

Multi-Level Governance: Synergies between Cohesion Policy and Horizon Europe

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DISCLAIMER: The author expresses strictly personal views

Synergies happen when
different processes are at
play but they all
contribute to the same
result



Europe's innovation divide undermines competitiveness

- The **knowledge economy** changes everything
- **Globalisation** has pushed the boundaries and changed traditional growth strategies
- **Global value chains** have redrawn the map for conceiving and producing products and services
- Countries and regions that are not able to adapt (will) see their economies being **marginalised**
- **Global (re)positioning necessary** - Need for a new growth proposition based on knowledge assets
- Large parts of the EU **out of 'sync'**
- Modest and Moderate Innovators **holding back the EU as a whole**
- **Grand policy designs at risk** without a sound and functioning base
- **Identification of priorities** and strategies of crucial importance – yet still, among the major bottlenecks

What is the European Research Area?

A single, borderless market for research, innovation and technology across the EU...

...where countries come together and improve their research policies and systems...

...and where there is free movement of researchers, knowledge and innovation.

In the new European Research Area we will:



Prioritise investments and reforms in research and innovation towards the green and digital transition, to support Europe's recovery;



Strengthen mobility of researchers and free flow of knowledge and technology through greater cooperation among Member States;



Boost market uptake of research and innovation results;



Improve access to excellence for researchers across the EU.

Research and Innovation

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The EU and Member States will shape the new European Research Area through 14 actions:

- 1 Reaffirm the **target of 3% GDP on EU research and development investment** and propose a new EU 1.25% GDP public effort target to be achieved by Member States by 2030.
- 2 Support Member States in the coordination and prioritisation of national research and innovation funding and reforms through an **European Research Area Forum for Transition**. Voluntarily commit 5% of national public research and development investments to joint programmes and European partnerships by 2030.
- 3 Support Member States that are below the EU average level of research and innovation investments **to increase their investment by 50% in the next 5 years**.
- 4 Support Member States that have lower performance in training their researchers to access and develop excellence and **increase their number of highly cited publications by one-third over 5 years**.
- 5 Develop common **industrial technology roadmaps** to maximise innovation in strategic areas like Artificial Intelligence, circular industries and resilient health industries.
- 6 Develop and test a **networking framework in support of Europe's research and innovation ecosystems**, building on existing capacities, to strengthen excellence and maximise the value of knowledge creation, circulation and use.
- 7 Update and develop guiding principles for **creating value from knowledge** and a code of practice for the **smart use of intellectual property**.
- 8 Deliver a **toolbox of measures to support researchers' careers**, through a mobility scheme, trainings and more, in order to make Europe more attractive for talent.
- 9 Launch a platform of **peer-reviewed open access publishing** and incentivise **open science practices** by improving the research assessment system.
- 10 Support the creation of **world-class research infrastructures** and establish an updated governance structure for research and **technological infrastructures**.
- 11 Develop a **roadmap of actions** for creating synergies between higher education and research, notably building on the dual role of universities.
- 12 Develop concrete plans with Member States to promote **gender equality**, as well as diversity and inclusiveness, in science, research and innovation.
- 13 Organise **citizen science campaigns** and hackathons to engage citizens, especially young people, in science and innovation.
- 14 Develop with Member States a new approach to set and implement **strategic priorities** for the⁵ European Research Area, through a **Pact for Research and Innovation in Europe**.

HORIZON EUROPE

EURATOM

SPECIFIC PROGRAMME: EUROPEAN DEFENCE FUND

Exclusive focus on defence research & development

Research actions

Development actions

SPECIFIC PROGRAMME IMPLEMENTING HORIZON EUROPE & EIT*

Exclusive focus on civil applications



Pillar I
EXCELLENT SCIENCE

European Research Council

Marie Skłodowska-Curie

Research Infrastructures



Pillar II
GLOBAL CHALLENGES & EUROPEAN INDUSTRIAL COMPETITIVENESS

Clusters

- Health
- Culture, Creativity & Inclusive Society
- Civil Security for Society
- Digital, Industry & Space
- Climate, Energy & Mobility
- Food, Bioeconomy, Natural Resources, Agriculture & Environment

Joint Research Centre



Pillar III
INNOVATIVE EUROPE

European Innovation Council

European Innovation Ecosystems

European Institute of Innovation & Technology*

WIDENING PARTICIPATION AND STRENGTHENING THE EUROPEAN RESEARCH AREA

Widening participation & spreading excellence

Reforming & Enhancing the European R&I system

Fusion

Fission

Joint Research Center

* The European Institute of Innovation & Technology (EIT) is not part of the Specific Programme

The Synergies Streams

Horizon Europe

Cohesion Policy (ERDF)

Pillar 1 Excellent Science



European Research Council

Marie Skłodowska-Curie
Actions

Research Infrastructures

Pillar 2 Global Challenges and European Industrial Competitiveness



- Clusters
- Health
 - Culture, Creativity and Inclusive Society
 - Civil Security for Society
 - Digital, Industry and Space
 - Climate, Energy and Mobility
 - Food, Bioeconomy, Natural Resources, Agriculture and Environment

Joint Research Centre

Pillar 3 Innovative Europe



European Innovation Council

European innovation
ecosystems

European Institute of
Innovation
and Technology

Policy Objective 1

A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity

Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Reaping the benefits of digitisation for citizens, companies, research organisations and public authorities

Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, incl. by productive investments

Developing skills for smart specialisation, industrial transition and entrepreneurship

Enhancing digital connectivity

Widening Participation and Strengthening the European Research Area

Widening participation and spreading excellence

Reforming and Enhancing the European R&I system

Why synergies ?

Scarce resources :

- Increased efficiency
- Better use of public funds

Synergies: what you might expect

- Synergies involve two or more programmes interacting to **produce a greater effect than individual interventions**. Synergies can take different forms, and may include:
- **ESIFs supporting capacity-building** activities for research and innovation to **increase the chances** of beneficiaries subsequently receiving the more competitive Horizon funding (**upstream synergies**)
- **ESIFs funding the exploitation** or further development of Horizon **projects' results (downstream synergies)**
- **Other synergies include, for instance, alternative funding** such as **Seal of Excellence** to provide funds to project proposals (i.e. Horizon projects that received a positive evaluation but were not funded due to insufficient resources, or bringing together Horizon and ERDF in the same projects).

Creating synergies is ...

- ✓ **Getting a stronger impact** on competitiveness, jobs and growth by combining ESIF and Horizon Europe actions and /or funding
- ✓ **Amplifying projects** / initiatives under both instruments
- ✓ Carrying further the projects of the other instrument towards **market uptake / commercialisation opportunities**
- ✓ **Exploit complementarities** while at the same time avoiding overlaps

The Seal of Excellence is a Synergies Tale

- A concrete case where a new and innovative Horizon process (**a quality label**) is used to promote great ideas **in other funding instruments**
- A particular case of Synergies introduced by the Commission, with a particular focus on the **European Structural and Investment Funds (ESIF)**. However, potential funding possibilities are endless, spanning well across the ESIF (also EIB, national and regional budgets, private investors etc.)

Synergies: the story so far (I)

- **In a 2017 study** launched by the Commission, a number of interesting facts were spotted:
 - There was some consensus that there have been indeed successful experiences
 - **Downstream synergies** were easily generated by **single-applicants**, while partnership-based synergies seem much more problematic because of the challenge of consortium beneficiaries supported by different funds (ESIF) from different countries/regions. **Downstream synergies start from Horizon projects**, which are integrated in regional development initiatives funded by ESIF;
 - **Up-stream synergies** (from ESIF to Horizon) were generated mainly because of the development of **regional research infrastructures**. This paved the way towards cooperation of research and innovation players, **who then undertake joint efforts to apply for Framework programme competitive funds**;
- **In general, it was easier for ESIF beneficiaries to engage in upstream synergies and participate in Horizon calls.** This is very much related to the field of research and innovation and concerns **academia, research organisations and enterprises (SMEs)**;
- In many cases, interviewees confirmed that synergies emerge naturally in regional Operational Programmes: the upstream-type seems more frequent but in several cases, there were successful experiences of **market-related applications towards downstream**

Synergies between Framework Programmes for Research and Innovation and European Structural and Investment Funds / Contributing to the Interim Evaluation of Horizon 2020 Final Report / Written by the Joint Institute for Innovation Policy (JIIP) September – 2017 (study for the European

Synergies: the story so far (II)

- **Important success factors for generating synergies:** the availability of skills and infrastructures in the targeted region(s)
- Ability in taking advantage of **Horizon project results that are related to the goals of regional smart specialisation strategy (RIS3);**
- There were also synergies in the field of **research infrastructures:**
 - very long life cycle, long implementation and huge investment costs that can be amortised by increasing the scale of use and involve international partners;
 - Synergies were generated between H2020, ESIF and likely EIB grants.
 - Horizon supports the feasibility study and comes into play in the case of open access, providing funds for travel, accommodation and use by researchers, including some experiments.
 - ESFRI, the European Strategic Forum for Research Infrastructures, operates through Member State committees that define priority actions. The process set-up for the ESFRI-related research infrastructures can be considered a significant example of synergy set-up and operations, because it involves: strategic needs assessment, scientific and technological roadmaps, technological demands that are embedded in the region and its business planning and management.
- **Sequential funding of research and innovation towards downstream synergies often works:** these normally result from Horizon projects.
- **Downstream synergies were generated since Framework Programme beneficiaries had the possibility to apply for ESIF funding or co-funding.**
- There are numerous examples of synergies in projects characterised with high Technology Readiness Levels (TRLs) – **that support commercialisation.**

Synergies between Framework Programmes for Research and Innovation and European Structural and Investment Funds / Contributing to the Interim Evaluation of Horizon 2020 Final Report / Written by the Joint Institute for Innovation Policy (JIIP) September – 2017 (study for the European

Who has to act ?

- **Key role** for ESIF national and regional **authorities** as they plan future investments on research and innovation, including from the ESIF
- **Research stakeholders** (Public/ private): they should be better informed about **relevant investment plans and operational measures**
- Horizon Europe NCPs (national contact points)

Main messages on Synergies for policy designers and implementing bodies

- **Think strategic & impact- oriented**, not project-oriented
- BOTH sides (ESIF and Horizon Europe etc.) have to learn to listen and talk together, and take steps towards each other
- Synergies will only work if they are fostered along the entire programming cycle, starting from RIS3 development, to programme design and implementation

Typical synergy actions driven by an ESIF OP include (non-exhaustive list of examples):

- **Support for investment of research infrastructure and equipment** including competence centres (combination of research and advanced training centres)
- **Support to the whole innovation cycle** through improving the overall framework conditions for businesses (but also support measures towards social innovation)
- **Support to research actions and infrastructure investments** in connection to all **3 Pillars of Horizon Europe (Excellent Science, Global Challenges, Industrial Competitiveness and Innovative Europe)** but also to the **horizontal area of Widening and Strengthening the European Research Area (ERA)**
- **Preparation of research and innovation stakeholders** towards a better **participation** in Horizon Europe **Calls** (support via training, raising awareness, networking and partner identification)
- Support to downstream measures like **exploitation and commercialisation of results of finished or about to finish research projects**
- **Reinforcement of the local impact** (including additional work packages) of agreed Horizon Europe projects (that are by definition transnational)

Role of Horizon Europe NCPs

- **Respond to information demand**

- Explain the difference between ESIF and Horizon Europe scope, complementarity, agenda, deadlines, actors involved
- Inform about the Guidelines, basic principles
- Craft 'Tailor- made' information based on local governance conditions
- Get in touch with Horizon Europe **thematic** NCPs

- **Be pro-active**

- Collaborate closely **with national and regional planning authorities** managing ESIF for research and innovation and identify cooperation and complementarity opportunities
- Detect opportunities by sector (Horizon Europe participants, RIS3)
- Inform, train local authorities agents
- Inform, train specific important geographic sectors (**link to RIS3**)
- Share good examples of synergies

New Synergies guidance is out !

- On 5th July 2022, the Commission published a practical and user-friendly guidance on new opportunities to maximise the synergies between Horizon Europe and the European Regional Development Fund programmes.
- https://research-and-innovation.ec.europa.eu/news/all-research-and-innovation-news/synergies-guidance-out-2022-07-06_en
- **The document covers legal and implementation details of all new opportunities for achieving operational synergies, including for the Seal of Excellence, transfer, cumulative funding, co-funded and Institutionalised Partnerships, Teaming, and upstream/downstream synergies including Missions.**
- Public bodies intending to support Seal of Excellence holders can find suggestions and examples for their actions.

Transfers from ERDF to Horizon Europe (NEW!)

- Under Article 26(1) CPR, **Member States may request the transfer of up to 5% of their resources under shared management to any other EU fund(s) or instrument(s) under direct or indirect management.** The 5% limit applies to the initial national allocation of a given fund and **not to a specific programme or (category of) region.** Transferred resources may only be used for **future budgetary commitments (i.e. for following years).** The resources must be used for the benefit of the Member State concerned.
- Such transferred amounts do not count for thematic concentration for the ERDF.
- HE allows all its parts to receive transfers of resources from shared management programmes

<i>Relevant legislation</i>	CPR	Article 26 CPR Transfer of resources and Recital (19)
	Horizon Europe	Article 15(5), (6)
<i>Related legislation</i>	CPR	Article 24 (Amendment of programmes)

Cumulative funding (NEW)!

- **Cumulative funding** means that an operation/project receives support from **more than one fund, programme or instrument (including both shared and directly managed funds) for the same item of cost/expenditure**. As is the case for the other synergy mechanisms, cumulative funding is not automatic. Rather, it is an option that can be explored by MAs for cohesion policy and the granting authority for directly managed EU programmes. **Cumulative funding can only be applied with the agreement of all parties involved (i.e. MAs and the granting authority for directly managed EU programmes)**.

<i>Relevant legislation</i>	CPR	Article 63(9)
	HE	Article 15(4)
<i>Related legislation</i>	Digital Europe Programme	Article 23(1) ¹⁵

Cumulative funding: Policy considerations/potential benefits

- Cumulative funding makes it possible to spread the financial burden of an operation and to address possible budgetary constraints (e.g. those stemming from an instrument's lower funding rates) **because it can allow up to 100% of a synergy project to be funded from the EU's budget**, provided relevant State aid rules are complied with. It also makes it possible to support national contributions, particularly in less developed Member States and regions.
- Cumulative funding can also pool resources from different EU instruments under both direct and shared management, **and it makes 100% financing from EU resources possible**. Cumulative funding therefore provides an opportunity to strengthen the links between the complementary R&I priorities of HE calls and ERDF programmes (**and related S3**).
- The MA may state in the cohesion policy programme its intention to allow cumulative funding and the areas in which such funding would offer benefits. Even if the programme does not refer to this mechanism, cumulative funding can still be applied if the operations are in line with the programme's priorities.
- **The MAs and the Commission services/granting authority (for the directly managed EU programme in question) may then agree to launch coordinated calls:**

These calls should:

- be coordinated between the MAs and the Commission services/granting authority and ideally be launched at the same time;
- mention that if the applicant chooses to apply for both instruments' calls **and** if both applications are accepted, the project can receive cumulative funding (i.e. support from both instruments);



Thank you !

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