

Mutual Learning Exercise

What synergies between ESIF and FPs?

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Experiences from Greece

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A past of 20 years

- Issue for the last two decades – when raised first, several MS reacted in negative way
- For long time, it has been faced by the bottom, (level of RTD units and firms)
- In 2006, CREST established OMC –group exploring synergies between ESIF – FPs (Guidelines produced)
- REGIO 2014 : Guidance for policy-makers & implementing bodies, Enabling synergies between ESIF, Horizon 2020 etc
- Solving this problem may require serious re-organisation of units and processes
- Wide variety of cases - The experience from the Greek efforts

Characteristics of a NIS that should combine various funding sources

- A tradition of bottom up formation of policy,
- Weak policy elaborating bodies – let all flowers to blossom approach – even under RIS3 regime,
- Small, mostly academic orientation research units,
- Many small projects increasing administrative load,
- Weak managerial experience and administrative support
- Dominance of micro and very small enterprises,
- Lack of large globally visible firms,
- Strong academic performance in publications , no patents,
- Good networking of the RTD entities with European and some other foreign counterparts.

Greece and the FPs

- **FP7: Greece was ranked 9th in terms of participations, (3.15 % of all FP7 participations) and 11th in terms of grants received, (2.48% of grants awarded under FP7)**
- **In the 1st year of H2020, Greece maintained its 11th position in terms of EU grants received (2.1% of H2020 funding).**
- **In the 2nd year, Greece moved to 12th place in terms of EU funding received in 2015 (1.8% of H2020 funding, 25% lower than the 2014)**
- **Qualitative upgrading-s required**

*European Commission (2015b), pg. 9-11 and Annex F – FP7 Country Profile Greece
European Commission (2016b). Horizon 2020 Monitoring Report 2015. European Commission, DG for Research and Innovation*

The RTDI component of the Greek ESIF

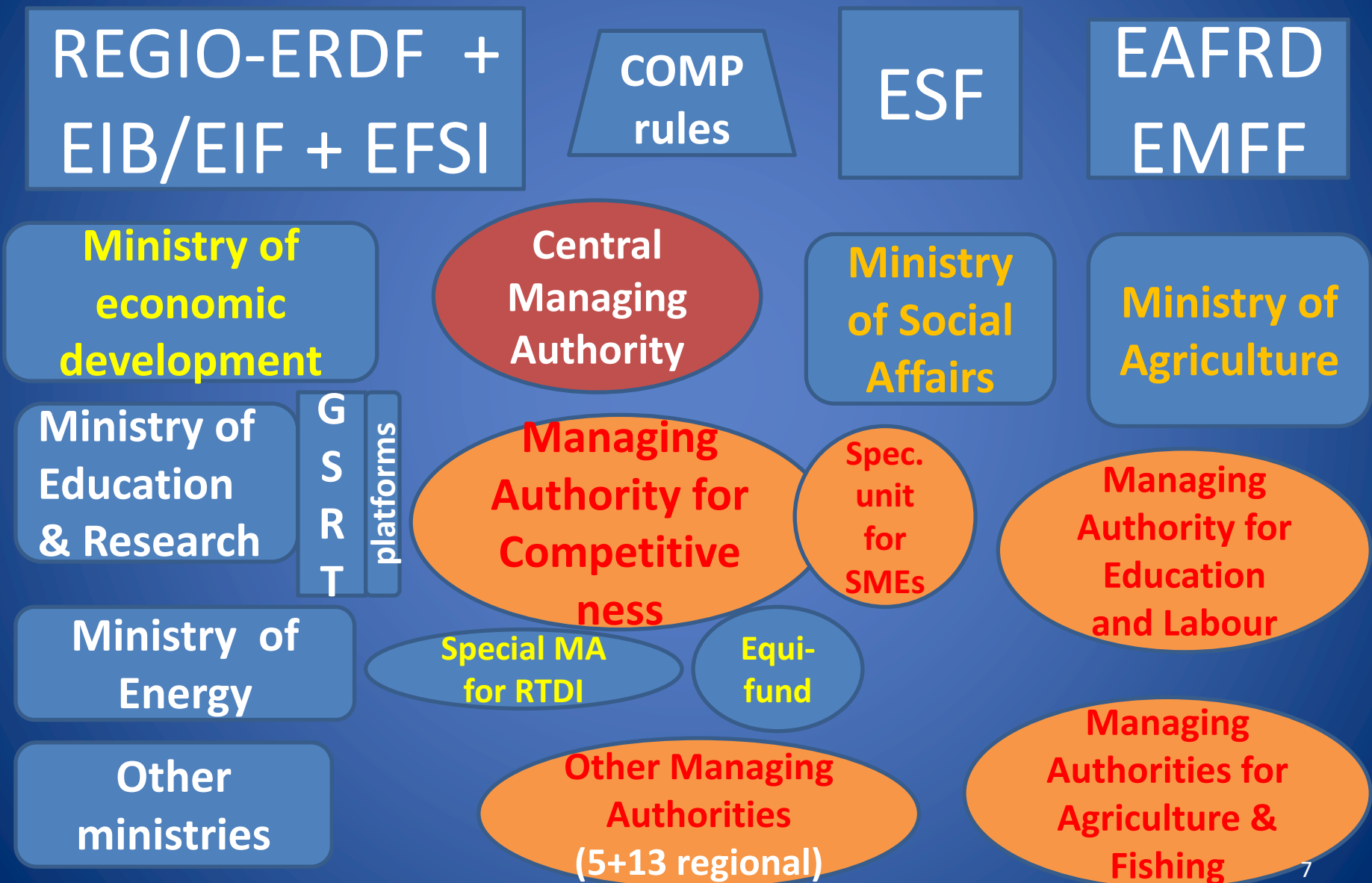
- Partnership Agreement 2014-2020:
€20.4b EU+5.2b national = € 25.6b
for 6 central and 13 regional OPs
- OP Competitiveness, Entrepreneurship,
Innovation (EPANEK) budget € 4.7b [EU €3.6b]
for RTDI, INFOSOC, SMEs and Energy
- Allocation to the Objective 1: RTDI
budgeted ~ € 1.2 billion ERDF + national ~20%
- Central RIS3 €0.82b; Regional RIS3 ~ 0.4b
- Key to Regional allocation of ERDF funds

Synergies: RTD with local economic development

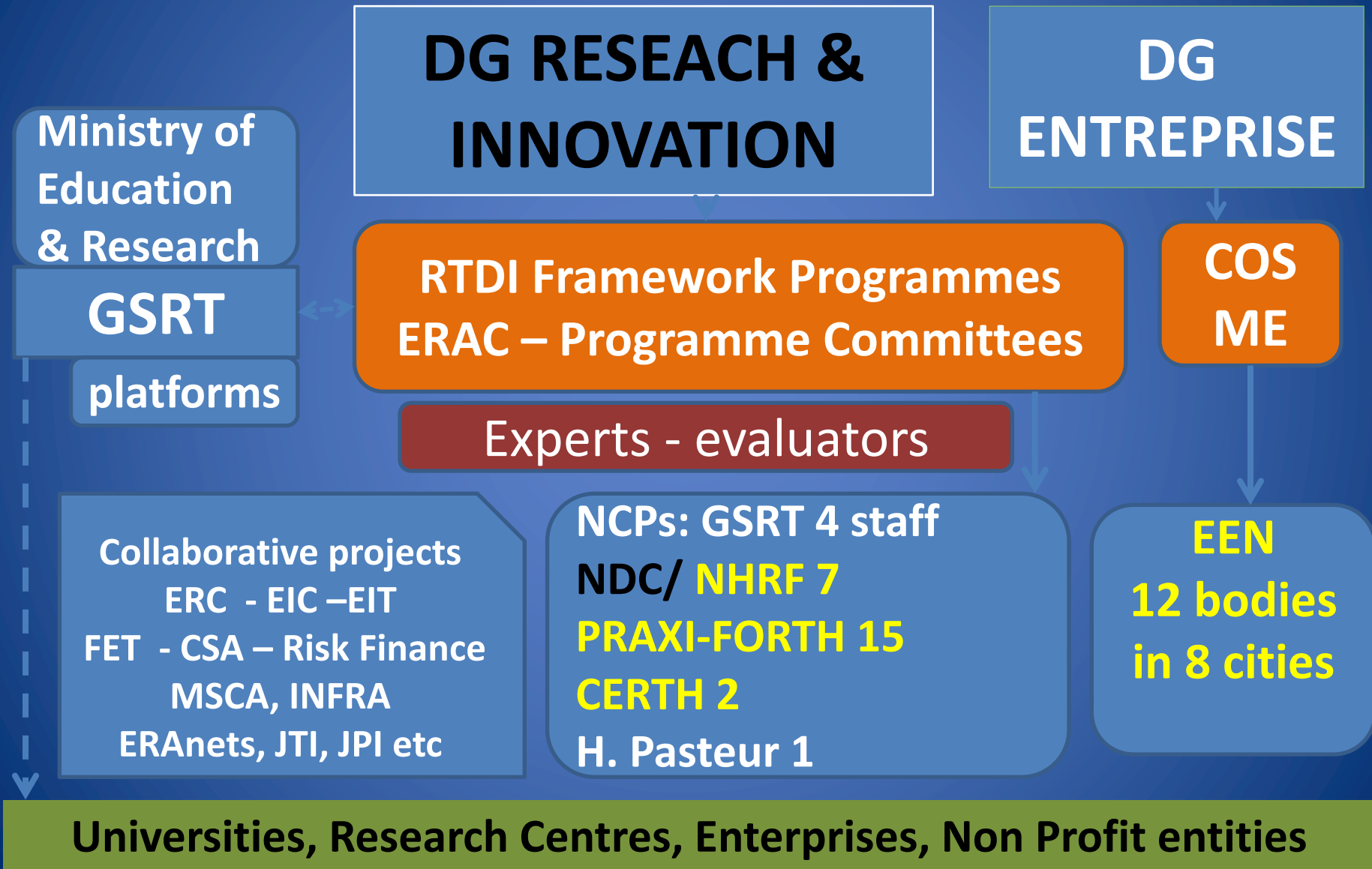
A direct impact of ESIF on FPs

Since 1987, with the IMP, followed by the CSFs and the Strategic Reference Frameworks, the universities, technical colleges and research centres built numerous sound laboratories and trained scores of new researchers, while familiarising SMEs with RTD activities, that are eventually applying for funding to the FPs and H2020 calls.

The “silo” of the ESIF (simplified)



The “silo” of the FPs/H2020 (simpl.)



Where the processes diverge? ^{1/3}

- **Level and bodies of priority setting**
 - **RIS3 in building regional/ national value chains vs FPs integrating EU-wide or global value chains**
 - **Do the 2 instruments address the same beneficiaries???** – **divergent interests of locally oriented vs globally oriented participants**
 - **The bottom up process at EU and at national level**
 - **Breadth of the H2020 and RIS3 topics – the annual WPs**
 - **Differences in State Aid rules**

Where the processes diverge? ^{2/3}

FPs and ESIF are not just 2 sources for funding RTD

The rationales of the two “silos”:

- **ERDF**
 - Benefits Less Favoured Regions
 - General infrastructure building ,
 - Supporting small “entrepreneurship”,
 - 2014-20: basic research is not eligible for ERFD,
research excluded in ESF
 - and **Fund Absorption**, vs
- **FPs-H2020**
 - Enhancing L-Term RTD investment and competitiveness, Excellence in science, LEIT and respond to societal challenges
 - All types of research eligible
 - Benefits more S&T developed regions

Where the processes diverge? ^{3/3}

- **Difficulties in the implementation phases**
 - **Timing of calls, selection, contracting, invoicing**
 - **Funding terms and conditions, funding cycles**
 - **Managing multiple interlinked networks of collaborating entities – increasing complexity**
 - **Evaluation of intermediary & final outcomes**

STATE AIDS: Internal market vs global competitiveness

- The state aid rules for the FP and the ESIF cases - not the same “market failures”! – the linearity of the regulations
- For ESIF, *BLOCK EXEMPTION* dictates a policy....
- No “systemic” approach for DG COMP – from equal treatment of firms in the internal market to the “protection” of the good use of public resources
- The example of the – seal of excellence for the SME instrument – differential in state aid and subsidy rates

The “common pot” activities

- Co-funding ERDF-FP in projects providing for the creation of a “common pot”
- ERDF is not allowing disbursement of its funding in another country than the one committed to
- Most countries prefer to contribute to a “virtual common pot” for funding their own projects

The “topping up” differential

- The FP grants a “topping up” on the “national” budget of projects eligible in ERANETS, JPI, art. 185, etc
- The “national budget” in the Greek RTDI case is ERDF, in which the national contribution is only ~20% (depend. on the regional quota).
- In the case of JTI the national share required is contributed by the participating business firms

GR-ERDF 2007-13: Programme supporting organisations selected in calls of the ERA-NET

- **Addressing universities, research centres etc**
- **Action's objectives:**
 - **Enhancement and optimisation of the Greek participation in international and European networking activities**
 - **Fulfillment of national obligations in European policies**
 - **Promotion of the cooperation among researchers of EU MS and AS**
 - **Exchange of knowhow among researchers**

GR-ERDF 2007-13 Support to organisations participating in Joint Programming Initiatives (JPIs)

- **Addressing all Greek partners to JPIs**
- **Action's objectives:**
 - **Same to ERANets**

Effective participation: 3 health projects, total budget €131K

GR-ERDF 2007-13 Support to organisations participating in the EU JTI ENIAC & ARTEMIS

- Addressing enterprises, universities etc
- Objectives:
 - Enhancement and optimisation of the Greek participation in international and European networking activities
 - Support of the cooperation between various types of organisations from various fields, ...
 - Reduction of the gap between public research and business development
 - Transfer and adaptation of technology....
 -

GR-ERDF 2007-13 National research networks in areas related to the infrastructures of the ESFRI

- Addressing universities, research centres
- Duration: 6 months
- Max grant: €125.000
- Eligible expenditures:
 - New or existing staff
 - Third parties remuneration
 - Travel expenses abroad
 - Accommodation of invited persons

GR-ERDF 2007-14 Programme KRePIS

- Addressing RTD activities of GSRT's supervised centres
- Objectives of the programme:
 - Promotion of coordinated and oriented research
 - Encouragement of innovation and future commercialisation of the research results
 - Networking and valorisation of the research institutions of the country
 - **Reinforcement of the position of the research organisations in the European and international research landscape**

GR-ESF/OP Education and LLL 2007-13

Complementary granting to projects awarded under the ERC Grant Scheme

SEAL of EXCELLENCE

- 3 projects 2 universities and 1 r-centre
total GR-grant €2.5m
- 5 projects universities and r-centres
total GR-grant €4.7m
- +6 projects with no fin. data

N.B.: in 2014-20 ERC Seal of excellence can not apply due to the restrictions of the ESIF regulations.

ERA implementation - the periphery of FPs

ERAnets, art.185, JPIs, etc

For EPANEK, GSRT established a Committee for the evaluation of Greece's participation in Joint Programming/ERA actions. The selection criteria are:

- a) actions' subjects, priority areas and goals, and their consistency with the national RIS3,
- b) VA in comparison to promoting a similar action at national level only,
- c) **the availability of financial resources**, and
- d) other, mainly GSRT's management capacity

GR-ERDF 2014-20 Supporting organisations selected in joint calls of the ERA-NETs and other ERA related activities (JPIs, JUs etc).

- **Beneficiaries: research organisations, enterprises, other**
- **Total Budget: 16 m €**
- **1st Call issued for ERANets: 4.5m total public funding; Max budget / ERANet Greek participation: 150.000 - for 3 years**
- **Next calls: Max budget / ERANet Greek participation: 200.000 - 250.000 (if coordinator)- for 3 years**

Clean Sky JU

Greek participation: €2m from OP 2014-20

Competitiveness-Entrepreneurship-Innovation

The PRIMA initiative 2018-28, art 185

- Objective: innovation in water management, agro-food systems in the Mediterranean area
- Total budget €440m, of which €220m from HORIZON and other FPs
- Greek participation: €10m, ERDF contribution questioned!

GR-ERDF 2014-20: RTD infrastructures RIS3 funding and FP project funding

Selection criteria for ERDF/OP funding of RTD
infrastructures at national level:

A. Scientific, technological potential and maturity of
the Research Infrastructure

B. Effective Networking, Synergies with the
Knowledge Triangle **and International Visibility**

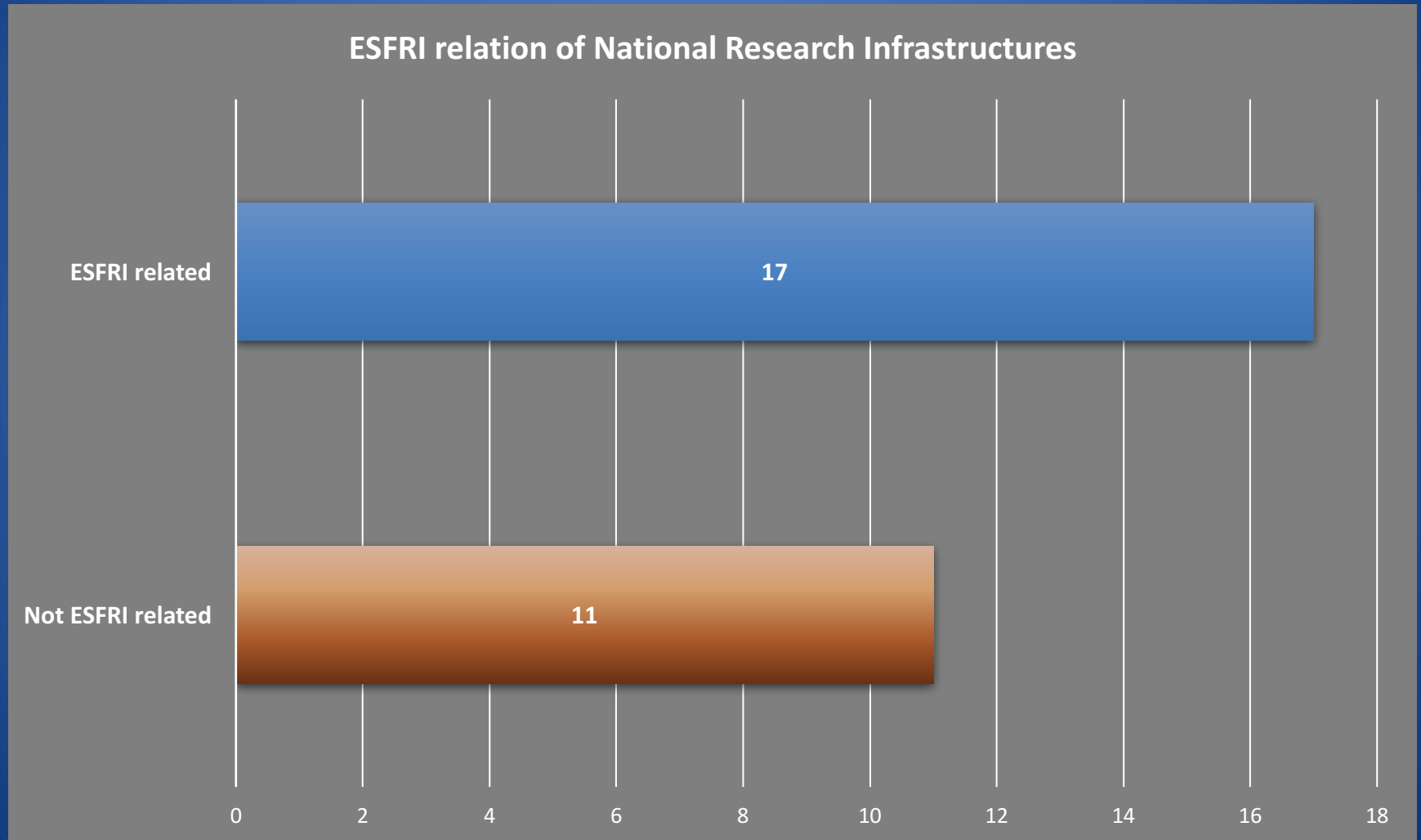
C. Access Policy

D. Governance and Sustainability

E. Innovation Potential & Contribution to Private
Sector innovation

F. Contribution to National & Regional Growth &
Socioeconomic Benefits

Multi-annual budgeting Plan for RIs 2014-20



Lot of synergies! - What is missing?

- Combining funding from H2020 and ESIF in **integrated research and innovation Projects**

Could the following example work?

A project where research activities are funded by Horizon 2020 and region-specific demonstration activities are supported by ESIF

The answer is **RATHER NO**, under present conditions

Difficulties in facilitating synergies^{1/3}

- ESIF-EFSI funding-s has a stand alone status, how could they become a complement of RTDI frameworks?
- H2020 projects are not always relevant to RIS3 and ESIF objectives for building regional Value Chains
- Conditionalities are defined at the beginning of each programmatic period
- The clearer the priorities and selection criteria in each “SILO”, the more difficult becomes the combination of the two funding sources

Difficulties in facilitating synergies^{2/3}

- Open dates for the submission of applications loosens the monitoring effectiveness and assessment of outcome.
- MAs of OPs have no mandate to gather and retrieve information on the potential of the research entities to use funds from complementary sources.
- Implementing Bodies of the RIS3 policy (i.e. GSRT) could develop such competence, probably with the assistance of NCPs and EEN.

Difficulties in facilitating synergies^{3/3}

- The involvement of NCPs and EEN in the process of synergies creation requires their familiarisation with the regulations and “culture” of the OPs’ MAs
- The “beneficiaries” (business firms, financial institutions...) seem better qualified to create the synergies, that the two SILOs allow.
- Using TRLs as a discriminant in allocating funds from sources with different long term goals ignores the facts that: TRL is a linear approach and only one of many parameters for IRL

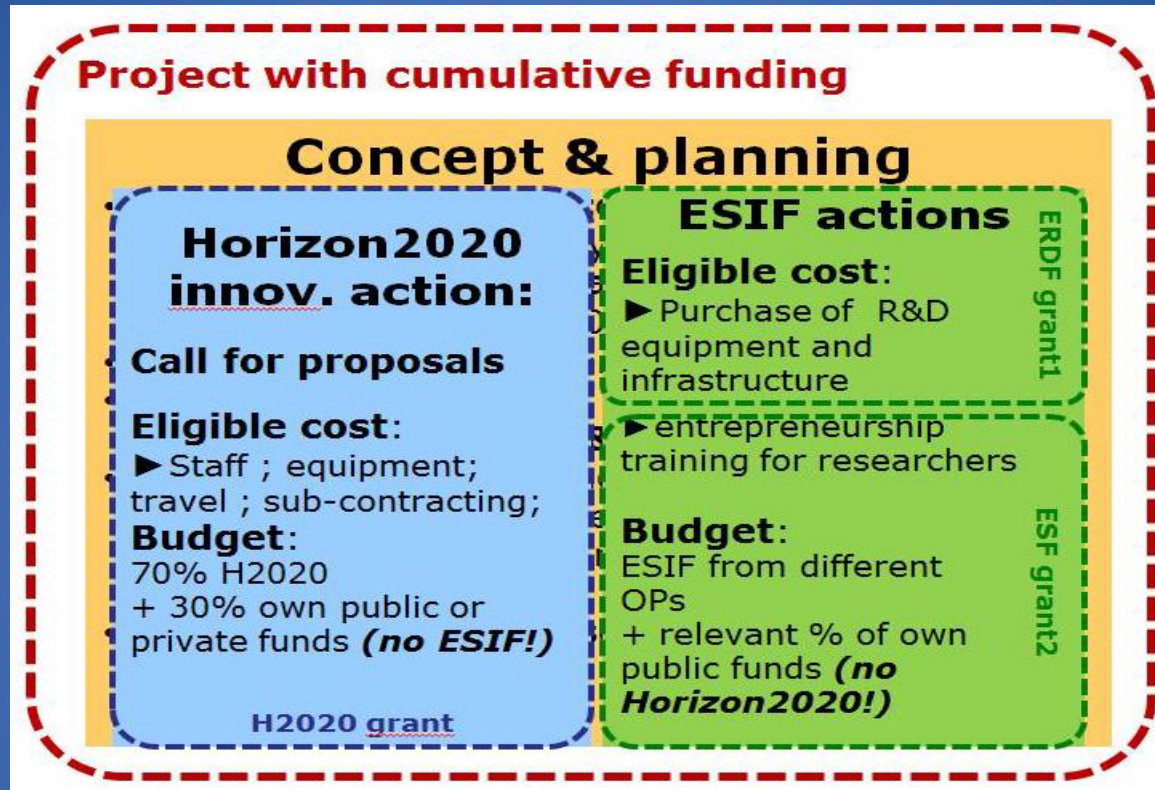
Guidance on enabling synergies 2014

- **possibilities offered by Regulation 1303/2013 (ESIF) on harmonising research programme management procedures with those applied in Horizon 2020.**

What is the problem with this configuration?

Guidance DG REGIO 2014

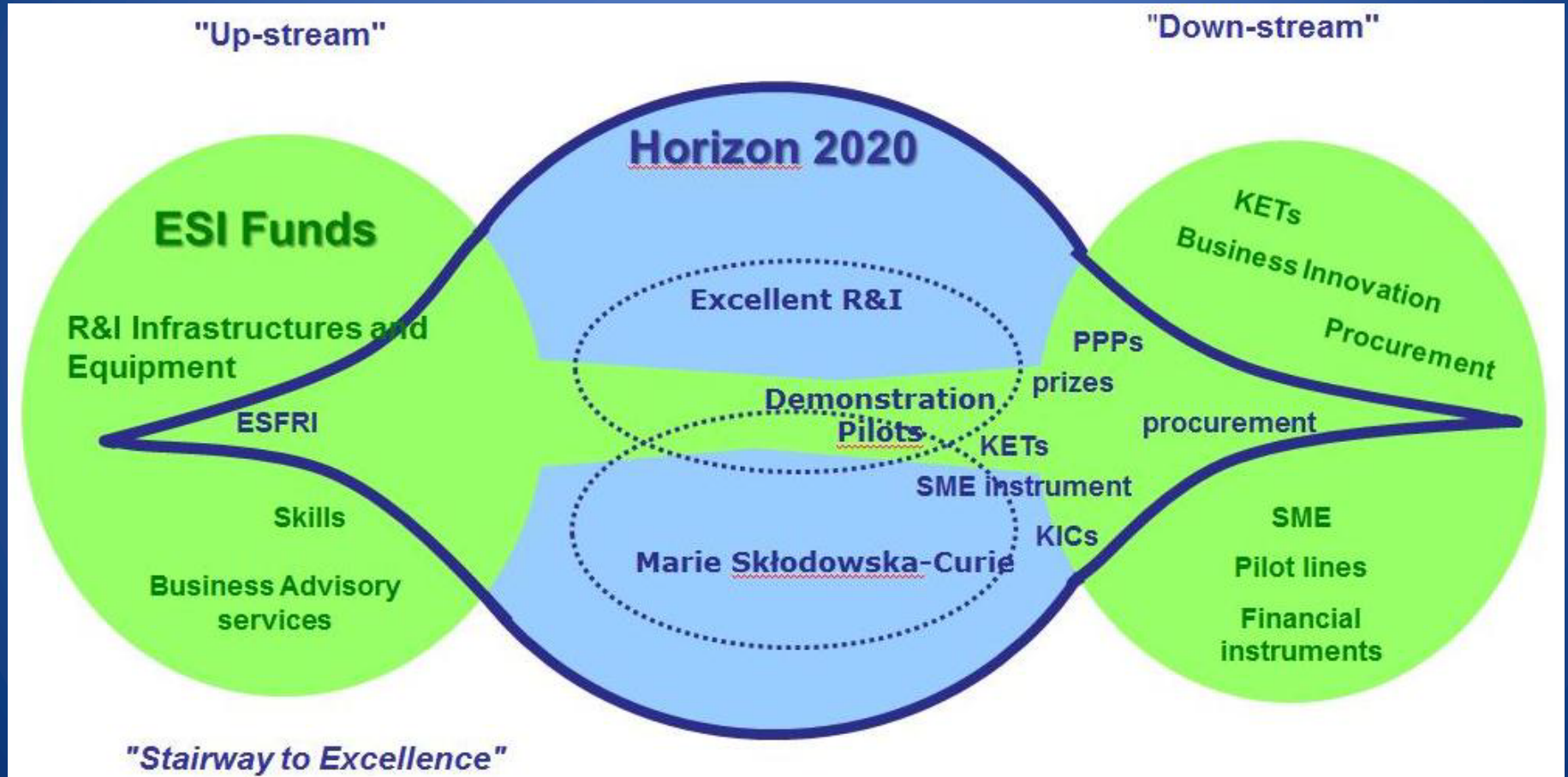
Even if **priorities** & **objectives** converge



Even if **costs** are **complementary**

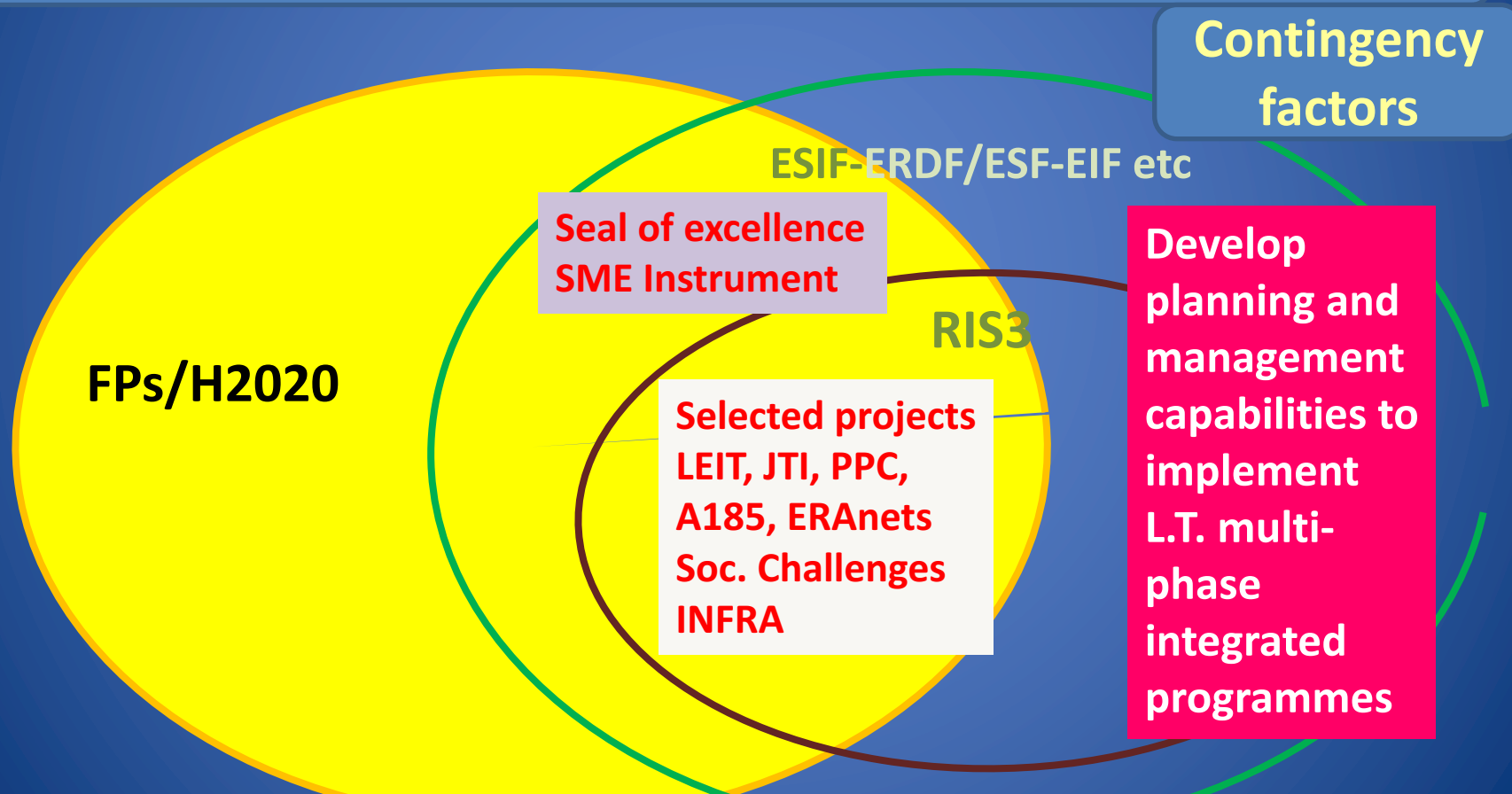
Two different **evaluation** procedures staffed by entirely different “**peers**” triggered in different **timing**, deciding on selection upon different **criteria**, but also on **budget**, **partners**, **deliverables**, etc

A proposed allocation of tasks and objectives



Determination of a common ground for a country/region for the two funding sources

GSRT-NCPs-EEN monitoring task force



Universities, Research Centres, Enterprises, Non Profit entities

Thank you
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