



# Capacity building for IPP: Lithuanian case

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# Innovations in public institutions

## Theory:

- Studies shows that huge part of public sector innovations are directed to internal processes, but not to the creation of new services to the public;
- Usually new ideas comes from inside of the institution but not from the open collaboration with citizens, business or other external stakeholders;
- Usually innovation in public sector depends on individual effort.

# Innovations in public institutions

## Limitations of innovation in public sector:

- Lack of internal communication;
- Institutions goals are to improve existing processes;
- Innovative measures are applied on a small scale;
- “80/20” rule;
- Lack of internal processes;
- Complicated procurement process.

# Innovations in public institutions

## Required attributes of innovation adoption in institution:

- Support from high level management (Innovation policy);
- Process of innovation;
- Encouragement system;
- Physical location.

# Innovations at the BoL

- Innovation policy confirmed by the Board of Bank of Lithuania;
- Innovations Committee has been established;
- Active collaboration with other public institutions and businesses;
- Innovative procurements.

# Hackathon

- A hackathon is a design sprint-like event in which computer programmers and others involved in software development including domain experts, collaborate intensively on software projects;
- The goal of a hackathon is to create usable software or hardware with the goal of creating a functioning product by the end of the event;
- Hackathons tend to have a specific focus, which can include the programming language, the operating system and etc., or the subject.

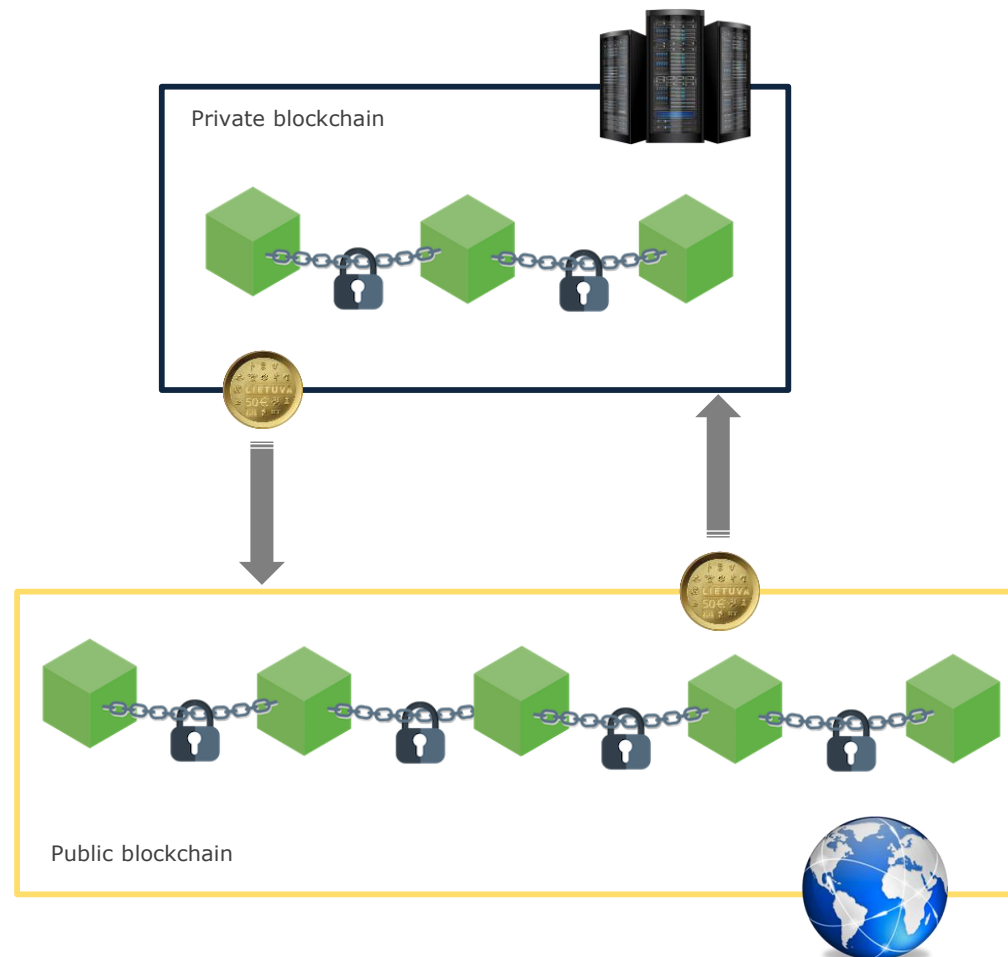
# Hackathon for public institution

- Project contest;
- Project contest should be applied when procuring body needs to select the best proposed idea (plan, project);
- Procuring body can award (with prizes or otherwise) the winners of the project contest;
- The submitted projects must be evaluated by the commission on the basis of evaluation criteria which do not necessarily have to be based on the lowest cost or economic value.



# LBCoin hackathon

- Limited number of unique and not scalable coins;
- Linked to a physical coin;
- Gamification to collect signatories to receive physical coin;



# GovTech Lab

- GovTech Lab Lithuania is an in-house government GovTech center of excellence;
- Goals:
  - To solve public sector challenges using new technologies;
  - To promote greater involvement of SMEs and startups in the public sector product creation.
- Functions:
  - Research;
  - Education & Communication;
  - Challenge Series.
- Process of Challenge Series:
  - Identification of public sector challenges;
  - Open call for proposals;
  - Incubator to develop ideas into products.

# Challenge series in detail



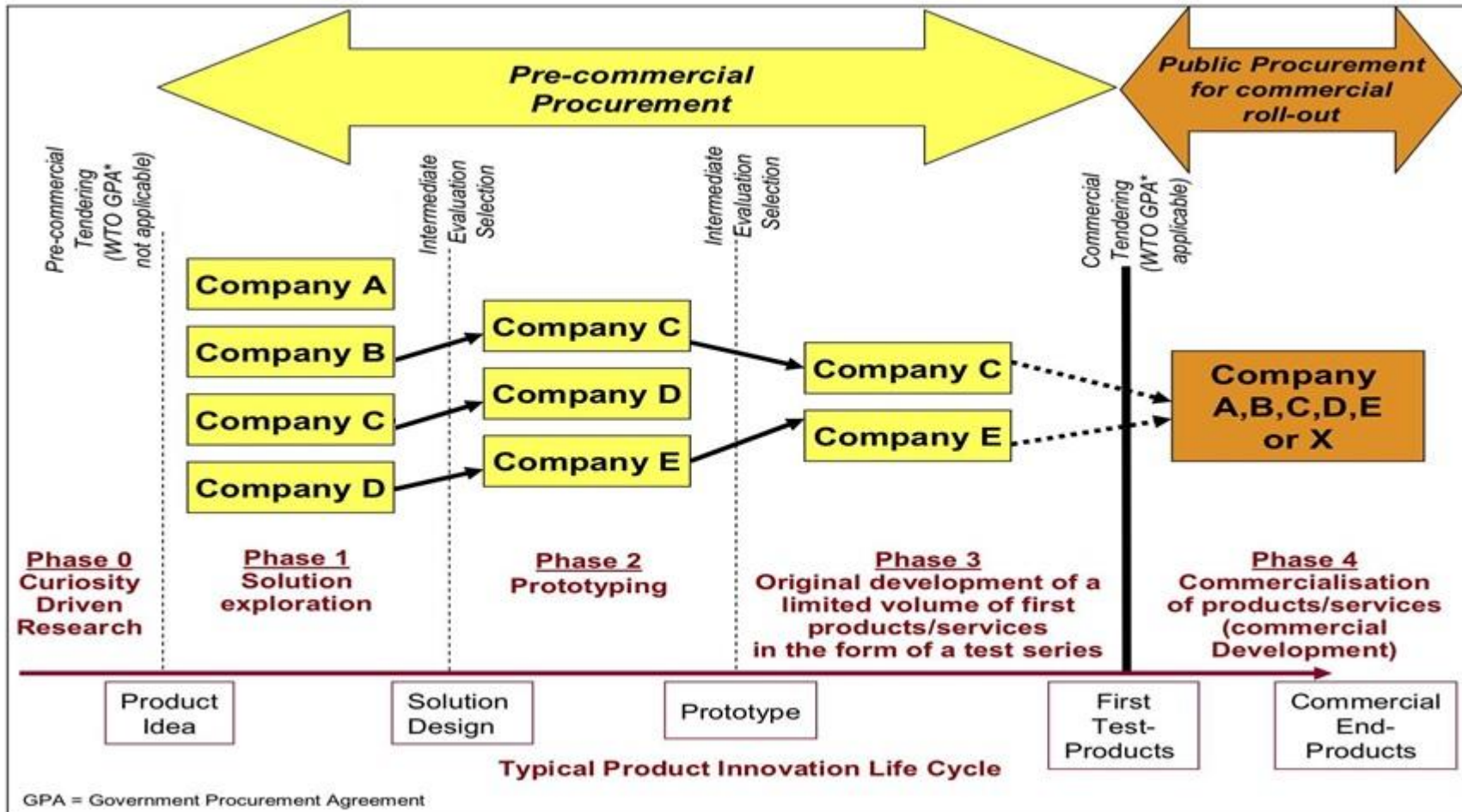
# What is PCP

- PCP challenges industry from the demand side to develop innovative solutions for public sector needs;
- PCP provides a first customer reference that enables companies to create competitive advantage on the market;
- PCP enables public procurers to compare alternative potential solution approaches;
- PCP is an approach to public procurement of research and development (R&D) services.

# How does PCP works

- Competitive development in phases;
- Risk – benefit sharing under market conditions;
- Separation from the deployment of commercial volumes of end products

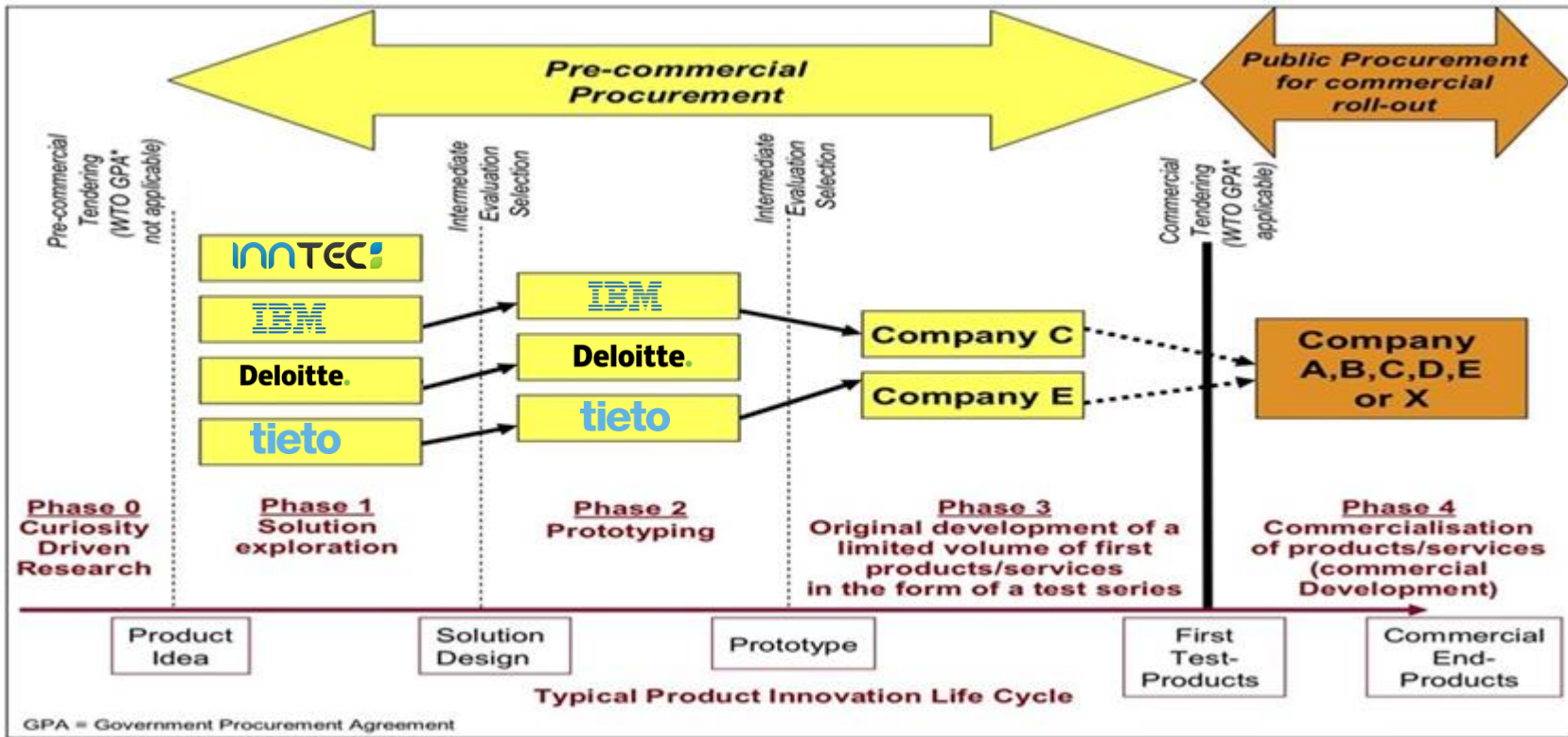
# PCP lifecycle



# LBChain PCP

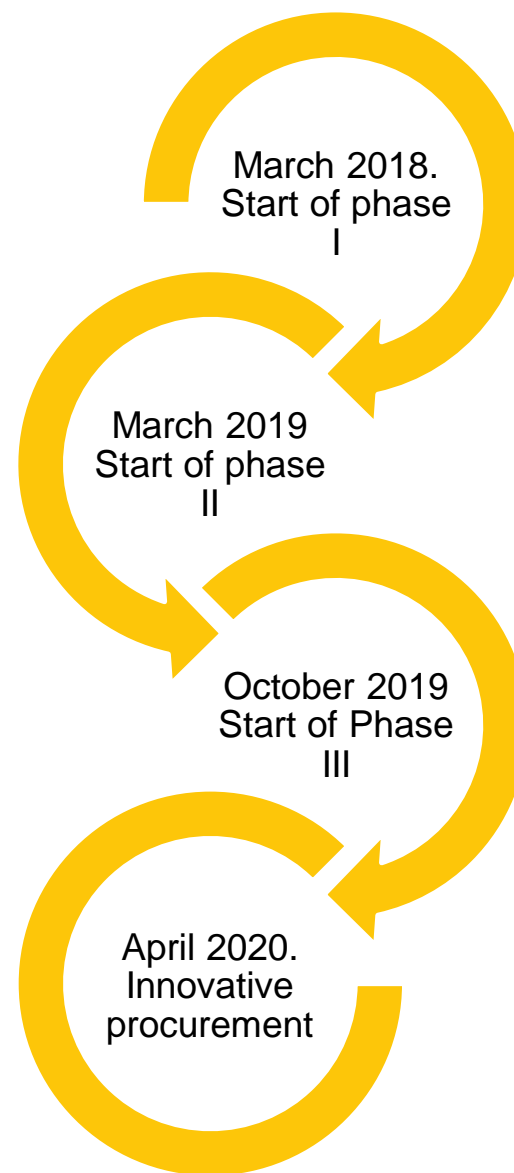
- Blockchain sandbox;
- Regulatory and technology support/consultations;
- Relevant to fintechs, startups, financial and IT companies;
- Goals:
  - Accelerate the development and application of blockchain based solutions in the financial sector;
  - Improve the quality of regulation in the financial sector.

# LBCChain PCP





# LBCChain timeline





**iBuy**  
Interreg Europe



European Union  
European Regional  
Development Fund

Thank you!

Questions welcome



*Project smedia*