The objectives of this Twinning project are as follows:

1. Strengthen the cooperation between EIZ and leading international partner institutions in EU in the fields of EMIT. Create synergies and fostering capacity to develop international research projects in order to integrate EIZ into international research networks and establish and support EIZ as a research hub (centre of excellence) in Croatia and South-East Europe.

In order to foster international cooperation between EIZ and other European research institutes we aim at increasing the representation of EIZ's research community in other European programs and of all other Croatian organizations that are linked to it.

One objective of the project is to favour continuous engagement of targeted and relevant stakeholders including Croatian Ministry of Economy (MINGO), Agency for Investments and Competitiveness (AIK) and Croatian Agency for Small and Medium Enterprises, Innovations and Investments (HAMAG–BICRO) by sharing and diffusing the Twinning project's results and exploiting great potential of capacities acquired by EIZ after achieving the project's objectives. Hence, these activities will improve EIZ's capacity to develop international research projects.

An additional objective concerns the achievement of positive knowledge spillovers emanating from EIZ towards regional and national areas. Members of the consortium will support EIZ as the main applicant to operate as a research hub for Croatia and, more generally, South–East Europe.

## 2. Improve EIZ's overall research on EMIT through training activities.

Our objective is to define a specific development strategy focused on improving EIZ's research capacities in the field of EMIT in close cooperation with leading research institutes and universities.

A comprehensive programme of activities will significantly increase scientific excellence and research capacity in evaluating the research carried out within industries and clusters, enabling EIZ in cooperation with consortium partners, to identify and study existing as well as emerging clusters that could positively impact the country's socioeconomic growth and development. Indeed, clusters are one of the core priorities of the Croatian Research and Innovation Smart Specialisation Strategy (RIS3), strongly supported by MINGO.

This project aims at giving strategic tools and methodologies to EIZ in order to strengthen its research capacity dedicated to RIS3 priority areas, through the organisation of training schools, training workshops, short term scientific missions and visiting training sessions.

A further objective is to improve the capacity to carry out comparative analysis on countries that achieved higher growth after the accession to the EU. This analysis can in turn provide useful insights on how to better attract Foreign Direct Investment (FDI) related to Croatia's RIS3.

3. Enhance EIZ's capacity to design and implement public policies. To favour internationalisation of the Croatian production system in globalising economy and to promote comparative analysis and increasing involvement of policy makers through learning networks.

This objective aims to improve EIZ's skills and methodologies in policy analysis and design. This objective will be pursued by combining Global Value Chain (GVC) and National/Sectoral Systems of Innovation (N/SSI) approaches to innovation and globalisation. These two approaches, which will be detailed in the part about methodologies (Section 1.1.1.3), will help to better characterize the most effective policies to be implemented in the globalising economy.

This objective is based on a stakeholder engagement strategy that relies on the promotion of action-oriented networks for cross-border cooperation, which will engage key local, regional and national actors (policy makers, academics, industry representatives, non-governmental organizations). It is presumed that the direct involvement of local stakeholders in the identification of these policies may strengthen long-term interest for their actual

implementation. As such, sustainability of policy options will be guaranteed by not only duration of the engagement/consultation process but also through a robust and novel methodology of 'learning networks'.

There is a connection with the eighth commitment of the IUC "Strengthen the Science Base for Policy Making", since both the objective and commitment foresee the improvement of the analysis of policy in dialogue with key stakeholders at a national level.

## 4. Improve the capacity of EIZ to study University/Industry models of collaboration, including Science Parks and technological clusters, their performances and their relation and impact on the territory.

The objective is to improve EIZ's capacity to analyse how University/Industry interaction contributes to innovation and competence building in Small and Medium Enterprises (SMEs) located in Croatia. University/Industry interaction is central in RIS3 for "smart, sustainable and inclusive regional growth".

The achievement of this objective will provide tools and methodologies to analyse different forms of collaboration among SMEs and between SMEs and research institutions, both public and private. Another objective of this project is to strengthen EIZ's capacity to identify geographical areas and sectors for the creation of new technological clusters and Technology Parks (TPs).

Beforehand, there is also the need to analyse performances of existing clusters and TPs, identifying their local and regional administrations. In order to identify best practices and development opportunities within Croatian clusters this project proposes a direct involvement of local entrepreneurs, researchers and policy makers. Eliciting preferences of these stakeholders and extracting information from them with methodologies at the frontier of research in the field – Multi–Attribute Value Theory (MAV–T) among others – this project will allow EIZ to disentangle what dimensions of clusters' activities are more relevant to different categories of stakeholders, how they are interrelated and, remarkably, how they impact entrepreneurs' activities.

## 5. Empower EIZ to contribute to RIS3 implementation by stimulating inclusive innovation and sustainable development in selected technological domains. To identify public policies for maximizing impact of specific Key Enabling Technologies (KETs) on the existing Local and Sectoral Systems of Production (L/SSP).

One objective of the proposal is thus to strengthen EIZ's capacity to investigate (also by means of empirical analysis) how to adapt and diffuse KETs so they could be the "key-enablers" of the structural transformation in Croatia. Eventually, the results of this investigation could suggest the right public policies in order to maximize impact of KETs on the existing L/SSP. There is a connection with commitments 24 and 25 of the IUC "Maximising Social and Territorial Cohesion", since the common objective is to direct local policies at facilitating smart growth, supporting efficient national innovation systems that should be built around the design of RIS3. Particular attention will be devoted to innovations for sustainable development, with the aim of providing EIZ with the most appropriate tools and methodologies to understand how to transform the potential of innovation processes into practical actions.

Within such strategy, the role of research organizations is to facilitate both the design and implementation of RIS3 activities. With respect to the design phase, research organizations will contribute to a rigorous assessment of knowledge assets, capabilities and competencies available within the N/SSI.