

## INTERIM EVALUATION OF SMART SPECIALISATION: HOW WE DID IT?

Over the last few years Smart Specialisation has become a key instrument for place-based development in the European Union. It now represents the most comprehensive policy experience on innovation-driven development in Europe. In line with this, four years ago Lithuania prepared its S3 strategy in order to *to achieve a substantial breakthrough in the **six priority fields (20 priorities in total)** that Lithuania had identified as main areas for R&D and innovation:*

- energy and environmental sustainability;
- agro innovation and food technologies;
- new processes, materials and production technologies;
- health technology and biotechnology;
- transport, logistics and ICT;
- inclusive and creative society.

The total amount allocated to the Smart Specialization programme is 679 million euro. 398 million euro is administered by the Ministry of Economy. 15 financial measures have been developed by the Ministry of economy in order to implement the Smart specialization strategy. More than 600 business sector projects have been funded so far and about half of the smart specialization budget will be contracted until the end of the year. Priorities that received most of the funding: molecular technologies (32 mln), functional materials (28 mln), laser technologies (17 mln).

It seems that S3 will be an important and vital part of the future EU budget cycle. There is also a proposal to establish a new interregional innovation investment component that is S3-related. This could mean extra support for regions and countries with well-developed Smart Specialisation Strategies. That is why at this point it is important to prepare for the coming budget cycle, both by evaluating the potential and possible results from identified smart specialisation priorities and re-designing or reorientation of existing policies if needed.

For this purpose The Ministry of Economy of the Republic of Lithuania and MOSTA have conducted the interim evaluation of the Smart specialization programme, which provides evidence based analysis for policy making. According the analyzed data, priority areas of health technology and biotechnology as well as new processes, materials and production technologies demonstrate the highest potential. In addition, priority area of agro innovation and food technologies also demonstrates promising early results.

As entrepreneurial discovery process (EDP) belongs to one of the main features of S3, it was at the core while assessing the relevance of the existing priorities and technologies identified in the S3 programme. Broad selection of stakeholders was involved into the EDP. In total 130 participants from research and business fields participated and 42 workshops have been organized. Although it is challenging to involve private actors, we can say that we succeeded, as quite extensive number of private actors participated in the process giving their feedback on the programme design and proposing new ideas for a more business relevant renewed version of it.

It was argued that Smart specialization should not focus on the detailed technological descriptions, which restrict the participation of the applicants. Instead it has to be challenge oriented and target 'opportunities' in each priority as well as support intersectoral and interdisciplinary innovations. There is also a need for a more outward looking perspective of innovation policy supporting inter-regional collaborations involving actors from different domains in the context of smart specialization and considering the region's position in inter-regional value chains.