

5th ERAC Meeting on 27-29 April 2011

ERAC Opinion in view of the future Framework Programme („Common Strategic Framework“)

Background note by Christian SEISER, Rapporteur

Context and objectives

Within the remit of the ERAC mandate, the Committee was given the mission to provide advice on the identification and design of strategic priorities for policy initiatives on research and innovation, including the EU Framework Programmes.¹

On 9 February 2011, the European Commission started a Europe-wide consultation on the next Framework Programme on the basis of a Green Paper comprising 27 questions about how to shape research and innovation policy in Europe after 2013.²

ERAC wishes to contribute to this debate with the objective to provide the European Commission, the Council and the Member States with a number of ideas that could contribute to the preparation of the future “Common Strategic Framework for Research and Innovation (CSF)”.

It should be clear from the outset that with its contribution, ERAC is aiming at a clear value added that goes beyond a simple compilation of existing national position papers. ERAC considers itself a strategic advisory body representing different policy-makers from the Commission and from national authorities. ERAC Opinions reflect the joint commitment of its members to fully realise the European Research Area. The usefulness and relevance of the ERAC Opinion on the CSF will therefore depend on the willingness of all members to contribute to the debate with an open mind and in a truly transnational spirit.

¹ ERAC Mandate §3a: With respect to its strategic policy advice mission, the Committee shall, in particular at an early stage, provide advice on the identification and design of strategic priorities for policy initiatives on research and innovation relevant to the development of the ERA, including the EU Framework Programmes and other relevant EU, national and intergovernmental initiatives.

² Green Paper „From Challenges to Opportunities: Towards a Common Strategic Framework for EU Research and Innovation Funding“, 9 February 2011, COM(2011) 48

Sources of reference

Delegations are invited to prepare themselves for an exchange of views at the forthcoming ERAC meeting in Budapest. There is no need to start our thinking process about the CSF from scratch, since in our debate we can rely on what has already been reflected in complementary processes and documentation. Our obvious point of reference should be the Commission's Green Paper on the CSF. Moreover, in recent ERAC reports (in particular on synergies and on ERA-related instruments (to be adopted at the April meeting)), many of the issues raised by the Green Paper are sufficiently addressed.

From the point of view of the rapporteur, the following sources should be taken into account:

- Green Paper of the European Commission on the "Common Strategic Framework" (9 February 2011)
- Draft ERAC Report on ERA-related Instruments (as of 1 April 2011)
- ERAC Opinion on recommendations and possible options to achieve more synergies between the Knowledge Triangle and Cohesion policies at various governance levels (21 June 2010)
- Possible outcome of the informal Competitiveness Council on 11-12 April 2011 in Budapest & Gödöllő
- National reflection papers on the next Framework Programme³

Focus of the ERAC debate

Given the tight timeframe for delivering its opinion by the end of May, ERAC will not have the capacity to delve into all aspects of the future European research and innovation policy. Instead, the exchange of views at the Budapest meeting should focus on a limited number of issues that will attract the attention of policy-makers and will provide the Commission with a clear understanding of ERAC's policy approach to the CSF.

³ In an annex to this note, delegations will find a table summarising the main messages of national authorities on the next Framework Programme, and relating these statements to the main axes of the Commission's Green Paper. This table is based on the rapporteur's own analysis and does not represent any official status. It should simply provide an overview in the preparation of the ERAC debate.

The rapporteur proposes to focus on the following topics:

(1) Structure of the CSF

Main issues to discuss:

- Should the CSF continue with the current FP structure, or does it need a new approach along the Green Paper's chapters (Tackling societal challenges / Strengthening competitiveness / Strengthening Europe's science base and the ERA)?
- What structure would best reflect the role of the CSF as a tool for implementing the Innovation Union?
- How should the CSF cater for the ERA policy and anticipate the forthcoming proposal for an ERA Framework, given the time-lag between the two initiatives?

Further food for thought:

- *How should the concept of grand challenges, including Joint Programming Initiatives, be translated into the structure of the CSF?*
- *In which structure should competitiveness be promoted?*
- *Should innovation policy become a separate pillar of the CSF, or should it be embedded as a horizontal target across the board?*
- *In which kind of organisational structure should the CSF promote human resources (mobility, career development, recruitment, social aspects...)?*
- *How should we integrate activities under the current Capacities programme of FP7 into the structure of the future CSF?*

(2) Priority setting for the CSF

Main issues to discuss:

- Against the background of the on-going debate about grand challenges, are there any priority fields that ERAC would like to highlight?
- Should we encourage a thematic structure for promoting growth and competitiveness in Europe (e.g. for Key Technologies)? If yes, on which themes?
- Taking note of the fact that education policy is broadly covered by other Community instruments, is there still a need for linking the CSF with priorities defined in the area of education? Do we need any bridging activities that facilitate inter-operability and coherence between different parts of the Knowledge Triangle?

Further food for thought:

- *Do we consider Forward-Looking Activities a prerequisite for future priority setting in Europe?*
- *How should the process of creating European Innovation Partnerships under the CSF be related to Member States' priorities in R&I?*
- *Apart from the ERC, should the funding of non-thematic, high-risk blue sky research become a priority in the future (e.g. through FET/NEST-type activities)?*
- *Some priority fields – e.g. grand challenges – might call for EU and Member States' initiatives to complement each other. How could the necessary flexibility in the CSF be combined with an adequate priority-setting in the Member States, and in partnership between Commission and Member States?*

(3) Budgetary priorities within the CSF⁴

Main issues to discuss:

- On the basis of 100% of resources for the CSF, what are your priority funding areas?
- In return for a greater emphasis on a certain area, which other area would you propose to reduce?

Further food for thought:

- *What share does ERAC suggest to dedicate to addressing the grand challenges?*
- *What proportion should go to funding for activities promoting competitiveness and innovation?*
- *How much of a total of 100% should be reserved for frontier research?*
- *Do we have a common understanding of the share for human resources activities?*
- *What could be a reasonable percentage for activities such as international cooperation, research infrastructures, research potential, science in society, regions of knowledge, or the Joint Research Centre?*
- *What would be a good overall balance between funding bottom-up and top-down initiatives in the CSF?*
- *Do we wish to express a view on the share of funding for SMEs?*

Procedure

At the next ERAC meeting on 28/29 April 2011 in Budapest, delegations are invited to contribute actively to the debate on the future Framework Programme along the three topics that are mentioned above. The issues raised are there for guidance only.

After the Budapest meeting, the rapporteur will prepare a draft Opinion that will be circulated in advance of the ERAC meeting of 24 May 2011. On this occasion, all ERAC members will have the opportunity to comment on the text.

Shortly after the ERAC meeting in May, the Committee should seek agreement on the ERAC Opinion by written procedure.

⁴ Nota bene: ERAC will not discuss the overall budget of the CSF but will focus on the share of resources that should be dedicated to different areas on the basis of 100% for the CSF.

ANNEX

MS/AS Reflection Papers⁵ in the light of the Green Paper “Towards a Common Strategic Framework for EU Research and Innovation Funding” (Non-paper provided by the rapporteur)

<p>4.1.: Working together to deliver on Europe 2020</p>	<p>Content</p> <p>All countries emphasise the importance of tackling the grand societal challenges - these should be either replaced or integrated into the specific programmes for collaborative research. SE suggests replacing the current specific programmes by programmes dedicated to the various grand challenges. Most of the countries (NO, DE, IE, AT, ES, SE, FI) also mention the fact that the Europe 2020 Strategy, as well as its flagship initiative "Innovation Union", will shape and guide the most important thematic areas of the upcoming Framework Programme. DK proposes to focus on the output of research and innovation and “growth” as the ultimate objective.</p> <p>Mobility and Human Resources actions are broadly considered as very important measures. Apart from maintaining the Marie Curie actions, AT, CH, DK and IE propose to introduce cross-cutting measures for cross-sectoral mobility (such as e.g. "Industry-Academia Partnerships and Pathways").</p> <p>Most of the statements include a commitment to excellence as the main priority when selecting projects for funding. Excellence is broadly considered to be the basis of the competitiveness of science and industry in Europe. In this context, DE stresses the fact that excellence should never be mixed with cohesion measures, but that cohesion measures should strengthen the regional development towards excellent research & development. FI suggests paying more attention to exploitation aspects. The EU-12⁶ underline the requirement that the principle of excellence should continue to be the "cornerstone criterion" for the next FP; nevertheless they also propose to take other principles into account, such as inclusiveness, cost efficiency, relevance of research, and contribution to growth and jobs. Enlargement Countries⁷ propose to support the "excellence"-criterion with inclusive strategies for capacity building and cohesion.</p> <p>Structure</p> <p>AT and SE strongly support a radically new structure of the Framework Programme. In recognition of the development of a coherent policy framework beyond mere project funding, AT proposes "European Knowledge Framework" as the programme's new name. This framework should be based on three pillars: "Knowledge for Society", "Knowledge for Growth" and "Knowledge for Science". DK proposes a strong strategic programme for Grand Societal Challenges. While recognizing the need for new measures, other countries emphasise the importance of continuity regarding structure and processes within the Framework Programme (DE, NO, IE, CH, ES, TK). DE and IE explicitly ask for a balance between new measures and continuity: Proven procedures should not be questioned (such as e.g. collaborative research); new instruments should only be introduced after careful consideration and if there is an evident need. Structural innovations proposed by these countries include e.g. the integration of the EIT and the R&D-relevant parts of CIP into the Framework Programme as well as the integration of the grand societal challenges into all areas of the specific programmes. FI suggests integrating all EU-funded research, development and innovation activities into the same</p>
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⁵ Including position papers from AT, CH, DE, DK, ES, Enlargement Countries Joint Position, Common Position of EU-12, FI, IE, NO, SE, TK.

⁶ “Common Position Paper of EU-12 Member States for the next Framework Programme” (BG, CY, CZ, EE, HU, LT, LV, MT, PL, RO, SI, SK)

⁷ “Enlargement Countries' Joint Position on Future EU RTD Programme”

	<p>Framework Programme. DE suggests introducing six new specific programmes: "Development of ERA", "Grand Challenges", "Key Technologies in High Technology Areas", "Frontier Research (ERC)", "Innovation" (incl. EIT, CIP, SME measures and "Regions of Knowledge") and "Marie Curie". In addition to these, DE calls for horizontal innovation activities within all thematic areas. Other countries, such as CH, regard innovation as a horizontal topic which should be considered in every area of the Framework Programme. The EU-12 propose to strengthen the "Ideas" programme, the "Marie Curie Actions", the "Regions of Knowledge" programme, and the ERA-NET projects, in order to further advance the internal dimension of the ERA. Enlargement Countries would like to maintain the Capacities Programme.</p> <p>Simplification All countries support the Commission's work on simplifying the Framework. Above all, they stress the importance of a trust-based approach and of simplifying administrative procedures, e.g. time to grant. SE and TK mention that simplification is crucial particularly for SMEs. Enlargement Countries stress the importance of simplification especially for newcomers. CH also suggests reducing thematic and governance groups and reviewing meta-structures (such as the European Innovation Partnerships and Joint Programming Initiatives). On the administrative level, CH suggests harmonising participant rules and reducing participant categories (to three categories: Public, SME, Large). DK, ES and SE support a harmonisation of the implementation of the ERA instruments. FI calls for a harmonisation of rules within the FP and among all EU programmes financing research and development. NO even links the discussion on the budget for FP8 with simplification: Before considering budgetary increases, simplification procedures should be completed. According to the EU-12, more flexible and simpler administrative and financial rules should be adopted.</p> <p>Synergies All countries ask for better synergies of the Framework Programme with other programmes (e.g. by integrating the EIT, integrating the R&D measures of CIP, better use of Structural Funds, linkages with ERA instruments as Joint Programming Initiatives, and the ESFRI roadmap). These countries also emphasise the importance of harmonising existing instruments. AT refers to the fact that the actual use of the € 86 billion earmarked for research and innovation within the framework of current EU regional policy has not been outstanding so far. Only 26% of these earmarked RTI funds have been allocated to actual projects to date. By developing "smart specialisation strategies", the regions should be invited to focus on their specific potentials. AT suggests helping the regions, for example through implementing recommendations concerning the better utilisation of funds from the Framework Programmes and the Structural Funds. For DK, the Structural Funds should support research, innovation and education to a greater extent.</p>
<p>4.2.: Tackling societal challenges</p>	<p>All countries stress the importance of integrating the grand societal challenges into the next Framework Programme. Whereas most of the countries emphasise the horizontal dimension of the grand challenges and propose to consider these topics in each programme, SE and AT propose to replace the specific programmes in the area "Cooperation" by an area called "Grand Challenges", which should be based on the different grand challenges. DK proposes a strong strategic programme for these challenges and mentions the importance of Social Sciences in this respect.</p> <p>Joint Programming (JP) Several countries (AT, DE, TK, IE) appreciate the role of Joint Programming in tackling societal challenges. NO, AT, DE propose to provide financial resources to JPI calls at Community level. Some countries (CH, SE, TK) ask for clarification of the relation between Framework Programmes and Joint Programming. DK points out the need for a strong link between JP, EIPs and</p>

	<p>the FP.</p> <p>European Innovation Partnerships (EIPs) AT proposes to integrate the concept of Innovation Partnerships into the next Common Framework. It supports the pilot Innovation Partnership on “Active and Healthy Ageing”. ES suggests merging the European Innovation Partnerships with other large-scale initiatives such as the SET-Plan. CH proposes a critical review of meta- and meta-meta structures like EIPs.</p> <p>Joint Research Centre AT suggests using the science-based "policy options" of the Joint Research Centre when deciding on "Key Technology Projects".</p> <p>Bottom-up Activities AT, CH, TK would welcome bottom-up funding in all fields of research and technology to enhance innovation and competitiveness. NO and ES suggest increasing the openness of programmes. DK stresses the importance of bottom-up funding possibilities for SMEs/business.</p> <p>Forward-looking Activities AT suggests that Europe-wide Foresight processes should become more important. Joint Foresight processes should lead to "Smart Specialisation Strategies", opening up new opportunities for growth for the regions. DK supports the EC's proposal on a “European Forum on Forward Looking Activities” and to use it actively in the process of defining grand societal challenges to focus on.</p>
<p>4.3.: Strengthening competitiveness</p>	<p>Budget Only a few countries address budgetary issues. NO links the discussion on the budget for FP8 with simplification: Before considering budgetary increases, simplification procedures should be completed. CH proposes to have a budget which is consistent with FP7. From the Swiss point of view, priorities should be chosen - instruments should rather be dropped than having low success rates. ES proposes a similar weight distribution of the budget among the key programmes as in the past. An appropriate level of funding would be the one reached at the end of FP7. ES states that a maximum of 15% of the budget should be spent on new ERA-initiatives, and that the budget for the Specific Programme "Cooperation" should be maintained at 65% of the total budget. FI calls for an increase of budget for research, development and innovation in the period of 2014-2020, producing added value beyond national measures. EE states that in order to achieve the objectives of the ERA vision 2020, the budget of the next FP should be significantly increased by means of restructuring of the EU budget, in line with the strategic goals of EU 2020, and by revising existing reserves within RTD&I. AT suggests a budgetary balance of 30-35-20% for the 3 pillars “Knowledge for Society”- “Knowledge for Growth”- “Knowledge for Science”.</p> <p>Broad Nature of Innovation ES calls for a clear and realistic strategy for the enhancement of the social dimension of innovation.</p> <p>SMEs DE, AT, FI and IE stress the importance of effective strategies for the integration of small and medium-sized businesses (SMEs). DE and ES suggest maintaining the target of spending 15% of the budget on SMEs. IE even suggests raising the 15% target for SME participation. ES suggests a 15% target for SMEs also for the mobility activity DK points out the narrow timeframe in which SMEs are operating and that the next FP should reflect this reality. DE, DK, ES, IE and SE refer to EUROSTARS as a good example for integrated measures. IE stresses the importance of SMEs for employment in many European countries. Therefore IE would welcome greater clarity on the definition of SMEs. According to the EU-12, greater emphasis should be</p>

	<p>put on SMEs. During the last years of FP7, pilots should help to gain a better overview of instruments and measures that facilitate the participation of SMEs and smaller research entities.</p> <p>EIT Most of the countries express a need for better coordination of the EIT with other measures or programmes. Several countries (AT, DE, IE, CH, NO, ES, SE) suggest integrating the EIT into the next Framework Programme for research.</p> <p>IPR ES and CH propose a common set of IP-rules for all FP8-related activities. DE suggests that the Intellectual Property Charter should become an important basis for collaborative research. TK proposes a review of IPR-related mechanisms. AT proposes to integrate IPR issues as a horizontal measure into all pillars.</p> <p>Public Procurement Several countries (AT, ES, SE, TK) stress the importance of pre-commercial procurement as an example for demand-side activities and propose to include public procurement in future RTDI programmes e.g. through calls or tenders.</p> <p>JTIs, PPPs AT, CH, DK and FI acknowledge the ETPs' and JTIs' contribution in that they introduce the important business perspective into the planning of FPs. DE, ES and SE mention the positive experiences with the PPP concept. They also propose to simplify the variety of procedures and structures of JTIs.</p>
<p>4.4.: Strengthening Europe's science base and the European Research Area</p>	<p>Global Cooperation For most countries, the grand societal challenges are global challenges which require global solutions and global cooperation. FI, DK and SE also mention the need for co-operation with leading countries/major knowledge centres in science and technology and better linkages with emerging markets outside Europe. ES calls for a clear strategy. DE underlines the role of SFIC. DK recommends greater coherence between the FP and SFIC. From the Swiss perspective, global cooperation should also involve HR measures specifically.</p> <p>Human Resources Measures such as the Marie Curie actions are broadly considered as vital drivers of the development of the European Research Area. Therefore many countries (AT, DE, DK, IE, CH, NO, SE, ES, TK, FI, EE, EU12) are in favour of maintaining, or even strengthening, the Marie Curie/People Actions - either as independent measures or in a new horizontal form. AT considers HR measures ("mobility & career promotion") as one of six overarching measures. NO and CH suggest a stronger establishment of frontier research within the People programme/Marie Curie actions. DE states that researchers' careers should be made more attractive e.g. by better education and training and by the portability of security claims. FI suggests integrating mobility goals in all specific programmes. ES proposes a 15% target for SMEs also in the mobility activity. According to the EU-12 and DK, greater attention must be paid to young researchers, not only from third countries, but also from the EU itself, in order to increase the human potential in R&D. Enlargement Countries propose specific regionally designed mobility measures. NO, SE state the need to increase female participation in R&D without proposing concrete measures. AT suggests supporting start-ups by women within the framework of the "European Network to Promote Women's Entrepreneurship".</p> <p>Research Infrastructures AT regards the development and use of research infrastructures as cross-</p>

	<p>cutting measures. In addition, measures for the use of research infrastructures by enterprises should be established.</p> <p>SE proposes to implement the ESFRI-list through common European endeavour. DE would like to give greater dynamics to ESFRI. FI expresses the need of giving a more pronounced role to research infrastructures in FP8. DK recommends increasing the financial framework for Research Infrastructures. ES promotes the Spanish model of open and excellence-based access to Research Infrastructures. Open participation in European Research Infrastructures is also a crucial issue to EU-12 and Enlargement Countries.</p> <p>European Research Council</p> <p>Many countries (AT, CH, DE, DK, EE, FI, IE, NO,) are in favour of continued support for, or even strengthening of, the ERC as a main driver for European frontier research. DK proposes an increased budget for the ERC. It should remain open to blue-sky research and, as stated by DE, it must become an outstanding brand of global science and must be communicated accordingly. AT proposes to dedicate one of the three pillars ("Knowledge for Science") on which the next research framework should be based, to the ERC. AT advocates for all fields of science, including interdisciplinary issues, to be supported by the ERC. This also includes research in the field of the arts within the domain of "Social Sciences and Humanities". CH and DE stress that FP8 should provide more scope for frontier research and risky projects. CH refers to three innovation chains: frontier research (which should be carried out by the ERC), pre-competitive research (e.g. by JTIs) and applied research (e.g. by PPPs). From the Swiss perspective, FP8 should finance frontier research; at later research stages large industries in particular should make monetary contributions. ES proposes to focus particularly on young researchers.</p> <p>ERA Obstacles</p> <p>CH, DK, IE, EU12 stress the need to remove obstacles to the mobility of researchers. DE proposes a Specific Programme for the implementation of the ERA.</p>
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