Green Paper: From challenges to opportunities: towards a common strategic framework for EU research and innovation funding

2011/2107(INI) - 31/08/2011

The Committee on Industry, Research and Energy adopted the own-initiative report drafted by Marisa MATIAS (GUE/NGL, PT) on the Green Paper: From challenges to opportunities: towards a common strategic framework for EU research and innovation funding.

Members welcome the European Commission Green Paper defining a Common Strategic Framework (CSF) for funding in research and innovation, and consider that the new CSF core should be the **articulation of the EU research programmes and funding schemes**, based on the Community research and innovation policies and the Member States' research programmes. The CSF should follow an integrated approach, which aims to become more attractive and easy to access for all participants.

The report acknowledges the relatively low participation in FP7 of certain Member States, as well as the persistence of a research and innovation performance gap between European regions. New approaches are necessary to **assist underperforming regions** and Member States to achieve excellence and smart regional specialisation. Therefore, Members call on the Commission to maximise all relevant synergies between the CSF, the Structural Funds, the European Fund for Agriculture and Rural Development and the European Fisheries Fund and to develop a multi-fund approach, while respecting their different objectives.

Members believe that local and regional authorities should be encouraged to innovate. They take the view that announcing a **competition for the foundation of cutting-edge research centres in disadvantaged regions** is a suitable instrument for developing the European Research Area.

The committee is convinced that Europe should contribute to solutions to the **global societal challenges**, namely: the demographic changes; the transition to sustainable management of scarce resources; a strong, stable and equitable economic base, including economic recovery. It believes that the CSF should focus on addressing those societal challenges in a comprehensive way through a balanced set of instruments covering the whole spectrum of education and training, research and innovation activities.

The report recommends that the Commission analyse the possibility of setting up an **all-European common fund** financed by the Structural Funds to promote collaborative European research.

Towards a new Common Strategic Framework (CSF): Members are convinced that different tasks within the CSF should be tackled separately but in close articulation and partnership with each other: the European Institute of Innovation and Technology (EIT) to operate mainly as a network of Knowledge and Innovation Communities (KICs); the innovation-related parts of the Competitiveness and Innovation Framework Programme (CIP) to concentrate on its strength in supporting innovative SMEs; the next FP to embrace research as a whole; and the structural/cohesion funds to be used in closer cooperation and in a more targeted way, but kept separate. They take the view that collaborative projects should remain the backbone of the CSF.

The report stresses the need to enhance the **flexibility** of the common strategic framework, not only so that appropriations can be moved between the individual chapters and calls, but also so that the CSF is flexible enough to allow appropriations to be allocated to meet major societal challenges that arise during the

budget period. It calls for a **clear definition of the overall funding system** and for a tighter integration of research, education and innovation.

A new organisational model based on three different layers of funding aimed at stability and convergence has been presented:

- 1st Layer: Capacity building and infrastructure: this layer should cover the EU funds associated with infrastructure (in the wider sense, including the institutional one) and capacity building. The funding scheme within this layer includes the part of the FP concerned with the Capacities Programme and Marie Curie initiatives, the European funding components of research infrastructures and projects, access to loans by the EIB (covering projects over EUR 50 million and RSFF), grants associated with the abovementioned components of the FP, and cooperation with Structural Funds associated with infrastructure.

The report highlights the pivotal role of large-scale research infrastructures for the development of the ERA and calls for the overall EU funding available for research infrastructures to be raised, especially where there is the greatest scope for European added value, for the funding to be extended after the preparatory phase and for open and excellence-based access to them to be guaranteed.

- 2nd Layer: Research, Potential, Collaboration and Consolidation: this layer should be the space for overall research, both fundamental and applied, including the social sciences and humanities. The key words here are originality and relevance of the idea, quality and potential for scientific excellence and added-value of projects, including high-risk research and projects concerning “non-technological innovation and social innovation”.

Coordination participants are mainly universities and research centres/institutes. The industrial sector, in particular SMEs, and innovative non-profit organisations should be encouraged to participate and cooperate with academia and public research centres and to act as coordinators, if appropriate.

This layer represents the largest share of the FP and should be aimed at developing the strong scientific basis in both basic and applied research that is needed for innovation to spur. In this context, the report underlines that the mobility of researchers in Europe should be given priority and calls for a strengthening of measures (such as pension portability and social security provisions, mutual recognition of professional qualifications, measures to reconcile family and work life, and research vouchers following researchers moving to another Member State) that will contribute to the mobility of European researchers, help stem the 'brain drain' and make the prospect of a research career in the EU more attractive.

- 3rd Layer: Market and innovation towards common goals: this layer should be the space for developing and fostering market uptake of innovative products and services and generation of public benefits. Industry, especially innovative SMEs, plays a pivotal role here in developing novel products, services and processes.

In order further to increase the participation of SMEs in the programmes, Members believe that some funding instruments and actions should be considered such as: soft loans, which are reimbursed in the event of success, excluding administrative costs; efforts to provide comprehensive funding for SMEs (particularly in the seed and start-up phase) that will cover the full innovation cycle; easier access to risk and venture capital; and greater participation of SMEs in the setting of the research agendas.

Members call on the Commission and the Member States to continue with the Erasmus programme for young entrepreneurs, also in the context of the future multiannual financing framework, and to increase the funding allocated to that programme.

The report also underlines the need to:

- establish a strong, efficient regulatory framework for the protection of intellectual property rights at an early stage in the research process;
- simplify the management of European research funding by shifting from the current control-based to a more trust-based and risk-tolerant approach, which is of particular benefit for SMEs;
- define a limited set of common (administrative, financial and organisational) rules and principles that are easy to interpret and that would apply to all EU R&D&I programmes and instruments;
- make access to European research programmes easier, for example by setting up a single contact point, establishing a principle of 'one project, one document' and setting up a forum for exchange of good practice.

Some guidelines for the next Framework Programme: the report suggests the following:

- the introduction of an appropriate funding model for academic research in the next Framework Programming;
- more support to different sources of innovation - especially SMEs – and use other sources of innovation such as clients, markets, users and, not least, employees;
- collaborative research (the current Cooperation Programme) to be kept at the heart of the FP, reinforcing synergies to increase and accelerate the impact and dissemination of research projects performed in cooperation with partners of excellent global standing, both from within and from outside the EU;
- research priorities and objectives to be set in a more transparent and participatory way, through the balanced involvement of players, including the scientific community, researchers (also from smaller research organisations), the public sector, CSO organisations and SMEs;
- the creation of a specific platform for dialogue between CSOs and researchers for discussing research priorities areas in specific sectors;
- an intensification of international cooperation, where appropriate, with the strategic partners of the European Union, including fast growing countries such as the BRICS countries, on a reciprocal basis, in order to better tackle global challenges.