



UNECE Applied policy seminar “Policies for
Innovation and Knowledge- based Development
in 21st Century”

Innovation in public sector in Ukraine:
identification, measurement and promotion

Dr. Igor Yegorov

Institute of Economy and Forecasting,
National Academy of Sciences of Ukraine

10-11 October 2013,
Geneva



Problems with identification of innovations

- Broad definition of innovation (inclusion of non-technological innovation)
- Tendency to make this definition even broader ('social innovation' and so on)
- Pressure on companies or units (from the different sides) to demonstrate 'innovativeness' to obtain any kind of support or promotion.



Problems with identification of innovation in public sector in Ukraine

- ‘Blurred’ borders between the state and private sector, especially in R&D
- Dominance of ‘traditional’ classification of innovation and R&D activities
- Incomplete and incorrect data in new formats
- Lack of comparative data to identify intensity of innovation activity in public sector



Specific features of innovation in public sector

- Dominance of ‘top-down’ direction of initiatives, related to innovation
- Importance of non-commercial considerations in decision-making process
- Problems with conceptualization of innovation, related to their degree of novelty (‘new to the market’). Instead : ‘first to develop’,

'Soviet heritage'

- Practice of military-industrial complex: innovations, which are based not on commercial considerations
- Number of persons with diploma in technical sciences in different sectors

Financing of innovation from the state and local budgets 2000-2011, %of the total financing of innovation

year	2000	2005	2010	2011
%	2.4	0.8	1.2	1.1




Data from innovation survey 2010

- 3.4 -6% of state organizations (universities, research institutes and so on) were mentioned as partners in innovation activities, depending on the sector of the national economy.
- No division between public and private sectors


Data on 'high technologies' introduction in Ukrainian economy, 2011

Sector	Number of created high technologies	Number of used high technologies
State governance	-	2
Education	145	943
Health care	-	5
Sport and culture	-	1



Possible solutions for identification of innovation in public sector

- Strict approach to identification of public and private sectors in assessment of innovation activities (using KVED classification)
- Introduction of special surveys and two-stage interviews for respondents in public sector (the first stage has to help to clarify definitions and to provide some guidelines for answering further questions)
- Changes in standards of book-keeping, aimed at identification of innovation expenditures



Possible solutions for identification of innovation in public sector

- As innovations in public sector are not always straightforward, multi-tiered approach has to be used for collecting information on innovation in this sector and producing indicators
- Special attention has to be paid to the service sector and especially to the services, which are provided by the public institutions



Possible measures for promotion of innovation in public sector

- Direct state grants to public institutions
- Organization of public-private partnership
- Organizational and legal support of individuals, who are innovating in public sector
- Creation of special educational programmes



**Thank you for your
attention**