



РЕПУБЛИКА СРБИЈА  
ФОНД ЗА ИНОВАЦИОНУ  
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INNOVATION  
FUND



June 2025

## **Support of Innovative Companies**

### **Innovation Fund of the Republic of Serbia**

#### **Report on the Implementation of Innovation Fund Public Calls**

(December 2011–June 2025)

#### **About the Innovation Fund**

The Innovation Fund (IF) is a public entity established to support innovative activities and manages financial programs to foster innovation development. Its creation and operations were governed by the Law on Innovation Activity (the Official Gazette of the Republic of Serbia, N. 110/2005, No.18/20110 and No 55/2013) and operational activities started in 2011. The new Law on Innovation Activity (Official Gazette of the Republic of Serbia, No. 129/2021, and came into force on January 5, 2022) outlines the framework for innovation activities in Serbia, including the establishment of the Register of National Innovation System Entities and the additional regulation of the IF's operations. The new Law on Innovation Activity created a legal basis for expanding the IF's competencies in terms of keeping a single register of the national innovation system, the purpose of which is to keep numerical records of entities, as well as easier access to financing innovation activities, economic incentives and incentive procedures. The introduction of a single register of the national innovation system opens the opportunity for all subjects of the national innovation system to register voluntarily, enabling them to identify themselves before state bodies (and other entities - primarily investors) without additional procedures.

IF is offering a diverse portfolio of support programs to startups, SMEs, investors, and science-research organizations and collaborates with international financial institutions, organizations, donors, and both the private and public sectors to facilitate the introduction of innovative products, services, and technologies into the market. In 2021, the IF implemented an integrated management system and received certifications for two important standards: ISO 9001:2015 for quality management and ISO 37001:2016 for anti-bribery. This strategic decision was made to enhance the quality, safety, and efficiency of the IF's operations. The IF follows internationally recognized standards of good practice, including maintaining a safe working environment for its employees.

IF also benefits from external expertise through its Independent Investment Committees consisting of international and diaspora experts with experience running technology companies, scientific research, commercialization, and investment in innovation who is independently reviews the applications and makes the decision on financing.

IF's financing programs and operations undergo regular evaluations, from independent application reviews and decision making to a thorough internal as well as independent external monitoring and evaluation process, including beneficiary visits and reporting over a project's duration and upon its completion (5 years).



The IF focus is on supporting the development of new products, processes, technologies, and business models, following the highest ethical, financial, and business standards, as well as global business norms.

IF operates under the supervision of the Ministry of Science, Technological Development and Innovation, operates under the governance of a Managing Board and a Supervisory Board.

With strong backing from the European Commission and the World Bank, and as a member of TAFTIE since 2013, the Innovation Fund contributes significantly to Serbia's integration into the European innovation ecosystem. Its programs are aligned with EU standards and designed to promote research-industry collaboration, increase private sector investment in R&D, and accelerate the country's transition toward a knowledge-based economy.

#### ***Mission:***

IF's mission is to support innovation development through financial and advisory support, empowering innovative enterprises and strengthening the link between research and the business sector following the highest ethical, financial, and business standards and practices in its internal operations, treatment of staff, and external relations with stakeholders.

#### ***Governance Structure:***

The IF operates under a well-defined governance structure:

- **Managing Board** (5 members) – Responsible for strategic direction and financial oversight.

The Managing Board comprises one president and four representatives with a four-year mandate. Three members are Government representatives and two members are proposed by the Director of the Innovation Fund (one independent expert and one member from the IF employees). The president is and the members are elected and dismissed by the Government (Prime Minister).

- **Supervisory Board** (3 members) – Ensures compliance and operational integrity

The Supervisory Board comprises one president and two representatives with a four-year mandate. Two members are Government representatives and one member is proposed by the Director of the Innovation Fund. The president and the members are elected and dismissed by the Government (Prime Minister).

- **Independent Investment Committees** – Comprising of international and diaspora experts, evaluate project applications and awards funding with the consent of Managing Board.

In summary, the IF operates within a structured institutional framework established by national legislation. It is accountable to the Ministry of Science, Technological Development and Innovation, ensuring that its initiatives are in line with Serbia's broader goals for scientific and technological progress.

#### **Description of Programs:**

Over the years, the IF has developed and implemented a comprehensive portfolio of targeted financial programs that provide systematic support to startups and SMEs at different stages of development. These programs are specifically designed to stimulate private sector investment in research and development, accelerate the commercialization of innovative solutions, and foster stronger collaboration between science and industry. The main programs that support innovative companies are:



The **Smart Start Program** supports promising teams in validating their business ideas and developing their first prototype or minimum viable product (MVP), as well as startups that already have an MVP and seek to enhance their product or prepare for market entry. Eligible applicants include informal teams of up to five members and registered startups; informal teams must formally establish a company upon receiving funding. The program offers up to RSD 5,400,000 per project, covering up to 90% of the approved budget, along with an additional RSD 600,000 for tailored mentorship support. Beneficiaries receive guidance in areas such as market research, business model development, and fundraising preparation, while also participating in targeted workshops aimed at strengthening operational capacity and project execution. Project implementation typically lasts between six and nine months, depending on the specific goals and scope of each initiative.

The **Mini Grants Program** supports early-stage startups in Serbia that develop innovative products, services, or technologies addressing a clear market need. By offering financial assistance during the critical research and development phase, the program fosters technological entrepreneurship, strengthens business capacities, and enables the survival and growth of young companies as they bring innovations to market. Eligible applicants include micro and small enterprises that are majority privately owned by residents of the Republic of Serbia, incorporated in accordance with national laws, and no older than ten years at the time of application. Projects may come from any scientific or technological field and may relate to any industry sector. The Innovation Fund awards up to EUR 120,000 per project, covering up to 70% of the approved budget, while the remaining 30% must be provided by the applicant from private sources. Projects may last up to one year, with funding intended to support the transition from research to product development and market entry.

The **Katapult Acceleration Program** is designed to boost tech entrepreneurship and improve access to funding in Serbia by supporting both early-stage startups and scale-up companies with high growth potential. Targeting micro and small privately owned enterprises with annual revenues under EUR 8 million, the program offers a tailored three-month mentoring experience delivered by local and international experts, successful entrepreneurs, and investors. The curriculum covers key business areas such as product-market fit, scaling, intellectual property, investment readiness, and go-to-market strategies. In addition to mentorship, Katapult provides financial support of up to EUR 300,000 through two components: an At-Entry Grant of EUR 20,000 or EUR 50,000, and a Co-Investment Grant that matches private investment secured from recognized investors during or shortly after the program. Beneficiaries are selected through a public call and categorized as early-stage or growth-stage startups based on their development level, enabling Katapult to effectively address diverse company needs and accelerate innovation-driven growth.

The **Matching Grants Program** supports micro, small, and medium-sized private enterprises in Serbia that need substantial financial resources to complete the development cycle of technological innovations and bring research to market. It targets companies developing solutions based on a demonstrated market need, with the potential to generate new intellectual property and strengthen their competitive position in domestic and international markets. The program aims to foster knowledge-based growth, encourage partnerships with international stakeholders, and increase the number of technology-driven enterprises in Serbia. Projects may come from any scientific or industrial domain. The Innovation Fund awards up to EUR 500,000 per project, co-financing up to 70% of the approved budget for micro and small enterprises and up to 60% for medium-sized ones. The remaining portion must be secured from private sources. The maximum project duration is 18 months.

The **Collaborative Grant Scheme Program** fosters industrial research and development by promoting partnerships between private sector enterprises and public R&D organizations. Its goal is to stimulate joint projects that result in new or improved commercially viable products, services, and technologies with strong market potential and long-term impact. The program supports consortia consisting of at least one private company and one public R&D organization, with a maximum of five members. Eligible projects may originate from any scientific or technological field and must present a clear development vision, sound business model, and solid commercialization strategy. The Innovation Fund provides co-financing of up to EUR 500,000 per project—covering up to 70% of the approved budget for projects led by micro or small enterprises and up to 60% for those led by medium-sized enterprises. The remaining funds must be secured from other private sources by the consortium.

The **GovTech Program** supports the development and implementation of innovative solutions in the public sector by creating a collaborative platform between public institutions and innovation-driven actors, predominately companies. Its aim is to promote the adoption of new technologies to address complex, everyday challenges faced



by public administration. The program is implemented in two phases: first, public institutions identify and propose specific challenges; second, innovative companies develop and present solutions tailored to those needs.

In addition to these programs, the IF also implements the **Innovation Vouchers** scheme which are a simple financial incentive that enables small and medium-sized enterprises to enhance the innovativeness of their products and become more competitive in the market by using the services of the research and development sector. Between 2017 and 2024, the IF approved 1,253 innovation vouchers for 730 small and medium-sized enterprises (SMEs).

## Program Implementation

The IF supports Serbia's innovation ecosystem through a comprehensive approach that includes:

- **Innovative Companies:** Financial and technical support for SMEs to develop market-ready products and technologies via programs like Mini Grants, Smart Start, Katapult Accelerator (early stage), Matching Grants (growth stage), Collaborative Grant Scheme (SME-S&R organization partnerships), and Innovation Vouchers (access to scientific and technological services).
- **S&R Organizations:** Funding and capacity building for research institutions in technology transfer and commercialization through the Technology Transfer Program.
- **Innovation Infrastructure:** Strengthening the innovation ecosystem by supporting the development of regional startup centers, investing in newly established venture capital funds through the Serbia Ventures initiative, and addressing public sector challenges through the GovTech Program.

From December 2011 to June 2025, the Innovation Fund supported a total of 702 projects, implemented by 619 innovative companies (unique beneficiaries), through six different programs. The combined total project value amounted to EUR 151.1 million, with the Innovation Fund providing EUR 92.6 million in co-financing.

Funding for these programs is secured from multiple sources. In addition to financing from the state budget—which includes support through the World Bank-financed Competitiveness and Jobs Project (2016–2021)—the Innovation Fund has been continuously supported by the European Union through the following IPA-funded projects: Innovation Serbia Project (2011–2016, IPA 2011), Creating a Comprehensive R&D Collaboration (2016–2019, IPA 2013), New Products and Services Developed through Research Commercialization in SMEs (2018–2021, IPA 2014), Support to the Competitiveness Sector through Innovation (2021–2025, IPA 2018), Increased Innovation Capacity and Growth of SMEs (2022–2027, IPA 2019), and Additional Funding for the Serbia Accelerating Innovation and Growth Entrepreneurship Project (2025–2027, IPA 2019).

Further support is provided by the World Bank through the Serbia Accelerating Innovation and Growth Entrepreneurship (SAIGE) Project, aimed at enhancing national capacities in research, development, and innovation.

It is important to emphasize that a single beneficiary (company) could receive support through multiple programs, depending on their stage of development and specific needs. In fact, 76 beneficiaries received support through more than one program. For example, a company might begin with support from the Smart Start or Mini Grants Program, advance through acceleration program Katapult, and later obtain larger-scale funding through the Matching Grants or Collaborative Grant Scheme.





Table 1: Overview of Supported Projects by Program from 2011 to June 2025

Program	Program Start Year	Number of Calls for Proposals	Number of Supported Projects	Total Project Value (EUR)	Innovation Fund's Co-funding (EUR)
Smart Start	2021	4	137	6.592.586	5.989.306
Mini Grants Program	2011	15	300	34.254.632	24.648.596
Acceleration program - Katapult	2021	4	80	33.732.835	12.174.000
Matching Grants Program	2012	12	90	41.686.430	26.368.518
Collaborative Grant Scheme Program	2016	8	76	33.108.184	22.326.237
GovTech Program	2023	1	19	1.691.769	1.135.132
<b>Total</b>		-	<b>702</b>	<b>151.066.435</b>	<b>92.641.789</b>

This extensive portfolio demonstrates the IF's central role in scaling innovative companies, facilitating technology transfer, and creating an enabling environment for sustained innovation-led development in Serbia.

#### Support of Innovative Companies:

A major milestone in the development of Serbia's innovation ecosystem is the successful support of 619 innovative companies through the Innovation Fund, reflecting a national commitment to fostering knowledge-based growth and deeper integration into the EU innovation framework.

The significance of the Innovation Fund is recognized in Reform Agenda of the Republic of Serbia adopted in October 2024. As part of Reform 6.2.2. Further Development of the Science and Innovation Ecosystem for a Knowledge-Based Economy, the Innovation Fund has made a significant contribution by supporting 619 innovative companies—exceeding the national target of 600. Through a diverse portfolio of tailored funding programs, the Fund has provided critical early-stage and growth-stage support, enabling companies to develop and commercialize innovative solutions. This impact is further illustrated in the table below, which presents the number of unique companies (beneficiaries) supported by the Innovation Fund, categorized by the initial program through which each company first engaged with Fund support. The classification underscores the IF's role in offering customized entry points for companies at different stages of innovation and development.

Table 2: Overview of Supported Innovative Companies by Program

Program	Number of Supported Innovative Companies
Smart Start	137
Mini Grants Program	278
Acceleration program - Katapult	48
Matching Grants Program	79
Collaborative Grant Scheme Program	66
GovTech Program	11
<b>Total</b>	<b>619</b>

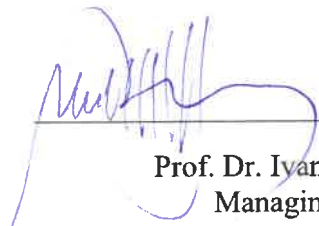
Additionally, through the Innovation Vouchers scheme, the IF approved 1,253 innovation vouchers for 730 small and medium-sized enterprises (SMEs).



## Conclusion

In conclusion, the Innovation Fund has played a pivotal role in strengthening Serbia's innovation ecosystem by exceeding national reform targets and supporting the growth of 619 innovative companies across diverse sectors. Through a comprehensive and well-structured program portfolio, the IF has effectively supported enterprises at every stage of development—from idea validation to commercialization and scaling—thereby fostering a dynamic environment for technological advancement and entrepreneurial success. Its efforts have significantly contributed to the country's transition toward a knowledge-based economy and reinforced Serbia's integration into the broader European innovation framework.

This report was prepared by the Innovation Fund of the Republic of Serbia.



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