MANUMIX Project

5th Learning Journey. Minutes.

Dates: 27th and 28th of November 2018.

Attached documents:

Meeting participants' signatures sheet (10th and 11th of April)

Presentations used by each partner (see attached in the MANUMIX project webpage)

Objectives of the Learning Journey.

The objectives of these 2 working days have been the following ones:

- Analysis of the action plans elaborated by each partner region.
- Share the financial and technical situation of the project with the partners.
- Establishment of the next steps of the project at both the technical and administrative level.
- Know the results of the benchmarking analysis elaborated by Orkestra.
- Obtain a better understanding of each region's evaluation management procedures.
- Discuss among the partners the main insights related to evaluation management.

Tuesday 27th November 2018

Location: Brussels (Basque Government's Delegation)

Schedule: See attached agenda

Attendants:

- Iñaki Ganzarain. Innobasque. LP
- Catalina Chamorro. Basque Government. Partner.
- Ieva Penelyte. MOSTA. Partner.
- Raminta Zemaityte. MOSTA. Partner.
- Agnes Gaimadavicene. Ministry of Education and Science of the Republic of Lithuania. Lithuanian Stakeholder.
- Egle Vizbaraite. Central project Management Agency. Lithuanian Stakeholder.
- Susanna Longo. Partner.
- Cristiana Tabacco. Finpiemonte. Partner.
- Valentina Mastrullo. Finpiemonte Partner.
- Luca Moreschini. Technical assistance for the elaboration of the action plan.
- Gregg Green. Welsh Government. Partner.
- Alastair Davies. Welsh Government. Partner.

- David Notley. IACW.

- Eleanor Vaughn. Welsh Government. Brussels Delegation. Stakeholder.

- Ainhoa Arrona. Orkestra. Advisory Partner.

- Edurne Magro. Orkestra. Advisory Partner.

- Roman Ruiz. CDI Consulting. Technical Assistance.

1. Presentation of the action plans

Each region explained the objectives and content of their action plan.

Basque Country

The action plan will be focused on how to improve the contribution of innovation policy mix to the Advanced Manufacturing priority. The action plan is structured in 3 blocks:

1. Transference of good practices. It is planned to analyse the feasibility, the needs and the potential beneficiaries and the alignment with other RDI instruments of 2 good practices identified in Piedmont (Industrialisation of research results-IR2-) and Wales (Innovative Public procurements-SBRI-)

2. Set general guidelines about monitoring and evaluation for RDI programmes included in the Science, Technology and Innovation Plan (STIP) in the following plan. The activities to develop in this area will be the following ones:
   - Analyse in-depth the monitoring and evaluation systems of the RDI programmes included in the Science, Technology and Innovation Plan (STIP) 2020
   - Define the general guidelines in accordance with the objectives of the following STIP that will be elaborated throughout 2019 and will come into effect in 2020
   - Rise awareness among programme managers and develop training activities and materials (handbooks, etc.)

3. Evolve the current monitoring and evaluation system of the 3 MANUMIX programmes towards a joint system. The phases and activities to develop are related below.

- Phase I. Alignment of the monitoring system of the 3 programmes.
   - Activity 1. Analyse in-depth the monitoring and evaluation system of Gauzatu Industria and Basque Industry 4.0 following the recommendations of the peer review and including new indicators, if necessary.
   - Activity 2. Analyse the feasibility of conducting an impact study for Gauzatu Industria and Basque Industry 4.0.
   - Activity 3. Design mechanism to collect information and to evaluate, and conduct impact studies, if applicable.

- Phase II. Set goals for the 3 programmes

- Activity 1. Evaluate the possibility of setting goals to input, result and impact indicators of the three programmes.

- Activity 2. If applicable: Conduct a base-line study of the situation of Advanced Manufacturing in the Basque Country and set goals to input, result and/or impact indicators of the three programmes.

- Phase III. Conduct evaluations of the combination of the 3 programmes sporadically.

  - Activity 1. Explore the existing or potential relationship between the three programmes from the companies' utility's point of view and identify changes to be made, if applicable.

  - Activity 2. Set possible itineraries for the companies and communicate them.

  - Activity 3. Evaluate the possibility of creating a technical committee to analyse the interaction between the programmes.

Lithuania

The learning process has allowed the identification of 3 main opportunities for improvement:

- The evaluation of the relevance of the policy instruments must include qualitative data and the reconstruction of the intervention logic.

- The evaluation must include the theory of change.

- Evaluations should address the issues of the effectiveness of policy instruments, that can be answered with the help of quantitative and qualitative data triangulation.

In addition, the learning process helped in the identification of 3 main challenges:

- The instrument "Promotion of the commercialization and transnationality of R&D results" has not resulted in funding agreements;

- The launch of the "Promotion of activities of centres of excellence and centres for innovation and technology transfer" instrument and "Targeted research in the smart specialization areas" instrument were considerably delayed, not enough allocations;

- The technology transfer and commercialisation activities in general are developing slowly. Additional challenges can arise in ensuring proper performance of the policy- mix at the end of financial perspective 2014-2020.

Thus, the action plan will be focused on achieving these challenges. The plan is structured in 4 actions. The policy instruments addressed, all under the Lithuanian ROP ERDF 2014-2020, and the actions proposed are the following ones:

Nº	Action	Description
1	Policy instrument "Targeted research in the smart specialization areas" should be directed to a more detailed policy analysis, including analysis of the policy environment, progress, and possible impacts.	The action should result in interim progress evaluation of the policy instrument at the end of 2019. During the project there was distinguished that the greatest challenge for the policy instrument is the lack of evidence of its relevance, progress, behavioural change, possible impacts
2	Policy instrument "Promotion of activities of centres of excellence and centres for innovation and technology transfer" should be directed to a more detailed policy analysis, including analysis of the policy environment, progress, and possible impacts.	The action should result in interim progress evaluation of the policy instrument at the end of 2019. During the project there was distinguished that the greatest challenge for the policy instrument is the lack of evidence of its potential, relevance, progress, behavioural change, possible impacts.
3	"Promotion of the commercialization and transnationality of R&D results" should be directed to raising the amount of project financing.	The action should result in increasing the maximum funding available to possible applicants (institutions of research and education, companies with IRE as stakeholders, companies licensed to use intellectual property created in IRE). Policy improving should be carried out during 2019.
4	"Promotion of the commercialization and transnationality of R&D results" should be directed to adding consulting and mentoring activity into the policy instrument rationale.	The action should result in adding consulting and mentoring activity to the policy instrument's financial conditions. Such consultancy can be provided by a consultant of the Research, Innovation and Technology Agency project "Innovation Advisory and Support Services for Business (InoSpurtas)". Policy improving should be carried out during 2019.

Piedmont

The objective of the action plan defined is focused on defining and implementing in the regional evaluation system 3 indicators selected from those of FESR ROP 2014-2020 in order to verify the implementation of regional policy, its coherence and impacts.

The action plan will take into account the following learnings from MANUMIX:

▪ A better understanding of how to connect monitoring and evaluation of individual instruments and regional programmes to the overall assessment of S3. How to evaluate the contribution of strategic policy instruments objectives.
▪ The need to use qualitative and quantitative techniques.
▪ The importance of data visualization tools.

- The need to take into account the interactions between the different mechanisms of the context in which the policies operate, the specific features and objectives and local actors and stakeholders.

The action proposed in the action plan is to define and implement 3 indicators selected from those of FESR ROP 2014-2020 in the regional evaluation system in order to verify the implementation of regional policy, its coherence and impacts.

The 3 indicators selected are:

- Enterprises that have carried out R&D activities in collaboration with external actors on the total of enterprises that carry out R&D

- Enterprises that have carried out R&D activities using research infrastructure and other services for R&D from public or private entities

- Innovation rate of the manufacturing and service system

They are also analysing the possibility to introduce a new indicator related to competences/skills.

The path to implement these indicators includes the following activities:

- Update the values of the Istat indicators within a reasonable timeframe indicator of overall population to observe their evolution.

- Collect data and information on enterprises benefiting from the Advanced Manufacturing policy-mix measures. This activity can be reached only through the holding of ad-hoc survey (timeframe and procedures to be defined).

- Analysis of the perimeter of the different areas of S3, and on how the assign enterprises to different areas and specifically to the Advanced Manufacturing area. The areas of specialization of S3 do not coincide in any way with the classification of economic activities (NACE codes) as they identify companies in terms of production sectors that are not oriented to areas of specialization at the base of the strategies of Smart specialization approach.

After this explanation, **it was stated that the actions should focus on the path to implement the indicators and that the indicators should be considered as the result/output of path rather than actions. It would also be ideal to connect each action with each of the learnings.**

Wales.

The representative of the Welsh Government explained the action plan for Wales. **The importance of mentioning the policy context in which the action plan has been defined was mentioned (e.g. Brexit, Well-being of Future Generations Act), as the political context in the UK has significantly changed since the definition of the project.**

These are the actions comprised by the Welsh action plan:

- Action 1. Industry 4.0 business diagnostic measure. Incorporate better practices into the existing system by proceeding with the expansion of recent pilot programme devised to provide diagnostic service for up to 700 SMEs adopting Industry 4.0 methodology and to drive associated activities in Research & Development, automation and digitalisation.
- Action 2. Monitor and evaluate the pilot programme devised to provide diagnostic for SMEs adopting Industry 4.0.
- Action 3. Deployment of imported learning and development of new Instruments to support the action plans developed from the diagnostic phase. Improve effectiveness' of policy mix.
- Action 4. Industry 4.0 benchmarking. Monitor and Import best practice and learning from others, including Manumix partners, UK regions, Other similar Smart specialisation regions. To strengthen and improve the monitoring and evaluation of regional policy mixes with enhanced RDI results of private companies whilst undertaking best use of resources.

Orkestra

Finally, Orkestra explained the main learnings of the phase I that can be used to improve the action plans. Furthermore, they remarked what which major learnings can be used by each partner in their action plans.

- Basque Country: Concrete instruments from Manumix partners (in 1st Learning Journey), peer review exercise and methodology from the benchmarking exercise. Maybe learnings from the 4th/5th workshop could be incorporated.
- Lithuania: Learnings from the peer review exercise. Maybe some other learnings could be incorporated (i.e. 1st Learning Journey/ benchmarking).
- Piedmont: Learnings from the 3rd workshop and benchmarking exercise. Maybe learnings from the final benchmarking exercise could be incorporated.
- Wales: Learnings from the 1st and 2nd workshop and concrete instruments and plans from Manumix partners. Learnings from peer review.

The fact that it is compulsory to establish a clear link between the lessons learnt and the activities developed was finally remarked again in order to get the Joint Secretariat's approval.

2. Project management

Innobasque, as Lead Partner of the project, explained the financial state of situation of the project and the financial forecast. The level of financial execution is, in general terms, low. All the partners present an execution level lower than planned. **According to the financial forecast, the project will underspend 149,198 Euros by the end of the project** that will be reimbursed to the JS. The total grant that will be returned to the JS will be calculated at the end of phase I with the **submission of the 4 Joint Progress Report and a list of the expenses done but not paid in this semester**.

Also, CDI explained the level of execution of indicators.

- **The partners have achieved the indicator of good practices identified.**
- **The partners can only quantify the indicator of Number of people with increased professional capacity due to their participation in interregional cooperation activities at the end of the phase I. For doing so, they need that all the people involved complete a survey.** Lithuania and Wales have already submitted their surveys. There will not be difficulties to achieve the target.
- **The action plans will only be quantified once the JS has approved them**. The process of approval is long, and the **partners must submit the SIGNED action plans before the end of the year to the JS**.

It is important to keep in mind that **the action plans implementation must be oriented to reach the self-defined indicators**. Moreover, **the action plan must be focused, at least, on the policy established in the project proposal.**

CDI explained the next steps of the project. **It is mandatory to submit the action plans to the JS before the end of the year signed by the Management Authority or at least by the partner**.

Finally, CDI explained some key aspects related to phase II of the project:

- The **objective of phase II must be focused on monitoring the implementation of the action plans**
- **The activities planned in the phase I cannot be executed during phase II. It is allowed a delay of one month to celebrate the stakeholders meeting of the 4th semester**
- **The budget in phase II cannot be modified except due to the delay of the execution of payments related to expenses executed in the 4th semester**. This amount must be as minimum as possible and must be accurately justified (v.g national rules)
- **The stakeholder's meetings celebrated during phase II will not be funded by the programme**

3. Next steps in each partner region

Each region explained the next steps to be executed in each region.

Basque Country. They planned to sign the action plan before the end of the year. They plan to have the stakeholders meeting in January 2019.

Lithuania. They planned to have a final discussion with the management authority before the end of the year.

Piedmont. They planned to modify the action plan with the suggestions of the partners. They planned a stakeholder meeting in the 14th of December. They expect to elaborate the action plan in Italian and to translate it in English. The partner (FINPIEMONTE) will sign the action plan before the end of the year. Probably, the signature of the management authority will be in January.

Wales. They are going to modify the action plan with the suggestions of the partners. They planned to celebrate a meeting with the Innovation Council on January, but they will try to have it before the end of the year to accomplish with the deadline.

4. Benchmarking on evaluation systems at policy-mix level

Orkestra presented a summary of the benchmarking analysis about innovation policy mix evaluation. The analysis is focused on 4 cases that cover qualitative/quantitative approaches to measure the contribution to policy/strategy and the interaction of policy mixes. The four cases are: BERR, ERDF Enterprise, Dynamix and (4) Quantitative analyses based on control group approached.

The analysis of these cases allows to establish some relevant steps for policy mix evaluation and to identify general lessons to consider in the evaluation of innovation policy mixes.

The relevant steps for policy mix evaluation are the following ones:

1. Definition of logical frameworks. It allows outlining and understanding the logic behind the interventions, their relationship with strategic goals and the specific outputs and impacts that instruments are expected to have.
2. Categorisation of policy instruments. As a previous step of the evaluation exercise since different instruments behave differently.
3. Literature review. Theoretical and empirical evidence from previous studies can be used in policy-mix evaluation with different purposes. For example, as a substitute source of information when another type of primary data does not exist.
4. Collecting and analysing data. The relevance of collecting data systematically: designing the data collection carefully from the very beginning is a key issue for evaluating policy-mixes.

Counterfactual analysis. Quantitative data is the main input for counterfactual analysis -> data might be the main constraint of this method. It is important to count with data from the same indicators for several years (before and after the interventions). It might be difficult in recently implemented instruments or for analysing policy-mixes when the instruments implementation differs in their timeframe.

The definition of the control groups is the most important step as results will be conditioned by that definition. This also depends on the data.

Meta-evaluation. It is a good approach when counterfactual not possible. It is useful to establish quality criteria to assess the robustness of previous evaluations.

Desk research and expert evaluation. Scoring system, useful for analysis and providing simplicity to results. The relevance of establishing guidelines and templates to ensure the same assessment criteria.

Seminars, surveys and interviews. A means to incorporate different voices in the evaluation process. It is useful for assessing behavioural additionality.

When data not available, research evidence and secondary data from **statistical sources** can be used as proxies.

Creation of composed indicators is a **good practice for analysing the contribution of instruments** to policy goals.

The **general lessons learnt** from the benchmarking are:

- For analysis of consistency of policy instruments, it is interesting to use different methodological approaches. The most common approach is the expert desk research. The counterfactual analysis is a suitable approach to identify a causal effect of instruments and their combinations, but when beneficiaries are firms (large number of beneficiaries). It is not applicable when low number of beneficiaries (e.g. universities). It requires specific knowledge on quantitative techniques.

- For analysis of consistency of policy instruments with strategic goals, it can be useful to take a level approach (funnel-tunnel).

  The meta-evaluation is a viable option for analysing contribution to strategic goals, also from a multi-level approach (e.g. contribution to national goals). Also, it is a good exercise for assessing monitoring systems (data needs). It is difficult to apply exclusively quantitative methodologies, due to usual data gaps. It should be necessary to complement it with qualitative methods.

  Ex-ante vs. ex-post? Ex post is useful for assessing interactions and contribution of existing instruments. Meanwhile, ex-ante evaluation can be useful to assess potential impacts and analyse different combinations.

MANUMIX Project

Wednesday 28th July 2018

Location: Brussels (Basque Government's Delegation)

Schedule: See attached agenda

Attendants:

- Iñaki Ganzarain. Innobasque. LP
- Catalina Chamorro. Basque Government. Partner.
- Ieva Penelyte. MOSTA. Partner.
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**Exchange of learnings: Evaluation management**

Each partner explained its evaluation management activities.

Basque Country.

The Basque Science, Technology and Innovation Plan (STIP) 2020 is the umbrella of the Smart Specialisation Strategy and it has a multilevel monitoring and evaluation system. Innobasque conducts almost all of these monitoring and evaluation activities and prof. Kevin Morgan from Cardiff University conducted an analysis of the plan as an external advisor.

Within this evaluation system, there has been a pilot action to evaluate the contribution of RDI programmes included in the STIP to its strategic objectives following qualitative and quantitative approaches.

The results of these evaluations are shared once a year in the Interdepartmental Committee of the Basque Government and the Basque Council for Science, Technology and Innovation that lead and coordinate the STIP.
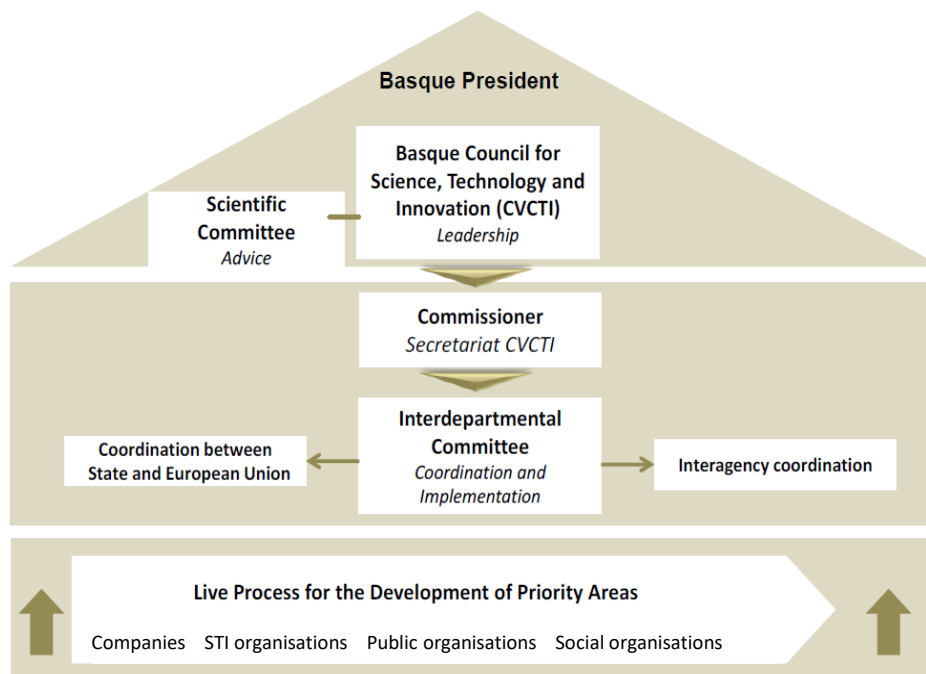
There is a wide range of subsidy programmes and other instruments related to advanced manufacturing, although many of them are open to other priorities as well. Hazitek, Basque Industry 4.0 and Gauzatu Industria are the targets of MANUMIX.

Currently, each programme has its own monitoring and evaluation system and only business-oriented R&D programmes (Hazitek and Elkartek) are monitored and evaluated in a combined way thanks to SIME (reported good practice).

Each Basque Government's departments and the Business Development Agency (SPRI) are responsible to monitor and evaluate the programmes.

It the case of the decision-making process, there is no formal process for the combination of programmes and the combination is not a major issue in each programme's process.

Currently, there is no system that takes into account the combination of programmes nor its contribution to the strategy.

Due to the smart specialisation, there is a new evaluation layer that makes even more necessary the monitoring and evaluation at policy mix level in order to measure how the combination of different instruments and programmes affects each priority

The answer to improve this situation is the action plan that has been elaborated in the framework of this project.

Lithuania.

The evaluation system is a process of interim evaluation that allows analysing what happened, what is relevant and what is promising. One of the key points is the entrepreneurial discovery process (continuous evaluation) that is a main aspect of the evaluation system.

The RIS3 Governance model establishes 3 levels on monitoring an evaluation:

Monitoring performance of RIS3 priorities. Performed by MOSTA together with Ministry of Economy. Its aim is to determine how is it going and if the actual implementation meets the planned results.

Coordination group. It consists of Ministries, Agencies and stakeholders. Its objective is to determine if it is a necessity for additional support for each priority or to determine if it is necessary to discard it.

Strategic R&D&I council. Consists of Prime Minister, Ministries and Business representatives. That is the main decision body of the RIS3.

The main evaluation management challenges are:

- The absence of evidence- and result-based policy in innovation field.
- Systematic data collection and meaningful data aggregation at RIS3 priority level.
- Inclusion of stakeholders in the policy-making and evaluation process, when it is important to ensure impartiality.
- The problem of ensuring the meaningful cycle of policy assessment: how to deliver timely evaluations and ensure the success of the policy development and learning process.

Piedmont.

The evaluation system of the RIS3 is structured under the framework of the unitary evaluation plan of operational programmes ERDF and ESF 2014-2020 and of the Evaluation Plan of EAFRD ROP. In this framework, S3 monitoring and evaluation are "only" one of the activities of the ERDF ROP Evaluation Plan.

Ires Piemonte is responsible for the evaluation of all regional cohesion policy Programs. The idea of entrusting to a single evaluator the evaluation of the policies financed by the three funds is entirely consistent with the choice already hired by the regional administration to adopt a unitary Monitoring Committee, ERDF and ESF Regional Operational Programme.

IRES is developing contacts with European authorities and with national players, useful for improving the quality of evaluation and become an active part of the actions of dissemination of results.

Ires Piemonte projected a path arranged ideally in three steps:

- collection evaluation requirements;
- defining evaluation questions;
- choice of evaluations to be made.

These steps are performed regularly in cooperation with the ERDF Managing Authority and will form the basis for defining the annual evaluation activities plan.

Accordingly, with what is defined in the Evaluation Plan, the activities can be traced to three main categories:

1. Cross-cutting themes/horizontal evaluation.

2. Evaluations pertaining to a single Operational Programme.

3. Studies, analysis and research activities supporting the design and implementation of programmes.

In this framework, currently, S3 monitoring and evaluation is a part of the point number 3 and AM policy-mix evaluation will be one of the themes of point 1 activities.

Path for the future (main challenges).

In order to improve identification of priorities, define the evaluation needs and questions and carry out investigations and analyses necessary to respond to them, there is an opportunity to perform regular meetings of a newly created Steering Committee (with representatives of all Managing Authorities and researchers of Ires) due to the experience of the work so far done. The evaluation of ROP and S3 might bring out any critical issues, address them quickly and update schedules of activities.

In order to improve the quality of evaluations, which in the case of innovation policies involve a much complex and deep work experience, compared to other areas of the programming of the structural funds, a group of Scientific Advisor has been constituted and activated.

As a first step towards S3 revision, after having started consultation with stakeholders and with regional offices concerned in S3 strategies, Ires Piemonte launched a survey on a sample of firms aiming at acquiring data and information.

The next S3 Piemonte Regional strategy will probably much more focused on horizontal themes, as the KETs than on traditional specialization areas, so Ires Piemonte is focusing its attention on creating a monitoring and information system capable of supporting the new approach.

Wales.

The evaluation is managed by the Welsh European Funding Office (WEFO) with the collaboration of external consultants. They used to manage mid-term and a final review at both major operation and programmes. The evaluation is a looking backward process and it is a bit reactive.

Currently, they are proposing to use IACW and stakeholder groups like Industry Wales to perform a more informal 'entrepreneurial discovery' type of exercise whilst the operations are still running and while they have time to change the instruments. Innovation Specialists team are already doing this sort of thing internally by changing IV's to respond to opportunities (e.g. Industry 4).

Improvement areas (main challenges):

The initial framework for Smart Specialisation was established in two key (inter-related) documents: Innovation Wales and Science for Wales. These documents were framed some years ago.

However, the Welsh Government recognises that one of the aspects of the delivery of smart specialisation is 'entrepreneurial discovery'. They have interpreted this as being the need to take on board new developments and spatial strengths as they develop. This would mean identifying a and concentrating support towards new discoveries, e.g. Compound Semiconductors, which was not fully visible back in 2013, when the two documents above were in development.

WG and WEFO agreed that this ongoing interpretation will apply. In terms of an advisory process, WEFO ensures that it obtains the view of the WG's Innovation Council on the strategic fit of any potential project to the RIS3 Smart Specialisation Platform.

Science and Innovation Audits - The purpose of the SIAs has been to confirm if these strengths exist in the HE or business communities, albeit from a retrospective point of view.

Presentation of the 5th learning pillar Evaluation management by Orkestra.

After each partner's explanation, **Orkestra** presented the main insights about the evaluation management. They explained why the evaluation is important, the definition of the purpose of the evaluation, the actors involved and their role, the types of evaluators and the key issues for conducting the fieldwork.

Besides, Orkestra explained the critical issues for Evaluation Management:

- Dependent on policy cycles.
- Importance of yearly planning evaluation exercises.
- Supervising quality and methodological aspects.
- Evaluation budget.
- Careful and systematic dissemination of findings and lessons. Giving to evaluation a strategic value.

Finally, the partners discussed the evaluation management. The main aspects highlighted in the debate were the following ones:

- It is important to disseminate the results of the evaluation to facilitate the decision-making process.
- The new technologies provided updated information that can be useful for the evaluation.
- The evaluation is focused mainly on accountability. It is important to involve the decision makers in the evaluation since the beginning in order to make useful evaluations.
- The evaluation design process is important to obtain accurate results. It is important include the evaluation in the planning process.
- The most important aspect of the evaluation is to obtain useful results for the policy-makers. It is necessary that the evaluation provides information to facilitate the decision-making process.