



EU4Digital

EU4Digital: supporting digital economy
and society in the Eastern Partnership

New organisational forms in support of ICT innovation: action plan for policy recommendations: Azerbaijan

June 2020



Background

The EU4Digital Facility was launched by the European Commission in January 2019. It aims to extend the benefits of the European Union's Digital Single Market to the Eastern partner countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The EU4Digital Facility works in six digital thematic areas, including ICT innovation stream.

In 2019-early 2020, the ICT Innovation stream is focusing on the identification and sharing of best policies and practices of policy implementation at the national and regional level in ICT innovation field. Each Eastern partner country selected one policy area for EU4Digital Facility to focus on.

Five policy areas have been selected by partner countries:

1. Intellectual property rights management for digital innovations (Armenia);
2. **New organisational forms in support of ICT Innovation (Azerbaijan)**;
3. Digital innovation SMEs' access to finance (Georgia, Ukraine);
4. ICT innovation ecosystems for start-ups and scale-ups (Moldova);
5. Digitising industry (digital transformation of SMEs in traditional sectors) (Belarus).

List of abbreviations used in the document:

ANAS – Azerbaijan National Academy of Sciences

DIH – Digital Innovation Hub

EaP – The Eastern Partnership

EC – The European Commission

EU – The European Union

CERAC – Centre for Economic Reforms Analysis and Communication

COPAT – Intellectual Property Agency of the Republic of Azerbaijan

CSO – Civil society organisation

EDF (SIF) – Entrepreneurship Development Fund of The Republic of Azerbaijan;

Innovation Agency – Innovation Agency under the Ministry of Transport, Communications and High Technologies

For each of these areas, the Facility has studied the best EU practices, undertaken the gap analysis in each country and developed recommendations that identify specific EU tools, platforms, practices that can be mastered by Eastern partner country stakeholders. The gap analysis and recommendations have been validated with the EU4Digital ICT innovation Expert Network of Azerbaijan in April 2020.

This document provides the action plan for addressing the gaps related to policy area 'New organisational forms in support of ICT Innovation' in Azerbaijan. It defines six key recommendations with action steps and considerations for implementation or intervention.

The proposed action plan can be used as a basis for further activities and possible independent joint projects of stakeholders. Some of activities proposed in this action plan can be covered within the current mandate of the EU4Digital Facility (trainings, study visits, networking events, promotion activities, etc.).

This document was provided for national stakeholder consultation. EU4Digital Facility asked the stakeholders to read and share their position, comments and suggestions during the consultation.

ICT LAB – 'ICT LAB' under the Ministry of Transport, Communications and High Technologies

IPR – Intellectual property rights

ISRER – Institute for Scientific Research on Economic Reforms

MoE – Ministry of Economy

MoEdu – Ministry of Education

MTCHT – Ministry of Transport, Communication and High Technologies

TBD – To be determined

PPP – Public-private partnership

SMBDA – The Small and Medium Business Development Agency of the Republic of Azerbaijan



This policy area addresses contemporary organisational forms that emerge in the ecosystem in support of digital innovations: **innovation clusters, accelerators, competence centres, digital innovation hubs** as well as **public-private cooperation for digital innovations**. The action plan considers the potential areas for improvement of conditions for these new organisational forms to be used broader and work efficiently.

Various organisational forms can support digital innovations beyond classical techno parks, business incubators and technology transfer offices. New organisational forms are the logical step in the development of ecosystem via specialisation, because their structure and functions fit better to provide necessary services (fulfil necessary functions) in the innovation ecosystem.

Innovative clusters are defined as “groups of firms, related economic actors, and institutions that are located near each other and have reached a sufficient scale to develop specialised expertise, services, resources, suppliers and skills”. In the clusters, *vertical collaboration* (subcontracting) takes place among economic agents that specialise on different stages of the value chain, *horizontal collaboration* (joint projects) takes place among economic agents that provide complementary resources, and *informal linkages* enable quick learning. Thus, competition and collaboration coexist in the clusters and provoke innovations.

Cluster organisations are the legal entities that support the strengthening of collaboration, networking and learning in innovation clusters and act as innovation support providers by providing or channelling specialised and customised business support services to stimulate innovation activities, especially in SMEs. They are usually the actors that facilitate strategic partnering across clusters. Cluster organisations play a crucial role in assisting the government to identify the competitive advantages and related innovation opportunities of particular region in order to develop its smart **specialisation strategy** followed by joint roadmaps and aligning investment agendas.

Accelerators are “fixed-term, cohort-based programmes that include seed investment, connections, sales, mentorship, educational components, and culminate in a public pitch event or demo day to accelerate growth” ([Cohen, 2014](#)). Their goal is to accelerate the early stage start-ups on their growth path.

Competence centres, or **centres of excellence** can be singular “repositories of knowledge and resource pools for multiple business areas” acting under a framework of certain legal entity; or they can act as “associations that are based on innovative cooperation between the public authorities, research and development institutions and enterprises”; or they can act as “a consortium of several research groups internationally recognised in their field of research”. The goal of competence centres is to serve as a node of specialised expertise in certain areas. Competence centres execute a number of innovation projects and can be the base for development of further organisational forms in support of innovation, i.e. digital innovation hubs.

Digital innovation hubs are defined by EU Regulation as a legal entity “providing directly or ensuring access to, technological expertise and experimentation facilities, such as equipment and software tools to enable the digital transformation of the industry, as well as facilitating access to finance. European Digital Innovation Hub shall be open to business of all forms and sizes, in particular to SMEs, midcaps, scale-ups and public administrations across the Union”. We understand digital innovation hub as a distributed node of specific expertise deeply developed in the country.

Overall approach of EU4Digital Facility is that the legal framework for innovation policy needs to allow for efficient models of emergence and operation of new organisational forms for digital innovations as well as collaboration of public and private sector in the policy design and implementation; relevant stakeholders need to be mapped and made visible to start-ups and SMEs seeking for their services; their capacity to deliver efficient services needs to be enhanced by competence building, networking, provision of technological infrastructure and financial tools.



Overview of the Action Plan

Key recommendations	Reference to Policy recommendations
<p>1. Develop the new design of the innovation policy framework and organisational model as well as perform awareness campaign</p> <p>Final goal: <i>the innovation policy framework white paper is prepared, including specification of new organisational forms as well as definition of the roles and relationships between the ecosystem actors. The innovation policy framework is promoted among the ecosystem actors to ensure efficient and successful implementation.</i></p>	<p>R.1.1. - R.1.2; R.1.6.; R.3.1.; R.6.1. - R.6.5.</p>
<p>2. Inventorise all ICT innovation ecosystem actors and services, establish the marketplace facilitating collaboration of all ecosystem actors in Azerbaijan (and broader in EaP) and providing a range of innovation support services across all lifecycle stages of innovation</p> <p>Final goal: <i>the ICT innovation ecosystem actors and their services are identified and made visible as well as available to start-ups and SMEs. One stop shop for ICT innovation ecosystem actors and communities in the EaP is developed, which provides collaboration opportunity and serves as a marketplace to provide and receive ICT innovation services during all business lifecycle stages. The platform is made accessible and open for all ecosystem actors. Infrastructure organisations can register and independently update their information. The platform exchanges data with similar platforms (e.g. F6S, Dealroom, EuropeanStartups). Also, the lacking services can be identified and introduced.</i></p>	<p>R.4.1.- R.4.3; R.7.1.- R.7.3; R.7.5.- R.7.6; R.8.3.</p>
<p>3. Facilitate the networking and international cooperation of innovation clusters, competence centres, ecosystem builders and other actors in Azerbaijan and the EU to support the development of the ecosystem</p> <p>Final goal: <i>increased local and international collaboration of innovation clusters, competence centres, ecosystem builders and other ecosystem actors as well as their integration with the EU networks. The ecosystem actors provide the ICT innovation-related services that are currently insufficiently covered actors by transferring of the EU knowledge and practices.</i></p>	<p>R.2.4.- R.2.5; R.3.4; R.8.3.; R.8.6.</p>
<p>4. Develop a strategic competence building framework for ICT innovation ecosystem actors and introduce targeted programmes and tools for development of new organisational forms</p> <p>Final goal: <i>strategic competence building framework for ICT innovation ecosystem actors is developed and targeted programmes as well as tools are introduced, leading to increased capacity of accelerators, innovation cluster organisations, competence centres and other ecosystem actors to support digital innovations.</i></p>	<p>R.1.6.; R.3.5. - R.3.6.; R.4.5.; R.5.1. - R.5.3.; R.6.1. - R.6.2.; R.6.5. - R.6.6.; R.9.1. - R.9.5.</p>
<p>5. Inventorise the technological infrastructure of R&D organisations and increase its accessibility to start-ups and SMEs</p> <p>Final goal: <i>the technological infrastructure of R&D organisations is inventoried and made accessible for digital innovations. Its possible usage by start-ups and SMEs is incentivised and promoted, to facilitate the transformation of competence centres across the country into the digital innovation hub for SMEs.</i></p>	<p>R.8.1. - R.8.3.; R.10.1. - R.10.3.</p>
<p>6. Expand the application of state aid for innovations, including start-ups and new organisational forms and introduce additional instruments for financial support of innovations, including start-ups and new organisational forms of ecosystem players</p> <p>Final goal: <i>Innovation cluster organisations, accelerators, incubators, start-ups and other relevant ecosystem actors are eligible to receive state aid to provide innovation support services. Financial support instruments are provided for new organisation forms of ecosystem players (e.g. clusters) to improve their services and for SMEs to receive them.</i></p>	<p>R.1.3. - R.1.4.; R.2.1. - R.2.3.; R.3.2. - R.3.3; R.8.4. - R.8.5.; R.11.1. - R.11.3.</p>



Detailed Action Plan

Recommendation / Action	Potential activity owners / leads	Other participants (optional)	Indicative timeline		Status	Specification	Link to Policy REC	Comments and suggestions
			2020-2021	2022-2025				
1. Develop the new design of the innovation policy framework and organisational model as well as perform awareness campaign Final goal: the innovation policy framework white paper is prepared, including specification of new organisational forms as well as definition of the roles and relationships between the ecosystem actors. The innovation policy framework is promoted among the ecosystem actors to ensure efficient and successful implementation.								
1.1. Develop the new design of the innovation policy framework and organisational model , including the definitions of clusters and cluster projects	MTCHT; MoE	Innovation Agency; CERAC; ISRER; SMBDA; COPAT	X		In progress	<i>Possible steps:</i> 1. best practice and state of play assessment; 2. new innovation policy framework design with ecosystem actors' defined roles and responsibilities, formulated in the white paper; 3. stakeholder consultations. <i>Notes:</i> <ul style="list-style-type: none"> A white paper is a policy document at the level of Concept or Strategy. It aims to define the types, roles and responsibilities of ecosystem participants, including innovation clusters, accelerators, competence centres, innovation hubs etc.). <i>References for the development of innovation policy framework:</i> OECD, 2017; World Bank, 2020; OECD, 2019; PAXIS, 2006; ITU, 2017; State Aid Manual, 2015. Consider the development of the legal framework for institutionalised PPP and concessions and study their application in the area of digital markets allowing wider involvement of private sector. 	R.1.1.; R.1.6.; R.3.1.; R.6.1.-R.6.5.	Innovation Strategy is currently being prepared following the Decree of the President of 10 January of 2019 .
1.2. Update the existing legislation with the definition of the innovation infrastructure organisation and its services	MTCHT; Innovation Agency; MoE	CERAC; ISRER; SMBDA	X		In progress	<i>Reference:</i> COM 2014/C 198/01 – Communication from the Commission – Framework for state aid for research and development and innovation (OJ C 198, 27 June 2014, pp. 1-29) in Section 1.3(s)), including 'innovation infrastructure organisation', 'innovation support services', 'innovation advisory services'.	R.1.2.	
1.3. Perform awareness campaign to introduce the innovation policy	ISRER; SMBDA	Innovation Agency; CERAC		X	Not started	<i>Possible steps:</i> 1. develop the guidelines for local authorities on the implementation of the new organisational model;	R.1.1.	



Recommendation / Action	Potential activity owners / leads	Other participants (optional)	Indicative timeline		Status	Specification	Link to Policy REC	Comments and suggestions
			2020-2021	2022-2025				
framework and organisational model						2. perform stakeholder consultations and impact assessment; 3. organise the activities according to the new policy setup and promote them in mass media.		
2. Inventorise all ICT innovation ecosystem actors, establish the marketplace facilitating collaboration of the actors in Azerbaijan (and broader in EaP) and providing a range of innovation support services across all lifecycle stages of innovation Final goal: <i>the ICT innovation ecosystem actors and their services are identified and made visible as well as available to start-ups and SMEs. One stop shop for ICT innovation ecosystem actors and communities in the EaP is developed, which provides collaboration opportunity and serves as a marketplace to provide and receive ICT innovation services during all business lifecycle stages. The platform is made accessible and open for all ecosystem actors. Infrastructure organisations can register and independently update their information. The platform exchanges data with similar platforms (e.g. F6S, Dealroom, EuropeanStartups). Also, the lacking services can be identified and introduced.</i>								
2.1. Inventorise and map competence centres, innovative clusters, accelerators and other ecosystem actors as well as the services provided to facilitate instant search and foster competition among the suppliers of services	Innovation Agency; MTCHT	SMBDA COPAT ANAS; state organisations	X		In progress	<i>Note:</i> Mapping of the list of ecosystem actors and their services was done by ICT Innovation Study in 2017 and needs to be updated.	R.4.1.- R.4.3.; R.7.1.; R.8.3.	A draft Rule for an open register of innovative projects and start-ups was prepared by MTCHT and Innovation Agency (see more in Recommendations document).
2.2. Develop a concept of the regional marketplace, including technical, organisational and legal set-up and operator in each country	Innovation Agency; SMBDA	TBD	X		Not started	<i>Note:</i> It is important to ensure the national data ownership and possibility for the stakeholders to quickly update their profiles. <i>Possible steps:</i> 1. determine the scope of the platform – national, regional or international; 2. determine the funding sources, operator and the functions of operator; 3. prepare technical specification of the platform.	R.7.2. - R.7.3; R.7.5. - R.7.6.	
2.3. Develop the platform for ICT Innovation ecosystems	Innovation Agency; SMBDA	Innovation ecosystems actors; State organisations		X	In progress	<i>Possible functionalities:</i> <ul style="list-style-type: none"> mapping of the ecosystem actors; mapping the services provided by ecosystem actors (marketplace of services); 	R.7.2. - R.7.3.; R.7.5. - R.7.6.	Relevant Framework – a draft Rule for maintaining an open register of innovative projects



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			2020-2021	2022-2025				
collaboration and service provision						<ul style="list-style-type: none"> • data on innovation clusters, start-up-ID, development stage of start-ups, etc. • possibility for service providers from other countries to register; • assessment by businesses of the quality of the services received and voting for existing and lacking services; • infrastructure organisations can register and independently update their information; • display of the aggregated service landscape is available; • enabling teambuilding for digital businesses and search for partners with complementary competencies (or enable this functionality to be provided externally in an interoperable mode with the platform); • enabling the networking of the R&D and innovation laboratories and centres for digital innovations among the Eastern partners and EU Member States (or enable this functionality to be provided externally in an interoperable mode with the platform); • other functions. 		and start-ups prepared by MTCHT and Innovation Agency.
2.4. Promote maintain platform and the	Innovation Agency; SMBDA	TBD		X	Not started	<p><i>Possible steps:</i></p> <ol style="list-style-type: none"> 1. information dissemination among stakeholders regarding list of services provided, gaps in provision of the services, demand for new services as well as promotion of the platform in mass media; 2. the organisations are informed about possibility to update their profiles. 	R.7.2. - R.7.3.; R.7.5. - R.7.6.	
<p>3. Facilitate the networking and cooperation of innovation clusters, competence centres, ecosystem builders and other actors in Azerbaijan and the EU to support the development of the ecosystem</p> <p>Final goal: <i>increased local and international collaboration of innovation clusters, competence centres, ecosystem builders and other ecosystem actors as well as their integration with the EU networks. The ecosystem actors provide the ICT innovation-related services that are currently insufficiently covered by transferring of the EU knowledge and practices.</i></p>								



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			2020-2021	2022-2025				
3.1. Introduce a programme to facilitate the formation of digital innovation clusters and digital innovation hubs	Innovation Agency; SMBDA	Accelerators (Innoland, SUP, Barama); ISRER; CSOs; NGOs	X		Not started	<p><i>Possible steps:</i></p> <ol style="list-style-type: none"> 1. establish priorities and targets; 2. allocate budget for the programme; 3. perform activities, including: <ol style="list-style-type: none"> a. identify and facilitate the development of the expert communities across the mapped competence centres; b. organise the networking events, conferences for targeted audience and topics; c. organise working groups uniting the stakeholders from different sectors for work on issues of shared concern; d. organise collaboration projects to facilitate the development of DIHs. 	R.2.4.; R.8.3.; R.8.6.	
3.2. Connect the established and emerging clusters to EU platforms and establish links with selected clusters organisations for joint cross border projects	Innovation Agency; SMBDA	ISRER; Clusters	X		Not started	<p><i>Note:</i></p> <p>Major platform is European cluster collaboration platform</p>	R.2.5.	
3.3. Connect accelerators to EU and international platforms and establish links with other accelerators and VC funds for integration into a global pipeline for innovations	Innovation Agency; SMBDA	Accelerators (Innoland, SUP, Barama); ISRER	X		Not started	<p><i>Examples:</i></p> <p>Accelerator Assembly; F6S; EuroQuity; Central and Eastern Europe Network</p> <p><i>Note:</i> Extended list is developed by EU4Digital Facility.</p>	R.3.4.	
3.4. Consider connecting other ecosystem actors to the most relevant	Innovation Agency; SMBDA	ISRER; Clusters; COPAT		X	Not started	<p><i>Examples:</i></p> <p>Enterprise Europe network; ESN (European start-up network); Startup Europe Partnership; Business Angels Europe;</p>	R.2.5.	



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			2020-2021	2022-2025				
EU platforms and networks						<p><i>Possible steps:</i></p> <ol style="list-style-type: none"> allocate funding for covering registration fee, travel and accommodation costs of live events in EU during targeted networking with the EU counterparties (<i>prototype</i>: MOST project in Belarus); organise the networking (bridging) events online and offline among EU and EaP organisations. 		
<p>4. Develop a strategic competence building framework for ICT innovation ecosystem actors and introduce targeted programmes and tools for development of new organisational forms</p> <p>Final goal: <i>strategic competence building framework for ICT innovation ecosystem actors is developed and targeted programmes as well as tools are introduced, leading to increased capacity of accelerators, innovation cluster organisations, competence centres and other ecosystem actors to support digital innovations.</i></p>								
4.1. Develop a strategic competence building framework (strategy) for all ICT innovation actors, including new organisational forms	Innovation Agency; ICT LAB; MTCHT; MoE	SMBDA; ANAS	X		Not started	<p><i>Notes:</i></p> <p>Critical areas of the strategy include considering:</p> <ul style="list-style-type: none"> determining the role of digital innovations for strategic areas; training the staff for competence centres; adopting the international frameworks of competences in education and labour market; develop dual and agile education complementary to classic education, VET training and retraining for professionals. other (<i>full description in Recommendations document</i>). 	R.4.4.; R.8.1.	
4.2. Establish the programme for accelerators, cluster managers, and other ecosystem actors to join the specialised EU training, enhanced with intensive practical component	Innovation Agency; SMBDA; ICT LAB	Clusters; CSOs		X	Not started	<p><i>Target ecosystem actors:</i></p> <p>Management and staff of incubators, accelerators, innovation clusters, technoparks, digital competence centres, digital innovation hubs; individual mentors and business angels.</p> <p><i>Topics:</i> process of registering, accelerating, certification, pitching as well as IPR mechanism.</p> <p><i>Possible steps:</i></p> <ol style="list-style-type: none"> select the EU programmes (as Startup Commons; EIT Digital Accelerator); establish the organisational and financial mechanism for joining these programmes; 	R.3.5. - R.3.6.; R.9.1. - R.9.2.; R.9.4.	



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			2020-2021	2022-2025				
						3. establish internship schemes and programmes in innovation infrastructure organisations with start-ups and innovative companies; 4. "Dual mentorship" programme for deeptech start-ups by TWINNING with leading accelerators.		
4.3. Establish the programme for development of digital competence centres and digital innovation hub	Innovation Agency; SMBDA	TBD		X	Not started	<i>Possible steps:</i> 1. study the concept and practice of work of existing and emerging digital innovation hubs in EU (i.e. via TAIEX and TWINNING); 2. facilitate networking of diverse stakeholders around specific selected topic of specialisation (core of the future digital innovation hub) (i.e., oil industry might be a specialisation of choice); 3. launch pilot projects aimed at testing innovative solutions (first frameworks for the future digital innovation hub); 4. negotiate with EC the establishment of one of the outreaches 'European Digital Innovation Hubs'.	R.5.1. - R.5.3.	
4.4. Introduce the programme enhancing skills for policymaking organisations and innovation agencies using existing EU tools for policymakers	Innovation Agency; SMBDA; ICT LAB	TBD	X		Not started	<i>Examples of the tools:</i> REFIT toolbox; 'Skills for evidence-informed policy making professional development framework' (JRC); PAXIS and other tools. <i>Possible forms:</i> 1. training and certification programmes; 2. study visits and internships for knowledge and practice transfer from the EU; 3. study the mechanisms of the public-private collaboration for development and implementation of regulations for digital markets. <i>Possible topics:</i> Public consultations, decision-making, collaboration with business and academia, PPPs for digital innovations. <i>Possible support:</i> 1. The knowledge transfer (bridging with EU organisations; providing of trainings) is facilitated by a professional organisation.	R.1.6.; R.6.1. - R.6.2.; R.6.5.	



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			2020-2021	2022-2025				
						2. Funding associated with trainings and travel is available.		
4.5. Establish the programme for integration of digital business associations from EaP region to the EU business community and international associations	Innovation Agency; SMBDA	CSOs	X		Not started	<i>Possible steps:</i> <ol style="list-style-type: none"> 1. identify the list of EU associations and the priorities of integration among the EaP associations; 2. facilitate the agreement negotiation and establishment; 3. support the stay at the EU association for learning the value proposition and integration into networks. 	R.9.3.	
4.6. Increase the involvement of business community into policymaking	TBD	Business associations; CSOs	X		Not started	<i>Possible steps:</i> <ol style="list-style-type: none"> 1. establish the working groups on the specific topics of digital markets; 2. involve multiple businesses and stakeholders into discussion; 3. collect the voices of individual businesses and develop a consolidated position of a business community that is perceived by ministries as an unbiased general position. 	R.6.6.	
4.7. Localise the recommendations in other relevant ICT Innovation intervention areas (developed for other Eastern partner countries by EU4Digital Facility) for Azerbaijan	Innovation Agency; SMBDA	TBD	X		Not started	<i>Note:</i> Other topics of interest may include 'Intellectual property rights management for digital innovations'; 'Digital innovation SMEs access to finance'; 'ICT innovation ecosystems for start-ups and scale-ups'.	R.9.5.	
5. Inventorise the technological infrastructure of R&D organisations and increase its accessibility to start-ups and SMEs <i>Final goal: the technological infrastructure of R&D organisations is inventoried and made accessible for digital innovations. Its possible usage by start-ups and SMEs is incentivised and promoted, to facilitate the transformation of competence centres across the country into the digital innovation hub for SMEs.</i>								
5.1. Inventorise the existing technological	MoEdu; ANAS;	SMBDA	X		Not started	<i>Notes:</i> <ul style="list-style-type: none"> • infrastructure available at universities, private and public R&D organisations can be mapped; 	R.8.1.; R.10.1.; R.10.3.	



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infrastructure of R&D organisations and publish the registry.	Innovation Agency					<ul style="list-style-type: none"> the registry is to be published and promoted among start-ups and SMEs; the infrastructure funded by public funds can be made accessible to inventors, start-ups and SMEs for research, testing, prototyping, manufacturing at early stages, for free (to start-ups) or at acceptable rates (for SMEs); consider the possibility of using EaP Connect project facilities. 		
5.2. Assess the equipment needs of university innovation labs and technoparks regarding the modern tools and technologies for digital innovations	MoEdu; ANAS; Innovation Agency	SMBDA		X	Not started	<i>Possible steps:</i> <ol style="list-style-type: none"> identify the priorities related to students' and organisation specialisation; analyse the EU best practice on the models of making the infrastructure open for all students and linked to practical tasks of enterprises in the country and in the wider region; establish awareness-raising activities to promote R&D activities of applied character linked to start-up culture at school and university students. 	R.8.1. - R.8.2.	
5.3. Consider supporting successful ICT innovation ecosystem actors wishing to replicate their services to start-ups and SMEs in the regional educational centres across the country	MoEdu; ANAS; Innovation Agency	SMBDA; CSOs		X	Not started	<i>Note:</i> Support from the state may include providing to the existing ecosystem actors of premises in the regions, access to digital infrastructure, co-funding training of trainers for the regions.	R.10.2.	
6. Expand the application of state aid for innovations, including start-ups and new organisational forms and introduce additional instruments for financial support of innovations, including start-ups and new organisational forms of ecosystem players Final goal: Innovation cluster organisations, accelerators, incubators, start-ups and other relevant ecosystem actors are eligible to receive state aid to provide innovation support services. Financial support instruments are provided for new organisation forms of ecosystem players (e.g. clusters) to improve their services and for SMEs to receive them.								
6.1. Maintain an actual overview of funding	Innovation Agency;	TBD	X		Not started	<i>Possible steps:</i>	R.3.3.; R.11.2.	



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sources for development of new organisational forms	SMBDA					<ol style="list-style-type: none"> review the EU funding sources for which Azerbaijani stakeholders are eligible; make the list public; negotiate joining the other instruments. <p><i>Examples:</i> EIC Accelerator, part of the Enhanced European Innovation Council pilot.</p>		
6.2. Maintain an actual overview of and expand the application of state aid to innovations, including start-ups	Innovation Agency; MTCHT	TBD	X		In progress	<p><i>Possible steps:</i></p> <ol style="list-style-type: none"> grant financial aid for start-ups; start-up tours, including teambuilding and advisory support for start-ups; under the 'Subregional Innovation Policy Outlook' project of UNECE define the innovation scheme. 	N/A	
6.3. Expand the application of state aid to organisations providing innovation advisory and support services	MoE; ANAS	TBD	X		Not started	<p><i>Target organisations</i> include incubators, technology transfer centres, innovation cluster organisations, accelerators and other organisations performing certain functions.</p> <p><i>Notes:</i> EU 'Framework for State aid for research and development and innovation', Commission Communication 2014/C 198/01 foresees <i>state aid to organisations, if they perform some of the following types of activities:</i></p> <ul style="list-style-type: none"> 'innovation support services' – the provision of office space, data banks, libraries, market research, etc.; 'innovation advisory services' – consultancy, assistance and training in the fields of knowledge transfer, acquisition, protection and exploitation of intangible assets, etc. <p><i>Relevant state aid for research, development and innovation includes:</i></p> <ul style="list-style-type: none"> investment aid to cover several costs in tangible and intangible assets; operating aid to cover Personnel and administrative costs, which also includes overhead costs; 	R.1.3. - R.1.4.; R.2.1. - R.2.3; R.3.2.	



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			2020-2021	2022-2025				
						<ul style="list-style-type: none"> increasing the intensity of aid for innovative clusters in EU ranges from 50 to 65% contingent to the region and size of supported businesses, including large enterprises. 		
6.4. Introduce innovation vouchers tool to support the demand of start-ups and SMEs for innovation support and advisory services	MoE; MTCHT	Innovation Agency; SMBDA	X		In progress	<i>Example:</i> Innovation vouchers schemes	R.8.4.	
6.5. Provide grants on a competitive basis for organising networking events as well as for funding of services to coordinate the expert communities	MoE; MTCHT (TBD)	Innovation Agency; SMBDA CSO	X		In progress	<i>Note:</i> MTCHT holds Innovation Week each year. <i>Example:</i> Startup Canada Communities	R.8.5.; R.11.1.	
6.6. Introduce DISC in Azerbaijan	TBD	TBD	X	X	Ongoing	<i>Note:</i> DISC is the Digital Innovation and Scale Up Program, planned EU Initiative for Central, Eastern and South Eastern Europe. <i>EU4Digital Facility is currently performing DISC feasibility study.</i>	NA	
6.7. Review the topic 'Digital innovation SMEs' access to finance' and consider its application in Azerbaijan	Innovation Agency; SMBDA	TBD	X		Not started	<i>Note:</i> 'Digital innovation SMEs' access to finance' EU best practice and recommendations are developed for Georgia, Ukraine. Adaptation of recommendations for Azerbaijan may be required.	R.11.3.	