with Ilija M. Kolarac Endowment, which includes placing the Innovation Lab in the premises of Ilija M. Kolarac Endowment. Municipality of Stari Grad is committed to provide technical support to the Innovation Lab management and ensure efficient functioning by providing furniture, fixtures and equipment for the IL and covering the IL operating costs in the pilot phase.

The MSG IL will be organized within the existing physical infrastructure: building and premises of the Ilija M. Kolarac Endowment, situated at 5 Students' Square street in the heart of Belgrade. Total area of cca. 100 square meters will be established through redesigning of the existing facilities. Owned by the Ilija M. Kolarac Endowment, offices and other facilities already built will be re-allocated for use of the Innovation lab.

Through the budget of the NGS project, the space will be equipped with the set of office furniture (e.g. infodesk, desks, chairs) for provide the logistics needed for the operation of the Innovation Lab. Technical equipment will include projector for use during the events, training and co-working sessions and computers/laptops to be used for trainings and pilot implementation, including professional software and adequate storage capacities enabling design of professional materials.

2.2. Organization and governance of the IL

The governance structure of the Innovation Lab describes the way it is organized and managed at different levels.

In the pilot phase, MSG IL activities will be jointly coordinated by project partners from the Municipality of Stari Grad and Institute Mihajlo Pupin. LIAG will act as an “advisory board” having regular meetings with the MSG Innovation Lab’s coordination team. Municipality of Stari Grad LIAG already includes relevant local quadruple helix actors, thus LIAG will take an active role in the pilot and the overall Innovation Lab development, coordination and monitoring.

Coordination team is responsible for setting up and management of the IL, ensuring good relationships with local stakeholders, academic and civil structures, along with organizing the services of the IL. The overall administration and accounting will be taken over by the Municipality of Stari Grad.

2.3. Funding mechanisms

Stari Grad IL management will develop short-term and long-term strategies in order to ensure financial self-sustaining.

In the pilot phase, the funding for the Innovation Lab is provided by the budget of the NGS project. NGS project will cover costs for equipment and furniture, facilities maintenance, marketing and communication costs as well as administrative and staff costs. After the pilot phase is finished, coordination team of IL, together with LIAG and other stakeholders, will continuously explore more funding opportunities which will include expanding of the ranges

of services, based on the existing reputation, networks, skilled staff, experience and creative people working in the IL. Important factor of cost reduction is the use of the premises of Ilija M. Kolarac Endowment, that doesn't require renting costs. The idea for use of premises of Ilija M. Kolarac Endowment for the purposes of the Innovation Lab came from the good local cooperation of the Municipality of Stari Grad and the management of the Ilija M. Kolarac Endowment.

After the finalizing of the NGS project, the IL will need additional resources in order to be operational, many of which may be covered through local collaborations and sponsorships. The MSG IL will need permanent staff to keep the whole IL running on the right track.

The MSG IL management will consider several funding resources, which will be based on following sources of financing:

- 1) project funding, raised from the EU support programs,
- 2) national programs which support innovation and entrepreneurship, social entrepreneurship and creative industries,
- 3) private and public development agencies, local municipalities and other providers of the financial innovation support,
- 4) fundraise for donations and contributions from the business sector.

2.4. Main actors and role of stakeholders

As a cross-disciplinary and multi-stakeholder platform for (social) entrepreneurship, collaboration with industry, innovation and commercialization, the MSG IL brings together the following groups of main actors:

- Local youth with creative ideas as main beneficiaries of the IL;
- Municipality representatives;
- Researchers from universities and research institutes;
- Entrepreneurs;
- External mentors and experienced practitioners;
- SMEs and big companies;
- Civil sector representatives and (social) business support organisations;
- Media representatives.

In order to build local societies that value young people as active drivers in their own development, different parts of society have to work together. Through the MSG IL, it will be shown the roles that municipalities, private sector, civil society, research sector and young

people play to address the most urgent issues facing their local environment regarding social entrepreneurship.

2.4.1 Municipality

Main goal of the Municipality of Stari Grad is to create an environment that recognises and supports the active role of young people in society at all levels. The MSG Innovation Lab will show how the Municipality of Stari Grad can meaningfully engage young people, and be the catalyst for coalitions which engage quadruple helix actors in a sustained manner to ensure substantial support to local youth. Benefitting from its good connectivity to the local businesses and academia, Municipality of Stari Grad will be able to channel the relevant information about the needs and demands of the market towards young entrepreneurs. Moreover, it will intermediate a better access for acquiring skills and competences essential for the success of their innovative ideas, enabling them to get valuable practical experience through mentoring process facilitated by the MSG IL.

2.4.2 Private sector

By sharing their stories via the IL concept, companies from private sector and successful entrepreneurs might inspire a number of young people to start their own businesses.

Successful entrepreneurs will support young people in a number of different areas, including: mentorship programmes; business skills trainings; access to finance etc. They will support IL activities by providing experienced personnel for additional services to be operated in the innovation lab such as mentoring, coaching, counselling or tutoring.

Although the main objective of the MSG IL is not employment, limitations amongst young people are common for both future employees and future entrepreneurs. Stakeholders from business sector will get an access to young talented people and can develop cooperation with them. Finally, these companies will have an opportunity to start and develop new partnerships with universities and other stakeholders as they are also involved in the MSG IL.

2.4.3. Civil sector

the MSG Innovation Lab will work closely with civil society organizations that have similar goals and share the same views on young people as well as with associations and clusters that gather companies in the field of social entrepreneurship and creative and cultural industries.

The role of NGOs in the successful functioning of the IL is twofold:

1. Provide advisory services and give access to a network of organizations from the private sector that will be future mentors and trainers for young people.

2. Joint application for projects that support social entrepreneurship and creative industries in order to increase and improve joint work with and for young people.

Civil organizations are normally experienced in social issues with the expertise in different social aspects. Therefore they are good resource in creating innovative partnerships in problem solving and finding creative, innovative solutions often related to social entrepreneurship like: circular economy, ecology, health prevention, support and services to elderly and disabled people, single mothers, drug users, water supply, energy efficiency etc.

2.4.4. Academia

Good cooperation with the academic sector is important for overall quality of educational courses provided by the MSG IL. Academia and research sector will be training and knowledge providers. They have the possibility to introduce their students with the entrepreneurial innovative ideas generated in the IL and jointly develop commercial product, using the facilities of the MSG IL.

3. Activities of the MSG Innovation Lab

The MSG IL represents “One Stop Shop” where young innovative people receive full range of support.

As the MSG IL has a goal to stimulate and develop (social) innovative ideas in the field of creative industries and solutions by employing creative potentials of youth, the IL will be involved in various activities:

Educational activities (training and capacity building) will be completed within DLP that offers young people an education entry point equipping them with entrepreneurial skills as well as soft skills and competences beyond the formal education. These activities will aim to enable lab participants to effectively use their potentials with meaningful actions, in order to bring their creative ideas to the next level.

Match-making events organized through mentoring, business counselling and coaching will guide and help youth through joint work, consultations and meetings. To help development of ideas into business, a pool of mentors (successful entrepreneurs, senior managers, designers, engineers, marketing experts) will be involved in the MSG IL. Mentors, consultants and coaches will have the task to help ideas succeed with 1:1 meetings, giving talks, and advising. This process starts with the match-making events between the youngsters who are participating and the local entrepreneurs/managers selected on a voluntary basis. These activities are expected to be an extension of educational activities

suggested for the lab participants as well as the source of additional expertise. Mentoring activities will provide assistance in specific actions of each team or individual. This service will equip the youngsters with practical experience, connecting them to the realities of the entrepreneurial environment and offering them a number of practical resources that help further inform, improve, and advance their ideas.

Pitching events, where the young innovators will have the opportunity to present their innovative ideas to potential investors and business angels. This activity is a win-win for all of three involved parties: young innovator because he/she can obtain additional funds and commercialize innovative ideas, investor who gets a ready-made project to be realized or supported further and finally the Innovation Lab which justifies its existence to founders and promotes itself as a good opportunity to invest in further.

Networking activities will help identify opportunities, develop plans and capture creative values. Networking with other young people, mentors, business angels and interested companies is a basis for new connections and collaborations between lab users who do not know each other. Networking activities will include sharing experiences with other Innovation labs that will be developed in other partner countries within the NGS project.

Communication and collaboration activities will include the following:

- sharing space and lab resources for ideas development,
- on-site inter-team collaboration,
- networking with other young people and interested companies,
- communicating with mentors, university officials,
- market and media,
- preparing and disseminating relevant information and conclusions.

Without proper communication practices, it is not possible to achieve collaboration at the proposed level. Additionally, since various teams will share the same resources, it is expected for new connections and collaborations to be created between the lab participants who would elsewhere be unaware of each other.

Different management activities: initiation and design of the projects, fundraising, internal management: identification of management tasks, organization of team meetings, process coordination, project monitoring and control. These activities are necessary for proper project realisation. It is money and time consuming work, therefore it is important to ensure appropriate funding and sustainability of the IL.

4. Sustainability

Sustainability of the IL could be defined as the ability to perform its required function over a lengthy period of time under reasonable operating conditions without excessive expenditure on maintenance or restructuring, and/or to be able to last a long time without bringing its operations to a halt.

The MSG IL is conceived to be a permanent entity whose sustainability is connected to the capacity of its members - the quadruple helix actors in the local innovation eco-system. Therefore, involvement of as much as possible stakeholders from different fields who have influence on the economic mainstream is the most important factor for overall sustainability.

Sustainability of the MSG IL will be based on several factors that include the following „built in” sustainable elements:

- The IL will cooperate with all relevant stakeholders within the regional innovation eco-system: universities that can provide internships and scholarships, as well as private companies that could also provide mentoring, scholarship and other types of support to the most talented youth. The IL is focused on development of innovative entrepreneurial ideas of young people with the commercial potential and this focus actually determines the list of stakeholders interested in supporting it and makes it sustainable at the mutual benefit basis.
- Use of the premises of Ilija M. Kolarac Endowment free of charge is the important factor of the overall sustainability of the IL. Institutional support is expected to be provided by other stakeholders like regional and national development agencies and other organizations and business and innovation support organizations.
- Support from the Municipality of Stari Grad and other public sector institutions is important in communication with other local institutions such as schools, employment offices etc. helping the IL to integrate better into the local eco-system.
- Marketing activities and raising public awareness about the IL with the aim to attract support from different stakeholders and involve them into the innovation eco-system. Social media, presentations of success stories from the IL and other PR activities are the tool to attract new supporters and sponsors of the IL.
- „Revolving scheme” – participants that benefitted from the services of the IL will become active alumni, offering in turn their support to the community and future participants. Alumni will be asked to share their stories and career trajectories, and perform mentorship duties to new and incoming members.

The Municipality of Stari Grad Innovation Lab

Service portfolio as a One Stop Shop for idea
development

Special counselling Co-working space
Infrastructure Workshops Coaching Role models
Speed dating Social impact creative
industries Administrative support Internships Local
promotion Awareness raising Access to funding Open
Innovation Legal consultancy Stari Grad
Innovation Lab Problem solving
Mentoring Training/knowledge Employment Creativity
Networking

Introduction

Under the project NewGenerationSkills, supported by the Interreg Danube Transnational Programme and co-funded by European Union Funds (ERDF, IPA), seven Innovation Labs have been set up in each project country with the aim to upgrade existing cooperation mechanisms between its key target groups of quadruple helix actors. The project has created joint local support schemes that will equip local youth with new generation competences and skills.

The Municipality of Stari Grad (MSG) Innovation Lab (IL), set up by project partners from the Municipality of Stari Grad and Institute Mihajlo Pupin, offers co-working space and serves as “One-Stop-Shop” for innovation and entrepreneurship support to the youth. Innovation Lab will support youth socially responsible ventures in various fields, with main focus on creative and cultural industries (digitalization of cultural heritage, web design, photographic processing, advertising etc.). Through the IL, youth will be able to learn from experience and get additional support for putting their ideas into practice. The MSG IL will provide complementary services through different activities that include: meetings with experts/successful entrepreneurs; linking to existing enterprise development programmes; match-making between innovative ideas and companies/public services; hackathons; counselling; networking with innovation stakeholders at local and transnational level etc. The primary idea of the ‘One-Stop-Shop’ is to support the local youth in their (social) innovative ventures. It consists of a set of services that will be offered by the IL helping youth in developing and putting their ideas into practice.

As a starting point for the set-up of the MSG IL, the NGS project team and LIAG members selected the set of services that are potentially most efficient and a best fit to local circumstances and existing initiatives. Selected service portfolio will be tested in the MSG IL during the pilot phase. The pilot phase with the necessary adjustments, will ensure that the developed IL model becomes a useful tool, producing a measurable impact on the local innovation eco-system. The section below describes the portfolio of services that is going to be offered by the MSG IL.

The Municipality of Stari Grad Innovation Lab – portfolio of services

Technical support or service	Description of technical support/service	Technical support or service offered by:
Co-working space and infrastructure	Municipality of Stari Grad, in cooperation with Ilija M. Kolarac Endowment, provides the co-working space and underlying framework i.e. features required for the operation of the Innovation Lab. Concrete cooperation implies placing the Innovation Lab in the premises of Ilija M. Kolarac Endowment. Municipality of Stari Grad will provide technical support and ensure efficient functioning by providing the furniture, fixtures and equipment for IL. The lab environment is designed to provide full hardware, software, institutional and scientific support for the proper growth of any good youth initiative that fits the IL course of action.	Municipality of Stari Grad
Mentoring	The MSG IL offers, through its network of stakeholders, mentoring services with the aim of accompanying the youth during the process of setting up and consolidating their business ideas. Mentoring is provided by entrepreneurs and experienced professionals who share, as volunteers, their time and experience with the young entrepreneurs who start their first business venture. Mentoring is based on establishing a space of trust that allows an objective analysis of the challenges facing the new business, strengthening the skills of young entrepreneurs and favouring their personal and professional development.	Business sector
Coaching and Special counselling	The coach as a facilitator of learning. By coaching, young (social) innovators will have the opportunity to improve their own performance: in other words, coaching service will help them to learn. Proper coaching can help young (social) innovators ensure that they can handle situations on their own when they arise. The MSG IL users will get coaching tailored to their needs to reach milestones. In addition, they will be provided with professional consultants (e.g. a marketing expert or a lawyer) for specific topics.	Business sector
General information workshops and networking events	General information workshops will be organized in the form of regular information meetings and networking meetings. During regular information meetings, general information on how to start a business is reviewed. Networking services will be offered in the form of connecting the youth with experienced professionals and companies as well as in the form of meetings between new	Business sector, Academia and Civil sector

	<p>members and entrepreneurs. Other forms are also available like “Open door” for young entrepreneurs with the experts for concrete topics etc.</p>	
Internships	In cooperation with partners from the business sector, the IL will offer internship and qualification programs to youth.	Business and research sector
Speed dating	This opportunity will be provided to participants during the matchmaking and pitching events that are going to be organized within the IL regular activities. All participants will have the opportunity to introduce themselves and present their innovative ideas to potential investors, business angels and other potential partners.	Business sector, Academia and Civil sector
Employment	Employment opportunity is not the core idea of the IL, but this opportunity is open for all participants and depends on the current need of the private sector for new employees.	Business sector, Academia and Civil sector
Role models	Role model is a person who serves as an example of the values, attitudes, and behaviours associated with a role. In the context of the MSG IL, role models will be successful entrepreneurs who distinguish themselves in such way that others admire and want to emulate them. A role model will be an entrepreneur whose behaviour, example, or success is or can be emulated by young people who are the IL users.	Business sector
Open Innovation Lab	The boundaries between a company and its environment have become more permeable; innovations can easily transfer inward and outward between firms and other firms and between firms and creative consumers, resulting in impacts at the level of the consumer, the firm, an industry, and the society. Therefore, the IL should serve as an infrastructure for networking between young people with innovative ideas, business firms with financial, organisational and other necessary resources for realisation of these ideas; IP (Intellectual Property) created in such venture should be distributed among actors in predefined but fair proportions.	Business sector, Academia and Civil sector
Presentations on new trends	Participants of the IL will have the opportunity to take part in presentations on new trends which are in the participants’ specific field of interest. Presentations will be offered by stakeholders from academia sector and civil sector and will be organized as part of services within the IL.	Academia sector and Civil sector
Offering expertise in different fields of application	Academia will provide qualified personnel for the Innovation Lab by lecturing classes and seminars. Experts from universities and colleges will provide theoretical as well as practical knowledge to IL participants in their fields of interest.	Academia sector

Providing societal challenges	Main focus of the IL is on culture and creative industries and social innovations with aim at finding solutions for social challenges in an entrepreneurial way. Civil sector organizations involved in the IL will play an important role in defining societal challenges present in local communities. They will help participants of the IL to define their social responsible ideas in fields of creative industries.	Civil sector organizations
Awareness raising	Civil sector organizations will use their existing connections with other civil organizations and media to raise awareness of the IL activities and its importance for youth in the municipality. Young people will have the opportunity, together with other participants, to raise awareness on social challenges and to develop new ideas that meet social needs.	Civil sector and Academia
Training/knowledge	Additional support to youth by providing training courses offered by the civil sector organizations especially regarding the social entrepreneurship and social innovations that will be developed in the partnership of civil society organizations and innovative entrepreneurs from the IL.	Civil sector organizations
Access to funding	Civil sector normally has access to funding resources that are not available to private sector actors, but they could create partnership and apply for funding of innovative projects supporting youth entrepreneurship, which is again a win-win situation for all involved parties.	Civil sector organizations
Additional funding through sponsors	Beside the project funding sources, it is important to find additional sources of funding for the IL. Municipality of Stari Grad will ensure additional funding in order to enable the sustainability of the IL.	Municipality of Stari Grad
Local promotion of IL and youth	Municipality of Stari Grad will have the central role in promoting the IL services for youth; raising public awareness on regular basis and attracting support from different stakeholders into the support network, but also into the innovation eco-system.	Municipality of Stari Grad
Administrative support in communication with other legal entities	Municipal administration will support young innovators to connect with other public and private organization operating in the Municipality and broader.	Municipality of Stari Grad
Legal consultancy	Municipality representatives, together with the Intellectual Property Office representatives and other stakeholders, will provide legal services to youth in the field of IP rights and other legal and administrative issues important for registration of start-ups, in accordance with local specific circumstances and opportunities.	Municipality of Stari Grad, Intellectual Property Office and other stakeholders

Sharing successful stories through Alumni clubs

„Revolving scheme“– participants that benefitted from the IL services will become active alumni, offering in turn their support to the community and current/future users. Alumni will be asked to share their stories and career trajectories, and perform mentorship duties to new and incoming members.

Young individuals who benefitted from IL services