

LERU Policy Brief

4 December 2017

LERU comments on the Competitiveness Council conclusions “From the Interim Evaluation of Horizon 2020 towards the ninth Framework Programme”

As mentioned in the LERU press release “The elephants in the FP9 room: Budget & Brexit”, LERU welcomes the conclusions of the Competitiveness Council on FP9 that were adopted on 1 December 2017. We agree with many of the points made or issues raised in the conclusions. However, it is not always clear what the Council means due to a lack of detail. This policy brief provides an overview of those points in the Council conclusions that LERU considers to be important, and of those that need clarification or amending in future Council positions on FP9.

ERA

LERU is pleased with the Council’s emphasis on “the importance of **continued joint efforts by Member States and the Commission for further developing and strengthening the European Research Area (ERA)**”. In recent years, the Commission seems to have lost its appetite to work towards the realisation of ERA, dedicating its efforts to specific aspects of ERA such as Open Science. LERU agrees with the Council that it is important that a further development and strengthening of the ERA should (continue to) be high on the Commission’s agenda.

Notwithstanding the above, LERU is **a keen supporter of Open Science** and agrees with the Council on the crucial role Open Science should play in boosting impact and transparency of research and innovation (R&I), and in bringing science and society closer together.

We also very much welcome the call by the Council for **stronger links and coherence between ERA and the European Higher Education Area**. In the LERU FP9 paper¹ we have proposed that synergies between the successor of Erasmus + and the FP should be established, supporting the goal of both programmes by, for example, engaging students in FP9 projects.

R&I friendly framework conditions and better regulatory environment

The Competitiveness Council rightly stresses in its conclusions the **importance of creating more R&I friendly framework conditions and a better regulatory environment**. It is an illusion to think that the European Research Area will ever be achieved without the right regulatory and framework conditions to enable it.

The ‘innovation principle’ as supported by the Council in May 2016 is a first step in the right direction, although, as LERU emphasised then², a research and innovation principle is needed. Every new or reviewed

¹ http://www.leru.org/files/publications/Beyond_the_horizon_LERUs_views_on_FP9_final.pdf

² LERU Press release, 2016-05-27 ‘The Dutch Presidency rises to the occasion: 15 Council conclusions that will set the way forward for R&I in the European Union’
http://www.leru.org/files/general/2016_05_27_The_Dutch_EU_Presidency_rises_to_the_occasion_LERU%20PRESS%20RELEASE.pdf

piece of EU legislation should be R&I friendly, and European harmonisation (e.g. on social security, taxation, intellectual property and bankruptcy) should be achieved to further stimulate the circulation of talent for even more and better research and innovation.

Excellence, impact and mission-focused approach

Despite the emphasis on a mission-oriented, impact-focused approach, LERU is pleased with the Council's explicit support for **excellence as the main evaluation criterion in FP9**. The very best proposals are likely to lead to projects with a high impact. To achieve impact, it is not necessary to focus on it in proposal stage. The impressive figures of the impact of ERC grants³ clearly support this statement.

LERU shares the Council's concern regarding the current **difficult linkages between the Horizon 2020 pillars**. In our FP9 paper, we have proposed to bring all collaborative research and innovation funding together in one programme in FP9, to avoid silo formation currently existing between pillars II and III of Horizon 2020. We also agree with the Council that a better transfer of outputs into innovative processes, products and services should be enabled by FP9. LERU has already proposed, in its Interim Evaluation of H2020 paper⁴, the development of follow-up funding for collaborative projects in FP9, similar to the ERC proof of concept scheme.

LERU strongly agrees with the Council that it is important to engage the **social sciences and humanities** in a strategic, interdisciplinary, mission-oriented approach. The biggest challenges the world is facing, translated in the UN Sustainable Development Goals, cannot be properly addressed without a considerable engagement of researchers and expertise from social sciences and humanities. This should be reflected in the missions and challenges in FP9.

We join the Council in looking forward to finding out more about the Commission's plans regarding **impact** in FP9. LERU is developing its views on how this could be addressed and will be sharing these with the Commission, EP and Council representatives early next year. LERU calls on the European Commission to come up, in the first place, with a definition of "impact" that will serve as a basis for taking discussions forward.

The European Institute of Innovation and Technology

The European Institute of Innovation and Technology (EIT) and its Knowledge and Innovation Communities (KICs) have an important role in supporting the knowledge triangle as recognised by the Council in its conclusions. The **EIT plays, and should continue to play, an important role in the European innovation landscape**. LERU agrees with the Council that the EIT KICs should develop strategies for financial sustainability but reiterates that full financial autonomy is presently not achievable nor desirable. More information on LERU's position on the EIT can be read in our response to the EIT Interim Evaluation⁵.

A possible future European Innovation Council?

LERU is pleased to see that a possible future European Innovation Council (EIC) has been placed under the subheading "rationalisation of the R&I funding landscape". As LERU expressed in its FP9 paper and its response to the call for ideas on a European Innovation Council⁶, EU investment in innovation is strong but complex and confusing. A systemic approach to innovation is required. If created after the pilot phase, an EIC should limit its role to that of an advisor, a catalyst and a coordinator. **LERU however believes that a reshaped EIT could certainly also serve this threefold purpose**. The major reform of optimisation and simplification should focus on the existing programmes and instruments, not on creating new layers,

³ <https://erc.europa.eu/sites/default/files/document/file/2017-qualitative-evaluation-projects.pdf>

⁴ http://www.leru.org/files/publications/LERUs_interim_evaluation_of_Horizon_2020_final.pdf

⁵ <http://www.leru.org/files/general/LERU%C2%B4s%20response%20on%20the%20EIT.pdf>

⁶ http://www.leru.org/files/publications/LERUs_view_on_a_European_Innovation_Council_FINAL_RESPONSE.pdf

institutions or entities. As already indicated previously, a further realisation of the single market (tax, intellectual property, bankruptcy,...) is key for the creation of a better environment for innovation in Europe.

LERU supports the Council's views that a possible future EIC "should bring added value and strengthen the innovation ecosystem" and "enhance the uptake of R&I results, support breakthrough innovations and the scaling up of innovative companies and contribute to the streamlining of the innovation support landscape". However, LERU rejects the Council's position that a possible future EIC should be "one important element of the EU's measures to support closer-to-market innovations". **If created (and again, this could also be done by a reshaped EIT), an EIC should have a role in supporting the whole innovation chain and support to blue sky research should not be neglected.** In a similar vein, the (presently disappointing) High Level Group of Innovators to advise the European Commission on the **EIC, should include university representatives.** The role of universities and of blue sky research in the European innovation ecosystem cannot be downplayed. This was demonstrated (again) clearly in the just published study on the economic impact of the LERU Universities on the European economy⁷.

Partnerships

LERU strongly supports the call of the Council on the Commission and Member States to jointly consider ways to **rationalise the EU R&I partnership landscape.** Downsizing and restructuring is indeed urgently needed. Beneficiaries cannot "see the wood for the trees anymore" and Member States have probably the same problem. Although we are pleased to see Member States willing to address this problem, LERU emphasises that not only Public-Public, but also **Public-Private Partnerships** should be reconsidered and structured differently in FP9. Therefore, a long-term strategic coordination process for R&I partnerships jointly established by the Member States and the Commission is not the right way forward. It would be better to **develop a coordination process in which all relevant stakeholders are engaged:** Commission, Member States but also universities, research institutes, industry and SMEs.

In the LERU FP9 paper, we emphasise the importance of integrating the Partnerships (both Public-Public as Public-Private) in the FP instead of spinning them out in separate entities. The integration in the FP should lead to **streamlining of rules, calls and stimulate accessibility by all.**

We warn, however, against a FP in which match funding by public or private partners would become the rule rather than the exception for collaborative projects. Next to calls aiming at developing partnerships, there should be calls on the same topic for 'normal' collaborative R&I projects.

Widening

LERU strongly agrees with the ministers that the Commission should promote diversity in evaluation panels, promote brain circulation (and not brain drain) and facilitate openness of R&I networks. The LERU FP9 paper contains many examples of how we believe this could be achieved. We are however not in favour of introducing **blind evaluations.** Experience with this type of evaluations shows that the proposals will either be 1) so anonymised that it is difficult to assess if the relevant expertise is present in the consortium; 2) not anonymised enough and therefore easy to tell who the partners in the consortium are. Evaluators, being experts in their field and knowing their colleagues well, will very often recognise the leading partners in the consortium anyway.

As mentioned in the press release to which this policy brief is added, LERU is not in favour of increasing funding for specific, separate Spreading Excellence and Widening Participation activities in FP9. We believe **a shift of focus from separate streams to stimulating participation in 'regular' collaborative projects** will have a bigger impact in the longer run. Stimulating this participation should be done through synergies with the Structural Funds. One proposal in the LERU paper is to introduce an optional return phase for intra-European Marie Skłodowska Curie Actions fellowships: researchers could return for (at least) one year to their home country after their standard fellowship has ended. It should be possible to pay for this extra year

⁷ http://www.leru.org/files/publications/The_economic_contribution_of_the_LERU_universities_in_2016.pdf

with Structural Funding. This is just one of the examples LERU has proposed for targeted SEWP actions in FP9.

To make this type of synergies realistic, the Council rightfully denounces the different, non-complementary, intervention logics and the complexity of various funding and other regulations such as **state aid rules**. The Council especially asks the Commission to review EU legislation on R&D&I state aid rules. LERU has requested similar actions in its FP9 paper and hopes the Commission will take up the challenge soon.

International Cooperation

The Council emphasises the importance of **reciprocity** for international partners' (third countries) participation in FP9. LERU has also underlined the importance of reciprocity in its FP9 paper, but foresees an exception in cases of specific, strategic relevance.

The Council does not touch upon **Brexit** (see press release) neither do they mention the important and much needed revision of **rules for association to the FP**. As recently emphasised by Commissioner Moedas⁸ and as mentioned by LERU on many occasions such as in its FP9 paper, the possible association of the UK (or other bigger countries such as Canada) to the FP will require a different type of association than what is now foreseen for Horizon 2020. LERU calls on the Commission not to wait with developing these new rules for association and calls upon the Member States and European Parliament to support a new type of association. Keeping the UK in the FP will be beneficial for the quality and strength of the FP and for European research in general.

Implementation

As mentioned in the press release, LERU wonders what the Council has in mind when calling on the Commission and Member States to jointly establish, very early, a strategic programming process as part of the implementation of FP9. We would expect at least the European Parliament to be involved in such a process, and preferably also stakeholder representatives. **To get the implementation of the FP right from the very beginning, it is crucially important that the Commission consults experts from experienced beneficiaries** from different sectors. They are the ones that can give immediate feedback on proper implementation.

LERU certainly supports the call of the Council to continue grants as the main form of funding in the FP. We also welcome the request for preserving the current balance between collaborative projects and mono-beneficiary activities. It is important that the Council stresses the importance of projects in all different stages of R&I development. It is however disappointing that it uses the contested TRL scales to make this point. **LERU advocates for a move away from the linear thinking about the research and innovation process ('embodied' by the TRL model).**

LERU is especially pleased to see the Council calling for a **broader acceptance of beneficiaries' usual accounting practices**. The Commission indeed already realised simplification in many different areas of the FP, but as recognised by Commissioner Moedas on many occasions, simplification requires constant attention and effort.

Programme Committees

LERU recognises the importance of Programme Committees in FP9. However, we see a very different role for them in the future, with **a focus on controlling rather than on amending**, e.g. the process of topic or mission selection. More details, also on this point, can be found in the LERU FP9 paper.

⁸ <http://www.researchresearch.com/news/article/?articleId=1371785>