

**ERRIN & EARTO Comments
to the Commission Staff Working Document
‘Enabling synergies between European Structural and Investment Funds, Horizon 2020 and other research,
innovation and competitiveness-related Union programmes’**

1st July 2014

ERRIN & EARTO welcome the Staff Working Document on enabling synergies produced by the European Commission and acknowledge the complexity of the topic.

However, both organisations’ experts consider that the actual reality of the timing of the two programmes means that the guide will most probably have a more significant impact on real synergy in the next EU funding period after 2020. In addition, the EC expectations regarding possible synergies as set out in the current document seem rather optimistic (too much, too late).

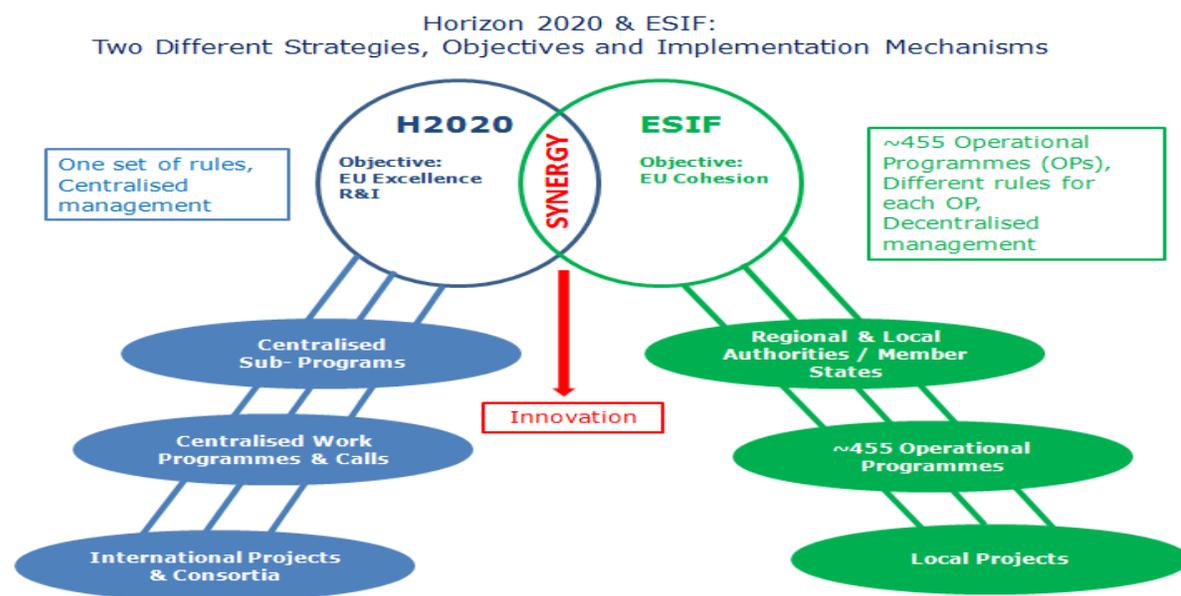
In spite of their reservations on timing, EARTO & ERRIN hope that their recommendations put forward in this paper will be considered for the current implementation period of the Structural Funds, as well as for the preparation of the 2021-2027 funding period.

The Staff Working Document helpfully stresses the importance of the principle of synergies, which applies as much to policy as funding. Indeed, regions must get the policy architecture right before seeking out funding synergies. From a purely theoretical perspective, the whole picture and the procedures that are proposed are correct and should be encouraged.

ERRIN & EARTO are in favour of synergies between funding programmes, both at the strategic and the implementation level, as they have the potential to strengthen the regional dimension of research and innovation and give regions a stronger role in coordinating activities on the ground and driving the development of effective regional innovation ecosystems.

EARTO & ERRIN hereby support the EC objective to stimulate synergies between the various EU funds as a means to create more impact from EU R&I funds (and not synergy as an end in itself). However, we must be careful that synergies do not drive future research and innovation policies, but rather support such policies. Therefore, making these procedures simple and transparent for “end users” will be now the greatest challenge for the Member States, Managing Authorities and European Commission. Many regions have already successfully developed some synergies between Structural Funds and research and innovation programmes both at national and EU level. Indeed, various research facilities have been built up thanks to Structural Funds and then later used in various EU FP programmes. In addition, various tech transfer activities which have been funded by Structural Funds, are based on research results developed under EU FP programmes.

Our concern is that the proposed guidelines are too theoretical and might work as a straightjacket and overlook the differentiation in the philosophy, objectives and nature of the different funding programs.



By trying to find synergies, there is a tendency to search for common denominators in programmes that are different in their scale, scope and flexibility (e.g. 2-3 year work programmes in H2020 based on R&I excellence compared with 7 year fixed

envelopes in ESIF Operational Programmes [OPs]) as can be seen from the diagram above. While developing synergies to improve the quality of innovation ecosystems and align funding in a productive manner is a goal that must be supported at the EU level, the rush to achieve synergies in the current funding programme – hence this document – may be an example of ‘single loop’ thinking or ‘fast thinking’¹. This has led to the idea of synergies becoming a goal in itself rather than a means to an end.

It should be considered that in more advanced regions where the Horizon 2020 income outweighs ESIF, the possibilities for synergies are de facto quite limited. Organisations from these more advanced regions (like industry and RTOs) who are very often strong actors within Horizon 2020, will have much smaller ESIF budgets in their regions. This limitation will most probably not be compensated by the current 15% maximum allocation of ESIF budget for transfer between regions to support trans-national/regional activities.

ESIF budgets (with their OPs and specific objectives), should not be regarded as a last resort for H2020 applications (Page 5: “to take up high quality project proposals from Horizon 2020 or other centrally managed programmes, for which there is not enough budget available in the respective programmes.”). This use of Structural Funds offers no synergy and in practice is difficult because of the different priorities and mechanisms of the two funding schemes. From a more practical perspective, at project partner or consortium level, finding synergies as proposed by the EC is complex, complicated, full of risks and often not even feasible (e.g. because of a lack of ERDF resources in some more advanced regions and the difficulties in funding all the partners from a range of countries in a Horizon 2020 project with different OPs for each region for ESIF).

While it is accepted that regions will receive differing amounts of cohesion funding according to their needs, it is important that there is scope within the guidelines to deal with a range of situations/requirements across the less developed, in transition and more developed regions.

The Commission Staff Working Document gives suggestions on how to achieve synergies at three levels: strategic, programme and implementation. While this selection is laudable for future funding periods, only the implementation level is still open for finding synergies for the 2014-2020 period. The strategy development and programme development of ESIF funded programmes are mostly finished: many Member States have already submitted their Partnership Agreements.

In addition, it is important not to place too much emphasis on RIS3 from the H2020 perspective. As RIS3 is a place-based strategy aimed at focussing ERDF resources, it should not become a yardstick to measure the quality and regional fit for H2020 project proposals. Placing too much emphasis on finding synergies with Structural Funds in H2020 work programmes will bias participation within H2020 to the participants having access to Structural Funds rather than support impact driven R&I projects. Also, given the objective of speeding up the evaluation of Horizon 2020 proposals, adding on a layer of proof of links to smart specialisation strategies and OPs will complicate and prolong the task of evaluators who are unlikely to be able to inform themselves of all applicants RIS3 documents.

As noted above, the rush to produce the guide in the context of a swiftly moving policy agenda dominated by a developing RIS3 agenda and a new Horizon 2020 programme has led to a one-size-fits-all approach proposed by the EU. A more tailor-made approach is needed: ERRIN & EARTO would be pleased to work with the EC services to come up with a range of tailor-made solutions to implement synergies.

Finally, while the search for synergies should remain an important goal for all regional programmes within the context of their research, innovation and industrial structures. It is important for EU Research & Innovation excellence/impact that synergies between structural funding and Horizon 2020 projects should not be used as a criterion for the evaluation of H2020 projects

Note to the reader:

ERRIN – European Regions Research and Innovation Network

Founded in 2001, ERRIN is a Brussels-based platform of Research and Innovation Organisations and Stakeholders in Regions. With over 100 members, ERRIN aims to strengthen regional Research and Innovation capacities by exchanging information, sharing best practice, supporting European project development, policy shaping and profile raising by working together in a partnership approach. Note that this position paper may not reflect the position of all ERRIN members.

EARTO - European Association of Research and Technology Organisations

EARTO is the European trade association of the research and technology organisations (RTOs), a non-profit organisation founded in 1999. EARTO groups over 350 RTOs with a combined staff of 150,000, an annual turnover of €15 billion, special equipment and facilities to a value of many €billions and more than 100,000 customers from the public and private sectors annually.

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¹ See Daniel Kahneman, ‘Thinking fast and slow’ London, Allen Lane, 2011