MEETING WITH EUROPEAN COMMISSION FOR THE EUROPEAN UNION FUNDS’ INVESTMENTS IN 2021–2027

1st policy objective “A smarter Europe – innovative and smart economic transformation“
References for 2021-2027 investments in Lithuania

• Country Report - Lithuania (2019);
• National progress programme (project);
• EC (2019), 100 Radical Innovation Breakthroughs for the future;
• OECD (2019), University-Industry Collaboration;
• OECD Science, Technology and Innovation Outlook 2018;
• OECD (2013), Supporting Investment in Knowledge Capital, Growth and Innovation.
Number of contracts signed (state planning, regional planning and competitive)

Priority 1, ERDF: 96 contracts signed (19 contracts of state planning)
General challenges in 2014-2020 period

- **Project level**: the lack of management capacities; administrative burden; problems due to state aid issues; financial issues for projects (like taking bank loans etc.); project level solutions exceed technical documentation/plans.

- **Institutional level**: complicated procedures and changes in it during the period; long planning processes (from idea to signed contract); the impact of implemented reforms.
Based on the European Innovation Scoreboard Report 2018, Lithuania's progress in RDI in 2010-2017 is the biggest throughout the EU.

Lithuania's progress - 20.1%
The EU average is 5.8%

Not a regional tendency:
Latvia's progress - 11.2%
however, the overall estimate of Estonia's performance fell by 3.2%

Source: EIS, 2018
Quality of science and internationality (comparison of the results of several scientific indicators EIS 2017 and EIS 2018)

• The number of Lithuanian authors' scientific articles among the most cited publications has **increased by 10 percent**

• The number of articles published together with foreign authors **increased by 12 percent**

• The share of scientific publications in cooperation with business **increased by**

• **5 percent**

• **Number of foreign doctoral students studying in Lithuania increased by 15 percent**
What is important in new programming period (considering science)?

• To strengthen Lithuania's participation in Horizon Europe
• To finish implementation of higher education reform
• Strengthen Lithuania's participation in the European Research Area (ERA) (develop and implement a national action plan for the implementation of ERA priorities)
• To strengthen cooperation of Baltic States:
  – activating joint participation in international programs and initiatives
  – mutual support for countries' positions at EU policy level, the Council of the Baltic Sea States and in other formats
  – more coordination of science policy issues
LT challenges in R&D

Intellectual potential:
• Talents – raising, keeping, and attracting
• Efficient knowledge transfer

Business R&D-absorptive capacities:
• Increasing R&D-intensive business – spin-offs, start-ups
• Joint activities between business and universities, research institutes (also fostering collaboration between public sector and universities, research institutes)

Financial sources:
• Increasing national funding for R&D – eliminating the dependence on ESIF
• Enlarging the share of business investments into R&D

International collaboration:
• Increase participation in Horizon2020/Horizon Europe
• Need of more effective science diplomacy net
Some examples of current LT actions towards...

Attractive research system

National funds:
• **83 % increase of monthly doctoral scholarship**: starting from 2019 doctoral scholarship for initial years of studies is 722 Eur (formerly 395 Eur) and for the second to fourth year doctoral candidates - 836 Eur (in 2018 - 456 Eur).

• **40 % higher funding for wages of researchers and lecturers** (comparing 2019 and 2017):
  - in 2018 additional 23 mEur or 20 % increase;
  - in 2019 additional 22.9 mEur and 16 % increase from 2018.

EU funds:
• **implementation of the programme “Attracting Foreign Researchers for Research Implementation”**

Strengthening of science & business cooperation

National funds:
• **implementation of Industrial doctorate** (in Lithuania only 29 % of all researchers (counting „full-time equivalent“) are working in the private sector, EU average – 51 %);

• **new two-stage system for universities and research institutes assessment and thereby funding** focusing more on:
  - science-business cooperation;
  - social and economic impact of R&D;
  - activities related to international R&D programmes.

EU funds:
• **promotion of innovation and technology transfer centres and competence centres** to test R&D-based, commercially–promising ideas, create a follow–up investment or other outcome that can be tailored to market deployment.
What main goals / changes Lithuania wants to achieve by 2030 in the sectors, covered by PO1?

National progress programme:
- To improve favourable conditions for high level R&D&I;
- An increase of scientific knowledge that enhances the country's competitiveness;
- To ensure openness and accessibility of scientific results;
- To create a culture of entrepreneurship in research and strengthen its impact on the socio-economic development of the country.

Key science systems trends and issues (OECD):
• the re-orientation of public science agendas towards “grand societal challenges”, with a growing emphasis on the SDGs as a framework for agenda-setting;
• the turn towards more challenge-driven public research, placing more emphasis on interdisciplinary research and the interfaces between basic and applied research;
• emerging new arrangements for commercialising public R&D, including new TTO-type structures and the use of smarter IP strategies in public research performing organisations;
• greater consideration of the ethical, legal and societal aspects of research, within a framework of “responsible research and innovation”
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| Insufficient use of knowledge which is created | • develop universities’ and research institutions’ capacity to improve the commercial viability and market relevance of their research projects;  
• increase the number of innovative firms in the smart specialisation sectors with the highest potential, and taking into account regional specialisations; | to create culture of entrepreneurship in science, strengthening its impact on the socio-economic development of the country                                |
| Lack of new scientific knowledge in order to increase country's competitiveness | • support collaborative research between universities and businesses, thereby enabling technology transfer and commercialisation of research outcomes. | to create new knowledge of science in order to increase competitiveness of the country                                                            |
| Unattractive career for researchers           | • The development of skills for smart specialisation, skills for key enabling technologies, industrial transition, sectorial cooperation on skills and entrepreneurship, the training of researchers <..>: | to develop, retain and attract talents for creation of high-level science and science-based innovation                                               |
| Insufficient conditions to implement RDI     | • strengthen the supply side of research and innovation by increasing the attractiveness and competitiveness of the research system; | to create beneficial conditions for high level RDI                                                                                                   |
1. **Goal**: to create beneficial conditions for high level RDI.

**Planned activities:**

1.1. Renewal of R&D infrastructure and development/upgrading of infrastructure for experimental development activities (technological, testing, test production equipment, etc.) in institutions of science and studies including:

- development of centers of competence, RDI demonstration spaces;
- development of research and technology organizations (RTO);
- development of high-tech infrastructure and pilot lines;
- development of pre-incubation and incubation and science-driven business accelerators.

1.2. Ensuring interaction of national and international R&D infrastructures by connecting to international networks.
Suggested indicators:

- Number of researchers working on improved (funded) research infrastructures;
- Number of international R&D infrastructures in which Lithuania is a member;
- Nominal value of R&D equipment.
2. **Goal**: to create new knowledge of science in order to increase competitiveness of the country.

**Planned activities:**

2.1. Promotion of **high-level R&D activities**;
2.2. **International R&D projects**, including funding for projects that are well rated in international programs but have not received funding;
2.3. Promotion of **centres of competence**;
2.4. Promotion of **centres of excellence**;
2.5. Promotion of **research and technology organizations** (RTOs);
2.6. **R&D activities focused on solution of social challenges and business needs** and the development of **new products / technologies**;
2.7. Promotion of **participation in international science and innovation programs** (such as Horizon Europe, Eureka, Cost and Baltic sea region programmes and others);
2.8. **Attraction of foreign scientists to carry out R&D activities** focused on the commercialization of knowledge.
Suggested indicators:

- Applications of patents supplied to the European Patent Office;
- Applications of trademark and design.
Is there a possibility to finance from **Priority 1, ESF SO**?

SO: The development of skills for smart specialisation, skills for key enabling technologies, industrial transition, sectorial cooperation on skills and entrepreneurship, the training of researchers <..>:

**Task**: to develop, retain and attract talents for creation of high-level science and science-based innovation.

- **Planned activities**: attracting students to implement R&D activities; doctoral studies; post-graduate internships; networking, science management, including cultural change in institutions; science communication (promotion); development of international mobility programs; strengthening the network of national contact points for international science and innovation programs, etc.
1. **Goal**: to ensure openness and accessibility of scientific results.

**Planned activities:**

1.1. Investments in the development of electronic infrastructures required for the implementation of R&D and the accessibility to electronic resources;

1.2. **Integration** to the European Cloud of Open Science.

**Suggested indicator:**

- Users that have used digital services.
SO „Developing skills for smart specialisation, industrial transition and entrepreneurship“:

1. **Goal**: to create culture of entrepreneurship in science, strengthening its impact on the socio-economic development of the country.

**Planned activities:**

1.1. Strengthening commercialization of R&D results through promotion of the establishment and activities of spin-offs;
1.2. Implementing entrepreneurship principles in research and studies institutions;
1.3. Establishment of a system of use of R&D knowledge in the public sector;
1.4. Strengthening science and innovation management competencies in research and studies institutions (promotion of activities in technology transfer centres) and science policy-making institutions;
1.5. Initiates for doctoral studies with business, researchers in business, contact missions in order promote cross-sectoral mobility skills of researchers;
Suggested indicators:

- Investment in ecosystems for skills development;
- Number of enterprises receiving subsidies;
- Number of R&D institutions participating in joint projects;
- Number of enterprises cooperating with R&D institutions;
- Applications of patents supplied to the European Patent Office;
- Applications of trademark and design;
- Total number of private-public (science-business) publications.