Lithuanian Policy-mix Analysis

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Content review

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• Policy-mix Evaluation
• Decision Making Process for the Improvement of the Policy-mix
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Scope of the Policy-mix (1)

Lithuania’s part in the MANUMIX project is articulated around three specific objectives:

1. to **analyze** and **improve** selected innovation policy-mix in advanced manufacturing;
2. to **strengthen** and **improve** the evaluation process;
3. to ensure a better policy-mix **implementation**.

Project's stakeholders are the representatives of:
Lithuania’s stakeholders of the project agreed on the policy-mix, that includes this process:

**TARGETED SCIENTIFIC RESEARCH IN THE FIELD OF SMART SPECIALIZATION**

- **SCIENTIFIC RESEARCH**
  - Research;
  - Attraction of scientists abroad;
  - Activities of laboratories

**PROMOTION OF ACTIVITIES OF CENTRES OF EXCELLENCE AND CENTRES FOR INNOVATION AND TECHNOLOGY TRANSFER**

- **CAPACITY BUILDING**
  - Competence development;
  - Staff costs

**CONSULTANCY PROVISION**

- Tech. Transfer coordination;
- Marketing;
- Commercialization;
- Legal advisory

**COMMERCIALIZATION OF R&D**

- R&D expenses;
- Testing;
- Prototyping;
- Pre-final manufacturing

**Participants:**
- Institutions of science and education
- University hospitals

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- Institutions of science and education
- Companies with ISE as shareholders
Policy-mix Evaluation (1)

During the project this policy-mix is going to be evaluated under these evaluation criteria:

- Limitations and bottlenecks of the policy-mix
  - Questions about limitations and bottlenecks
  - Conclusions of the evaluation

- Intervention logic and relevance of the policy-mix
  - Questions about limitations and bottlenecks
  - Conclusions of the evaluation

- Efficiency and effectiveness of the policy-mix
  - Evaluation
  - Conclusions
  - Improvement of the policy-mix

Aspects of evaluation are:

(a) performance/efficiency of the instruments in relation to the program objectives
(b) the effectiveness of the achievement of the results.
Policy-mix Evaluation (2)

The parties of the policy-mix evaluation are:

- Ministry of Education and Science: Decision Maker
- MOSTA: Evaluator of the Policy
- MITA: Implementator of the Policy and Stakeholder of the Evaluation
- LIC: Stakeholder of the Evaluation
- Vilnius University: Implementator of the Policy Instruments and Stakeholder of the Evaluation
- Research Council of Lithuania (LMT): Implementator of the Policy Instruments
- CPVA: Implementator of the Policy and Stakeholder of the Evaluation
- Ministry of Education and Science: Decision Maker
- CPVA: Implementator of the Policy
- MITA: Implementator of the Policy and Stakeholder of the Evaluation
- LIC: Stakeholder of the Evaluation
- Vilnius University: Implementator of the Policy Instruments and Stakeholder of the Evaluation
- Research Council of Lithuania (LMT): Implementator of the Policy Instruments
- CPVA: Implementator of the Policy
Decision Making Process for the Improvement of the Policy-mix

In general, the policy-mix improvement process will include:

- policy-mix evaluation
- preparation of the evaluation report
- formulation of the policy recommendations
- communication of the recommendations
- implementation of the recommendations
Policy-mix results (1)

The Results of Lithuanian policy-mix for MANUMIX during October 2017.

<table>
<thead>
<tr>
<th>Code</th>
<th>Policy Instrument</th>
<th>Overall budget, EUR</th>
<th>Current number of applications</th>
<th>Current number of signed contracts</th>
<th>Current amount of money given</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 01.2.2-CPVA-K-703-01</td>
<td>Promotion of activities of centres of competence and centres for innovation and technology transfer</td>
<td>14 481 001</td>
<td>22</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>No. 01.2.2-CPVA-K-703-02</td>
<td>Promotion of activities of centres of competence and centres for innovation and technology transfer</td>
<td>11 584 801</td>
<td>36</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>No. 01.2.2-MITA-K-702</td>
<td>Commercialization of R&amp;D</td>
<td>13 032 901</td>
<td>7</td>
<td>0</td>
<td>0</td>
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<tr>
<td>No. 01.2.2-LMT-K-718</td>
<td>Targeted scientific research in the field of smart specialization</td>
<td>44 891 103</td>
<td>87</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
## Policy-mix Results (2)

### Policy Formulation Challenges

- All policy-mix instruments are financed by the European Union structural funds.
- Also, policy-mix commercialization part is formed for companies and institutions of Lithuania.

The evaluation criteria for applications do not reflect the applicant's performance in the R&D activity chain, i.e., participation in other directly related instruments does not act as a leverage in the following application.

Requirements of policy instruments strongly limits the number of potential applicants.

### Policy Management Challenges

- The process of evaluating applications across all policy-mix is complicated and slow, there is a lack of inter-agency cooperation, an effective procedure for using relevant field experts in the evaluation process.

- Tolerance and intolerance of potential risks are a structural problem both for policy makers and for applicants during the initiation and implementation of innovation commercialization activities.

- The level of production of research and education institutions is greatly overestimated in Lithuanian case. It is generally ignored that commercialization is extremely complex process that includes a lot of different aspects.

- R&D activities in Lithuania generally lack direct foreign investment.
## Possible Directions of Policy Learning

<table>
<thead>
<tr>
<th>Policy formulation level</th>
<th>Policy Implementation level</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to ensure the integrity of the instruments when implementing R&amp;D activities</td>
<td>How to develop an innovation culture</td>
</tr>
<tr>
<td>How to design an appropriate regulatory environment</td>
<td>How to develop international co-operation, the attraction of foreign companies, analyze consumer needs</td>
</tr>
<tr>
<td>How to separate research activities from the development of research activities, also how to separate clearly research activities from commercialization processes</td>
<td>How to better prepare for participation in international R&amp;D programs.</td>
</tr>
<tr>
<td>There is a strong need to expand knowledge about successful commercialization policy instruments</td>
<td></td>
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</tbody>
</table>
Thank you!

Questions welcome

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