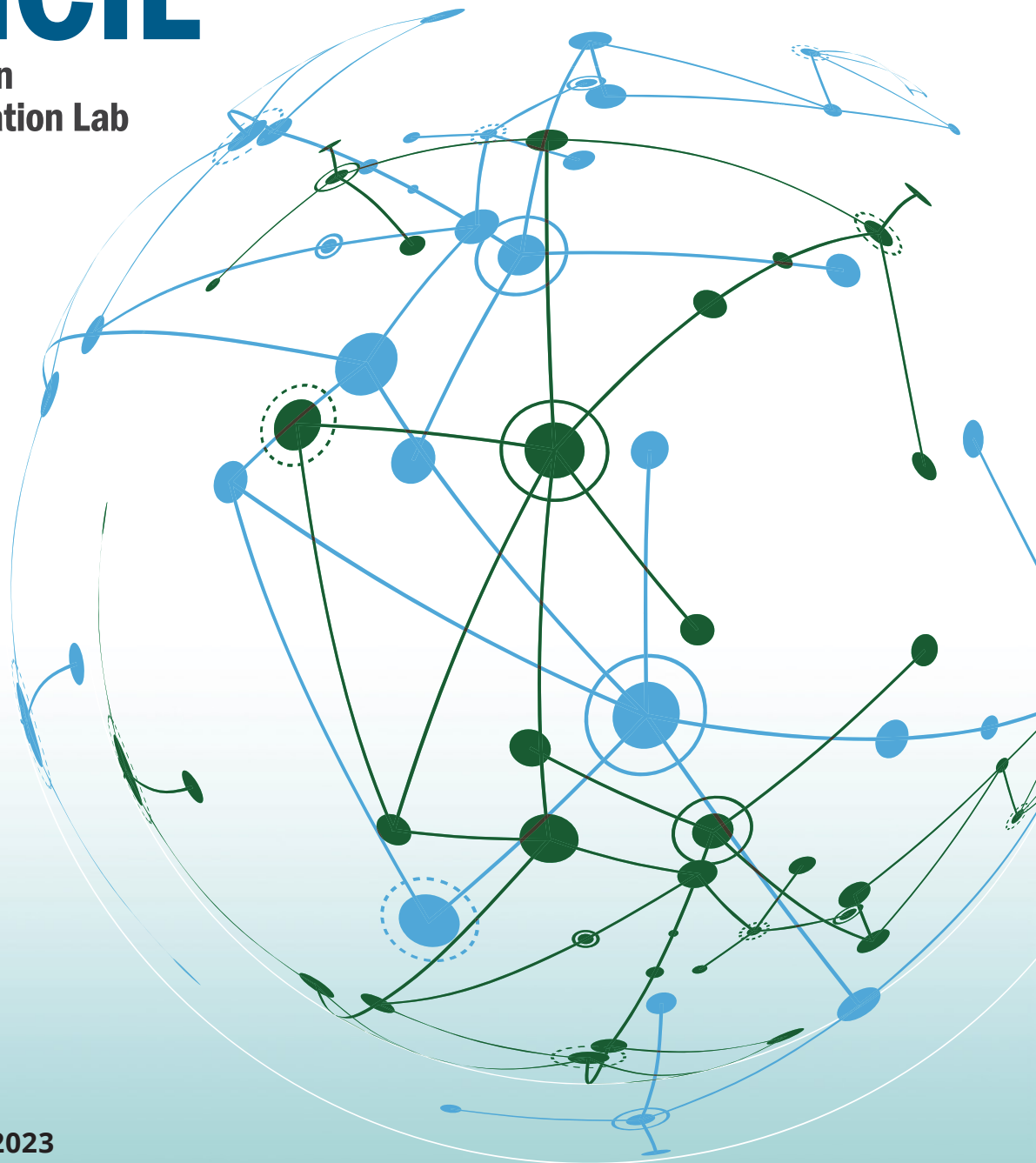


Evaluation of Public Support for Social Innovation Recommendations for Improving Public Policy Decisions on Social Innovation and its Effectiveness. **Research report**

PEncIL

**Pan European
Social Innovation Lab**



Vilnius, 2021–2023

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List of abbreviations used:

ESFA – European Social Fund Agency

OECD (EBPO) – Organisation for Economic Co-operation and Development,

GRL (LRV) – Government of the Republic of Lithuania

MSSL (SADM) – Ministry of Social Security and Labour

MESS (ŠMSM) – Ministry of Education, Science and Sport

SI – Social Innovation



1. INTRODUCTION

The research report covers Activity 7 of the project “Competence Centre for Social Innovation”. The goal of Activity 7 is to continuously monitor and evaluate public support for social innovation, and to make recommendations to improve public policy decisions on social innovation and its effectiveness.

This activity is carried out by the project experts Goda Aleksaitė, Mindaugas Danys and Eglė Radišauskienė.

Planned activities:

The following activities are planned during the research:

- selection of research methods,
- preparation of the questionnaire,
- analysis of legislation, planning and programming documents,
- list of respondents and coordination of meetings with public sector representatives,
- interviews,
- analysis, evaluation and summarisation of the gathered information,
- setting up a focus group, planning and organising focus group meetings, summarising and evaluating the results of the focus group meeting,
- preparation of the report on the measures taken by the Government.

The research uses the experience of other countries and adapts it to Lithuanian conditions. So far, SI has not been distinguished as a distinct object and instrument of public policy. However, attention to social innovation and its importance is constantly growing. The public sector can and must take an active role in the use, implementation and promotion of social innovation.

Based on the study report and the results, recommendations will be made to the GRL on the development and strengthening of SI in the public sector.

It is important to mention the importance of SI for public policy. These are some of the main arguments. The multiple potential benefits of SI have made such innovations an explicit policy priority for many governments. Since the early 2000s, the concept of SI has become increasingly important at national and local levels. A new wave of SI policies was launched after the global financial crisis of 2008, when governments tried to find new ways to deal with social exclusion and socio-economic restructuring.

Five reasons why policy makers encourage SI

1. Work together to find innovative and new solutions to public policy challenges

The evolving complexity of social challenges demands cooperation that should take new forms and be flexible. Even if technological innovation solutions are clearly needed to address challenges such as climate change, the most important innovations of the 21st century will be in the social sphere. These challenges are accelerating change and redefining the conditions for social action. Since many priorities are changing rapidly, institutions and communities also need to organise themselves to build new capacities, new partnerships and new relationships that can respond quickly. A prominent example of fruitful collaboration is the innovative products or improvements to existing products or processes developed during the Covid 19 pandemic, which have had a positive impact on both the public and private sectors.

Academics refer to this ability of a system to adapt and take on a new form as the concept of “plasticity”. Social innovation is particularly suited to this plasticity as it involves a wide range of collaborations to make more flexible and responsive proposals to meet public policy challenges.

2. Create resilient solutions

Local economic and social resilience is not only a region’s ability to withstand and cope with shocks, but also its ability to adapt and reorient its structures to create new economic, social, and cultural pathways

and solutions. The resilience of a socio-ecological system is determined by the ability of players to learn from their experiences, to accumulate knowledge and to react to changing conditions, in other words, it is linked to their capacity to adapt. Social innovation is often seen as a means to develop models, solutions and prototypes to help communities become more self-reliant.

Resilience theory argues that adaptation and transformation processes are dynamic, cyclical and infinite. This resonates well with social innovation processes that build social resilience and allow complex systems to change while maintaining continuity. As SI processes usually take place in several stages (feedback), they allow different players and networks to collaborate, learn, adapt and sometimes find resilient and sustainable solutions.

Strong links between social players and consistent knowledge transfer within networks help to build resilience.

3. Encourage competitiveness

By taking advantage of networks and knowledge of particular challenges, SI can help turn this knowledge into a competitive advantage. One of the key features of SI is that it promotes social change by making new social practices the norm. SI is not only about the final result but is also inseparable from the processes through which change takes place. Regularly involving stakeholders in any innovative process or in the design and development of new products or services ensures results, as close involvement helps to better understand specific local challenges. This collective knowledge and experience are a valuable resource.

4. Increasing the impact and benefits of public expenditure

In many welfare states, the traditional approach to tackling societal challenges has been government-led and tax-funded. SI can contribute to creating impact and value for money through new approaches and by preventing and reducing future costs. Services of general interest are provided free of charge or for a small fee. Growing needs, such as ageing populations, and slower growth in many OECD economies have increased the burden on government budgets and created the need for innovative solutions to social challenges.

SI can help governments through preventive approaches that reduce future costs or explicitly mitigate the negative externalities of economic activity.

5. Promote social and sustainable practices in accordance with the sustainable development agenda

SI is increasingly recognised as an important component of the new innovation system needed for sustainable development. By definition, SI tackles social, environmental or other problems that are transformed into sustainable practices that respect the primacy of human needs and natural ecosystems. It also contributes to and supports all 17 Sustainable Development Goals (SDGs).

2. OBJECT OF THE RESEARCH

This research uses the definition of SI provided in the European Social Fund Plus (ESF+) Regulation (2021/1057):

Social innovation means an activity, that is social both as to its ends and its means and in particular an activity which relates to the development and implementation of new ideas concerning products, services, practices and models, that simultaneously meets social needs and creates new social relationships or collaborations between public, civil society or private organisations, thereby benefiting society and boosting its capacity to act.

The scope of the research is quite broad, as SI policies can cover two broad areas:

- 1) Public policy can enhance supply of and demand for social innovation, as well as creating a wider environment in which social innovations can thrive. We call this “**policy for social innovation**”.
- 2) Policymaking can in itself be socially innovative, when it adopts the principles and processes of social innovation. We call this “**policy as social innovation**”.

Throughout the research, we will look at both aspects of social innovation. The focus will be on identifying, describing and evaluating SI in the three areas supported by the ESFA: education and training, employment and social inclusion. A review of available foreign experience has shown that the classification of public sector SI used in Denmark is closest to the Lithuanian context.

The purpose of the research is to gather sufficient data and information on the SI process in the areas supported by the ESFA and to develop proposals and recommendations for improving this process.

There are plenty of SI initiatives, but many of them cannot be sustainable when trying to improve social conditions. The literature on SI lists a number of barriers and reasons. Caulier-Grice and others (2010), for example, categorise the barriers into four main areas: 1. Access to finance; 2. Availability of scaling models; 3. Lack of skills and their formation; 4. Lack of networks and intermediate products.

Over the last ten years, the public sector’s interest in SI as a potential tool for addressing social and other problems has grown considerably and has been integrated in various forms into the policy package. For the new programming period, the European Commission has prioritised social innovation in the ESF+ programme with adequate financial resources and has laid the foundations for a framework of competences in SI by encouraging the establishment of national SI Competence Centres, and by allocating funds for the establishment of a European SI Competence Centre in 2022. It has to be acknowledged that the topic of SI is new in Lithuania, and therefore the implementation of the PEnCIL project is an important step in the formulation of social innovation policies and measures, as well as in the mobilisation of stakeholders and the provision of proposals for the development of an SI system.

The Fact Sheet on the European Union informs that “Article 173 of the Treaty on the Functioning of the European Union (TFEU), which states that “the Union and the Member States shall ensure that the conditions necessary for the competitiveness of the Union’s industry are created”¹, which in effect ensures that “the main instrument of the European Union’s research and technological development policy is the multiannual framework programme, which sets out the objectives, the priorities, and the financial envelope of the support for a period of several years. The Framework Programmes for Research and Technological Development are adopted by the European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the European Economic and Social Committee. **The importance of innovation policy is widely recognised and is closely linked to other EU policy areas** such as employment, competitiveness, environment, industrial and energy policies. The role of innovation is to turn research results into new and better services and products in order to remain competitive in the global market and to improve the quality of life of people in the EU”². It is clear that innovation is not only an integral part of international policy but also of national policy.

1 <https://www.europarl.europa.eu/factsheets/lt/sheet/67/inovaciju-politika>

2 <https://www.europarl.europa.eu/factsheets/lt/sheet/67/inovaciju-politika>

The laws of the Republic of Lithuania do not define SI as a concept or phenomenon. It is generally understood as new ideas or new opportunities that develop areas of activity and make the changes sought in society. As already noted in previous studies, the Ministry of Agriculture of the Republic of Lithuania, in paragraph 5.4 of the Decree “On the Approval of the Guidelines for the Implementation of Social Business under the Measures of the Lithuanian Rural Development Programme 2014-2020” (9 November 2017, No. 3D-720), has defined social innovation as “the development of new social ideas, the transfer of innovative approaches and practices from other sectors and their implementation (products, services, mechanisms) in order to meet social needs, solve persistent social and environmental problems, and create new social ties and promote cooperation”. In a similar way, “social innovation” is defined in the study “Social innovation in service delivery: new partners and approaches” by the European Foundation for the Improvement of Living and Working Conditions³, which defines it as “new ideas (products, services and models) that simultaneously address societal challenges, meet social needs and create new social relations between the groups involved. Social innovation can include aspects such as new opportunities for participation in decision-making, services (whether for profit or not) linked to improving the situation of a specific target group, and changes in social care systems. All of these contribute to the development of a culture in the field and to bringing about change in society”. In essence, SI depends on the ingenuity of the individual, the community, public and private sector institutions, businesses and their employees. It is noteworthy that they are described as a set of phenomena, initiatives, but there is no clear legal regulation.

The OECD, in one of its reports (Building Local Ecosystem for Social Innovation), highlights that there is no single agreed definition of SI, so SI is identified by a wide range of characteristics. SI addresses social or other problems that are increasingly challenging, e.g. environmental, energy issues. It should be noted that the involvement of a wide range of stakeholders, including civil society, the public and private sectors, as well as local communities, in order to find the best solution is integral to the effectiveness of SI. Communities are the most aware of the needs and challenges, and their involvement contributes significantly to solving problems and gives a competitive advantage. As the OECD states, “one of the key characteristics of social innovation is that it promotes social change by making new social practices the norm”⁴, and it is not only the outcome that matters here, but also the process itself.

At its core, SI aims to improve the well-being of society as a whole, and therefore covers a wide range of areas, including social, education, health, transport, human rights and others. SI helps to create a new culture, a new perception of different models of public governance, innovative services, or scientific and technological innovation. It is noticeable that the concept is not understood and often not even known by the public and individuals, although individuals are involved in the creation and promotion of SI that help to make a difference in society. There are already a number of examples of SI in Lithuania, such as an innovation in the educational sector, where the content has been transformed from exercise books into the game Minecraft (start-up Three Cubes), and in the health sector, such as the Mindletic app for the psychological health of employees during the Covid-19 pandemic, etc. The focus on SI is increasing especially in times of difficulties or global crises, when dealing with social problems, when facing challenges that are social in their nature, such as unemployment, ageing, poverty, social exclusion or climate change. In order to reduce tensions in society as a result of social problems, SI is being used both to maintain social peace and to achieve other objectives, e.g. with the increasing emphasis on the green economy and employment, communities are mobilising to develop gardens in the city, because they can grow plants on a piece of land and generate benefits not only by coming and interacting, but also by sharing the produce they grow.

As already stated, SI aims to improve the well-being of individuals and society as a whole, and can therefore cover many areas. Recently, SI approaches include not only new models of public governance that go beyond traditional responsibilities and involve citizens in solving social and global challenges, but also the creation of a culture of trust and risk tolerance that is needed to foster scientific and technological innovation. SI brings private, public and non-profit stakeholders together with citizens to achieve publicly satisfying solutions that transform the well-being of a society or a group of societies. Often, SI is implemented by public, non-profit entities - non-governmental organisations - as they play a significant role in society in the pursuit of

3 European Foundation for the Improvement of Living and Working Conditions, Report “Social innovation in service delivery: new partners and approaches”, available at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef1354.htmf>

4 Building Local Ecosystems for Social Innovation © OECD 2021

social welfare. However, the involvement of a wider range of stakeholders, both private and public, would allow a deeper understanding of the needs of the beneficiaries, and collaboration would allow for a more realistic assessment of the expectations of all parties and the pooling of resources, leading to a more realistic and sustainable outcome. It should be noted that SI is not only an outcome, but it is also a process and a behavioural change that is needed to tackle major social challenges, such as resource efficiency, for example the scooters shared in the city, or the use of reusable dishes or containers, or social networks of neighbours for the elderly living alone, or urban eco-plans that provide local communities with information on progress in reducing pollution, etc. All these processes undoubtedly contribute to a new SI culture and perception of innovation, its actors, and its impact on society or on particular parts of society.

Ensuring funding is important for the sustainability of SI, as many of the programmes or products developed are often just the result of a project, which is used as long as funds are available. Thus, the lack of a responsible institution, a clear political will and a lack of funding prevent good innovative ideas from establishing themselves and being developed. It should be noted that the funding of ideas, both from the public budget and from individuals, would contribute to the sustainability and development of SI. In order to ensure sustainable investment and the efficient use of SI funds, it is important to identify those innovations that contribute most to solving specific problems of the community or individuals or to the objectives set by the State. While there are several ways in which SI can be implemented, it requires a competent body to support, develop and promote it, which can help to upskill public sector staff, gather examples of good practice, provide methodological guidance on the development of SI, and act as a competence centre.

The role of the public sector in the SI process is also relevant to our research. Public sector initiatives can be classified into 4 types according to their role:

- 1) a service provider, fully responsible for the whole process from creation to delivery, e.g. "Create for Lithuania" ("Kurk Lietuvai");
- 2) the initiator and promoter of the service, leaving it to the NGO sector to develop and deliver the service of their choice, e.g. Open Data (Open Government Group);
- 3) a partial service provider, complementing an NGO that provides a service independently but in addition to public services, e.g. "I choose to teach" ("Renkuosi mokyti") programme;
- 4) a catalyst (engager) for NGOs and the private sector in the process of developing and delivering new innovative services, e.g. Gov Tech Lab, Lithuania 2030 and 2050 development process.

Overview of foreign experience

As the European Commission stresses in its "Handbook on Social Innovation", "Fostering social innovation involves taking a forward-looking approach to needs, expectations, opportunities (rather than the obvious and the accepted), in line with the logic of investment; bringing together and partnering the various stakeholders whose (non)action has an impact on social protection, inclusion, cohesion, well-being (rather than focusing only on social professions); combining skills, culture, business and public services to offer innovative solutions, rather than focusing only on business products or, on the contrary, ignoring them"⁵.

Considering SI practices and regulation, attention should be drawn to the European Innovation scoreboard, which categorises countries into four groups according to their performance: innovation leaders, strong innovators, moderate innovators and weak innovators. The 2019 European Innovation scoreboard shows that "Sweden is the EU innovation leader, followed by Finland, Denmark and the Netherlands. The UK and Luxembourg dropped from the top category of innovation leaders to the group of strong innovators, while Estonia is in the group of strong innovators for the first time".

Since 2011, EU innovation performance has improved by 8.8% on average. Since 2011, innovation performance has improved in 25 EU Member States. The biggest improvements have been recorded in Lithuania, Greece, Latvia, Malta, the UK, Estonia and the Netherlands, while the biggest declines were recorded in Romania and Slovenia.

5 European Commission. Directorate-General for Regional Policy. (2013b). Guide to social innovation. Luxembourg, Publications Office of the European Union. Prieiga per internetą: http://s3platform.jrc.ec.europa.eu/documents/20182/84453/Guide_to_Social_Innovation.pdf.

Globally, the EU has overtaken the United States. The EU outperformed Brazil, India, Russia and South Africa. However, China's innovation performance is improving three times faster than the EU. The EU is behind Japan and South Korea.

In specific innovation areas, the best performing EU countries are Denmark in human resources and innovation-friendly environment, Luxembourg in attractive research systems, France in funding and support, Germany in corporate investment, Portugal in innovative small and medium-sized enterprises, Austria in networks, Malta in intellectual assets, Ireland in impact on employment and sales.⁶

The European Innovation scoreboard 2022, published on 22 September 2022, shows that Sweden continues to be the innovation leader among EU countries comparing 2019 and 2022. Finland, Denmark and the Netherlands also remain in the top list, joined by Belgium. Ireland, Luxembourg, Austria, Germany, Cyprus, France and Germany are strong innovators, performing above the EU average. Estonia, Slovenia, the Czech Republic, Italy, Spain, Portugal, Malta, Lithuania and Greece are moderate innovators. Hungary, Croatia, Slovakia, Poland, Latvia, Bulgaria and Romania are weak innovators.

Compared to 2015, Cyprus, Estonia, Greece, Lithuania and the Czech Republic showed the biggest improvements. While in 2019 the greatest improvement was in Lithuania, in 2022 Croatia and Poland show a faster growth in innovation performance than the EU average.

Globally, from 2015 to 2022, the EU has improved its position in relation to other countries (with the exception of China) and narrowed its gap with Australia, Canada, South Korea and the USA. South Korea remains the most innovative country in the world.⁷

Notably, Lithuania was named as a top performer in 2019, but in 2022 Lithuania remains on the list of average innovators. The fact that our country has underperformed in recent years signals that neither adequate attention nor resources have been devoted to stimulating and developing new innovative ideas. The analysis of SI does not allow for evaluation and comparison in the context of the EU or the rest of the world. The European Innovation scoreboard shows the overall level of innovation across countries, which is also important for the assessment of SI, as innovation policy does not specifically highlight SI as an important component of the overall innovation system. It should be noted that the place and importance of SI in the social environment of society is not highlighted.

It should be noted that SI is a rather diversely defined initiative that is not strictly regulated in the countries. SI is rather understood through best practices, specific examples and implemented initiatives, and as a phenomenon is quite flexible. For example, the origins of SI in the Netherlands can be traced back to the 1980s and 1990s, when the country was faced with a number of social problems: housing, social exclusion, unemployment etc. While Dutch policy was based on the welfare state model, economic and technological change have led to more market-oriented and bottom-up initiatives, and the content of SI has evolved, as they are now defined as economic rather than social innovations. In the Netherlands, citizen participation in solving social problems is essential and the role of public authorities is rather a partnership with citizens and social organisations. The government's aim is to remove regulatory barriers and provide the infrastructure for innovative experimentation.⁸

John René Keller Lauritzen, Senior Consultant at the Danish Technological Institute, in an article on social innovation in Denmark, points out that in Denmark and the rest of Scandinavia, SI may look a little different than in other parts of the world. "In developing countries and in many South-Eastern European countries, social innovation is more about compensating for the inactivity of state institutions. In Anglo-Saxon countries or in the welfare state models of Central Europe, social innovation refers to the mobilisation of the public sector to help meet the needs of citizens not covered by the welfare system. In Denmark, where institutions

6 https://ec.europa.eu/regional_policy/lt/newsroom/news/2019/06/17-06-2019-2019-innovation-scoreboards-the-innovation-performance-of-the-eu-and-its-regions-is-increasing

7 https://research-and-innovation.ec.europa.eu/statistics/performance-indicators/european-innovation-scoreboard_lt

8 Social Innovation in the Netherlands, Peter Oeij / Steven Dhondt / Merel Ooms. Prieiga per internetą: chrome-extension://efaidnbmnnnibp-cajpcglclefindmkaj/https://www.socialinnovationatlas.net/fileadmin/PDF/einzeln/02_SI-in-World-Regions/02_04_SI-in-Netherlands_Oeij-Dhondt-Ooms.pdf

tend to function smoothly and everyone receives the same amount and level of services, social innovation is more about complementing (or improving) existing public sector initiatives. In this system, the public sector plays an important role in the development of social innovation, and the success of social innovation depends on this sector⁹. It is evident that Denmark has a different model, simply because of its distinctive culture of public-private cooperation and government policy.

The above mentioned European Innovation scoreboard lists Belgium as one of the countries making the most progress in innovation in 2022. SI as a phenomenon is also not defined in this country, but it depends on time and context, so what seems innovative in one country may not be in another. In Belgium, the importance of the political and cultural environment is emphasised, as well as the diversity of organisations active in the field of SI.

Focusing on other continents, for example in Canada, which is also considered to be one of the leaders in innovation, people play a key role in the innovation process as they are the ones who create and implement innovations. As mentioned earlier, the importance of SI is first and foremost culturally programmed, as either people themselves or the organisations that bring them together play a key role in the process, as they are simply the initiators of all innovations. In Canada, as in other countries, partnership and community are an integral element of SI, and the transparency, flexibility and responsiveness of organisations in this country is therefore of paramount importance. Non-profit organisations play an important role in promoting social innovation in Canada. The government supports the non-profit sector to deliver important public services in a creative and community-oriented way.

Jo Baraket, in an article¹⁰ on social innovation in Australia, points out that while there is development, there is no clear legal definition of the activities. Interestingly, in Australia, SI have mainly been associated with the development of social enterprises, new approaches to social finance and social procurement, and citizen-centred social service reforms. The author notes that there is no clear political will to support SI. It should be noted that in Lithuania too, social business is often associated with SI, but in reality this is not the case, as innovations in the social or other spheres are not necessarily created by social business.

Analysing the situation in the United States of America (USA), the first thing to note is the political will and support for the SI by former President Barack Obama. This was a completely different situation from the Australian example described above. In the USA, there was a political commitment to support innovation that would lead to faster, long-term and sustainable progress in solving social problems. At the same time, there was a willingness to fund such initiatives, but with an emphasis on supporting evidence-based initiatives. In the USA, the Social Innovation Fund was established in 2009 with the aim of enabling SI across the country. The Foundation not only provides grants for initiatives, but also evaluates ideas that might later become successful programmes. In conclusion, political support for SI ensures a systemic change in society and creates a new culture of trust in innovation, oriented towards progress that responds to the needs of society.

In order to bring a systemic cultural change in society and in the formulation of policies in different areas, government integrates innovative measures to address social problems in a sustainable and effective way. SI has been used rather cautiously but is increasingly being used to address social problems¹¹, for example, Slovenia has developed an innovative and integrated reform package in the field of long-term social care, integrating more coherently a number of already existing care mechanisms. Slovenia's neighbour, Italy, is implementing a package of active inclusion measures to improve the efficiency and effectiveness of social benefits. The core of this measure is to combine financial support with activation policies and social services by introducing stricter criteria for assessing assets and income, so that support reaches households most in need first. Cyprus and Greece are coordinating and trying to introduce new income calculation schemes.

Political attention to the formation and development of SI culture is particularly important because, as in the

9 Social innovation in Denmark, John René Keller Lauritzen. Online access: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.ess-europe.eu/sites/default/files/publications/files/social_innovation_in_denmark.pdf

10 Social Innovation in Australia: policy and practice developments, Jo Baraket. Online access: https://www.socialinnovationatlas.net/fileadmin/user_upload/02_01_SI-in-Australia_Barraket_Final.pdf

11 Social policy innovations. Meeting the social needs of citizens, European Commission, Directorate-General for Employment, Social Affairs and Inclusion, Unit D.1, 2015.

USA, political support makes it more likely to invest in innovative ideas, which undoubtedly ensures not only the consistent and sustainable dissemination of newly developed instruments, but also the implementation of these instruments.

In addition to addressing social problems in specific communities, SI are being used in business, for example Realis (Languedoc-Roussillon, France) is the first regional innovation pole dedicated to social enterprises, Denokinn (Basque Country, Spain) brings together social enterprises, public authorities and the private sector to deliver successful innovations, and I-Propeller (Brussels, Belgium) includes social business innovations that help organisations to create innovative social and profitable solutions and develop services.

Thus, a supportive SI framework is not created by one entity, but by all participants in the SI ecosystem. However, the involvement of public authorities in the development of social innovation is particularly significant in that supporting innovation is more ambitious way of tackling social problems. Governments take the initiative to fund or participate in funding social innovation, with confidence in the results and effectiveness of innovative solutions, and under pressure from the public, private or non-governmental sector for their effectiveness and practical application. Collaboration between all participants in the social innovation ecosystem, i.e., researchers, communities, business, government, etc., is essential for the emergence of new or improved products, services or processes that address a social need or a collective problem.

European Union-funded projects¹² dedicated to promoting and implement SI ideas allow countries to set up their own SI ecosystems, set priorities, designate responsible institutions and prepare funding mechanisms to ensure sustainable initiatives. For example, France, Latvia, Sweden and Spain, through the BuiCaSuS project, one of six projects supported by the European Commission, are working to establish national competence centres for social innovations, to build the capacities of all stakeholders involved in the SI ecosystem, and to foster synergies between them and strengthen cross-border exchanges. These countries are inventorying SI projects and initiatives at their national level and developing national SI strategies and action plans. In Denmark, Estonia, Germany, Poland and the United Kingdom, there is a project called "ESIA", which also aims to establish national competence centres for social innovations, but the overall project is more focused on partnerships to improve SI infrastructure. "The SEED" project aims to establish national competence centres for social innovations in Greece, Italy, Romania and Slovenia and to bridge the gap between policy making and implementation by anticipating the impact of policies on the creation and development of the SI ecosystem. The "SI Plus" project is setting up national competence centres for social innovations in Austria, Bulgaria, Hungary and Slovakia, and is prioritising social innovation in employment and labour market areas. In conclusion, European Union funds are being used to create sustainable infrastructure and to realise effective SI ideas, whether through the creation of partnership networks, the agreement of funding mechanisms and priority areas, or the sharing of good practices. It should be noted that countries individually assess their innovation potential, available technologies, human resources and their competences, as well as their organisational structures, and decide on the most appropriate and effective SI plans and specific measures for each country.

2.1 Overview of the research methods

The research methods chosen for this activity are:

- 1) Interview survey (structured and unstructured interviews);
- 2) Group discussion (Focus group);
- 3) Collection and analysis of secondary data.

1) Interview survey (structured and unstructured interviews)

An interview is generally defined as the systematic collection of data during a direct or indirect conversation between an interviewer and an interviewee. The researcher must be prepared for the interview in advance, having planned its structure, procedure and, where the nature of the research so requires, its content (interview questionnaire).

¹² Accessed via the Internet: <https://ec.europa.eu/european-social-fund-plus/en/competence-centres-social-innovation>

In a structured interview, the questions, the flow of the questions, the interview itself and the structure of the interview are all pre-designed; in an unstructured interview, there are fewer or no pre-designed questions. In terms of its execution and application, this research method has a wide variety of forms and applications.

A structured interview is usually based on an interview plan prepared in advance by the researcher, with specific question formulation and a strict sequence of questions. In a structured interview, the researcher asks only the questions, in the sequence and formulation set out in the interview plan. In this way, the quality and reliability of the research does not depend on the same person who prepared the research questions. It is important for the reliability of the study that in a structured interview all respondents receive the same questions, in the same formulation and sequence, and that the formulation of the questions is unambiguous and means the same thing to all respondents.

An unstructured interview may also be based on an interview schedule with specific questions and a pre-defined sequence of questions, but it is foreseen that during the course of the investigation the researcher may ask additional questions not included in the schedule if he/she considers that this would enrich the investigation. Typically, this type of interview will include only introductory and substantive questions and will cover the main topics of the interview without specific question formulation. There is a risk that the interview will not go well if the researcher does not have a thorough knowledge of the topic and good listening skills and experience.

According to the nature of the interview, interviews can be divided into face-to-face interviews, telephone interviews and interviews using information technology. In a face-to-face interview, the researcher interacts directly (in time and place) with the interviewee.

Interviews can provide information that is otherwise difficult to access, such as the internal experiences of respondents, their social, cultural, political, economic attitudes and beliefs, etc.

The interview method is considered to be quite expensive in terms of time and cost, as it requires a significant amount of resources and time to interview a larger number of respondents and to process the gathered information. The reliability of the interview also requires additional attention as the interviewee may be influenced by the interviewer's posture, tone, mannerisms, etc. Therefore, interviews conducted by researchers with different levels of preparation (in the case of unstructured interviews) may result in quite different quality of information being collected.

The risk is the researcher's bias, the unwillingness to obtain objective opinions that reflect preconceptions. To avoid this risk, procedural requirements are in place and results are regularly discussed.

2) Group discussion (Focus group)

The focus group method is generally defined as a purposefully structured discussion to gather participants' insights on a research question in a neutral setting (Krueger, 2000). A group interview can also be defined as an interview session "carefully planned to gather insights on a defined issue" (Krueger and Casey, 2000).

It recommends the use of group interviews to identify needs because of the opportunity to broaden knowledge by incorporating respondents (often experts) opinions and insights into the subject of the research. Focus groups are recognised as an appropriate method for applied research of a practical nature, such as feasibility studies, stakeholder needs identification and so on. Focus group interviews are used to gather collective rather than individual views and can therefore be used for the development and evaluation of various instruments or phenomena, for planning and for need identification. Often, focus groups are used to elicit and take into account different opinions and needs, thereby reducing the potential for conflict and making governance and decision-making more democratic. However, it should be stressed that the outcome of group interviews depends to a large extent on the competence and preparation of the moderator.

Group interviews help to generate information about participants' values and attitudes (Lutenbacher, Cooper, and Faccia, 2002), which can help to find solutions to old and new problems. Group interaction helps to stimulate participants' ideas that are not necessarily evident in individual interviews.

3) Collection and analysis of secondary data

This usually involves the analysis of representative data, which ensures the reliability and validity of the information. Secondary data analysis is very often limited to written information.

Secondary data analysis is based on a wide range of research sources and data, previously published research outputs, unpublished documents, research toolkits, information systems and databases.

2.2 Setting up the questionnaire

The survey included a questionnaire for the public sector¹³. Due to the specificity of the research object, the questionnaire was adapted to the type and field of social innovation.

13 Annex 8.1

3. ANALYSIS OF LEGISLATION, PLANNING AND PROGRAMMING DOCUMENTS, INSTITUTIONS IN CHARGE

3.1 Analysis of key strategic documents. As already mentioned in the introductory part of the research description, due to the specificity of SI in Lithuania (no clear regulation), the assessment and analysis of SI is not limited to references to SI in legislation, planning and programming documents. In order to assess SI, public sector decisions that reflect in their essence the SI process or instruments, e.g. the public consultation model, impact-based public procurement, the establishment of the Gov Tech Lab, etc. are analysed as well.

It must be acknowledged that the concept and definition of SI as part of public policy has emerged out of the need to plan and implement EU support measures.

Direct SI as a term is very rare and limited in legislation and strategic planning documents. The analysis of strategic planning documents has followed a hierarchy of strategic management documents ranging from the State Progress Strategy to action plans approved by ministers.

The current Lithuanian Progress Strategy “Lithuania 2030” has been approved by the Resolution of the Parliament of the Republic of Lithuania (15 May 2012, No. XI-2015). The implementing document for the Strategy is the National Progress Plan 2021-2030, which does not directly identify SI. An analysis of the horizontal principles of sustainable development, innovation (creativity) and equal opportunities for all identified in the above-mentioned plan suggests that it reflects the content of the SI and obliges public institutions to include the SI in their actions and to ensure funding, but it does not express the clear will of the policy maker. The aim of this strategy is to set out directions for the development of the country that are equally understood and accepted by the people of Lithuania, their communities, non-governmental and business organisations, and public authorities. The Strategy does not set goals and targets for individual sectors of the country’s economy but emphasises the need for a fundamental change in the values prevailing in society. Everyone in Lithuania can be a participant in these changes, basing their decisions on the values of progress and shaping their lives accordingly.

In terms of the SI, the strategy is intended to encourage the state and society to act in a way that ensures that their objectives and measures are socially oriented, in particular towards the human being as a service user and the continuous improvement of the service and the involvement of citizens in the state’s decision-making processes. The strategy includes the promotion of social entrepreneurship as a specific element. The strategy thus lays the foundations for society to behave in a socially innovative way.

The implementing document for the strategy is the National Progress Plan 2021-2030 (further - the plan). The plan does not explicitly identify the SI, but it should be noted that it identifies horizontal principles: 1) sustainable development, 2) innovation/creativity and 3) equal opportunities for all. These three principles reflect the content of the SI and essentially reflect the intention of the State, in this case the GRL, to develop the State’s economy and its development over the next decade in a socially responsive and innovative manner. The horizontal principles are applicable to the implementation of all the plan’s strategic objectives and progress targets, and must be taken into account and applied in the preparation of national development programmes, the planning of specific measures, the activities of public authorities and the evaluation of progress in implementing the plan. In order to reinforce the application of the horizontal principles in the decision-making process, draft legislation submitted to the Government is assessed by the drafters from the perspective of sustainable development, innovation and equal opportunities impact assessment to determine its potential impact on the implementation of the horizontal principles.

It is assumed that the plan provides the basis for the development of the SI in other strategic planning documents. Also, the horizontal principles contained in the plan essentially oblige public authorities to incorporate SI in their actions.

The next step in the hierarchy of strategic management documents are development programmes. Development programmes are planning documents that set out the progress measures to be implemented at national level, the result indicators and indicative resources to achieve the progress targets set out in the plan. One development programme shall be prepared for one area of government activity.

An assessment of the development programmes in each of the different areas of government activity is presented below.

3.2. Management area of MSSL:

3.2.1. Development Programme for Reducing Income Inequality.

It aims to reduce income inequality and the resulting poverty by ensuring adequate disposable incomes for the poorest groups in society and narrowing the gaps in disposable incomes across society. In pursuit of these objectives:

- 1) Improving the systems of state social insurance and financial social assistance to ensure the adequacy, coverage, targeting, coherence and financial sustainability of social benefits, without undermining individuals' incentives to work;
- 2) Increasing the progressivity of the tax system and improving the structure of the tax system;
- 3) Improving the *ex-post* and *ex-ante* evaluation and monitoring of the impact of policy measures to ensure that the most effective and efficient means of implementing social and tax policies are chosen.

Looking at the progress measures envisaged, the initial conclusion is that the State is taking the tried and tested path to reduce income inequality. There is no doubt that the measures under consideration in the development programme will bring benefits to society and create the preconditions for a more effective capacity to act.

This development programme should not be considered as having a direct impact on the development of the SI.

3.2.2. Social mobilisation development programme

This development programme aims to address the complex problems that lead people belonging to socially vulnerable or socially sensitive groups (including children, people with disabilities, the elderly, young people with fewer opportunities, or other socially vulnerable groups such as, homeless people, people returning from prison, etc.) to social exclusion, poverty, violence, discrimination or stigma, and face various difficulties in finding employment or accessing social support and other assistance. These objectives are pursued through a personalised approach, bringing services as close to the person as possible and tailoring them to the individual's needs, situation and capabilities.

This development programme is seen as having a direct impact on the development of the SI.

3.2.3. Inclusive Labour Market Development Programme

This development programme aims to create an inclusive and more sustainable labour market system, encouraging occupancy of employed persons, the registered unemployed ones and job seekers. Progress measures that can potentially be implemented through the SI:

- 1) Ensure the funding, efficiency and effectiveness of active labour market policy measures;
- 2) To improve the efficiency of the Public Employment Service's processes and functions;
- 3) Raise awareness of responsible business principles;
- 4) Promote the empowerment of the social partners in social dialogue.

This development programme is seen as having a direct impact on the development of the SI.

3.2.4. Development programme for strengthening family policy

The measures of this development programme are aimed at creating an appropriate, stimulating, family-friendly environment that allows for the proper fulfilment of family functions and, at the same time, enables family members to combine work and family responsibilities more actively and successfully, to strengthen equal opportunities for men and women, to promote fertility, to ensure and maintain the emotional well-being of families and children, and to develop quality services that are accessible to all families with children and that are adapted to individual needs. Measures of progress that can potentially be implemented through the SI:

- 1) Improve the quality and accessibility of social services and the effectiveness of social support in family crisis situations;
- 2) Ensure a reduction in stereotyped attitudes towards the roles of women and men in the family and society.

This development programme is seen as having a direct impact on the development of the SI.

3.2.5. Programme for the development of a suitable environment for disabled people in all spheres of life

The measures of this development programme aim to address the complex problems of environmental inaccessibility that limit the participation of persons with disabilities in social, community and family life, and cause them to experience poverty, social exclusion, and a variety of difficulties in finding employment or accessing necessary services and goods. Measures of progress that can potentially be implemented through SI:

- 1) Ensuring accessibility of physical infrastructure for people with disabilities;
- 2) Ensure that the information infrastructure and information is adapted to the needs of persons with disabilities;
- 3) Promote the adaptation of services and goods to the needs of people with disabilities.

This development programme is seen as having a direct impact on the development of the SI.

3.3. Management area of MESS:

3.3.1. The Education Development Programme

The Programme is designed to meet these objectives:

- 1) Improve learning results and narrow the achievement gap;
- 2) Increase inclusion and access to education, ensuring a safe environment for everyone;
- 3) Adapt the education system for the smooth integration of returning Lithuanian citizens, people of Lithuanian origin and foreigners, and improve the mobility of learners;
- 4) Improving the match between the competences acquired in education and those needed in the labour market and to adapt to a changing environment;
- 5) Establishing an effective and efficient adult lifelong learning system to match the skills and qualifications of individuals with the needs of the individual, the labour market and the environment;
- 6) Strengthen the attractiveness of the pedagogue profession and create an effective system for training and developing their competences.

This development programme is seen as having a direct impact on the development of the SI.

3.3.2. The Science Development Programme

This development programme aims to achieve the following objectives:

- 1) Strengthen human resources and competences for high-level science and science-based technologies;

- 2) Creating high-level scientific knowledge that boosts national competitiveness;
- 3) Encourage the creation of science-intensive businesses and science-business cooperation, and develop an entrepreneurial culture in science and education institutions;
- 4) To develop science-based studies, making better use of the potential of open research and contributing to solving challenges facing Lithuania and the world.

This development programme is seen as having a direct impact on the development of the SI.

3.3.3. Sports Development Programme

This development programme aims to achieve the objective of increasing the number of top Lithuanian sports achievements.

Looking at the development programmes in this area, it can be seen that for each of the progress measures there is a possible application of the SI.

3.4. Management area of the Ministry of Economy and Innovation:

3.4.1. National digitisation development programme

The programme aims to promote the digitisation of the state in order to enable the public sector, businesses and academia to efficiently and securely develop and use innovative products and services, to strengthen the capacity of citizens themselves to make full use of new technologies, to raise awareness of future technological developments and to enable the state to adapt to them.

This development programme is seen as having a direct impact on the development of the SI.

3.4.2. Programme for Economic Transformation and Competitiveness Development

The programme is designed to meet the objectives of: “To reorient industry towards a climate-neutral economy”, “To promote the development, introduction and dissemination of advanced technologies and innovations”, “To attract foreign and domestic direct investment”, “To promote entrepreneurship and enterprise growth”, “To improve the satisfaction of the human resources needs of the high-value added and medium-value added sectors”, and “To increase the competitiveness of tourism in Lithuania” (the task “To promote the digitalisation of the State”, which will be implemented through the Ministry of Economy and Innovation’s State Digitalisation Development Programme), is excluded. This development programme should be seen as having a direct impact on the development of the SI.

To summarise the above, progress measures are implemented through progress activities, which can be investment, regulatory, communication, analytical or complex. All progress activities must be implemented with deadlines, evaluation indicators, resources required and the actors responsible for implementing them. Therefore, a more detailed assessment of whether the implementation of this development programme will bring about SI in the life of Lithuania can only be made after the adoption of the sets of progress actions (by means of the relevant ministerial decrees).

3.5. The drafting of the State Progress Strategy “Lithuania 2050” was started in October 2021.

An initial megatrends analysis was carried out during the drafting process. It analyses 14 megatrends, looking at which ones will be most relevant for our country’s progress, what are the likely consequences of these trends in the short and long term, what are the possible emerging challenges and opportunities for Lithuania. This report is one of the starting documents for the development of the State Progress Strategy “Lithuania 2050”.

This report focuses on SI:

“An ambitious project like the Green Deal is not possible without research and innovation, finding new and relevant solutions for transformation, involving citizens in social innovation. The European Commission has allocated 1 billion Euros under the Horizon 2020 Green Deal call to find innovative solutions in areas ranging from clean and affordable energy, climate-neutral and socially innovative cities, industry, mobility, biodiversity restoration and ecosystem services, to citizen empowerment. Participants stressed that this opens up opportunities for Lithuania to become an inventor and producer, not just an importer of new technological solutions, and to develop new activities and economic sectors”.

In essence, the report outlines the main guidelines towards which Lithuania will move, namely towards a green course through the inclusion of civic initiatives in the SI.

3.6. Examples of planning documents at operational level:

3.6.1 Order of the Minister of MSSL “On the Approval of the Action Plan for the Improvement of Social Inclusion for the period 2020-2023” (No A1-791 of 20 December 2019) (hereinafter referred to as the “Action Plan”), which contains one of the definitions of SI used:

“2.4. social innovation - new ideas (products, services, models) that better address social needs, create new social relations and forms of cooperation;”

Also, one of the objectives of the Action Plan is to create and test SI (point 18.5).

3.6.2 It should be noted that the Ministry of Agriculture uses a slightly different definition of SI, which is set out in the Order of the Minister of Agriculture “On the Approval of the Guidelines for the Implementation of Social Business under the Measures of the Lithuanian Rural Development Programme 2014-2020” (No 3D-720 of 9 November 2017):

“5.4. Social innovation - the development of new social ideas, the transfer and implementation of innovative approaches and practices from other sectors (products, services, mechanisms) to meet social needs, address persistent social and environmental problems, and create new social relations and foster cooperation”.

3.6.3 Other planning documents do not define SI, but use the term itself, e.g., The term “SI” is used in the context of the Decree of the Council of Ministers of the Republic of Lithuania of 4 November 2020 (No. Human Capital, Action: Development of social innovation in education (responsible: Ministry of Education, Science and Sport), which states that the outcome indicators are “the part of secondary education schools with improved student achievement in the number of secondary education schools that have participated in the introduction of social innovations; the increase in the level of engagement in institutional pre-school education in the municipalities in which social innovations have been introduced and/or developed”. The product indicators “number of products developed and/or implemented in the field of social innovation in education and the number of educational institutions where social innovation has been introduced and/or developed” should also be mentioned.

3.7 Article 1 part 1 of the Law on Technologies and Innovations of the Republic of Lithuania (No. XIII-1414; TAR, 13-07-2018, No. 11954) (hereinafter referred to as the Law on Technologies and Innovations) states that the purpose of this Law is to “create favourable conditions for the creation and implementation of innovations in the Republic of Lithuania”. Article 2 part 7 of this Law stipulates that “an innovative product is the result of innovative activity, which, when introduced into the market, public administration, social, cultural sphere, becomes an innovation”. Article 7 part 1 of the Law stipulates that “in order to achieve the social and technological progress of the State, research, experimental development and innovative activities shall be promoted by fostering the creativity and entrepreneurship of individuals, by strengthening scientific, technological, practical and business knowledge and by ensuring its effective use in order to create new ideas, implement and deploy them”. This law does not define the SI and does not identify the institutions responsible for this field of activity, but indicates that innovation activities are

promoted in accordance with the Law on Strategic Governance of the Republic of Lithuania (No. XIII-3096; TAR, 9.07.2020, No. 15 3 58). Looking at the provisions of the latter law, it should be noted that innovation policies are set out in the State Progress Strategy, while “strategic objectives, funding/investment priorities and financial projections for the implementation of the strategic objectives’ are to be contained in the National Progress Plan. It is notable that the regulation lacks consistency and clarity in identifying the institution or institutions responsible for the SI and in identifying the sources of funding and the specific funds allocated not only for the development and implementation of the SI, but also to ensure a sustainable process of their implementation and subsequent monitoring.

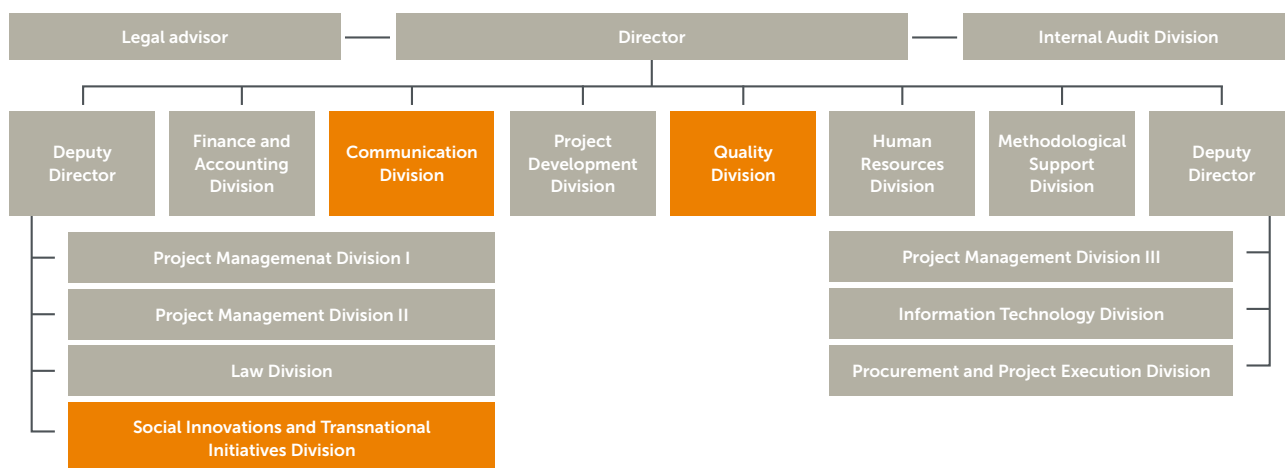
3.8 ESFA’s functions in the area of SI

There is no doubt that the ESFA plays a significant role not only in the legislative process but also in the implementation of SI policy. First of all, the ESFA has been selected as the managing authority for the indirect management of the European Union Initiative for the period 2021-2027 (in July 2021, the European Commission launched a call for proposals for the selection of an entity to be entrusted with the indirect management of the ESF Social Innovation and the Initiative as a whole). Second, six consortia, including one involving ESFA (under the PEnCIL project), have been selected under the 2014-2020 ESF and the European Union Programme for Employment and Social Innovation (EaSI) to set up national competence centres for social innovation and promote SI through preparatory activities. This European Union initiative aims to establish a competence centre in each country, focusing on certain core functions such as, Developing a common strategy and action plan to promote SI in the country; Connecting different stakeholders to help them find synergies and pool their expertise and develop joint advocacy activities for SI; Building the capacity of stakeholders according to their needs; Helping stakeholders to assure proper use of available EU funding (ESF+ and other EU funds and programmes); Helping stakeholders in the field of SI to connect across borders to exchange information and collaborate with their colleagues across the EU¹⁴. It should be noted that Since 5 October 2022, the structure of the ESFA has been established, with the Competence Centre identified as the Social Innovations and Transnational Initiatives Division, which is under the authority of one of the ESFA’s Deputy Directors, so that the role of this institution, both in contributing to the formulation of SI policies and in their implementation, is already enshrined in the local legislation.

The ESFA’s statutes, which regulate the agency’s activities, are one of the documents that define SI innovation at national level. It should be recalled that the ESFA Statutes have been revised to specify the ESFA’s fields of activity, which have been supplemented by the following 8.2 “Performance of the activities entrusted by the legislation of the Intermediate Body and Project Promoter of the EU Structural Funds, the European Fund for the Integration of Third-Country Nationals, the European Refugee Fund, the European Globalisation Adjustment Fund for Redundant Workers (EGF), the European Fund for Assistance to the most Deprived Persons, the Programme for the Reduction of Material Deprivation in Lithuania for the period 2021-2027, the Asylum, Migration and Integration Fund, the Programme on Citizenship, Equality, Rights and Values, the Programme of the European Social Fund+ for the Employment and Social Innovation Strand”. Taking into account both the objectives of the above-mentioned programme and the importance of a clear political will in the context of the SI, as well as the amendments already made to the Statutes, the experts consider that this formulation of the function does not ensure the relevance of the SI policy, and that it is therefore necessary to revise the Statutes of the ESFA by adding a new and clear field of activity related to the implementation of the SI policy, but not to the performance of the functions prescribed by the law.

Since 5 October 2022, the structure of the ESFA has been established, with the Competence Centre identified as the Social Innovations and Transnational Initiatives Division, which is under the authority of one of the ESFA’s Deputy Directors.

14 <https://ec.europa.eu/european-social-fund-plus/lt/node/258?trans=lt>



It should be noted that the current ESFA structure, division of responsibilities and functions does not ensure adequate focus and autonomy in the implementation of SI. In terms of the future relevance of the SI, the potential public-private cooperation, the importance of promoting and publicising SI initiatives, the establishment of a separate autonomous unit - the Competence Centre for Social Innovation - is definitely relevant.

The clear purpose and objectives of the institution must be reflected in its administrative structure.

3.9. The importance of a coordinating body for SI policy

The analysis of knowledge and practices related to SI is important not only for digitisation but also for policy formulation and modernisation, and should be carried out on an ongoing basis, requiring a permanent coordinating body for SI policy and continuous monitoring of SI. One of the biggest problems with the fact that SI is more associated with project-based activities, social business, social protection is the absence of a coordinating body and the current one, the MSSL, only covers part of SI. It should be noted that the SI is not social services or changes in social protection, it is much broader than that, it is also the economy, environmental protection, transport, energy, justice and other horizontal policy areas. It is therefore necessary, as a first step, to have a collegiate body to coordinate these innovations, which would be identified in the SI development strategy. Such a body could be a Social Innovation Council, comprising both public and private actors, which would ensure an appropriate and rapid response to SI through the responsible authority, and would not only strengthen the focus on all innovations, but also increase the impact of these innovations on a broader range of participants, and assess the costs of all initiatives.

4. SUMMARISING AND EVALUATING THE RESULTS OF THE FOCUS GROUP MEETINGS

Due to the novelty of the subject of the research and the low level of regulation, it was decided to complement the expert assessment with focus group meetings, which were composed of public sector representatives, specialists and external stakeholders, according to the type and scope of the SI. However, some of the meetings were held individually, mostly remotely, due to the respondents' busy schedules.

The following conclusions can be drawn from the interviews:

1. A common initial reaction to SI among interviewees is not knowing what it is. It was only when the concept was introduced that it became easier to discuss the issue.
2. The definition of SI under the European Social Fund Plus (ESF+) Regulation (2021/1057) has enough SI features, is written in a logical and correct way, but covers a wide range of phenomena that can occur in society. However, for many respondents, the definition of SI is necessary to anchor it in the legal framework.
3. According to the respondents, there is a lack of understanding in the public sphere about what SI is. The public sphere is not saturated with knowledge about SI, but their manifestations are visible in real public life.
4. Most respondents indicated that even if SI were to be embedded in strategic documents, which would undoubtedly help the development of SI itself, it would not ensure that SI would work in practice.
5. The perception has been expressed that it is resource-intensive for the state to introduce any innovation and to restructure the institutional framework according to the desired change and reform. It would certainly be easier to establish a small agency or body under a ministry to develop SI. The majority confirms that the assignment of a responsible institution, agency and even a post to the SI field is a mandatory condition.
6. Policy makers' attention to SI, competent institutions, responsibilities and functions are essential for SI development in Lithuania.
7. Lack of trust and courage to cooperate between the public and private sectors is holding back SI in Lithuania.

5. ANALYSIS, EVALUATION AND SUMMARISATION OF THE GATHERED INFORMATION

The public sector is inseparable from political power and its objectives, so only a clear definition of the political direction, objectives, the functions to be assigned to the public sector and the boundaries of its operation can help in finding an answer to the question of what would be optimal, appropriate and most effective for Lithuania in the implementation of the SI. The importance of political will is one of the key elements in the implementation of SI in Lithuania.

The public sector is an instrument financed by the citizens of a country (taxpayers) to pursue the public interest, i.e. the creation of public goods for the benefit of society as a whole and for the well-being of the people who live in a particular country. It should be noted that the public sector, by its very nature, must act in the public interest, and especially in these times of successive crises. Policymakers should think of innovative ways to improve the performance of the public sector in their own area, as well as boldly using existing innovative solutions used in the private sector or in other countries.

It should be noted that during the study it was pointed out that the NGO Development Unit of the MSSL has taken the initiative to coordinate the function of coordinating the social economy in the broadest sense and the SI, including the planning and description of the support measures, but at the time of the preparation of the report, the limits of the Unit's responsibilities and capacity were not properly assessed due to lack of information. The planned Social Economy Plan should provide answers to the questions raised in this study and propose a strengthening of SI policy.

An overview of the selected initiatives and a classification by type is given below. A brief description of the initiatives.

5.1 Co-creation

One example of co-creation, which is examined in this research, is the Open Government Initiative. The aim of the initiative is to increase the availability of information on the activities of the Government and public engagement tools, and to strengthen the competences needed to increase the openness of public governance. The initiative has been included in an EU-funded project. The aim was to develop a coherent and common practice of public consultation in public authorities and to increase the effectiveness and efficiency of public participation in public governance, in line with the principles of transparency, participation and accountability, through the following activities:

- 1) Develop methodological tools for public participation in decision-making and the development of open governance.
- 2) Strengthen competences for public consultation and openness in public governance.
- 3) Develop tools to disseminate openness initiatives.

The Open Government initiative has achieved the following results:

- 1) State and municipal institutions and bodies acquire the methodological, organisational, communication and other competences needed to ensure an effective public consultation process;
- 2) State and municipal authorities and bodies are familiarising themselves with the principles of Open Government and are stepping up initiatives to strengthen open government;
- 3) Public participation in public governance processes is more active and effective;
- 4) Public participation in public governance processes and a monitoring and evaluation mechanism;
- 5) Increased accessibility and transparency of information on the activities of the GRL.

The project has achieved the following results: 23 open debates have been organised between 2016 and 2021, 300 public sector representatives have been trained to implement openness initiatives, methodological tools for public consultation have been developed and used as a basis for 130 public consultations, and unified communication tools have been developed.

5.2 Cooperation with civil society

Engaging with civil society increases the quality and public acceptability of decisions. One example of effective cooperation, which is explored in our research, is the method of Public Consultation. Public consultations are actions carried out by public authorities and bodies in various ways (methods) to gather opinions and proposals from the public or target groups on a legislative act or other type of decision that is being drafted, implemented or evaluated.

A 2017 analysis of consultation practices in Lithuania and abroad showed that national institutions are slow or methodologically irregular in their use of consultations. Often, there is no clear objective of the consultation, no feedback to the public, and no evaluation of the consultation.

The “My Government” section of the LRG portal (epilietis.lrv.lt) has been created, where the society can find out about opportunities to participate in decision-making and the decisions taken, as well as take part in consultations with agencies. In 2018, the Chancellery of the GRL developed a consultation methodology. Since then, the use of public consultations has expanded and is frequently used. The subject of consultation is usually a newly adopted or amended law, a sub-legislative or internal administrative act, or any other decision taken by public authorities and bodies that affects the society or specific groups of the society.

5.3 Social business and social innovations

The MSSL, together with the ESFA, has developed and published a on-going ESF support provision mechanism - the Alternative Investment Detector (AID). The aim of the project is to increase the chances of socially vulnerable, socially at-risk and excluded people to participate actively in the labour market and in the community through the development of social integration services. For projects' ideas funding was foreseen up to EUR 2,600,000.00 and the application period runs from 2020 to 2022, or until the funding for the call runs out.

This support instrument differs from typical ESF instruments in that applicants are not invited to submit final applications for support, but to submit project concepts and to refine them during the selection process, in order to develop, with the involvement of ESFA experts, project proposals of high quality, relevance and with a high potential for social impact.

5.4 Public and private partnerships in the field of innovations

Public-private partnerships allow public initiatives to use a private partner, or to benefit from the management skills and finances of the private sector or allow public services to be sold to private sector partners who can better exploit the commercial potential of public resources. The public sector has been reluctant to enter into partnerships with the private sector, particularly in the area of SI. There are exceptions where the public sector trusts a private partner and undertakes initiatives that benefit society. For example, in 2015, Vilnius City Municipality, together with a private investor, developed a model for the establishment of Vilnius Tech Park in the former St. Roch Nursing Hospital in Antakalnis, based on the principles of public-private partnership. The hospital buildings were leased for a 25-year period at a symbolic price to a joint public institution of the municipality and private investors in exchange for a commitment to renovate the buildings (investment value of ~€10 million) and to create an ecosystem for growing and supporting young technology businesses - start-ups - in Vilnius. In 2016, Vilnius Tech Park started its operations, with 700 workplaces in the renovated space (8500 sqm), as well as a conference space and training rooms.

5.5 The role of the public sector in the process of social innovation

5.5.1. a service provider, fully responsible for the entire process from creation to submission, e.g. “Create for Lithuania”.

“Create for Lithuania” lasts 12 months and consists of two six-month projects in pairs or trios in different public sector institutions at national or regional level. Depending on their interests and skills, participants can carry out breakthrough projects in education, economics, innovation, security, environment, social policy or other areas. The programme offers participants with international experience the opportunity to apply knowledge or innovative ideas gained abroad to improve the Lithuanian public sector. “Create for Lithuania” programme has been running since 2012 and is coordinated by the “Invest Lithuania” agency under the Ministry of Economy and Innovation.

4.4.2. the initiator and promoter of the service, leaving it up to the NGO sector and business to develop and deliver the chosen service, e.g. Open Data (Open Government Group).

4.4.3. a partial service provider, complementing an NGO that provides services independently but in addition to public services, e.g. “I choose to teach” programme.

“I choose to teach” brings together the education community – participants of the program and alumni, teachers, schools - to bring positive change to Lithuanian education.

To make a difference, the programme attracts motivated, peer-oriented participants who work in schools for two years. After completing the programme, around 75% of participants remain in the education field and continue their work as teachers, school leaders, academics or education policy makers. Schools in the country are also contributing to change by implementing change projects with the participants. This brings together a community that helps to ensure the sustainability of the change. The programme is initiated by the School Improvement Centre. The programme’s main partner, the “Vilnius Trade” foundation “Dabar”, is contributing to the changes.

In November 2021, the MESS took the decision to expand opportunities for non-teaching professionals to become teachers, partly by replicating the principles of the “Choose to Teach” initiative.

5.6. NGOs and the private sector as catalysts (engagers) in the process of developing and delivering new innovative services, e.g. Gov Tech Lab, Lithuania 2030 and 2050 development process

The GovTech Laboratory, a division of the Agency for Science, Innovation and Technology (hereinafter referred to as MITA, which was reorganised and merged into the Research Council of Lithuania since 1 December 2022), is a team in the public sector that promotes the development and application of innovative solutions in the state. The GovTech Lab helps public sector institutions to identify the challenges they face and to find out how these challenges could be solved through the newest technologies, involves start-ups, small and medium-sized enterprises in the development of innovative solutions, and accelerates teams in the areas of #GovTech and #TechForGood. The GovTech Lab was launched at the beginning of 2019 within the framework of the “Create for Lithuania” programme, in cooperation with the Ministry of Economy and Innovation, and at the end of 2019 the GovTech Lab was officially launched at MITA. The GovTech Lab was awarded at the 2019 European Policy Innovation Awards, and in 2020 it won the Best Lithuanian Public Sector Project Award from the Project Management Institute (PMI). In 2021, the GovTech Lab helped public sector institutions to prepare for and launch public procurement to develop innovative solutions. After the selection of the applications, fundings for prototype development were awarded to 47 innovative GovTech projects (around €50 000 per project). For these projects to become real GovTech solutions, the involvement of innovators is essential.

Another initiative is EdTech, a fast-growing ecosystem of innovation in the education sector, where start-ups and small and medium-sized enterprises (SMEs) develop innovative, usually technology-based solutions to cope with the challenges of the education sector. This digital transformation initiative for the education sector enables the deployment of the latest educational technologies by providing a system of incentives and support for the development and testing of digital educational innovations. EdTech enhances the quality of education services, thereby creating more wealth for society. The global EdTech market is projected to

reach 400 billion US dollars in the next five years, growing at 16% annually (Halon IQ, 2020). The European Commission (EC) has already developed a Digital Education Action Plan (2021-2027), which sets out the EC's vision for digitising education in Europe.

Though it was unexpected, and we were unprepared the COVID-19 pandemic prompted us to try remote meetings and distance learning for pupils and students. The establishment of the EdTech Cluster in Lithuania in 2020 not only brought together different organisations and institutions under one banner, but also brought EdTech as a social innovation into the public sector. EdTech is creating positive change in the Lithuanian education system. As Lithuania is ranked 38th out of 129 countries in the 2020 Global Innovation Index, which corresponds to the 25th place among the 28 EU Member States (STRATA, 2021), support for the development, testing and application of digital and technological innovations in educational institutions, in the opinion of the experts, would stimulate the formation of an innovation culture, the cooperation of different stakeholders and strengthen the competitiveness of the Lithuanian innovation ecosystem. In this way, by solving the problems of the Lithuanian education sector, solutions could be found and could be exported and, in this way, successfully build Lithuania's image as an EdTech country and replicate FinTech success.

In summary, the research analyses public sector processes that are inherently SI or that create the preconditions for SI to occur. For example, the public consultation process is a typical public sector innovation method used to involve external partners, business and NGO representatives and citizens in decision-making on relevant issues. For example, in November 2021, the MESS announced in order to attract new teachers that it is reducing the requirements for teachers without a pedagogical background. This is a social innovation and has so far been piloted by non-governmental initiative - "I choose to teach" - but has not been identified as an SI.

6. CONCLUSIONS AND RECOMMENDATIONS

The focus on SI in Lithuania is growing, especially after the Covid-19 pandemic, which showed that SI can be used to solve social problems, especially in the areas of health, education, and ageing population. The courage to adopt and effectively apply SI is still lacking not only in the public but also in the private sector. It is notable that SI is not recognised in the same way as other technological innovations, as the areas where SI is most frequently and successfully applied are pedagogy, economics, law, social services, environment, education, employment, culture, health and sustainable development. However, this does not mean that other areas of industry and science - logistics, financial management, politics, manufacturing, etc. - are completely unrelated from the benefits of SI. On the contrary, SI is also being implemented in these areas, but is often overshadowed by innovative technology solutions, which are several times more convenient and easier to measure. In order to ensure the successful development and performance of SI, it is essential to establish clear principles according to which SI will be evaluated. We suggest that the principles that guide the evaluation of SIs are: *recognition*, meaning that the creators of SI are important for both the economy and the public good; *validity*, meaning that decisions are based on data, research and best practices; *efficiency*, meaning that decisions are made with reasonable risk-taking; and *collaboration*, meaning that the GRL and other competent institutions promote the development of SI by working together and co-creating with both – those who provide the ideas and those who are targeted by the SI solutions.

The research has revealed that there is a lack of dissemination and information on SI, firstly, there is no accessibility to information where everyone could learn about SI and/or its usage, and also assess their capacity to develop innovative solutions. Secondly, the lack of information, but also the lack of sustainable funding, does not ensure that individuals and organisations are empowered to create, test, adopt and develop innovative solutions. Lithuanian practice, as mentioned above in the research, has shown that the financial environment is not conducive to the implementation of the solutions developed, with the result that the goods, products or processes developed do not find their way to the market, or struggle to find consumers. Thirdly, the lack of political attention and a policy and regulatory environment that promotes SI, and the absence of sharing of best practices, leads to the non-use of innovative and impactful instruments.

In conclusion, the results of the study and the analysis carried out have shown that the development of SI would be ensured by:

1. Long-term plans and political will and action on SI to install social innovation in legislation. This is one of the key recommendations for making SI visible, accessible and scalable. SI policy should not be fragmented and financed only through project funds but should be clearly regulated. In the analysis of strategic documents and legislation, it is noted that the legal framework lacks coherence and clarity in identifying the institution or institutions responsible for the SI and in identifying the sources of funding and the specific funds allocated not only for the development and implementation of the SI, but also to ensure a sustainable process for their development and implementation and for the subsequent monitoring of the SI and the activities of the institutions responsible for the SI. The Law on Technology and Innovation, which enshrines the need for innovative progress, does not define SI and their relevance. This legal uncertainty risks that SI may be given insufficient attention, which may hinder their further progress and development, and therefore suggests that the **Law on Technology and Innovation** should be revised:

- (i) by adding a paragraph 3 to Article 6, which would stipulate that social innovation activities in the field of innovation shall include new ideas (products, services, processes and models) that simultaneously solve societal challenges, meet social needs and create new social relations between the groups concerned;
- (ii) by adding a paragraph 1-1 to Article 14, which states that the social innovation policy shall be implemented by the European Social Fund Agency, which shall be responsible for centralised support to institutions active in the field of social innovation in Lithuania and for networking and exchange of experience at international level. It is proposed that the functions of the European Social Fund Agency in the field of social innovation should be approved by an institution delegated by the Government of the Republic of Lithuania.

2. A single coordinating government body to help formulate and implement SI policy and a permanent multi-sectoral Social Innovation Council to advise the government.

SI is not about social services or changes in social security, it is much broader than that, it is about the economy, it is about the environment, it is about transport, it is about energy, it is about justice and it is about other horizontal policies. It is therefore necessary, as a first step, to have a coordinating body for these innovations, and to make this clear in legislation, and not just in the SI development strategy. The idea of a Social Innovation Council is based on bringing together representatives of the state and municipalities, the private sector, NGOs and academia in a single body to provide policy makers with recommendations on social innovation policy. Taking into account the situation in Lithuania and the analysis carried out during the study, we would suggest to consider the establishment of a Social Innovation Council, which would advise the GRL in the formulation of the SI policy and would horizontally encompass all areas, including the activities of different ministries. This council would not only help to shape policy in the field of SI, but also help to implement it and would work in tight cooperation with the ESFA.

During the research of the SI ecosystem was identified that although social innovation activities have been developed in Lithuania for more than a decade, there is still a lack of attention to this area, both at the state level and at the level of the organisations developing SI. The main problems identified during the study were: lack of a unified concept of SI - still no clearly defined and anchored SI concepts in the legislation; lack of a clear SI development strategy - the field is only fragmentarily discussed in different legislation; lack of an institution responsible for SI; lack of developed SI implementation and dissemination methodologies and training programmes; lack of cooperation between institutions involved in implementing SI; lack of a unified definition of the products/practices/methods/services developed etc. There is a lack of a unified database of good practices in SI; poor and uncoordinated dissemination of SI. The study noted that NGOs working in the field of SI operate in a competitive environment, resulting in a lack of synergies between their projects, and a lack of capacity of the NGO sector and social entrepreneurs to act in the field of social innovation.

It should be recalled that the ESFA, together with its partners, the European Social Fund (ESF) Managing Authorities from Belgium, the Czech Republic and Finland, is implementing the European Commission-funded project "*Pan European Social Innovation Lab*" (PENCIL) (hereafter referred to as "the Project"), with a duration of 24 months (1 May 2021-31 April 2021) and a value of EUR 216 865.10. The Project will result in the establishment and development of a Competence Centre for Social Innovation, officially approved by the responsible ESF Managing Authority of the Republic of Lithuania.

By decree No (24.37)-6K-2005965 of 22 October 2020 of the ESF Managing Authority, the Ministry of Finance of the Republic of Lithuania, the ESFA was entrusted with the task of establishing a National Competence Centre for Social Innovation, which would provide both centralised support to the institutions active in this field in Lithuania, as well as networking and exchange of experience at EU level. At the end of 2021, the ESFA received a significant recognition by the European Commission, as it was chosen to become an entrusted entity for the ESF's Social Innovation+ initiative. The ESFA has been entrusted with the implementation of the initiative in two ways: by organising EU-wide calls for international cooperation and SI implementation, and by setting up and coordinating the European Competence Centre for Social Innovation, which brings together national competence centres for social innovation in EU Member States in 24 EU countries.

Taking into consideration that the ESFA is committed, together with its partners, to set up a Competence Centre and the fact that the Ministry of Finance has entrusted the ESFA with the establishment of such a Centre, it is proposed that it should be a public body. The shareholders of the ESFA should make decision on the revision of the statutes, and clearly add a new field of activity for the ESFA related to the implementation of the SI policy, but not to the performance of statutory functions (as is currently stated in point 8.2 of the ESFA's statutes), and to clarify the responsibilities related to the implementation of the activities of the Competence Centre. The Centre should take the lead in initiating the development of SI and the implementation of new initiatives, develop training programmes, initiate and organise training on the implementation and dissemination of SI, strengthen the capacity of the NGO sector and business to act in this field, create a national network of institutions active in the field of SI, publicise good SI practices, and at the same time act as an intermediary between state and municipal institutions and other market players.

Pursuant to Article 10 paragraph 1 item 1 of the Law on Public Institutions, the General Meeting of Shareholders approves the statutes of the public institution. Paragraph 1 item 16 of this Article stipulates that it shall decide on other matters falling within the competence of the general meeting of shareholders as provided for in this Law and the statutes of the public body. Item 2 of the Statutes of the ESFA, approved by decision of the General Meeting of Shareholders of 16 November 2021 (Minutes No VDS 2021-00009), stipulates that the functions of shareholders of the institution shall be performed by the MSSL and the MESS. In the context of a coherent SI policy and taking into account the actions already taken, i.e. the fact that the ESFA structure has been in place since 5 October 2022, with the establishment of the Social Innovations and Transnational Initiatives Division, and that the ESFA Statutes have been amended, we suggest that more attention be given to the implementation of these functions of the ESFA (e.g. Developing a common strategy and action plan to promote SI in the country; Connecting different stakeholders to help them find synergies and pool their expertise and develop joint activities; Building the capacity of stakeholders according to their needs; Helping stakeholders to make good use of the available EU funding (ESF+ and other EU funds and programmes); Helping SI stakeholders to establish cross-border contacts to exchange information and collaborate with their colleagues across the EU (<https://ec.europa.eu/european-social-fund-plus/lt/node/258?etrans=lt>)).

Considering what is said above, it is proposed that the MSSL and the MESS would take the initiative to revise the ESFA documents and ensure that the commitments made by them and the institution are implemented. It is proposed that the statutes should stipulate that the new Competence Centre will support innovative projects and public authorities operating under the ESF+ priorities, provide information and advice to those interested in the development of Social Innovation, develop guidelines and organise training for different target groups, and strengthen international cooperation between stakeholders in this field. The main activities of the Centre would be:

1. **Monitoring of the ecosystem** through quarterly and annual reporting. A continuously updated general view of the functioning of the SI. Targets monitored: academia, NGOs, state and municipal institutions, business.
2. **Recommendations for policy formulation and implementation.** Monitoring activities will provide recommendations for possible public policy decisions (government, ministries, municipalities).
3. **Networking.** Bring together stakeholders in the field of SI - academia, NGOs, state and municipal institutions, business in Lithuania. Ensure information dissemination.
4. **Developing competences.** Developing training programmes, organising training in SI.
5. **Dissemination of good practice.** Scaling up and adapting successful projects.
6. **Mediation.** To act as an intermediary between the public sector and the creators and developers of SI.
7. **Methodological support.** Participate in the project validation process. The Competence Centre for Social Innovation could advise the National Validator to ensure that projects meet the European standard.
8. **Running EU-funded projects on social innovation.** Becoming a promoter of projects under IVP Priority 6 "Innovative Solutions" in Lithuania.

3. Sustainable funding would help to ensure long-term investment in SI areas and strengthen SI dissemination, deployment, and the capacity and competences of civil servants. Sufficient capacity and potential are currently visible in the MSSL as well as in its subordinate bodies (e.g. ESFA), but there is a lack of regulatory framework for the SI funding mechanism. As the Competence Centre is responsible for supporting innovative projects and providing information and advice to those interested in the development of SI, organising training for different target groups, and international cooperation between stakeholders in the field of SI, it is proposed to add a new paragraph 6 to Article 14 of **the Law on Technology and Innovation**, stating that the activities of the European Social Fund Agency, in the performance of the functions set out in the present and other legislation, shall be financed by the state budget and/or other funds.

Funding for these experimental ideas must be secured in order to encourage organisations and individuals to learn by doing, to support ideas by giving idea generators the flexibility to adapt and the opportunity to deliver results. Funding for SI initiatives and institutions implementing SI policies in the national budget would encourage the creation of SI, as well as their responsible selection to ensure that funds are not wasted.

Innovative solutions need to be sustainable, so creating a funding model is one way to achieve the desired impact of SI. Cooperation between business and the public sector and the creation of an efficient business

financing model would ensure that innovation is sustainable and economically profitable, while meeting social needs. Greater involvement of all stakeholders could also lead to a greater socio-economic impact of these innovations, but this requires some assessment of the scalability of SI in the short and long term, and at both the organisational and national level. It is therefore suggested to involve both academia and business in the creation of financial mechanisms to assess the potential impact and sustainability of SI as accurately as possible, while maximising the rationale for funding new ideas. It is recommended to differentiate the sources of funding: not only should SI be financed by EU funds, but as already mentioned, funding should also be provided for in the national budget, and measures should be taken to enable private initiatives to contribute.

4. A platform for dissemination evidence of social innovation, sharing knowledge and experience.

In addition to the public sector, which is largely responsible for the state's vision on SI, the private and non-governmental sectors also have a significant role to play in SI policy-making. The creation of a common SI platform for the sharing of good practices and knowledge would contribute to the publicity and dissemination of SI and the implementation of good practices. This platform would allow all sectors and institutions to allocate resources efficiently, in terms of time, talent and money.

It is also important not to neglect investment in people, their knowledge, skills and competences. Sharing knowledge and good practice ensures the dissemination of knowledge, data and research on SI and their impact. Strengthening the recognition of innovation through the Platform would involve more partners and provide wider opportunities for initiatives to be implemented through the use of available funding sources and by mobilising partners. The SI Platform would facilitate the consensus and testing of pilot projects that would encourage both individuals and organisations to take initiatives in the field of SI.

7. SOURCES:

1. Measuring innovation in the public sector. Anthony Arundel, Carter Bloch and Barry Ferguson, OECD, v2015.
2. Understandings of Social Innovation within the Danish Public Sector: A Literature Review, Ada Scupola, Lars Fuglsang, Faiz Gallouj and Anne Vorre Hansen, MDPI, 2021.
3. Evaluating Public Sector Innovation - Support or hindrance to innovation, OPSI, OECD, 2020.
4. Building Local Ecosystems for Social Innovation, A Methodological Framework, OECD, 2021.
5. Measuring Scientific, Technological and Innovative Performance, Oslo Manual 2018, Guidelines for the Collection, Provision and Use of Data on Innovation, OECD, Lithuanian Innovation Centre, 2019.
6. <https://oecd-opsi.org/>

8. ANNEXES

8.1 Questionnaire for the Focus Group meeting

1. Are you familiar with the term social innovation? What does it mean to you?
2. Does your organisation have departments/staff responsible for social innovation?
3. What good examples of social innovation can you mention from your organisation?
4. What do you do in your organisation to support social innovation?
5. Who was the initiator of social innovation? Was the initial decision taken in consultation with external stakeholders?
6. How did the social innovation process work? How long did it take? What were the stages involved (e.g. piloting, testing, deployment, dissemination, evaluation, etc.)
7. Have different scenarios been experimented with and analysed in the decision-making process?
8. How is the implementation, benefits, impact of changes caused by social innovation assessed/analysed?
9. Are experiences of implementing change shared with other units inside and outside the institution?
10. Have you heard about projects and solutions that create social innovation in the following sectors: education and training, social inclusion, employment? If yes, which ones?
11. Have you been involved (as project initiator, data collector, project leader, partner)?
12. What help would you need to succeed in social innovation?
13. What are the biggest challenges and problems you are facing in developing social innovation?
14. What do you think are the opportunities for developing social innovation in your organisation and in Lithuania?
15. What competences are lacking (for you, your organisation, Lithuania) to successfully create social innovation?
16. What other comments or suggestions do you have on the topic of social innovation?

8.2 List of respondents

Thematic field	Participants
Education and training	<p>Raimondas Paškevičius, MESS</p> <p>Oksana Mažeikaitė, ESFA</p> <p>Šarūnas Dignaitis, EdTech cluster</p> <p>Gabija Skučaitė, SMK</p> <p>Aistė Ragauskaitė, expert</p> <p>Eglė Butkevičienė, expert</p> <p>Lukas Kornelijus Vaičiakas, president of LijOT (Lithuanian Youth Council)</p> <p>Antanas Mikalauskas, Darnu Group</p>
Social inclusion	<p>Solvita Adomavičiūtė, ESFA</p> <p>Arūnė Matelytė, MITA, Gov Tech Lab</p> <p>Jurgita Kuprytė, SOPA, (jurga.kupre@gmail.com)</p> <p>Lingailė Biliūnaitė, MSSSL, Division of ES investment</p> <p>Jolita Petraitiienė, ESFA, Alternative Investment Detector</p> <p>Giedrė Ramanauskienė, Lithuanian Innovation Centre</p> <p>Aistė Adomavičienė, National Network for Poverty Reduction</p>
Employment	<p>Raimundas Lopata, Chairman of the Committee for the Future</p> <p>Sigita Trainauskienė, STRATA</p> <p>Rima Martinėnienė, Ministry of Finance of the Republic of Lithuania, Social Investment Division</p> <p>Virginijus Vaškėlis, Ministry of the Interior of the Republic of Lithuania, Public Governance Policy Group</p> <p>Gitana Vaškėlienė GRL Open Government Division</p> <p>Rasa Liutkevičienė, GRL Adviser in the Public Governance Group</p> <p>Elma Paulauskaitė, Policy Impact Lab, expert</p> <p>Irena Pranskevičiūtė, expert</p>

8.3 Proposed Plan 2023 - 2026

Objectives	Title of the measure	Implementers in charge	Result
1. Developing the creation and implementation of social innovations by increasing their spread in the public, private, non-profit or informal sectors	1.1. Supporting recognised social innovation initiatives, seeking wider adoption in the public, private, non-profit or informal sectors	Government Ministries ESFA	Number of social innovations implemented with public support in the public, private, non-profit or informal sectors
	1.2. Develop methodological guidance for identifying and developing social innovations	ESFA	Number of information materials created
	1.3. Develop training programmes that include social innovation	MESS ESFA	Number of training programmes
	1.4. develop public administration through social innovation	Ministries ESFA	Number of social innovations adopted in the public sector
	1.5. Adapt the social innovations developed and promote the development of new ideas to tackle social challenges	Ministries ESFA	Number of social innovations adapted and/or created in the sectors
2. Developing research-based social innovation and promoting the experimental development of social innovation in various fields	2.1. Organise a social innovation ideas competition	ESFA	Number of competitors
	2.2. Prepare proposals for the improvement of existing study programmes to include modules or subjects on social innovation	MESS	Number of study programme modules
	2.3. Prepare proposals for the wider adoption of existing social innovations in the public sector	ESFA	Recommendations issued
	2.4. Promote the training and technological skills development of employees of enterprises engaged in research, experimental development and social innovation activities in national and international educational institutions	ESFA Private and public legal entities	Information material on training in social innovation field; Number of trained employees

3. Develop Lithuanian international cooperation in the field of social innovation	3.1. Coordinate international bilateral cooperation in the field of social innovation	ESFA	Number of cooperation agreements
	3.2. Organise international events, seminars for Lithuanian social innovation subjects	MSSL MESS ESFA	Number of events, seminars organised
	3.3. Bring foreign investors to the field of social innovation	Ministry of the Economy and Innovation MSSL MESS	Amount of funds raised through international initiatives
	3.4. Collaborate with national competence centres for social innovation in EU countries	ESFA	Number of cooperation agreements. Number of meetings with EU national competence centres for social innovation
4. Encourage society's education on the economic and social benefits of social innovation	4.1. Create and manage an open platform for social innovation to promote good practices	ESFA	Social innovation platform created
	4.2. Providing advisory and information assistance to businesses and NGOs in the preparation of proposals for international research and experimental development and social innovation programmes and initiatives	ESFA	Number of participants consulted
	4.3. Create and implement a communication initiative on social innovation, raising awareness and building networks	ESFA	Created communication strategy. Number of established cooperation networks
	4.4. Awarding prizes for social innovations created in various fields	Government ESFA	Number of awarded subjects

5. Strengthening the capacity and ability to formulate and implement social innovation policies	5.1. To assess the need for social innovation among Lithuanian public institutions, and to initiate wider use of the products, services or processes that have been created	Government ESFA	A list of social innovations (products, services or processes) recommended for wider use
	5.2. Organise seminars on social innovation and the use of good practices to improve the performance of state and municipal institutions and bodies	Ministries Municipalities ESFA	Number of seminars
	5.3. Establish an incentive-based funding mechanism for public, private and non-governmental partnerships for experimental social innovation	Ministry of Finance MSSL MESS ESFA	Incentive mechanism developed
	5.4. Initiate the drafting and adoption of new legislation or amendments to existing legislation to ensure an enabling environment for social innovation	Ministries ESFA	Number of legislative acts adopted
	5.5. Monitor the social innovation ecosystem	ESFA	Number of reports prepared
	5.6. Establish a Social Innovation Council	MSSL MESS ESFA	Social Innovation Council established
	5.7. Run EU-funded projects on social innovation	ESFA	Number of entities benefiting from social innovation support services and/or consultancy; number of social innovations

9. REPORT SUMMARY

Report on the political, legislative and institutional measures adopted by the country's government for the purpose of promotion of social innovations

The report provides summary of PEnCIL project activities in relation to analysis of public sector engagement with social innovations focusing on existing political, legislative and institutional measures and planning documents.

Information was collected using desk research, interviews with relevant stakeholders and meetings of the focus groups. Desk research focused on legal framework as well as review of planning and programming documents of public sector in respect to social innovation. Last stage of research consisted of interviews with the key stakeholders grouped according to priority areas of intervention under ESF+: employment, social inclusion, education and training.

ESF+ definition of the social innovations has been used as a marker during the research process: Social innovation means an activity, that is social both as to its ends and its means and in particular an activity which relates to the development and implementation of new ideas concerning products, services, practices and models, that simultaneously meets social needs and creates new social relationships or collaborations between public, civil society or private organisations, thereby benefiting society and boosting its capacity to act.). Basically, social innovations depend on the ingenuity of people, communities, public and private sector institutions, companies and their employees. It is noteworthy that they are described as a set of certain solutions, initiatives, but there is no clear legal regulation of them.

The findings can be considered as modest in terms of the level of maturity of social innovation policy in Lithuania comparing to some other EU member states, though attention to social innovations in the country increased, especially after the Covid-9 pandemic, when they were used to solve the emerging social problems, e.g., in health and education sectors.

The analysis shows that Lithuania still lacks courage to accept social innovations and apply them effectively not only in the public but also in the private sector. It is noteworthy that social innovations are not recognized in the same way as technological innovations, because of the fields they are applied in, e.g., pedagogy, economics, law, social services, environmental protection, education, employment, culture, health and sustainable development. Though in other fields of industry and science - logistics, financial management, politics, production, etc. social innovations are also implemented, but they are often overshadowed by innovative technology solutions, the benefits of which are several times more convenient to measure. In order to achieve the successful development and effectiveness of social innovations, it is necessary to establish clear principles by which they are evaluated. When evaluating social innovations experts suggest to be guided by the principles of recognition, reasonableness, effectiveness and cooperation.

After summarizing the analysis carried out, it can be concluded that the development of social innovation would be ensured by establishing:

1. clear political will on social innovations in legal acts and long-term plans and actions;
2. one co-ordinating state institution to help form policy and implement it in the field of social innovation, and a permanent multi-sector Social Innovation Council that could advise the Government;
3. sustainable financing leading to more long-term investment in social innovations;
4. platform for the sharing of knowledge and good practice in social innovation field.