

Report on the implementation of the synergies of research and innovation earmarked funds in Regulation (EC) No 1080/2006 concerning the European Fund of Regional Development and the Seventh Framework Programme for Research and Development in cities and regions as well as in the Member States and the Union

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The European Parliament adopted by 559 votes to 18, with 36 abstentions, a resolution on the implementation of the synergies of research and innovation earmarked Funds in Regulation (EC) No 1080 /2006 concerning the European Fund of Regional Development and the Seventh Framework Programme for Research and Development in cities and regions as well as in the Member States and the Union.

Members recall that European support for research and innovation is primarily provided through research, innovation and cohesion policy, the main instruments of these being the Structural Funds, the Seventh Framework Programme for Research (FP7) and the Competitiveness and Innovation Framework Programme (CIP). They note that the complexity of today's challenges calls for an integrated mix of these policies and that the knowledge society requires, more than just an aggregation of the activities of the different sectors, a **synergy between agents and instruments**, which is vital so that they reinforce each other and support the sustainable implementation of research and innovation projects, delivering a better valorisation of research outcomes in the form of concrete product ideas in the regions.

While some elements of the architecture of these instruments, such as the same time frame and alignment with the Lisbon agenda, allow for synergies, there are still differences, such as different legal bases, thematic versus territorial focus, and shared versus centralised management.

Cohesion policy objectives as regards research and innovation: Parliament considers it important to coordinate Community policies that play a role in achieving economic, social and territorial cohesion. It believes it is necessary to undertake a closer analysis of their impact on the territory and on cohesion with a view to foster effective synergies and to identify and promote the most suitable means at European level of supporting local and regional investment in innovation. It recalls the need to take account of the different social and economic circumstances of the three types of regions (convergence, transition and competitiveness), and the variations in creative and innovative capacity and entrepreneurial spirit.

The resolution welcomes the fact that new financing methods exist and underlines the potential of the JEREMIE initiative and the Risk Sharing Finance Facility of the Commission and the European Investment Bank Group in boosting financing opportunities for innovative enterprises. Parliament also highlights the great potential of cities in pursuing research and innovation.

Synergies between Structural Funds, FP7 and CIP: Parliament insists that effective innovation depends on the closeness of the synergies obtained and regret that **existing opportunities for such synergies in funding are still not well known**. Both regions and Member States are called upon to step up efforts to improve communication.

In order for synergy to work well, Members consider that different national, regional and local bodies managing FP7, CIP and Structural Funds have to be aware of the possibilities offered by each of these instruments and ask for **better coordination** between these actors and policies. They stress that the instruments can be combined to cover either complementary but separate activities, as in the case of research infrastructure, or consecutive parts of related projects, such as the development and follow-up of a new research idea, as well as projects within the same network or cluster.

Parliament notes with satisfaction the Practical Guide to EU Funding Opportunities for Research and Innovation and recommends that in future such guidance notes be provided immediately after the legislative frameworks come into effect. The Commission is called upon to act as a facilitator, promoting the exchange of good practices, and to evaluate the possibility of providing additional expert support on Community funding opportunities through ex-ante guidance notes and a 'user's manual' for the practical management and administration of research and innovation projects with a view to achieving the intended results.

Recommendations with a view to the next programming period: the resolution includes **recommendations with a view to the next programming period**. It stresses the need to **review and consolidate the role of the EU instruments** that support innovation, namely the Structural Funds, the EAFRD, the Framework Programme for Research and Development, the CIP and the SET plan, with a view to rationalising administrative procedures, facilitating access to funding, especially for SMEs, and introducing innovative incentive mechanisms based on achieving objectives linked to intelligent, sustainable and integrative growth, as well as to promoting closer cooperation with the EIB.

Members consider that the Structural Funds are the appropriate instrument for supporting local and regional authorities in their endeavours to promote creativity and innovation. They underline the need for greater flexibility to ensure the swift use of this funding for purposes of promoting innovative business initiatives. They also consider that cities and regions should pursue **smart and sustainable specialisation** by defining a few innovation priorities based on the EU objectives and on their needs.

Pointing out that transnational cooperation is the essence of FP7 and CIP, and that territorial cooperation (via transnational, interregional and cross-border programmes) is mainstreamed in the Structural Funds, Members call on the Commission to: (i) **reinforce the European territorial cooperation objective in the future**, through its further mainstreaming; (ii) invites the Commission to evaluate the possibilities of enhancing territorial cooperation in the field of innovation in each cohesion policy objective; points out that better knowledge of the results of FP7 and CIP at regional level would facilitate practical coordination between the EU Regional policy and these programmes; (iii) pay particular attention to the coordination between EU regional policy and the framework programmes for research and innovation (FP7, CIP).

The resolution underlines the need to **harmonise the rules, procedures and practices** (eligibility rules, standard unit costs, lump sums, etc.) governing different instruments and to ensure better coordination (of schedules of calls for proposals, themes and types of calls, etc.) and calls on the Commission to explore possibilities to that end.

The Commission is called upon to: (i) simplify the bureaucracy for the FP7 and CIP in order to strengthen the effects of synergies with the Structural Funds; (ii) continue its activities aimed at fostering synergy, and to keep the European Parliament informed on their evolution, particularly on the situation of vertical cooperation between the EU and national and regional entities.

Parliament is convinced that commitment by the political leadership is both a necessary precondition for research and innovation policy coherence and a tool to enhance it. With that in mind, it calls for the

establishment of a strategic policy framework for research and innovation adjusted in the light of progress, new information and changing circumstances and consistent with national goals and priorities for economic and social development.