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Zagreb, December 4, 2014

## Senior Government officials meet to discuss Data-Driven Innovation in South-East Europe

Today, The Economics Institute of Serbia, The Institute of Economics Banja Luka in Bosnia and Herzegovina, the Inzenjerski biro of Croatia, the Executive Agency for Higher Education, Research, Development and Innovation Funding or Romania, the Applied Research and Communications Fund of Bulgaria, the Open Labs of Albania, the University of Ljubljana in Slovenia and Google organized a summit on "Data-Driven Innovation in South-East Europe", at the Esplanade Luxury Hotel in Zagreb, Croatia. Senior government officials from Serbia, Croatia, Albania, Bosnia and Herzegovina, Bulgaria, Montenegro, Romania and Slovenia participated to the summit and exchanged views on this important topic.

The partner Institutes presented a white paper they prepared regarding data-driven innovation, which triggered a productive discussion. The white paper elaborates on the opportunities for economic growth and social prosperity for South-East Europe as well as on the challenges for the right handling of personal information. The paper portrays best practices from the region and concludes with recommendations for policy makers to embrace open standards and allow innovation to thrive, while taking a balance the approach to improve protection of personal information and address the increasing demand for people with new set of skills.

Government representatives shared their national perspective about how Data-Driven Innovation can bring new economic and social benefits in South-East Europe and foster regional collaboration. They recognized that the world has entered the era of leveraging data to create new products and services, to make business processes more efficient and to reduce costs, which creates both exciting opportunities and new challenges for all aspects of society.

The economic opportunity of data-driven innovation is massive. According to OECD, "the increased volume, velocity and variety of data used across the economy, and more importantly their greater social and economic value, signal a shift towards a data-driven socioeconomic model." OECD found that governments in the EU could reduce administrative costs by 15-20 percent, creating the equivalent of €150-300 billion. In addition, Gartner estimated that spending on IT infrastructure for data analytics reached \$37 billion in 2013 and that innovation around data would create 4.4 million IT jobs globally by 2015. Eric Byrnjolfsson found that firms that adopt data-

driven decision making improved output and productivity by 5-6 percent.

According to the white paper, policymakers should create policies around data-driven innovation that embrace open standards to inspire innovation, improve services and decision-making by encouraging the use of data-driven innovation within government, take a balanced approach to privacy and harmonize privacy rules across Europe.

Mr. Dragan Sagovnovic, Director of the Economics Institute of Serbia stated: "Economics Institute from Belgrade worked closely with esteemed Institutes in the region to prepare this white paper regarding data-driven innovation. Aware of the fact that data-driven innovation brings a range of challenges, we also aimed to emphasize the enormous positive effects for the overall society. Data-driven innovation can be a vehicle for intensive cooperation in the region in order to raise competitiveness of each individual country and the region as a whole. This is particularly important considering that the population of the region amounts to over 50 million people, compared with population of individual countries amounting from 0.6 to 20 million, and the GDP of the region amounts to almost USD 450 billion, compared with GDP of individual countries amounting from USD 4 to USD 190 billion."

Mrs. Snjezana Jurisic, MSc Econ, CCO from the Inzenjerski biro, Croatia stated: "Croatia expressed willingness to support the development of an information society and took part in the Competitiveness and Innovation Framework Program by which Croatia commenced with setting the basic foundations for Data Driven Innovation environment and now we have to meet all the requirements in order to improve the legislative framework and adopt relevant policies with right framework conditions that embrace and support the community and culture building that would lead Croatia towards a data-driven economy. Once the high potential of digital technologies has been recognized, it would boost entrepreneurial action and transform business in all industry sectors, which will contribute to the well-being of Croatian citizens as well as to socio-economic progress through new services, products and business opportunities."

Mrs. Viola Civici, member of Open Labs and Coordinator for Wiki projects in Albania stated, "During the last year the open data movement in Albania is starting to have momentum and there is a general feeling of a more positive approach from policy makers towards the release of public data in an open format. At Open Labs Albania we are working towards this approach by using decentralized wiki platforms for data and knowledge sharing. Of course initiatives like the regional meeting in Zagreb help in exposing our ideas as an organization with the goals of policy makers not only in Albania, but also in all SE countries."

Mrs. Aida Bogdan, Executive Director of the Economics Institute Banja Luka, in Bosnia and Herzegovina stated: "Bosnia and Herzegovina is committed to the development and capitalization of Information and Communications Technologies, being aware that this key sector plays a vital role in any modern economic structure. The ICT industry is developing and spreading within B&H as well, becoming one of the drivers of the economic growth. Public institutions and other eminent stakeholders from our country have recognized that making new products and services is closely dependent on leveraging data and have crucial impact on development of data driven socioeconomic model."

Mr. Todor Galev, Senior Fellow, Applied Research and Communications Fund in Bulgaria stated: "Despite the existing good examples and due to the interoperability challenges, open public data is still not widely used in Bulgaria in the process of policy design and monitoring. However, open public data analyses were successfully applied in the design and implementation of the national broadband policy in economically underdeveloped rural regions and is currently used in the ongoing judicial reform. The implementation of data-driven approaches has improved the quality and the effectiveness of the public policies and facilitate the public-private partnership."

Mr. Marius Dorian Nicolaescu, Head of IT Department, Executive Agency for Higher Education, Research, Development and Innovation Funding from Romania stated: "In Romania we strive to attain the highest standards of quality when it comes to data-driven innovation. Our experts are trying to be both creative and practical in their projects so that we can step up to the challenges of today's society. We believe we can be in the forefront of this new wave in innovation through data collection and processing. Two of the most important projects that are now being developed in Romania regard a RADAR scanning system based on a combination of semantic clustering, machine learning and gaming using human experts, and the other one, the Romanian Innovation Ecosystem 3.0 (RIE), aims at creating a social network for key players in research to identify sources of information, monitor their impact on society and so on. Our purpose is to have an international impact with projects like these, after having been implemented and tested on national level."

**Prof. Dr. Ziga Turk of the University of Ljubljana in Slovenia** stated: "In Europe we are sometimes crticised for having a "big government". But big government can produce more and better organized data. In Slovenia we created an electronic catalogue of all such publicly available databases and many small internet startups are innovating on top of those resources, creating value for the citizens and for their own business".

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