# Enhance Innovation Strategies, Policies and Regulation in Ukraine EuropeAid/127694/C/SER/UA

#### Ukraine



This Project is funded by the European Union

# "Innovation in Ukraine – Policy Options for Action"



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This project is implemented by Louis Berger-led Consortium



International Competitiveness Master Program

WARRANGE Value

International Competitiveness Master Program

Kyiv, 11 November, 2011

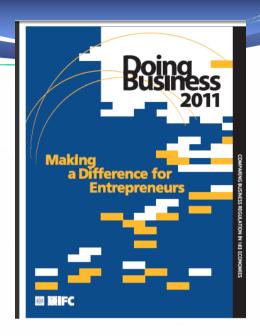


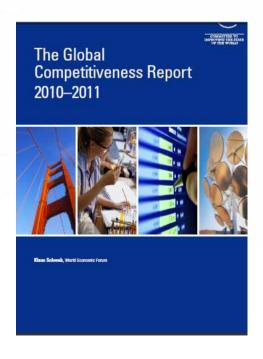
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#### Ukraine international positioning

- 2011 World Bank Doing Business report analysing 183 countries
- Ukraine ranks 145 on "ease of doing business

- 2011/12 World Economic Forum's Global competitiveness Report analysing 142 countries
- Ukraine ranks 82





#### Action plan development

1-6 m

(7-12 m)

13-18 m

19-24-27 m

National public policy and structure

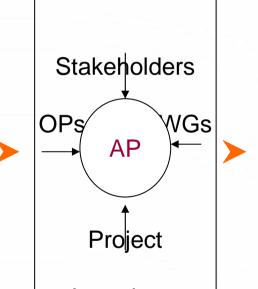
Validation questionnaire

Analysis of ToRs

13 Mirror studies including all activities

Comparison
Analysis

Suggestions Recommendations



Interviews
Dissemination
1st Draft AP

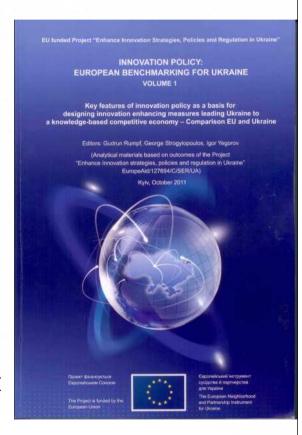
#### Final Action Plan

Verified by:
Events
Experts
Stakeholders
JSO and
other Projects

Specific assignments

#### Ukrainian/EU mirror analytical work in 13 policy areas (1/2):

- Innovation driven, sustainable growth models
- Financing innovation
- Tax incentives
- Innovation Culture
- Setting priorities for innovation & technological development
- Networking innovation and business support infrastructure
- Coordination, roles, and responsibilities within National Innovation System (NIS)



#### Ukrainian/EU mirror analytical work in 13 policy areas (2/2):

- State programmes in research and innovation
- State and regional policy for SMEs on research and innovation
- Innovation indicator tools
- Regional innovation programmes
- Decentralisation factors
- Peculiarities innovation development of steel & coal regions



#### Innovation in Ukraine - Policy Options for Action

- •87 policy options grouped in 6 policy areas
- •All policy actions contribute to leading Ukraine to a knowledge-based competitive economy



#### Validating correctness, relevance, completeness of Actions

#### Validation focus:

- 1. Right issues addressed? Right actions proposed to lead Ukraine to knowledge based economy and to enhanced competitiveness?
- 2. Suggestions/ amendments to actions?
- 3. Any action superfluous/not relevant/ counterproductive?
- 4. Any action missing?
- 5. Ranking actions- which are most/least important ones?

Result: 25 policy options ranked high priority

### Policy options in policy action line 1: Better Governance in favour of Innovation

- 0. Gap state policy goals and actual implementation
- 1. European Governance standards to public institutions by applying to criteria for an effective legislative framework
- 2. Guarantee property rights protection according to international standards
- 3. Specify in detail the responsibilities of bodies to design and/or implement innovation policy
- 4. Develop a national strategy and 3-5 years plans o R&D and innovation. Define specific research and innovation priorities
- 5. Develop a consolidated and coherent evaluation system both for policy measures and programmes
- 6. Review state budget, multiannual planning of budget allocations for programmes and measures
- 7. R&D competitive bidding based on excellence, open and transparent selection procedures

#### Policy options in policy action line 2: Enhancing Innovation in Enterprises

- Credit support to enterprises engaging in innovation projects
- 2. Enlarge range of external financial sources for innovation in SMEs
- 3. If decision for tax incentives were taken, introduce preferential taxations to research and development

## Policy options in policy action line 3: Bridging R&D potential with Industry

- 1. Set up and fund comprehensive NCP system and EEN network to enable innovation and business support infrastructure to provide state of the art technology transfer, internationalisation, and brokerage services
- 2. Grant universities with financial autonomy to finance technology transfer, internationalisation, or promotion activities
- 3. Simplify procedures for innovative start-ups stemming from universities and research institutes
- 4. Launch Public Private Partnerships (PPP) in co-financed programmes, joint R&D with enterprises, regional infrastructure, venture funds, etc.

# Policy options in policy action line 4: More Innovation in Regions

- Regional innovation action plans following unified structure
- 2. Obligatory innovation action plans on basis of overall negotiated government co-ordinated timetable

# Policy options in policy action line 5: Developing an innovative culture

- 1. Promote internet use at regional level
- 2. Promote up-to-date quality and higher standards in learning, teaching, and teacher education

### Policy options in policy action line 6: Globally Competitive on Eco-Innovation

- 1. Regulatory, financial, administrative measures/incentives to attract green investments
- 2. Reduce dependence on fossil fuels supply, introduce municipal energy management
- 3. Targeted state programmes and PPP schemes to develop and implement innovative clean-up technologies
- 4. Support policy priorities in energy saving, energy efficiency enhancement, rational consumption fo natural resources with financial tools/ mechanisms
- 5. Competitive co-financed collaboration green R&D and start-up programmes
- 6. Support schemes to promote renewable energy generation technologies
- 7. Attract domestic private investors, community support mechanisms and large businesses

# Thank you for your attention and contribution



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