Basic information

2011/2107(INI) INI - Own-initiative procedure	Procedure completed
Green Paper: From challenges to opportunities: towards a common strategic framework for EU research and innovation funding **Subject** 3.50.01 European research area and policy 3.50.04 Innovation	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	MATIAS Marisa (GUE/NGL)	14/03/2011
	Shadow rapporteur EHLER Christian (PPE) HERCZOG Edit (S&D) EK Lena (ALDE) LAMBERTS Philippe (Verts /ALE) FORD Vicky (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
AFET Foreign Affairs	The committee decided not to give an opinion.	
BUDG Budgets	HAGLUND Carl (ALDE)	09/03/2011
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	COMI Lara (PPE)	13/04/2011
REGI Regional Development	WINKLER Hermann (PPE)	22/03/2011

AGRI	Agriculture and Rural Development	LA VIA Giovanni (PPE)	15/03/2011
PECH	Fisheries	WAŁĘSA Jarosław (PPE)	12/04/2011
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	The committee decided not to give an opinion.	
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
FEMM	Women's Rights and Gender Equality	THOMSEN Britta (S&D)	15/03/2011

European Commission

Commission DG	Commissioner
Research and Innovation	GEOGHEGAN-QUINN Máire

Key events

Date	Event	Reference	Summary
09/02/2011	Non-legislative basic document published	COM(2011)0048	Summary
09/06/2011	Committee referral announced in Parliament		
31/08/2011	Vote in committee		Summary
07/09/2011	Committee report tabled for plenary	A7-0302/2011	
26/09/2011	Debate in Parliament		
27/09/2011	Decision by Parliament	T7-0401/2011	Summary
27/09/2011	Results of vote in Parliament		
27/09/2011	End of procedure in Parliament		

Technical information

Procedure reference	2011/2107(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55

Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/05485

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE464.836	10/05/2011	
Amendments tabled in committee		PE467.207	21/06/2011	
Amendments tabled in committee		PE467.208	21/06/2011	
Committee opinion	REGI	PE465.040	12/07/2011	
Committee opinion	PECH	PE464.738	13/07/2011	
Committee opinion	IMCO	PE467.030	14/07/2011	
Committee opinion	AGRI	PE464.822	15/07/2011	
Committee opinion	FEMM	PE465.037	18/07/2011	
Committee opinion	BUDG	PE464.899	26/07/2011	
Committee report tabled for plenary, single reading		A7-0302/2011	07/09/2011	
Text adopted by Parliament, single reading		T7-0401/2011	27/09/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2011)0048	09/02/2011	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2011)0048	26/04/2011	
Contribution	DE_BUNDESRAT	COM(2011)0048	27/04/2011	
Contribution	SE_PARLIAMENT	COM(2011)0048	27/05/2011	

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

2011/2107(INI) - 09/02/2011 - Non-legislative basic document

PURPOSE: to launch a public debate on the key issues to be taken into account for future EU research and innovation funding programmes. (Commission Green Paper)

BACKGROUND: the budget review has proposed that the full range of EU instruments for research and innovation work together in a Common Strategic Framework. At its meeting on 4 February 2011, the European Council discussed innovation and supported the concept of the Common Strategic Framework to improve the efficiency of research and innovation funding at national and EU levels.

The Innovation Union flagship initiative advocates a strategic and integrated approach to research and innovation. Currently EU research and innovation funding and initiatives in the current programming period (2007-2013) are as follows:

- the Seventh Framework Programme (FP7) with its budget of EUR 53.3 billion supports research, technological development and demonstration activities across the EU ;
- the Competitiveness and Innovation Framework Programme (CIP) has a budget of EUR 3.6 billion and aims to encourage the competitiveness of European industry, with SMEs as its main target;
- the European Institute of Innovation and Technology (EIT) is an autonomous EU body bringing together the higher education, research and business sectors to stimulate innovation. A contribution of EUR 309 million was provided to the EIT from the EU budget;
- through the Cohesion policy, about EUR 86 billion (almost 25% of the total Structural Funds budget) is allocated to enhancing the capacity of regional economies.

The landscape of EU research and innovation programmes has developed over recent decades and now constitutes a significant share of the EU budget. However, various evaluations have also identified a number of shortcomings and deficiencies, in particular the lack of a whole chain approach to research and innovation, the complexity of instruments, over-bureaucratic rules and procedures and a lack of transparency. Improvements for future programmes should focus on:

- **clarifying objectives** and how they are translated into the supported activities, while maintaining flexibility to respond to emerging policy needs;
- **reducing complexity**: lack of coordination between EU and Member State funding adds to the complexity and leaves a potential for overlap and duplication, for instance as regards State Aid measures to support SMEs or to provide risk capital;
- **increasing added value and leverage and avoiding duplication and fragmentation**: EU research and innovation funding should provide more added value, increase its leverage effect on other public and private resources and be used more effectively to support the strategic alignment and pooling of national and regional funds to avoid duplication and achieve scope and critical mass;
- **simplifying participation** by lowering administrative burdens, reducing time to grant and time to payment and achieving a better balance between cost and trust based approaches;
- **broadening participation in EU programmes** : while there is s SME participation in the CIP, the FP7 interim evaluation highlighted the need to stimulate industry and SME involvement. It also pointed at the need to boost participation of female researchers and participants from newer Member States;
- **increasing competitiveness** and societal impact from EU support: this would require better uptake and use of results by companies, investors, public authorities, other researchers and policy makers. It also involves supporting broader innovations (including non-technological and social innovation) which are not the result of research activities. The ultimate users of innovations (be they citizens, businesses or the public sector) should be involved much earlier in our actions to accelerate and broaden the exploitation of results and to encourage greater public acceptance in sensitive fields such as security or nanotechnology.

CONTENT: this Green Paper launches a public debate on the key issues to be taken into account for future EU research and innovation funding programmes. In line with the priorities of the Europe 2020 strategy and, the Common Strategic Framework will focus on addressing societal challenges, encouraging the competitiveness of Europe's industries and the excellence of its scientific and technological base.

1) Working together to deliver on Europe 2020: the Common Strategic Framework will cover all relevant EU research and innovation funding currently provided through FP7 and CIP and EU innovation initiatives such as the EIT on the basis of coherent goals and shared strategic objectives. It offers great potential for making EU funding more attractive and easy to access for participants. It will also allow:

- the development of a single entry point with common IT tools or a one stop shop for providing advice and support to participants;
- the development of a simpler and more efficient structure and a streamlined set of funding instruments covering the full innovation chain in a seamless manner;
- clear possibilities for administrative simplification through the development of a more standardised set of rules covering all participants in EU research and innovation programmes. Allowing for flexibility will be necessary to cater for the diversity of funding needed to cover the full innovation cycle or for requirements linked to specific conditions.

2) Tackling societal challenges: the Innovation Union called for linking future EU funding programmes more closely to ambitious policy objectives in areas such as climate change, energy security, demographic ageing or resource efficiency by putting a stronger focus on tackling societal challenges. However, careful consideration is needed to identify those challenges where EU level interventions can truly make a difference, while avoiding overly prescriptive scientific and technological choices.

Current EU funding programmes have put considerable effort in tackling societal challenges, predominately through a thematic technology push. Bringing researchers from across Europe together in collaborative networks has been at the heart of this approach and will continue to be vital in sustaining a European research fabric. Experience has shown, however, the limitations of this approach in achieving the necessary flexibility, creativity and cross-disciplinary research needed. The Innovation Union introduced the concept of European Innovation Partnerships to bring together supply and demand side measures in addressing societal challenges. They have an important role to play in coordinating efforts and focusing activities across the innovation cycle.

3) Strengthening competitiveness: obstacles remain in transferring research outcomes from the laboratory through to the development, commercialisation and application phases. To remove these obstacles involves broadening support across the full innovation cycle (including proof of concept, testing, piloting and demonstration), including covering issues such as post-project follow-up, pre-normative research for standard setting, support to patenting and to non-technological innovation.

Within the framework of its Strategic Innovation Agenda, the EIT will continue to strengthen its business-driven approach through a focus on generating results and impact but also on leveraging substantial funds from the private sector.

Open, light and fast implementation schemes would enable SMEs and other stakeholders from industry and academia to explore new ideas and opportunities as they emerge, in a flexible way, thereby opening new avenues for innovation.

Intellectual property rights governing EU research and innovation funding are decisive for efficient exploitation and technology transfer, while at the same time they need to ensure access to and rapid dissemination of scientific results. They are also of relevance for international cooperation in areas of strategic interest.

New approaches could also be considered, particularly those stimulating the demand side and aiming to involve public and private end users earlier and more closely in the innovation process. Inducement prizes incentivise researchers to achieve stretching targets through the prospect of obtaining a financial award.

4) Strengthening Europe's science base and the European Research Area: Europe's science base is among the most productive in the world, yet it does not contain sufficient pockets of world class excellence where ground-breaking research results are generated which are able to drive structural change.

The Green Paper asks certain questions, such as : (i) how should the role of the European Research Council be strengthened in

supporting world class excellence; (ii) how should EU support assist Member States in building up excellence; (iii) how should the role of Marie Curie Actions be strengthened in promoting researcher mobility and developing attractive careers; (iv) what actions should be taken at EU level to further strengthen the role of women in science and innovation; (v) how should international cooperation with non-EU countries be supported e.g. in terms of priority areas of strategic interest, instruments, reciprocity (including on IPR aspects) or cooperation with Member States.

The consultation will close on 20 May 2011. The broad debate on this Green Paper will be complemented by targeted consultations, such as on the ERA framework and the EIT's strategic innovation agenda. On 10 June 2011, an event will be organised to wrap up the public consultation and discuss the results with the stakeholder community.

The Commission plans to put forward its formal legislative proposals for a Common Strategic Framework for EU research and innovation funding by the end of 2011. These proposals will be accompanied by ex-ante impact assessments, providing the necessary evidence base for the proposed options.

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

2011/2107(INI) - 27/09/2011 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution on the Green Paper: From challenges to opportunities: towards a common strategic framework for EU research and innovation funding.

In its resolution, Parliament recalls that the EU has established the objective of increasing spending on R&D to 3% of EU GDP by 2020, and whereas, given that many countries are still a long way from achieving this goal, **increased public and private investment in R&D is particularly important**.

The current trends show strong pressure to freeze or even reduce the European budget associated with a period of severe constraints on national public budgets, and whereas **R&D&I is one of the areas where European cooperation has been shown to have real added value in contrast to certain other budget posts**, showing the need to reallocate the EU's available resources.

Research (in its fundamental and applied dimensions), education and innovation are crucial instruments for both economic recovery and job creation.

In this context, 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.

Maximise all relevant synergies: the resolution 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.

Responding to the global societal challenges: Parliament 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 resolution 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): Parliament is 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. It takes the view that collaborative projects should remain the backbone of the CSF.

The resolution 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 resolution 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 resolution 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 resolution 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: Parliament 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.