

SUMMARY

The purpose of the evaluation was to provide the authorities responsible for planning, management and use of EU funds with justified and reliable information, suggestions and recommendations for further decisions on improvement of measure Inoklaster LT for programming period of 2014-2020 (hereinafter – Inoklaster LT2014). This would contribute to the development of the appropriate, effective and efficient incentives for the creation of new value networks, facilitation of the bottom-up development of open innovation partnerships (clusters) and development of existing clusters, and their integration into international R&D and innovation (RDI) networks.

Insufficient demand for eco-innovations measures has signalled the weaknesses or discrepancies between the funding conditions and objectives of the European Union (hereinafter - EU) Funds Investment Operational Programme for 2014-2020 (hereinafter referred to as "the OP") is to minimize the negative effects of climate change and the greenhouse effect by promoting Lithuanian enterprises to increase materials and energy efficiency by introducing "green" technologies. Therefore, it was necessary to determine in a timely manner whether the planned activities, the other conditions for granting funding were still relevant, appropriate, adequate and coherent, and what would be the recommendations for improving these measures in order to achieve the effectiveness and efficiency of these measures.

Problems that have determined the need for evaluation:

Clusters -

- Clustering 2007-2013 At the beginning they were sluggish, their development and activities required additional promotion activities and increasing the awareness on the benefits of clusters.
- Different clusters work with varying degrees of success, therefore, it is necessary to identify the causes and factors seeking to differentiate the incentives, e.g., in different sectors such as manufacturing, services or creative industries.
- Encouraging the creation of clusters and promoting eco-innovations were mostly based on external analysis (e.g., benchmarking with the EU), attempting to transfer good practices from other EU countries, but the actual needs for both clusters and eco-innovations has been poorly analysed: EU investments in clusters and investments in eco-innovations have not been the subject of an analysis of business needs (activities, products and intervention areas) and expectations neither in 2007-2013, nor in 2014-2020. Also, during the planning process, the supply side was not investigated - what R&D results are available in the R&D institutions of Lithuania, and ready-to-use technologies can be immediately implemented in business. The cluster primarily encourages collaboration between business and R&D institutions, but it does not follow whether key players in the value chain engage irrelevant to exploitation of R&D outcomes - from product development, raw materials, component manufacturing / supply, intermediate product development to distribution, and final product development.
- Little is analysed if EU investments in the previous programming period of 2007-2013 have achieved their goals (impact) in the area of cluster creation and development, but investment continued in these areas. Therefore, it was necessary to measure progress, identify discrepancies or limiting factors, and

make timely recommendations for the 2014-2020 EU investments that would be used as efficiently as possible.

Eco-innovation

- 2014-2020 EU fund investments for eco-innovation in companies are foreseen for the first time, and therefore it is important to use them properly, efficiently and effectively. Since 2009, when Lithuanian companies have experienced the effects of the global crisis, they have been forced to take measures to increase competitiveness, including the deployment of resource-saving technologies and tools, most of which are environmentally friendly measures. However, it was not investigated whether during 2014-2017 the needs of companies for eco-innovations have not changed.
- Eco-innovation measures have two main objectives: the environmental objective (greenhouse gas emission saving and resource efficiency) and the competitiveness objective (innovation). It was important to assess whether these two objectives of eco-innovations measures are compatible, or whether both objectives would be achieved in the context of selected supported activities and other funding provisions and conditions.

As international experience shows, cluster performance results occur in the medium term, so reliable estimation of clusters results and impact could be made for period of 2007-2013 only. At the same time the measure *Inoklaster LT2014* for the current EU investment period shall be evaluated whatever it is relevant to continue.

The evaluation scope includes two assessments in two hard to link areas -

- 1) evaluation of measures for the innovative clusters development
- 2) evaluation of eco-innovation measures.

The objective of the evaluation is to improve the implementation of the measure *Inoklaster LT2014*¹ by analysing the results of the implemented measures *Inoklaster LT+*² and *Inoklaster LT*³, and improving the implementation of eco-innovation⁴ measures.

The following **evaluation goals** were set up with 13 particular evaluation questions:

- 1 goal:** to evaluate the relevance, efficiency, impact and sustainability of activities in measures *Inoklaster LT+* and *Inoklaster LT* for the period of 2007-2013;
- 2 goal:** to evaluate the relevance, sustainability and progress of measure *Inoklaster LT2014*;
- 3 goal:** to evaluate the relevance, sufficiency and compatibility of eco-innovations measures;
- 4 goal:** to evaluate the efficiency and effectiveness *ekoinovacijos* of eco-innovations measures.

¹ measure No. 01.2.1-LVPA-K-833 „*Inoklaster LT*“

² measure No. VP2-1.4-ŪM-02-K „*Inoklaster LT+*“

³ measure No. VP2-1.4-ŪM-01-K „*Inoklaster LT*“

⁴ measures No. 03.3.2-IVG-T-829 „*Eco konsultantas*“, No. 03.3.2-LVPA-K-837 „*Eco-inovacijos LT+*“ ir No. 03.3.2-LVPA-K-832 „*Eco-inovacijos LT*“ of OP for 2014-2020

Methodology

Seeking to receive the answers to the evaluation questions the proposed methodology was based on the logic of the intervention matrix and the quantitative and qualitative assessment in combination with other assessment methods (Table 1).

Table 1. The purpose of methods used

No.	Method	Purpose
1.	Desk review	Provides data to justify demand in clusters and eco-innovation, allows to assess the intervention logic, to determine whatever similar or different output produced what were different.
2.	Analysis of legal regulation	The detail provisions, requirements and restrictions are provided in legal regulation, especially in description of monitoring indicators, such as eligible activities, applicants, max amount and percentage per project, fund allocated to the measure, indicators to be achieved, other relevant restrictions or provisions.
3.	Data analysis	To collect the data - both quantitative and qualitative data are grouped, structured and provided for further analysis. Data analysis allows to prove or deny the assumptions are made, to evaluate relevance of funding provisions in terms of objectives, activities and other criteria, to assess efficiency of and effectiveness, to determine commonality and regularities. It is also used to assess the impact and benefits, sustainability and sufficiency.
4.	Comparative analysis	Allows to assess the progress, relevance of measures, efficiency and incentive effect as well.
5.	Statistical analysis	This is the main quantitative approach is based on an analysis of the EU statistics on the investment information system (target group), of the statistics of Lithuanian Statistic Department, Eurostat, the European Commission, international organizations, business organizations (LR, EU or international). Used for evaluation against to all evaluation criteria.
6.	Analysis of the intervention logic	Matrix of logic of the intervention together with data gained allows to determine whatever the selected processes, resource, outputs and results comply with intervention objectives of measures.
7.	Interview	Interviews with cluster coordinators who have been selected and agreed to participate in interviews, with business representatives (cluster and non-cluster members) aim at identifying deep causes, problems, relevance or irrelevance of eligible activities, support methods, eligibility, efficiency, attractiveness of measures, identification of implementation problems, collecting proposals for improvement of measures, assessing the quality of services provided and the quality of the measures themselves, collecting feedback on the need, relevance and appropriateness of the measures / services. This method makes it possible to assess the compatibility and complementarity of the measures, adequacy, to collect information about the causes and factors of deviations from the planned results.
8.	Online survey	Standardised and semi-structured questionnaires aim at identifying the appropriateness of the measures, relevance (matching) and attractiveness (conditions of the measures, criteria), identifying key issues, collecting proposals for improvement of measures, assessing the effectiveness of the measures (for example, whether the amount of support provided is proportionate to the results to be achieved and mandatory indicators).
9.	Secondary sources analysis	An analysis of the best practise of other countries, an analysis of studies, surveys, reports, presentations and evaluations already carried out, can provide the substantial information, to prove or reject assumptions, provide comparative information or specify the regularities found

No.	Method	Purpose
		during this assessment. This analysis provides data for comparative analysis, trend identification and impact assessment, assessment of relevance, benefit, effectiveness and sustainability.
10.	Contra-factual analysis	Comparing the situation before the implementation of the measure and after the implementation of it, comparing the indicators and applicants' opinion (the cluster and non-cluster members, applicants who applied but who have not been granted and applicants who have been granted. It provides the basis for assessing the relevance, impact, efficiency, effectiveness and benefits.
11.	Experts	It is used for trends identification, assessment of sustainability, critical assessment of gained information, development of conclusions, recommendations and strategic proposals, preparation of a report, summary and presentation material, organizing and presenting the evaluation results.

The main target groups for respondents were project beneficiaries (cluster coordinators and eco-innovation project beneficiaries) and institutions managing EU funds (LVPA, MITA, INVEGA).

REVIEW OF EVALUATION RESULTS

Evaluation of relevance for measures *Inoklaster LT* and *Inoklaster LT+*

The relevance of intervention logic. The main objective of the cluster development policy is to increase the competitiveness of cluster members, which is not possible without the development of RDI, increasing in productivity, export promotion, joining international value chains, and without creating inter-sectoral, interregional and / or international cooperation and cluster-based environments (ecosystems). However, the different aims in measures *Inoklaster LT* and *Inoklaster LT+* were chosen - to pursue the creation of a technology and knowledge environment and cooperation between business and R&D institutions, which in themselves are not aims, but instruments for achieving the aims.

The relevance of activities. All activities funded under the measures *Inoklaster LT* and *Inoklaster LT +* were demanded - development of RDI infrastructure, cluster coordinator activities and training. It should be noted that infrastructure is not required for all clusters, but they should not be abandoned - the infrastructure is usually used for RDI activities. It is inappropriate to separate the infrastructure activities from "soft" activities setting up measures or calls for proposals different for infrastructure and "soft" activities, since infrastructure without funding for other activities is difficult to overcome, especially during the cluster development phase.

The business did not have clear expectations about the demand in the cluster infrastructure until the measure *Inoklaster LT+* call was launched, but when developing applications and implementing projects under this measure, the cluster's infrastructure needs became clearer. Part of the business overestimated the infrastructure capacity, maintenance costs for this infrastructure, and compliance with business needs. R&D institutions' expectations have been identified as a place for the accumulation and development of research potential with a common and networked R&D infrastructure where common business-science researches may be carried out.

However, the measures lacked some relevant activities. As the evaluated measures did not fund some cluster relevant activities - such as RDI, export promotion, internationalization, support to start-ups, cluster administrator activities, market research and marketing, meta-clustering activities, training dissemination and IP protection, no impact on cooperation between business and R&D institutions and achievement of cluster policy objectives, for example, to increase competitiveness, was not observed. The clusters technology and knowledge environment was improved under the measures *Inoklaster LT* and *Inoklaster LT+*, however, this impact was not sustainable.

Fragmentation of cluster-related activities through several other measures reduced the financial viability and sustainability of clusters after the end of the projects: RDI activity that is very relevant to innovative clusters, was not eligible to fund under measures *Inoklaster LT*, *Inoklaster LT+* and *Inoklaster LT2014*, therefore no new products were created that could generate income during the transition period between programming periods.

Impact of measures *Inoklaster LT* and *Inoklaster LT+*

Since clusters started their activities, the dissemination of knowledge and technologies improved significantly (development and transfer of technologies, exchange with know-ow, new technologies introduced in cluster members). This sustained by a number of RDI projects that could not be launched without being in cluster, no new products developed or advanced technologies used). A number of RDI results developed by cluster members in cluster infrastructure were commercialised, some of RDI results were commercialised not only in 2007-2013 period, but in later period as well.

Referring to cluster coordinators the demand in clustering and their impact on companies is proven by increased turnover, export, expenditures for RDI at least by 20-30 percent after 3 years after the end of the project. New products developed, increase in productivity, initiation of new investments, new business partners, suppliers, distributors, sales channels, new markets, integration into global or regional value chains, increase in new orders demonstrate effectiveness and impact on competitiveness. In addition, cluster members can use cluster's equipment, means, infrastructure that can't be purchased separately by single cluster member.

Efficiency of measures *Inoklaster LT* and *Inoklaster LT+*

The efficiency of activities under both cluster measures exceeds the actual observed monitoring indicators compared to the planned action program, with the exception of attracting private investment under measure *Inoklaster LT*. Data on the impact indicators under measure *Inoklaster LT* (turnover, exports, R&D expenditure), which had to be collected 3 years after the implementation of the projects, were not collected from the projects.

Sustainability of measures *Inoklaster LT* and *Inoklaster LT+*

Sustainability includes 2 aspects: financing sustainability and sustainability in activities – what shall be continued, cancelled or supplemented with new ones.

The main sources of cluster financing were membership fees and revenue from project activities. Cluster membership fees are still a rather unreliable source of revenue because fees are hard to collect. The instability of such funding source was shown by the breakdown of the activities of many clusters, financed in 2007-2013. The cluster members seek to make revenue from economic activity, primarily from sales of RDI resulted products, as the main sources of financing.

In order to ensure the cluster's financial viability and sustainability, it is necessary to ensure temporary funding for the cluster coordinator's activities during the transition period between programming periods and to supplement the current measure *Inoklaster LT2014* with the cluster relevant activities - RDI, cluster administrator activity, supporting start-up, training dissemination, meta-clustering activities, marketing and IPR protection.

Compliance of measure *Inoklaster LT2014*

The planned intervention logic in measure *Inoklaster LT2014* may be assessed as relevant and complied with cluster policy objective and goal of OP – increase RDI activity in private sector, however the implementation way chosen – to facilitate the cooperation in R&D among private legal persons and other entities – is related to funded activities very little and RDI activities under this measure are not funded at all.

The set up eligible activities comply with cluster policy objectives much better comparing measures *Inoklaster LT* and *Inoklaster LT+* as range of funded eligible activities is extended – marketing, marketing strategy, survey, training, attraction of new members are included and even cluster administrator activity financed (as indirect costs). Such activities are well targeted at cluster policy objectives. Despite some the intervention logic inconsistency, the activities under measures are aimed at increasing the export and productivity of the cluster members and joining the international value chains. However, existing activities are not sufficient: although measure *Inoklaster LT2014* supports the creation of an RDI infrastructure, RDI's in the cluster is not funded.

The requirement for compliance with Smart Specialization (hereinafter referred to as "SS") at the level of thematic directions is difficult to apply in the case of clusters, since the cluster is forming on the basis of value chain covering several sectors / SS directions. In addition, the prior allocation of funds according to the SS's thematic directions artificially creates a competition among the SS's directions, which reduces the chances of entering international value chains, adapts to the rapid changes in technology and science achievements, and burden the cluster growth.

Progress of measure *Inoklaster LT2014*

As the projects are still being implemented and the date for the mid-term evaluation (31/12/2018) has not been achieved, the achievement of monitoring indicators for this measure can't be estimated from actual data.

However, the probability of achieving the planned monitoring indicators can be estimated.

The funding provided for the measure (23,710,874 EUR) and the lowest grant amount and max rates taking into account, theoretically from 79 to 948 cluster projects could be funded. There are about 30 clusters in Lithuania, some of which tend to consolidate, and there are plans to fund new clusters. Therefore, it is likely that the planned value of the "Number of Subsidy Entities" indicator "43" will be reached by the date of 31/12/2023.

Taking into account the maximum grant rate and amount (on average, from 501.752 Eur to 931.825 Eur per cluster) and the fact that RDI activity is not funded under measure *Inoklaster LT2014*, the achievement of indicator "Private investment corresponding to the planned public support for innovations or R&D projects, 13,045,556 Eur" to 31/12/2023 date is unlikely. The indicator "Investing in new cluster members" (55) - the target values for the 31/12/2023 date seems realistic: for comparison, the measure *Inoklaster LT+* has attracted 154 new cluster members instead of the planned 43. The achievement of the value (55) of the indicator "Creation of a prototype of products, services or processes by the cluster investment" (55) is unlikely: under similar measure *Inoklaster LT*, the planned number of projects for the RDI environment improvement (15) was exceeded in just 2 units and achieved 17 of such projects.

Rates "Business expenditures for R&D per capita" (interim and final) are expected to be achieved because:

- 1) the value of this indicator was 34.79 Eur in 2016, planned to increase by approximately 2 Eur per annum, therefore, it is probable to reach the value of 48.7 Eur by 31/12/2023 without considering the decrease in the number of Lithuania's population;
- 2) estimated population in 2023 - 1.7 million of the population, therefore the same R&D expenditure will be calculated for a smaller number of population.

Under this measure, 18 applications were submitted, of which only 13 were funded and projects are still being implemented (SFMIS data for 08/08/2018). The signed contracts amount 5,993,846 Eur or 25.3% of allocated of the total funding available (23,710,874 EUR). While supplementing the measure with the lacking activities is the expected to allocate all measure's funds by 2020 and to spend until 2022.

Relevance, sufficiency and compliance of eco-innovation measures

Intervention logic in measure *Eco-innovation LT* is the most consistent comparing to other eco-innovation measures, however, there is still a lack of clear links between the objective and the task No. 3.3.2 – the introduction of non-technological eco-innovations will not necessarily encourage SMEs to invest in eco-innovations, as technological and environmental audits can show that the company's situation is not bad, while saving resources can only be achieved by substantially changing the whole technological process requiring major investments and temporary suspension of production or giving priority to other types of for investment. In addition, the implementation of the Environmental Management System (hereinafter referred to as "EMS"), which is intended to support Eco-Innovation, will not necessarily enable further implementation of eco-innovations, saving resources, and reducing negative environmental impacts. EMS usually means that

production processes are standardized in terms of environmental management, but do not substantially affect the implementation of eco-innovations. The implementation of the Standard EMS can't be equated with non-technological eco-innovations, and respondents who have implemented eco-innovations also questioned it.

The interventions logic of measure *Eco-konsultantas LT* lacks a clear link between the measure activities and its objective and have little to do with the means of achieving the objective of the measure. The intervention logic of this measure is evaluated as inconsistent.

As the least-demanding eco-innovation activities project beneficiaries have identified the implementation of EMS, technological audits (the benefits and links with further investments in eco-innovation projects do not fully understand by beneficiaries) and consulting in eco-innovation (this activity overlaps consulting in the technology audit). The amount of funding for EMS and audits is comparing to costs needed in order to properly introduce environmental ISO system. This amount is sufficient only to carry out an ISO audit check itself, but it is not enough to finance the preparatory work, where is the maximum cost.

Eco-innovation measures focus on resource saving and cost reduction, while eco-design reduces waste generation and benefits from a marketing perspective.

In all cases, companies are interested in investing in equipment that produces less environmental impact, helps save resources and introduce eco-innovative products (*Eco-innovation LT+*). The choice of technological or non-technological eco-innovations depends more on the needs of the company, and measures *Eco-Innovation LT* and *Eco-Innovation LT+* are relatively consistent and logical.

Applicants in eco-innovations can only be SMEs, which is seen as targeting funding to its most disadvantaged target group, which is the majority of Lithuanian enterprises. Even representatives of small businesses understand and agree that eco-innovation measures are in line with market expectations and eco-innovations will become a priority area for business investments in the near future.

Measures *Eco-innovation LT* and *Eco-innovation LT+* compatible with each other quite well, except the measure *Eco-konsultantas LT*, which falls out of a very general context, and through support in the form of consultation is not redeemed by the applicants' costs in applying for these consultations. In general, respondents felt that the *Eco-konsultantas LT* as a very small measure would be appropriate to transfer its funding to the introduction of technological eco-innovations.

Key factors, external circumstances and changes in requirements that would allow eco-innovations to become more effective:

- Increase in amount for EMS activity (investment component) and increase in the funds allocated to one project would increase the attractiveness of *Eco-Innovation LT*;
- Rejection of the business plan in measure *Eco-Innovation LT+* by replacing the essential information in the application, the possibility for companies to declare SME status once a year;
- Shortening of procurement procedures;

- Increased funding for measure *Eco-Innovation LT* (especially for EMS and eco-design);
- Consideration of the need in *Eco-konsultantas LT*, since project costs are almost equivalent to the funding received, a significant contribution of own resources, and high administration costs occurred by EU funds administrating authorities

Progress in eco-innovation measures

According to data of portal www.esinvesticijos.lt (02/08/2018) in the measure *Eco-Innovation LT* was allocated 10.3% of planned funds, of which 9.4% is spent, in measure *Eco-Innovation LT+* was allocated 25.6% of the total planned funds, of which 2.9 % is spent. In measure *Eco-konsultantas LT* was allocated 8.3% of planned funds, of which 0.7% is used.

The *Eco-Innovation LT +* measure is very demanded because it funds investment into equipment, machinery, and the duration of projects is 3 years, so it is likely that the planned funds will be used. Increasing the attractiveness of *Eco-Innovation LT* (by increasing the funding by including *Eco-konsultantas LT* funds) and by launching calls without waiting for 2020 the allocation and use of funds could be accelerated. However, the risk of non-utilization of this instrument is still extremely high. The *Eco-konsultantas LT* funds allocation and spending are extremely low due to the small attractiveness of this measure.

The measure *Eco-konsultantas LT* does not have a direct link between consultation and subsequent investment in eco-innovations, which is why there is a high risk that the monitoring indicator "Investments with over 50% amounts invested in eco-innovations, part of all investments, percent "will not be achieved. This is borne out by the analysis of other indicators achieved by this measure: although much more consultancy services were provided than planned in the action program, consultations received more than planned companies, especially new start-ups, but investment in eco-innovations did not inspire this - the monitoring indicator "Investments over 50 percent the amount invested in eco-innovations, part of the total investment, % "value (as of 08/02/2018) was zero.

The measure *Eco-Innovation LT* was identified with the most demand in EMS introduction, but companies primarily do so not for environmental reasons, but because of the availability of integrated environmental ISO systems to help sell / export products. Less than planned, there is a need for technological and / or environmental audits, so the risk of not reaching this monitoring indicator remains high. The monitoring indicator "The number of products created and / or updated by the enterprises receiving investments" is poorly related to the activities financed by this measure, because the creation or updating of products is not financed through the measure. Therefore, there is a high risk that this indicator will not be reached. The attraction of private investment is planned as unreasonable and unrelated to the activities or the planned amount of funds (4,344,300 Eur). Therefore, there is a high risk of this indicator being inaccessible. The eco-design monitoring indicator will only be achieved if the lacking environmental impact assessment, public health impact assessment, preparation to receive a pollution permit and IPPC activities are supplemented.

It is likely that *Eco-Innovation LT+* monitoring indicator "Number of subsidized enterprises, enterprises" will be

reached - almost 75% of measure's fund has not been distributed yet and can be after implementation of upcoming projects. The number of monitoring indicators "Number of technological eco-innovations introduced by enterprises that have received investments" is of minor concern, since the target indicator double the funds for the entire instrument and the funds are poorly distributed.

PROPOSALS AND RECOMMENDATIONS

Clusters:

1. To consolidate cluster-relevant activities into one measure, complementing the existing activities of the *Inoklaster LT2014* with the following activities: RDI activities, training dissemination, administrator activity, support of start-ups, marketing activities as necessary for the success of innovative clusters.
2. To apply the appropriate intervention logic in measure *Inoklaster LT2014*, taking into account the objectives of the cluster policy, applying the appropriate monitoring indicators, increasing the funding amount per project and / or funds for the measure.
3. To use TRL⁵ approach and as criteria for the evaluation of cluster success, including in the post-2020 programming period.
4. To set up mandatory requirement of compliance with smart specialisation (SS) at priority level, but not at the level of the thematic areas, or reconsider SS application for cluster-based measures.
5. To set up mandatory requirement that the cluster infrastructure may be in the ownership of the cluster coordinator only, to develop clear rules for the use of this infrastructure and pricing, publicly publish information on available cluster infrastructure services, their prices and other conditions of use in a single information portal, e.g., on the MITA website KLASTERIAI.LT or on the portal emokslovariai.lt.
6. It is proposed for R&D institutions (including scientists and researchers) publicly publish a short description of research results, e.g., in the portal emokslovariai.lt, according to a standardized form - the essence, sector, possible area of application, contact information, providing structured information with possibility to filter, sort and search.
7. Seeking closer cooperation between business and science, it is proposed to include the number of proposed commercialized / commercialized R&D results as the evaluation criteria into R&D institutions and researchers/ scientists' evaluation systems.
8. To set up mandatory requirement to have cluster development strategy or a mid-term action plan or to be prepared during implementation of the project.
9. To continue to apply financing form - a non-refundable dotation for cluster activities, as it is not investment but costs.

Eco-innovation

1. To revoke measure *Eco-konsultantas LT* as non-demanded, high costly in administration for beneficiaries and administrating authorities, without added value and have no impact on the promotion of investments in eco-innovations.
2. To supplement the measures with additional funded activities: in measure *Eco-Innovation LT+* - with investment in the introduction of a new product with better environmental properties / environmental impact (without link to the waste generation), in measure *Eco-Innovation LT* – with preparation investment to introduce EMS and with to ecological-design-related Environmental Impacts Assessment

⁵ *Technology Readiness Levels*

(EIA), Public Health Impact Assessment (PHIA), preparation to obtain a Pollution Permit and IPPC.

3. Do not to link EMS with investments in eco-innovations.
4. Increase funding levels in *Eco-Innovation LT +* and *Eco-Innovation LT* (EMS introduction, environmental / technology audits and eco-design).
5. The proposed agenda for more often calls for proposals under measure Eco-Innovation LT+ or extend the duration of calls. Current 3 months period is too short for the preparation of all necessary documents, such as EIA/ PHIA, design, new IPPC, pollution emission permitting, etc.
6. To cancel to grant the priority (scores and higher rate) to the project with a higher own contribution, as it encourages those companies that are able to implement eco-innovations even without funding, but eliminate those companies who have not any other funding options for eco-innovations - the incentive principle of EU Structural Funds is not respected.
7. To arrange a centralized declaration of SME status once a year, and set up a requirement for managing authorities to use this information from single declaration pint. Such approach may be used not only for applications appraisal under eco-innovation measures, but under other relevant measures too.
8. To continue to use the form of non-refundable subsidy as only a part of the investment generates revenue, while the other part is dedicated to environmental impacts and does not generate revenue or there are costs (non-investments).