



The Regional Dimension of Innovation

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Flattening Europe:

We need to close the Research and Innovation Divide

This will be done using mainly the Structural Funds and additional measures through Horizon 2020. Building Synergies between the 2 policies becomes necessary



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- *For a smarter, greener and more inclusive Europe by 2020, Research and Innovation have been put on top of the political agenda*
- *Clever tools could let us not only advance but also maintain leadership in the future: Smart Specialisation will be the major driver for our future efforts at national and regional level.*
- *Efforts to underpin a major overhaul of research and innovation systems in Europe will not only be channelled through the Union's Research and Innovation Framework Programmes but also through the Union's Structural Funds that will enter a new era in 2014.*
- *Structural Funds can indeed behave as significant "flattening" tools, contributing to eliminating disparities and opening up a whole new world of opportunities to Europe's less developed regions.*



What Europe will do for closing the innovation divide ?

- *Mobilise Cohesion policy to build a Stairway to Excellence*
- *Work through Horizon 2020*
- *Deploy significant synergies between Horizon 2020 and Cohesion policy*



Cohesion policy (2014-20) will focus more on research and innovation:

- Support to applied research and innovation for the purpose of regional socio-economic development
- Capacity building for innovation and growth through the promotion of innovation friendly business environments
- New regulatory provisions for thematic concentration (R&I part of the minimum 80% concentration for ERDF funds in more developed regions - 50% in less developed regions)
- strategies for Smart Specialisation (RIS3) should be elaborated keeping in mind Horizon 2020 priorities and the shaping of a European Research Area (ERA).
- The Smart Specialisation Platform established by the Commission (in the Joint Research Centre in Seville) offers analytical and hands-on support to the development of these strategies, policy learning at regional level through international evaluation by peers and best practice sharing
- Ex-ante Conditionality

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EU R&D and Innovation Policy – future Horizon 2020

European Commission

EU Cohesion Policy

Differences

Based largely on **individual R&D and innovation Projects** of a pre-competitive nature aiming at advancing knowledge and fostering innovation for growth and jobs, including but not exclusively frontier **research (also co-funding national and regional programmes)**

Based on **multiannual Programmes** aiming to reduce regional disparities, including through **close to the market competitive R&D and innovation efforts**

Awarded **directly to final beneficiaries** (firms, public and private R&D centres and Universities, including national and regional governments in certain cases – Art. 185, ERA-NET etc.)

Awarded **through shared management** exclusively to national and regional **public intermediaries**

Through transnational competitive calls addressed to international groupings through peer review **based on excellence** criteria

Non competitive attribution addressed to regional players **based on strategic planning** negotiation (however competitive calls possible and rising at national or regional level)

Synergies and Complementarities

Horizon 2020 will focus on tackling major societal challenges, maximising the competitiveness impact of **research and innovation** (Industrial leadership) and raising and spreading levels of **excellence** in the research base

Cohesion policy will focus on galvanising **smart specialisation** that will act as a **capacity building** instrument, based on learning mechanisms and the creation of critical skills in regions and Member States.

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What we mean by Synergies

- *We will achieve increased synergies between Horizon 2020 and the Structural Funds if we could identify after a few years of parallel operation, concrete results on the ground in the supported Member States and regions, such as:*
 - **Increased** investments in research infrastructures of all kinds, including those of the ESFRI List
 - **Increased** support to innovation, especially with regard to high growth companies and to small innovative ones
 - **Increased** research and innovation activities in a few priority thematic areas that would have been freely selected by the MS and regions, in an overall context of innovation strategies for Smart Specialisation.
 - **All this will be systematically planned and monitored through performance indicators**



The Synergies Matrix

	STRUCTURAL FUNDS THEMATIC OBJECTIVE NO 1 ON STRENGTHENING RESEARCH, TECHNOLOGICAL DEVELOPMENT AND INNOVATION	
HORIZON 2020 TOP DOWN RESEARCH AND INNOVATION PRIORITIES	THEMATIC CONCENTRATION FOR MOST ADVANCED AND TRANSITION REGIONS FOR ALLOCATING 80% OF THE ERDF MONEY FOR 4 OBJECTIVES: R&I, ICT, SME COMPETITIVENESS AND LOW CARBON ECONOMY	THEMATIC CONCENTRATION FOR LESS ADVANCED REGIONS FOR ALLOCATING 50% OF THE ERDF MONEY FOR 4 OBJECTIVES: R&I, ICT, SME COMPETITIVENESS AND LOW CARBON ECONOMY
EXCELLENCE	SMART SPECIALISATION EX-ANTE CONDITIONALITY CONSISTING OF 3 COMPONENTS:	
INDUSTRIAL LEADERSHIP	THE EXISTENCE OF A WELL FUNCTIONING RESEARCH AND INNOVATION SYSTEM IN COMPLIANCE WITH THE NATIONAL REFORM PROGRAMME	
SOCIETAL CHALLENGES	A SMART SPECIALISATION STRATEGY	
	A CLEAR STRATEGY ON ESFRI INFRASTRUCTURES AT NATIONAL LEVEL	



Synergies on the ground: coordinating the implementing Rules between H2020 and the SF

- Facilitating linkages and concerted efforts
- **Harmonisation of cost eligibility rules between Horizon 2020 and CP** (Lump sums, flat rates and unit costs possible under both for funding direct and indirect costs without providing documents proving real expenses, harmonisation of VAT rules)
- **Possibility to combine Horizon 2020 funding AND ADDITIONAL FUNDING FROM THE STRUCTURAL FUNDS** in the same project but for different expenditure items, (Art. 55(8) of proposed Gen.Reg.)



Synergies on the ground: coordinating the implementing Rules between H2020 and the SF

- ❑ **Possibility for a region to invest in other EU regions from a mainstream Operational Programme**, i.e. up to 10% of an OP budget (for EAFRD 3%) if the measure is for the benefit of the OP territory / important for cross-border research infrastructures (incl. ESFRI Roadmap) or cluster or value chain networking investments (Art. 60(2))
- ❑ **Enhanced territorial cooperation CP budget share** (3.1% of total ERDF of which almost 6% for inter-regional cooperation) allows to build trans-national linkages between regional innovation actors, **building on legacy FP7 Regions of Knowledge and Research Potential measures** or CIP cluster cooperation or networking of procurers or innovation agencies, and allowing to include less advanced regions in a targeted manner.



Twining and Teaming research institutions

- *Linking emerging institutions, centres of excellence and innovative regions in less developed Member States to international leading counterparts elsewhere in Europe:*
 - measures include teaming of excellent research institutions and innovative regions, staff exchanges, expert advice and assistance and the development of joint strategies for the establishment of centres of excellence that may be supported by the Cohesion policy funds in less developed regions.
 - ***Building links with innovative clusters and recognising excellence in less developed regions, including through peer reviews and awarding labels of excellence to those institutions that meet international standards, will be considered.***



ERA Chairs

- Establishing 'ERA Chairs' to attract outstanding academics to institutions with a clear potential for research excellence, in order to help these institutions fully unlock this potential and hereby create a level playing field for research and innovation in the European Research Area.
 - *This will include institutional support for creating a competitive research environment and the framework conditions necessary for attracting, retaining and developing top research talent within these institutions.*



Stimulating **cross-border** science networks

- **COST, a bottom-up, open networking mechanism, encourages international exchanges and co-operation of researchers within Europe and beyond. Joint activities such as conferences, short-term scientific exchanges and publications are supported.**
- **Within Horizon 2020, COST should further bring together "pockets of excellence" and play a mobilising role not only for the less participating countries but also for the enlargement countries and the European neighbourhood policy countries.**
- **COST could make a significant contribution to the development of a 'staircase to excellence' for research organisations across Europe.**

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Facilitating the formulation of research and innovation **policies** in the Member States

- **creation of a dedicated **Policy Support Facility (PSF)** aiming to offer expert advice to public authorities at national or regional level on ways to design, implement or evaluate research and innovation policies**
- **PSF will build on experience gained since 2005 on policy mutual learning activities in the context of ERAC, and the "PRO-INNO Europe – INNO Partnering Forum" established by the Competitiveness and Innovation Framework programme, in particular through peer reviews of national innovation systems and innovation support instruments**
- **intended to cover the needs of public authorities to access the relevant body of knowledge for evidence-based policy making in research and innovation support or to benefit from the insight of international experts who can benchmark policies across countries and regions.**

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Measures to improve information, communication and support

- Improving information networks on European research and innovation would greatly facilitate further participation in the Framework Programme.
- Improving information on the Framework Programme needs, will aim to significantly improve and monitor NCP performance in qualitative and quantitative terms, including training efforts and enhanced access to electronic information.
- To facilitate the exchange between Research and Innovation National Contact Points (NCP), the central RTD Commission services and Structural Funds' Managing Authorities in the Member States, the Commission envisages to set up a web-based, pan-European information system to host geographic information on FP / Horizon 2020 funded projects as well as geographic information on research and innovation related projects funded in the context of the Structural Funds

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Cohesion Policy Architecture – main Funds

- ERDF: European Regional Development Fund
- ESF: European Social Fund
- Cohesion Fund

Smaller Funds:

- European Globalisation Adjustment Fund
- European Union Programme for Social Change and Innovation
- European Territorial Cooperation
- European Grouping of Territorial Cooperation

(in total 376 billion Euros proposed)

2014-2020		
Goals	Category of regions	Funds
Investment in Growth and Jobs	Less developed regions	ERDF ESF
	Transition regions	
	More developed regions	ERDF ESF
European Territorial Cooperation		Cohesion Fund ERDF

EC DG RTD.C.5

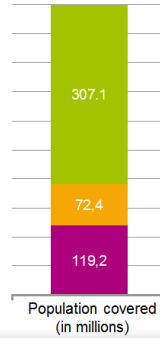
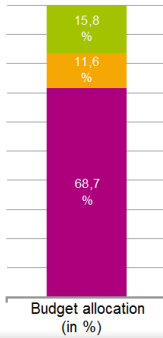
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How will funding be allocated?

■ Less developed regions/MS ■ Transition regions ■ More developed regions

Cohesion Fund*	68.7
Less developed regions	162.6
Transition regions	38.9
More developed regions	53.1
European Territorial Cooperation	11.7
Outermost regions and sparsely populated areas	0.9
Total	336.0

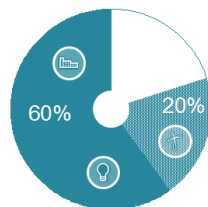


*€10 billion from the Cohesion Fund will be allocated to the Connecting Europe Facility

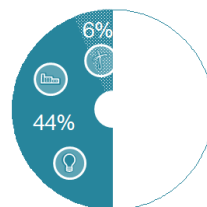
Concentrating resources to maximise impact

Concentration of ERDF investments

⚡ Energy efficiency & renewable energy 💡 Research & innovation 🏢 Competitiveness of SMEs



More developed & transitional regions



Less developed regions

Flexibility – different regions have different needs
Special arrangements for ex-convergence regions



Implications for future Horizon 2020 / SF stakeholders

- ❑ **Policy Measures for Research and Innovation have TO BE INSERTED TIMELY** in the Structural Funds Partnership Agreements and Operational Programmes of the Member States
- ❑ **For the Structural Funds, stakeholders will ALWAYS DEAL WITH THE NATIONAL AND REGIONAL AUTHORITIES, NOT WITH THE COMMISSION** and this means need for better anticipation and planning



WHAT YOU NEED TO KNOW AND WHY

- | | |
|--|--|
| FIND OUT WHO IS THE MANAGING AUTHORITY FOR STRUCTURAL FUNDS IN YOUR COUNTRY / REGION | They are responsible for managing the money of the SF and know the eligibility rules etc... |
| FIND OUT WHO IS RESPONSIBLE FOR PREPARING THE OPERATIONAL PROGRAMMES AND SF PARTNERSHIP AGREEMENTS IN YOUR COUNTRY / REGION | They are the ones identifying the content of the SF programmes for the next period 2014 - 2020 |
| HOW IS YOUR SCIENCE / RESEARCH MINISTRY INVOLVED IN THAT PROCESS? | They may have a role to play in that context e.g. for strategies regarding RI, universities etc. |
| IS THERE A NATIONAL ROADMAP FOR INFRASTRUCTURES AND ARE YOU ON THAT LIST (OR CAN YOU GET ON IT)? | Research infrastructures are often co-financed by SF, being on that list gives a kind of priority status |
| HAS YOUR COUNTRY/REGION STARTED A SMART SPECIALISATION STRATEGY? POTENTIAL THAT YOUR AREA OF RESEARCH IN A BROAD SENSE IS A PRIORITY? | Smart specialisation strategies will be a pre-condition for SF funding. How could you fit in there? |
| ARE THERE CONCRETE LINKS ALREADY TO ACTIVITIES THAT MAY GET CO-FUNDED FROM HORIZON 2020? | JPI, Art. 185, ETP, KIC involvement important in the context of combined funding and strategic planning |



TAKE ACTION

- GET IN TOUCH WITH THE RELEVANT PEOPLE
- PROMOTE THAT WHEN THE OPERATIONAL PROGRAMMES ARE BEING DEVELOPED THEY DO CONTAIN SUFFICIENTLY THE BROAD LINES OF FUNDING YOU COULD FIT IN RESEARCH AND INNOVATION / RESEARCH INFRASTRUCTURES / OR ANY OTHER DEGREE OF DETAIL POSSIBLE
- LOOK WHERE YOUR ACTIVITIES FIT IN - training under the ESF; research and any infrastructures, under the ERDF.

YOU NEED TO EXPLAIN WHY FUNDING YOUR PROJECT / INFRASTRUCTURE ETC. IS NOT ONLY VALUABLE FROM A SCIENTIFIC POINT OF VIEW BUT HOW IT HELPS THE GOALS OF THE STRUCTURAL FUNDS: CREATION OF JOBS, ECONOMIC AND REGIONAL DEVELOPMENT, CAPACITY BUILDING, CONTRIBUTION TO GROWTH AND COHESION ETC...



**The main responsibility lies now
with the Member States and
Regions**

*Thanks for your
attention*