



## Non University Research Performing Organisations: who are they? What are their challenges in ERA?

Executive Summary of a study

In 2007 the Commission initiated a study to take stock of the Research Performing Organisations (RPOs) and Intergovernmental Research Organisations (IROs) in Europe and explore ways to foster cooperation. The study, which was the subject of a call for tender, was entrusted to a consortium composed of ECORYS (NL), COWI (DK) and IDEA (BE), assisted by the Danish Center on Studies in Research and Research Policy of the University of Aarhus (DK). This study, which was concluded early in 2009, concerned the following aspects: 1. inventory of RPOs in Europe, 2. identification of current and future challenges for RPOs in ERA, 3. identification of issues regarding co-operation and co-ordination with and between RPOs.

The main points, conclusions and recommendation of the study addressing the RPOs are presented below.

<p align="center"><b>EXTRACT FROM SUMMARY OF STUDY</b></p>	<p align="center"><b>COMMENTS BY EARTO</b></p>
<p><b>Inventory</b></p> <p>An inventory of 151 RPOs in 36 countries affiliated with the European Research Area (ERA) was made. Based on state aid rules and the EU Framework RPOgramme for Research, research organisations were defined as non RPOfit research performers.</p>	<p>Three general coments to begin with:</p> <ul style="list-style-type: none"> <li>• The study and inventory are welcome recognition of the existence and importance of RPOs in the European Research Area.</li> <li>• The study obscures the diversity within the RPO sector, which is not conducive to good policymkaing.</li> <li>• The members of the EARTO Task Force who participated in the stakeholder workshops that accompanied the study have difficulty in reconciling some of the twelves recommendations from the study with the reported findings of the study.</li> </ul> <p>The panel of RPOs studied is problematic.</p> <p>The chosen definition of an RPO is such that the study focusses on RPOs receiving significant public (core) funding, while excluding smaller RPOs. Yet the constituted panel both includes RPOs with no or little public core funding (e.g.</p>

<p>RPOs then are those research organisations that are not universities, independently of their legal structure or their ownership<sup>1</sup>. Unlike in some other studies and inventories, only RPOs with more than 50 researchers or 100 staff were included. Further, the inventory was established at the level of organisations and not of institutes. Based on 2006 figures, the RPOs covered by the study received basic institutional funding amounting to at least 50.3 % of total government R&amp;D spending (GOVERD). Overall, the organisations had a total budget of EUR 31000 million and a staff count of 292500. The inventory also shows the large panoply of ways in which the RPOs are organised, and it demonstrates that the role they play in their countries differs widely, each one being embedded in its national system and culture. The study also concluded that RPOs can generally be grouped into the following four categories:</p> <ol style="list-style-type: none"> <li>1. public research unit,</li> <li>2. research agency,</li> <li>3. foundation and</li> <li>4. non-RPOfit enterprise.</li> </ol>	<p>QinetiQ and TWI in the UK, SINTEF in Norway), while excluding some significant RPOs with core funding (e.g. DTI in Denmark, IJS in Slovenia).</p> <p>The exclusion of smaller RPOs appears to have been motivated solely by convenience: the results may be distorted in consequence. Certainly, smaller RPOs are a phenomenon which cannot be ignored.</p> <p>There is a need, therefore, for a more balanced representation of the RPO sector as well as for recognition of the functional diversity within it, which is essential if meaningful policy conclusions are to be facilitated. The "administrative" categories indicated in the study (see facing box) are not helpful.</p>
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## Recommendations

<p>The following 12 recommendations have been formulated:</p>	
<p><b>Form an association:</b> RPOs should form an association (or extend existing ones) which includes the majority of RPOs. This will strengthen cooperation among all RPOs, including RPOs from countries that joined the EU in or after 2004 as well as candidate and other countries. This will also help to remove barriers such as lack of contacts, and facilitate recognition by policy-makers of a given role in the governance of ERA related to some common identity.</p>	<p>The recommendation is unrealistic and in our view dysfunctional.</p> <p>Associations form when individuals or organisations conclude that they have one or more significant interests in common which they believe they can better promote or defend by acting collectively.</p> <p>The sole common interest(s) among RPOs as defined here appear(s) to be that:</p> <ul style="list-style-type: none"> <li>• they perform research and</li> <li>• are not universities</li> </ul> <p>But, as the study itself makes clear, they are significantly diverse among themselves. Fundamental differences in</p>

<sup>1</sup> A subset of research organisations are Public Research Organisations (RPOs) that include both public universities and public RPOs. They have not been singled out in this study.

	<p>agenda and funding exist, for example, between:</p> <ul style="list-style-type: none"> <li>• RPOs with an essentially scientific, curiosity-driven agenda, which in the main rely on public funding and</li> <li>• RPOs with a mainly applied research and related technology agenda, which derive a good part of their income from service work for public and private clients.</li> </ul> <p>The diversity among RPOs reflects reality and must not be obscured if meaningful policy conclusions are to be drawn.</p>
<p><b>Appropriate Member State funding:</b> In line with the EU's 3% target, Member States should ensure RPOs appropriate funding, which takes into account long term activities to address socio-economic challenges, but also ensures sufficient competitive funding to sustain excellence.</p>	<p>The finding in the study that RPOs are concerned about sustainable long-term funding is hardly surprising: no doubt practically every university and every business enterprise is equally concerned about its long-term funding.</p> <p>The recommendation that member states should provide adequate, secure funding for RPOs is welcome <i>per se</i>. But it must not be forgotten that RPOs – certainly RTOs in the EARTO meaning – exist to serve a purpose. They are mission-oriented (and it is objectionable that this qualification has been removed from the definition of RPOs in the study) and it must be acknowledged that the mission may change over time, within the context of the evolving National Innovation System (NIS), which implies that the RTO may need to adapt.</p> <p>Government funding should be a function of the mission RTOs are to fulfil within the NIS. That should be the essential criterion. There is no automatic right to funding.</p>
<p><b>Joint research funding:</b> Further studies must be made to identify bottlenecks hampering Member States in their use of financing mechanisms that would allow cross-the-border funding and/or joint research funding in more ambitious cooperation schemes.</p>	<p>OK.</p>

<p><b>Insight into national and cross-border funding schemes:</b> There is a need for a more centralised knowledge about the availability of funding schemes for cross-border activities at EU and national level. This knowledge would bring RPOject/RPOgramme leaders in any organisation in a better capacity to design their strategies, in particular where and when cooperation plays a crucial role.</p>	<p>OK.</p>
<p><b>A Europe wide “market” for basic and applied research:</b> The possibilities for opening national applied and basic research funding to applicants from other Member States should be further investigated. Such investigation should include both the formal and informal obstacles as well as public and private funding sources.</p>	<p>OK.</p>
<p><b>Attract highly skilled researchers:</b> Further analysis is required of how high-level skilled researchers can be attracted to the RPOs. The present study already suggests that potentials for dynamic interactions with universities and industry are one aspect of the attractiveness of RPOs on the market of qualified human resources. More lessons are expected from the EC initiative "European Partnership for Researchers".</p>	<p>Practically every research organisation has always complained that it cannot get enough highly skilled researchers, continues to complain thus today, and most likely will continue to do so tomorrow. It is in the nature of people-based organisations that they can never get enough excellent raw material: the most qualified people.</p> <p>Clarify the issue before doing further research. Ultimately there are only two solutions:</p> <ul style="list-style-type: none"> <li>• poach people from other RPOs, universities, business etc. or</li> <li>• increase systemic output of qualified individuals</li> </ul> <p>It is worth recalling that in national surveys asking recent graduates to name their most preferred employers (individual enterprises, public sector bodies, etc.), many RTOs rank top, or very close to the top, of their national list, e.g. CEA, Fraunhofer, TNO, Sintef, VTT.</p>
<p><b>A clear ERA vision:</b> A clear vision for co-operation and co-ordination between RPOs in the context of ERA</p>	<p>RPOs will participate actively in ERA.</p> <p>The necessary first step is that the policy</p>

<p>should be created. Existing reflections like those in the EuroHORCS-ESF Vision on globally competitive ERA might be referred to.</p> <p>Recommendation n°1 has a role to play if RPOs contemplate to speak with a single voice on some essential issues revealed by a reasonably shared vision.</p>	<p>framework of ERA is built and promulgated: actions not just words.</p> <p>The EuroHORCS-ESF vision of a globally competitive ERA is perhaps not a useful reference: it is a science-based vision of ERA where the science is paid for by somebody other than the authors (governments, tax-payers).</p> <p>As regards Recommendation n° 1, see our comments at the corresponding place.</p>
<p><b>Study on national reforms of research systems:</b> Uncertainties are generated by current national reforms of the research systems and EU policies, and how they affect the RPOs' ability to remain competitive and co-operate in an increasingly global environment. Further studies should look at the possible ways for RPOs to react to these, and how these organisations could become more closely associated with the structural evolutions affecting them and their future, be it on a national or a European level.</p>	<p>OK.</p>
<p><b>Special attention on post-2004 EU Member entries:</b> When facilitating increased co-operation and co-ordination, special attention must be given to ensure that RPOs from EU Member States, that joined in 2004 or later, are invited to take part and their framework conditions are made as favourable as possible. This means removing barriers such as lack of contacts, language difficulties, and financial hurdles.</p>	<p>A worthwhile recommendation, which has been addressed already twice by EARTO:</p> <ul style="list-style-type: none"> <li>• "SEE Initiative" Proposal to Commissioner Potocnik, followed by the "Dubrovnik Initiative"</li> <li>• ESTARC Proposals</li> </ul>
<p><b>Need for structured cooperation:</b> When developing national research policies, EU Member States should include facilitation of the</p>	<p>The AERTOs ERA-NET project among, initially, five RTOs is an example.</p> <p>But meaningful action by the member states is likely to need active facilitation</p>

<p>development of structured cooperation. This should build on the good experiences already gained by the RPOs (i.e. joint research programmes, joint funding programmes, joint laboratories, exchange programmes, joint ownership of new organisations).</p>	<p>by the Commission, and probably financial intervention to counter national "lock-in".</p>
<p><b>Adapt existing EU instruments:</b> The European Community should continue to support strategic co-operation among RPOs through the Framework RPOgrammes and adapt existing instruments to cope with the specific conditions and challenges of the RPOs.</p>	<p>EARTO agrees on the utility of promoting structured cooperation among RPOs.</p> <p>The recommendation states that "the European Community should continue [<i>sic</i>] to support strategic cooperation among RPOs through the Framework Programme" To what instruments of structured cooperation is reference made?</p> <p>See also The EARTO Task Force's proposals for follow-up workshops.</p>
<p><b>Monitoring of RPO activities:</b> EUROSTAT should include the category 'non-university Research Performing Organisations' in their monitoring efforts. This would RPOvide a time series of information to policy-makers and ensure that the focus is maintained on the RPOs as a separate category. In the monitoring activities of ERAWATCH similar focus could be given to RPOs, with a singular category for RPOs in the national reporting.</p>	<p>An important recommendation provided that policy makers are not led to disregard the diversity within this "sector" – see The EARTO Task Force's proposals for follow-up workshops.</p>