
Introduction

In 2016, the **Applied Research and Communications Fund** (ARC Fund) marked its 25th anniversary, continuously working to promote and shape the information society and the knowledge economy in national and international contexts. Throughout these years, ARC Fund reconfirmed its position as a pioneer and forerunner in the areas of applied research and analysis, foresight and public engagement, innovation and business support, innovative policy-making, and capacity building. It strived to respond to some of the most challenging issues the Bulgarian and European societies face – environmental concerns and promotion of green innovation; enhancement of responsible research and innovation; countering online hate speech and development of early media and digital literacy.

Policy Impact

ARC Fund has continued and expanded its efforts to foster an innovative culture and the internationalization of public institutions and private sector businesses. Specifically, ARC Fund has enhanced its capacity to effect positive change in the country through the use of the most modern public policy development tools based on European and global best practice. These consisted of legitimizing public policy decisions by the provision of a venue for democratic deliberation, bringing together key stakeholders from government, industry and civil society into a constructive dialogue. Strengthening the interface between government, businesses and civil society is an essential precondition for developing inclusive stakeholder-driven public policies and a thriving private sector. ARC Fund helps promote this interaction in order to improve economic opportunities in the country that take into account environmental and social challenges. Exposing the merits and faults of ideas and opinions to each other in a transparent manner, with the ability to act on results, is essential to the achievement of ARC Fund's goals.

However, strengthening this process does not only come about in a top-down manner through deliberative public policy development. ARC Fund recognizes this fact as it continually supports activities in the country, which aim to encourage involvement even at the grassroots level. With respect to supporting the innovation and knowledge economy, the organization undertakes specialized trainings for professional groups in the country and provides technology brokering, innovation incubation and consulting services to Bulgarian and foreign companies. At present, over 5,000 clients benefit from ARC Fund's offerings. With respect to the strengthening of civil society, ARC Fund undertakes projects which help to demonstrate the value of technology in strengthening governance (such as e-governance), those which help to decentralize and democratize inputs into the policy-making process (for example through online social networks), and in improving the competitiveness of Bulgarian businesses (through the facilitation of partnerships and the transfer of knowledge and international best practice). By supporting these societal pillars from multiple entry points, ARC Fund aims to increase their interaction in order to check and balance each of them into providing optimal societal outcomes for Bulgaria and Europe.

Throughout 2016, ARC Fund continued its efforts to provide the most up-to-date information and analysis to Bulgarian policy-makers in innovation, science and technology policy. Of particular importance was the development and presentation of the *2016 Innovation.bg report*, which identified both the positive trends, as well as the challenges, to innovation in the country. This analysis was presented to policy-makers at the Twelfth National Innovation Forum in Sofia.

ARC Fund worked closely with government agencies on improving the information society in the country, including the Ministry of Transport, Information Technology and Communications. ARC Fund was represented on the ICT Consultative Council at the Ministry, where it provided information on current developments of ICT in Bulgaria as well as offered advice to improve broadband and penetration of ICT in the country.

Impact on Firm Level

ARC Fund is also heavily involved in the provision of business support services to enterprises. This is evidenced by the fact that ARC Fund is the coordinator of the European Enterprise Network (EEN) in Bulgaria, which consists of 12 partnering organizations in 8 cities. The EEN is Europe's largest business support network and helps SMEs internationalize, innovate and gain information about available EU finance and funding opportunities, consulting, matchmaking, internationalization and business leverage services. In 2016, ARC Fund delivered services to over 200 companies in these areas. Among the economic sectors covered are manufacturing, mechatronics and automation, machine building, maritime industries, ICT, tourism, and management consulting. ARC Fund also organizes matchmaking and technology brokerage events and facilitates the participation of Bulgarian SMEs in them. ARC Fund services resulted in new contracts for Bulgarian companies in UK, Austria, Greece, Cyprus, Albania, Spain, Portugal, Romania, Italy, Germany, and The Netherlands. In recognition of the impactful advisory services delivered to a client company, ARC Fund was featured as one of the three nominees in the Enterprise Europe Network Annual Awards.

ARC Fund stimulates discussion between business and public authorities on the opportunities for further improvement of public instruments supporting innovative SMEs. For this purpose, it initiated and coordinated international networks with representatives of public authorities, science and technology parks, non-government organizations, and other stakeholders from a number of European countries and shared ideas and good practices on the basis of common methodologies.

For their support of SMEs in developing their innovation management capabilities and competitiveness, ARC Fund and ARC Consulting were recognized as good practices by the IMP3rove Academy in providing highly effective services. Innovation companies from a wide range of economic sectors, age and size groups, were provided with valuable support in the process of assessment of their innovation management practices, development of innovation strategies / action plans and appropriate reporting of innovation activities, as well as efficient management of the innovation life cycle and impact on the companies' broad economic results.

Through innovative engagement methodologies, ARC Fund demonstrates how citizens can be equal partners in the process of elaborating research priorities as foundation for future research and innovation policy-making. It integrated successfully diverse perspectives, coming from the public, as well as from disciplinary experts, into coherent policy messages and recommendations to the European Commission and other policy stakeholders across the EU.

ARC Fund initiated, and will be steering further in 2017, a broad public debate on the responsibility challenges inherent in research and innovation. It mobilised stakeholders from civil society, business, academia and policy, towards a common understanding of societal transformations resulting from technology and innovation, and a shared vision for integrating responsible research and innovation principles into R&I policy-making.

Society service

ARC Fund also took an active civic role in Bulgaria through its efforts to encourage the safe and responsible use of internet and mobile technologies and its cooperation with the Ministry of Interior to prevent child abuse online. Since 2005, ARC Fund has been coordinating the Safer Internet Centre (SIC) in Bulgaria which provides three services: a Hotline for fighting illegal and harmful for children content and conduct on the Internet; a Helpline for consulting children, parents and teachers in cases of problems of minors on the Internet; and an awareness node for fostering consultation and educational tools and methodologies.

Through its coordination of the Safer Internet Centre (SIC), ARC Fund helps raising awareness among children, parents, teachers and other professionals through the development of educational materials, organizing information campaigns, monitoring emerging trends in informational use, and supporting cooperation between relevant stakeholders. As part of the SIC, in 2016 the Bulgarian Safer Internet Hotline received over 400 reports of illegal and harmful content and numerous reports were transferred to the relevant authorities and partner hotlines in other countries, which led to several law enforcement actions and convictions. The national Helpline has consulted over 700 minors, parents and teachers.

During 2016, the SIC team successfully combined dealing with reports of child sexual abuse and sexual exploitation materials on the Internet, and helping resolve problems of children and young people online, by developing new awareness tools and methodologies, conducting training for children, parents and teachers, organising events and conducting research about trends in the use of ICTs by minors.

A valuable recognition of ARC Fund's commitment to active work for the safety of children and young people in the digital world was an International Association of Internet Hotlines' (INHOPE) certificate of excellence. After conducting a thorough inspection of the work, practices, procedures, policies and premises of the Bulgarian Hotline, the Board of the INHOPE awarded ARC Fund a Quality Certificate during the annual meeting of the 45 member states of INHOPE.