

Informal meeting of Ministers responsible for Competitiveness (Research), 25 July, Tallinn

Session 2: Increased coherence and openness of European research and innovation partnerships (an exchange of views)

I OBJECTIVE OF THE MEETING

The upcoming debates on the next EU Framework Programme provide an opportunity for the Ministers responsible for research to voice their views on how we can make the EU research and innovation (R&I) funding programme simpler and more coherent. The three-pillar structure and the challenge-based approach have contributed to the internal coherence of Horizon 2020. However, the results of the Horizon 2020 interim evaluation, including the stakeholder consultation, confirm that the EU R&I funding landscape has become fragmented and overly complex due to the increasing number of partnership instruments and initiatives. The rationalisation of the EU funding landscape is one of the recommendations of the "[Lamy report](#)"¹, stating that the EU funding schemes with similar intervention logic should be combined and a minimum objective should be to eliminate one third of R&I funding schemes, instruments and acronyms across the landscape. Also, the [European Parliament](#) asks for an assessment of the coherence, openness and transparency of all joint initiatives². The Council has called for an assessment of the coherence of joint initiatives in 2015 and 2016³.

As the outcome of the discussion, we would like to receive input from the Ministers on how to rationalise the EU R&I partnership landscape, increase the impact created by the partnerships and ensure transparent process for launching new partnership initiatives and openness to newcomers. Our goal is to have an action-oriented meeting in which we focus on what are the concrete steps needed and the respective roles of Member States, Associated Countries, and the European Commission in moving forward.

II STRUCTURE OF THE DISCUSSION AND QUESTIONS

In the beginning of the session, Dr Jana Kolar, Executive Director of CERIC-ERIC, will speak about the advantages and challenges of the partnering approach drawing on her experience with Joint Programming and the European Institute of Technology and Innovation. Professor Luc Soete from Maastricht University will reflect on the current situation and discuss the possibilities for rationalizing the landscape.

Question 1 (conceptual): Are partnerships the most effective and efficient way to reach the foreseen objectives? What should be the role and added value of partnerships compared to collaborative projects?

Question 2 (implementation): How should partnerships be identified and coordinated to better tackle issues of coherence, transparency during the formation process and openness to newcomers? What should be the distribution of roles between national authorities and the Commission?

¹ The report "LAB – FAB – APP: Investing in the European future we want"

² A8-0209/2017, EP report on implementation of Horizon 2020 and Framework Programme 9

³ Council conclusions 8785/16 and 9351/15

III BACKGROUND

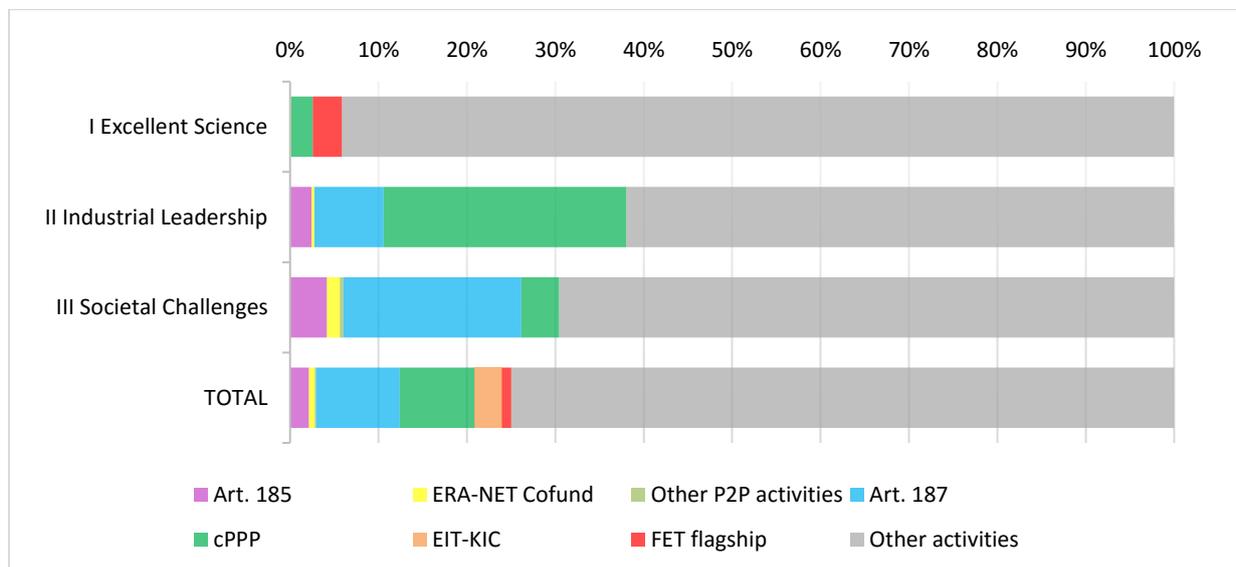
State of Play

Partnership instruments have been developed since the end of FP6. In terms of funding, the partnerships represent about 25% of the total Horizon 2020 budget. This share has been steadily increasing and in some parts of the Horizon 2020 it has reached almost 60%⁴.

The different types of partnership instruments in Horizon 2020 are:

- Public-to-Public Partnerships: 45 active ERA-NET networks, 3 European Joint Programme Cofund Actions, 4 TFEU article 185 initiatives⁵, 10 Joint Programming initiatives (JPI).
- Public-Private-Partnerships: 10 contractual Public-Private Partnerships (cPPP), 7 Joint Technology Initiatives (JTI) based on TFEU article 187.
- Other partnerships: in addition, there are 2 FET Flagships⁶, 6 EIT KICs.

Figure 1. The share of partnership instruments in the Horizon 2020 budget⁷



⁴ E.g. ICT Work Programme and Transport Work Programme

⁵ A fifth initiative, Partnership for Research and Innovation in the Mediterranean Area (PRIMA), will be soon launched.

⁶ With third, the Quantum Technology Flagship, being prepared.

⁷ Other P2P activities include support to JPIs and EJP Cofund

Benefits and impact of partnerships

Current evaluations demonstrate that the biggest additional impact of partnerships originates from the development of joint visions and targets via joint strategic agendas. Other evidence⁸ of added value stemming from evaluations of individual partnering instruments include:

- Reduction of fragmentation and developing critical mass around certain thematic areas.
- Alignment of funding and priorities.
- Leverage of private and public investments. For example, Member States are investing annually close to EUR 700 million in research funded by P2Ps. As regards PPPs, the industry committed EUR 2.14 billion to research projects funded by the seven Joint Undertakings during 2015-2016.
- Strengthening industrial competitiveness, also by supporting SMEs.
- Gaining commitment from all stakeholders to work on long-term and visionary objectives that can lead to novel solutions (FET Flagships).
- Building networks of cooperation, as well as involvement of end-users and successful involvement of third countries as reported in the 2016 evaluation of Joint Programming.

Partnerships can be an effective way to address fragmentation, avoid duplication of efforts, enhance innovation and address societal challenges. However, evidence on the impact of partnerships is inconclusive, as it has not been systematically analysed in the wider context of the EU R&I funding landscape. It is important to gain more evidence on the impact of partnerships in comparison to other Framework Programme modalities, notably the traditional calls for proposals in the work programmes.

Challenges

1. Lack of a strategic and coordinated approach to EU R&I partnerships

Currently, the processes and criteria for selecting new partnerships are instrument specific. There is no single systematic process for identifying, implementing and monitoring partnerships. In the context where the number of new partnerships is increasing, there is a high risk for thematic overlap. As the partnership landscape is complex, Member States and Associated Countries often find it difficult to coordinate policy initiatives across ministries and to gain high-level commitment. Moreover, new initiatives are often launched without a clear exit plan, i.e. how long a partnership is expected to evolve, dissolve, or continue without the EU support once the desired impact has been achieved. Lately, there have been efforts to evaluate the performance of individual partnerships. However, a more systematic framework for monitoring is needed to assess the impact of partnerships, especially their role and suitability in achieving specific policy objectives.

Thus, more strategic process for identifying, implementing and monitoring could be considered for all partnership instruments and initiatives to ensure increased coherence. These processes should be transparent and participatory, allowing inputs from all Member States, Associated Countries, as well as relevant stakeholder groups.

⁸ Based on the interim evaluation of Horizon 2020 and separate evaluations of partnerships, such as FET, EIT, JPIs, ERA-NETs. Please take note that separate evaluations of Horizon 2020 initiatives based on the Article 185 and the Article 187, cPPPs, and the European Institute of Innovation and Technology will be published in autumn 2017.

2. There are too many partnership instruments, many with very similar underlying rationale and purpose

The partnership instruments have been developed over time and each reflect the specific policy priorities and context in which they were designed and launched. However, instead of replacing existing ones, the practice has been to create new partnership instruments in addition to the existing ones. This has resulted in a complex landscape of partnership instruments, many using the same fundamental modalities: establishing a joint long-term strategic agenda and preparation of joint calls. While differences between instruments are clear in the formal sense (e.g. practical set-up, governance model, financial commitment), it is less so in terms of practical impact. It is not clear whether a stronger legal framework and earmarked EU funding can be justified by higher added value (which might be expected from the JTIs compared to cPPPs or Art. 185 compared to ERA-NETs). Similarly, as the operational modalities still mostly rely on the traditional calls for projects, there is limited evidence whether the move from open calls launched under the annual work programmes to partnerships results in significantly higher impact.

There seems to be real potential for merging some of the partnership instruments with similar objectives to rationalise the landscape. Stronger legal framework can be justified in cases where partnerships engage in ambitious joint activities, which require radically new or large-scale innovation platforms. Establishing these new platforms requires a much wider set of modalities than are currently used by partnerships (e.g. smart standards, user-engagement, etc.).

3. There is a need to capture the full potential of European R&D and innovation capacity and prevent partnerships from becoming “closed clubs”.

While some partnerships are more transparent in terms of how initiatives are chosen or the participation of new partners encouraged, it is not always the case. The access and awareness of R&I actors is sometimes limited during the design phase due to high administrative burden, lack of connections or knowledge of the preparation process. According to the “Lamy report”, complex landscape “risks increasing transaction costs and diluting excellence by favouring a “competition among those in the know”, excluding those who may be excellent but unfamiliar with the system”. This may lead to serious lock-ins in the European R&I landscape, and in the longer term may hinder the renewal of European R&I. Only an open system can create the best conditions for excellence that is the basic principle of the Framework Programmes.

Considering the increased role of partnerships in the European R&I landscape, they should capture the full European potential. Access to the preparation of the joint strategic agenda is a starting point, which should invite all relevant actors throughout Europe. Early access to the discussions allows identification of common challenges and needs.