

Three pillar funding model

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In 2015 a three pillar funding model was introduced in Latvia to stimulate research and innovation in the public research institutions.

The three pillars are:

Base funding - institutional funding to ensure the development of studies and basic research);

Performance-based funding that is allocated based on study outcomes and research results;

Innovation funding - development-oriented financing that promotes the specialisation of institutions and their profile development.

Three pillar funding model

	pillar 1: basic funding	pillar 2: performance – oriented funding	pillar 3: innovation – oriented funding
teaching	<ul style="list-style-type: none"> • numbers of study places (per field) • cost oriented weight 	<ul style="list-style-type: none"> • Alignment of HE and R & D • Rewards past performance 	profile-oriented target agreements teaching + research + third mission funding of centers of excellence
research	<ul style="list-style-type: none"> • numbers of research staff (per field) • cost-oriented weight 	<ul style="list-style-type: none"> • Research staff FTE (MAs, PhDs) • Industry funded research; • International research. 	

Base research funding

Base research funding is a state budget funding provided for the public research institutions. The Ministry of Education and Science grants this funding according to the [specified procedure](#).

Research institutions use base research funding for:

the remuneration of scientific personnel;

administrative and operating expenses;

achieving the goals stated in the scientific institution's strategy, including patenting inventions, maintaining existing patents, registering new plant varieties and protecting their usage rights, and preparing them for commercialization;

co-financing EU Structural Fund and other internationally funded research projects.

In order to receive the basic research funding, research institutions must submit an annual report to the Ministry of Education and Science and the relevant sectoral ministry before the end of the financing period (1st of April) according to the [specified guidelines](#). Research institutions that receive basic research funding must undergo International Assessment of their performance

every six years.

<https://www.izm.gov.lv/en/three-pillar-funding-model>