



# Synergies between Horizon 2020 and Cohesion policy (2014-2020)

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The bottom half of the slide features a large, stylized graphic. The word 'HORIZON' is written in large, white, sans-serif capital letters, followed by a small, realistic globe showing the Earth. The word '2020' is also written in large, white, sans-serif capital letters. The entire text is set against a background of a blue sky with white clouds and a bright, glowing light source behind the globe, creating a lens flare effect. The overall color scheme is blue and white, with a hint of yellow from the globe's sun.

Research and  
Innovation

# Innovation Union

## Creating a Single Innovation Market by setting the right conditions for investment in R&I:

*34 commitments, including:*

- *Unitary patent – cutting cost of patents by up to 80%;*
- *Standards – modernising and cutting time-to-standard by half;*
- *Public procurement - buying innovation by public sector made easier;*
- *Policies for researchers to reside in Europe;*
- *Regulatory framework screening;*
- *A European passport for venture capital funds;*

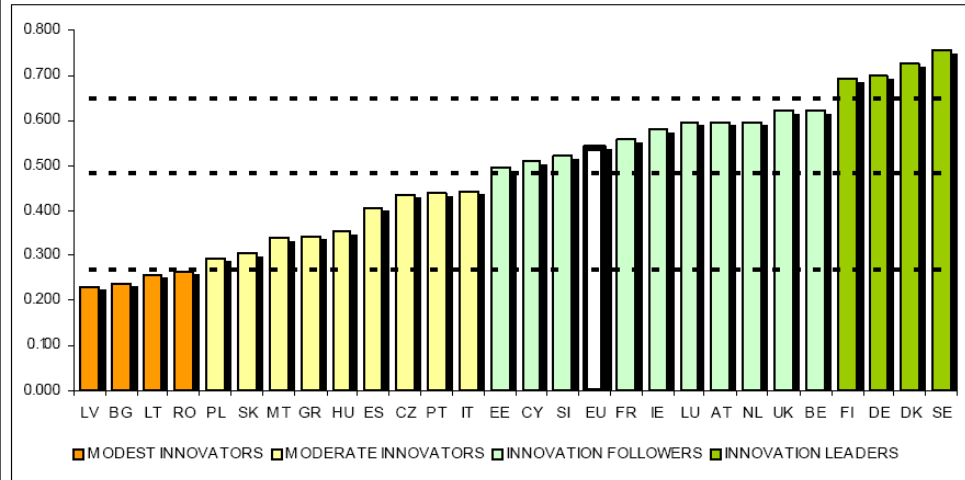
*EU committed to support R&I investment:*

- *Horizon 2020 & Structural Funds proposals;*
- *Squeezing the gap between ideas and market and frontloading growth: 2012 and 2013 FP 7 Work Programmes.*

**Positive outlook:** *Top R&D investing EU businesses expect their investments in R&D to grow by an average of 4% annually over the period 2012 to 2014*



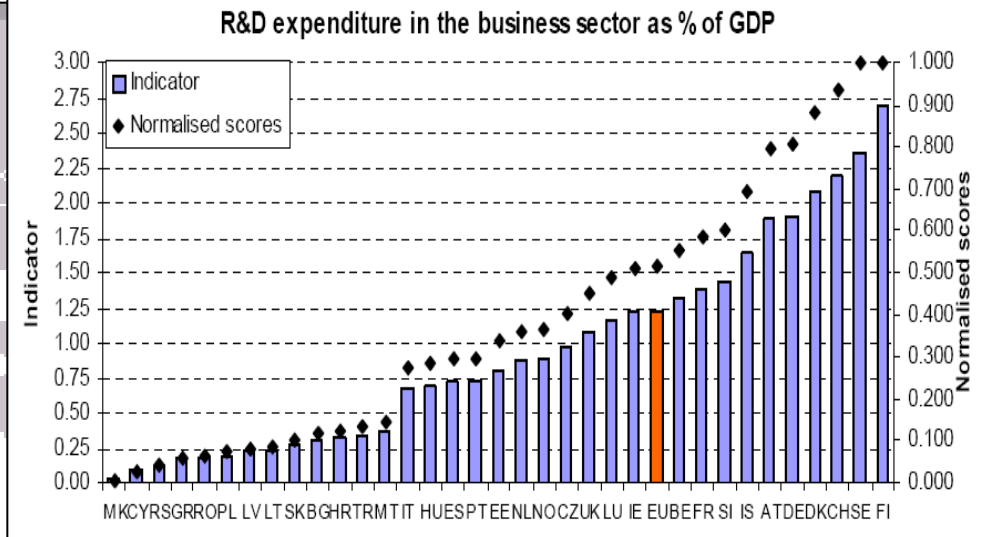
**FIGURE 2: EU MEMBER STATES' INNOVATION PERFORMANCE**



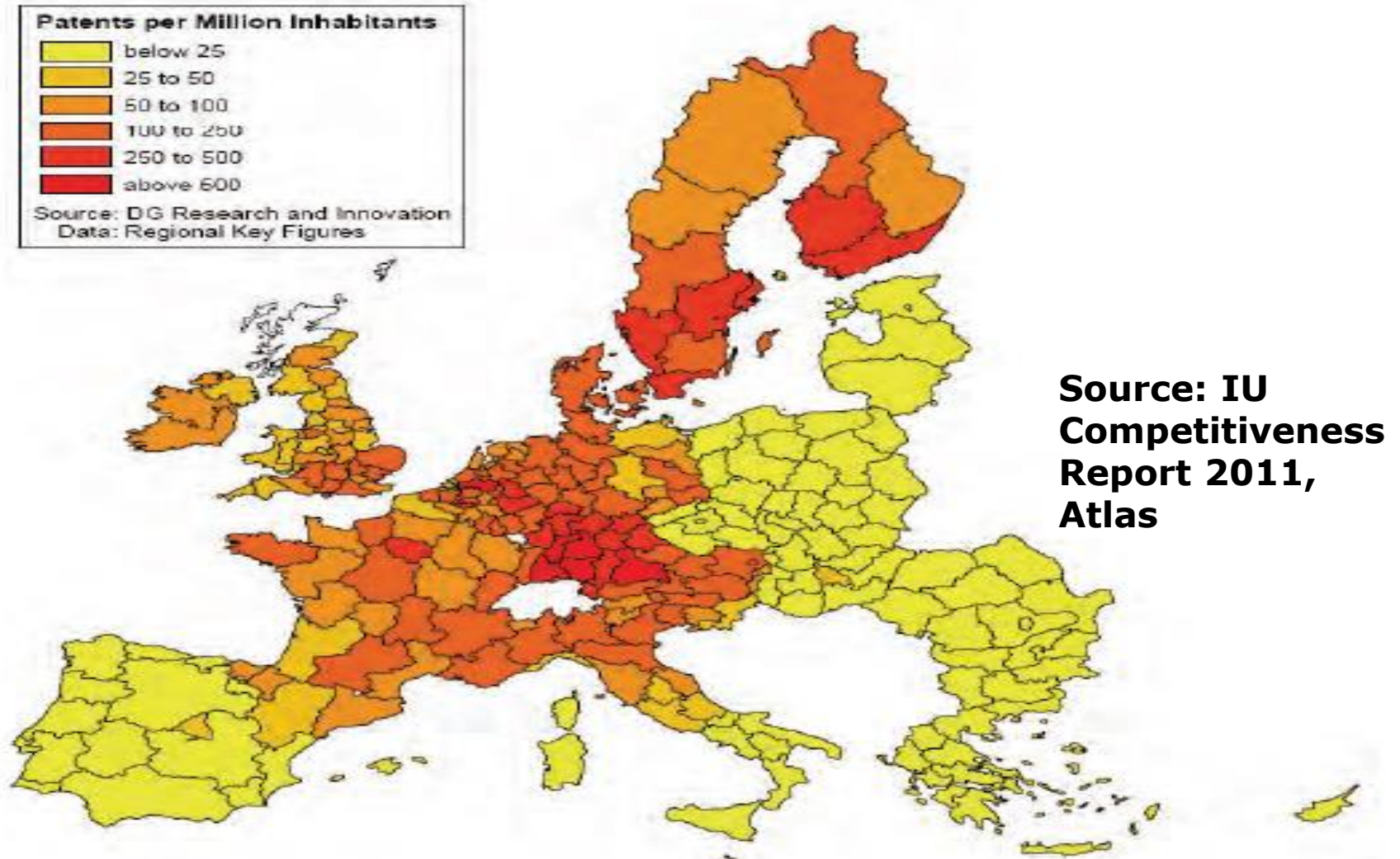
Note: Average performance is measured using a composite indicator building on data for 24 indicators going from a lowest possible performance of 0 to a maximum possible performance of 1. Average performance in 2011 reflects performance in 2009/2010 due to a lag in data availability.

**Innovation performance**

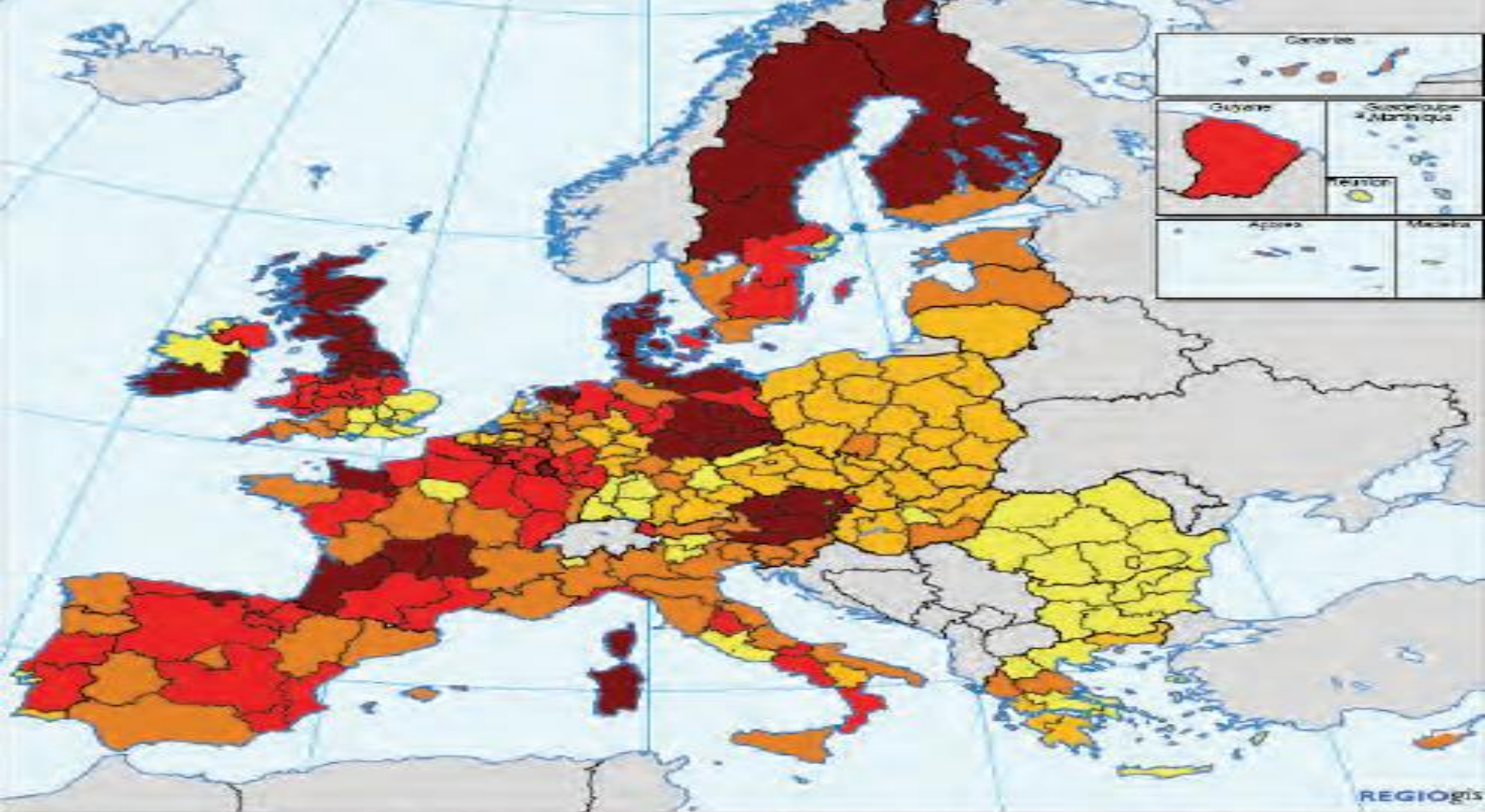
**R&D expenditure in the business sector as % of GDP**



# Patent intensity in the EU, NUTS 2 regions, 2007







## Planned investments of Cohesion Policy in RTD, innovation, enterprise environment, 2007-2013

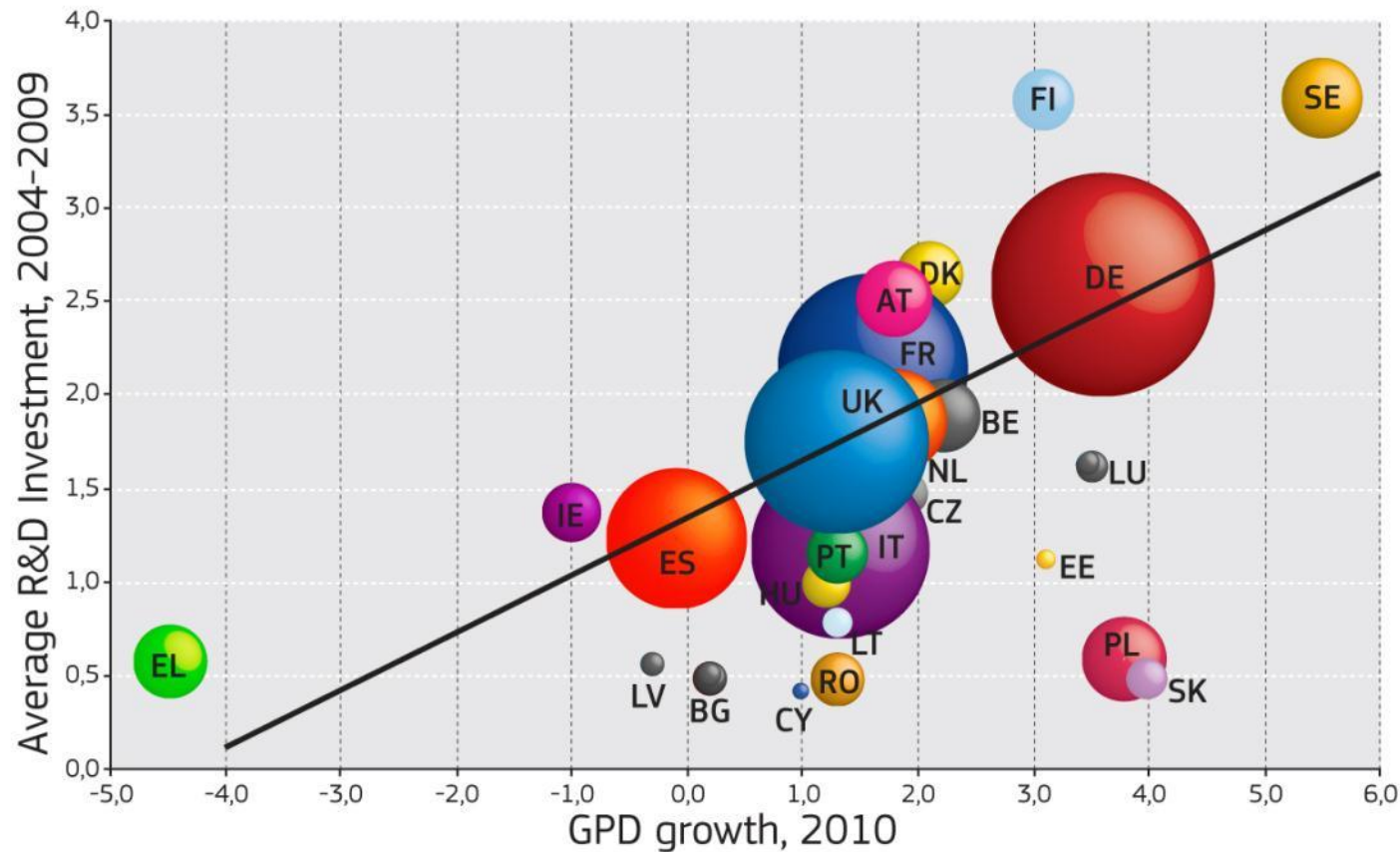
% of total funding



EU27 = 23.0  
Funding for RTD, innovation and enterprise amounts  
to some €79 billion  
Source: DG REGIO

**Source: IU  
Competitiveness  
Report 2011,  
Atlas**

# R&D investment: fuel for the economy



# What Europe will do for closing the innovation divide ?

- *Mobilise Cohesion policy to build a Stairway to Excellence*
- *Work through Horizon 2020*
- *Deploy significant synergies between Horizon 2020 and Cohesion policy*

## Why we need to build a Stairway to Excellence using the Structural Funds ?

- ❑ *There are significant regional disparities across Europe in research and innovation performance which need to be addressed.*
- ❑ *The Budget Review in 2010 has asked for a clear division of labour between Research and Innovation and Cohesion policies, **thus removing any capacity building activity from Horizon 2020.***
- ❑ *Action needs to be taken to bolster research and innovation capacities in the Member States who lag behind and thus reduce the Research and Innovation Divide in Europe*



# What do we mean by Synergies

- **A Greek word meaning that a complex result is accomplished through mutual positive interactions between a number of distinct but interrelated processes**
- **Thus the Research and Innovation Framework Programme will have increased interactions with Cohesion policy, although each policy will keep its distinct features**
- **The result should normally be reinforced competitiveness for Europe**



# Research and Innovation Investment proposed priorities for the ERDF

## ***Strengthening research, technological development and innovation:***

- ❑ *Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest*
- ❑ *Promoting business R&I investment, product and service development, technology transfer, social innovation and public service application, demand simulation, networking, clusters and open innovation through smart specialisation*
- ❑ *Supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production in Key Enabling Technologies and diffusion of general purpose technologies*

# How Synergies will be identified

- ❑ *We will achieve increased synergies between Horizon 2020 and the Structural Funds if we could identify after a few years of parallel operation, concrete results on the ground in the supported Member States and regions, such as:*
  - **Increased** investments in research infrastructures of all kinds, including those of the ESFRI List
  - **Increased** support to innovation, especially with regard to high growth companies and to small innovative ones
  - **Increased** research and innovation activities in a few priority thematic areas that would have been freely selected by the MS and regions, in an overall context of innovation strategies for **Smart Specialisation**.
  - **All this will be systematically planned and monitored through performance indicators**

## Horizon 2020 will favour “smaller” players since it introduces:

- ❑ A completely new approach towards supporting research and innovation in SMEs (based on the concept of the well-known **US SBIR** scheme)
- ❑ A new approach to access to risk finance especially for **high-growth innovative SMEs**
- ❑ A major simplification effort in terms of administration and financial management

# Keys to Synergies

- ✓ ***Smart Specialisation  
ex-ante conditionality***
- ✓ ***Thematic Concentration***

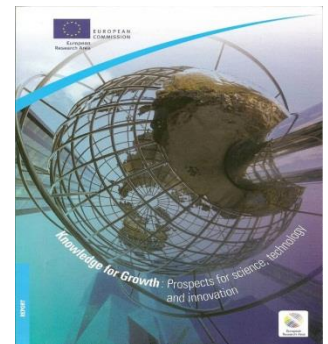
# What is Smart Specialisation ?

[http://ec.europa.eu/research/era/publication\\_en.cfm](http://ec.europa.eu/research/era/publication_en.cfm)

- ❑ *An agenda for a place-based economic transformation for ALL European regions, based on Research and Innovation*
- ❑ *'Knowledge for Growth' expert group (DG RTD) launched concept in the framework of the European Research Area (ERA);*
- ❑ *Problem: fragmentation/imitation/duplication of public R&D and innovation investments;*
- ❑ *Smart Specialisation stresses a new role for all regions in the knowledge economy to identify comparative advantages and use specific R&I domains to enhance them (identify rather specific activities not just winning sectors);*
- ❑ *Challenges: Smart specialisation has to embrace the concept of open innovation, not only investment in (basic) research.*

**“Most advanced regions invest in the invention of general purpose technologies, others invest in the co-invention of applications of generic technology in one or several important domains of the regional economy”**

**Dominique Foray 2010**





# The Synergies and Smart Specialisation Matrix

	<b>STRUCTURAL FUNDS THEMATIC OBJECTIVE NO 1 ON STRENGTHENING RESEARCH, TECHNOLOGICAL DEVELOPMENT AND INNOVATION</b>	
<b>HORIZON 2020 TOP DOWN RESEARCH AND INNOVATION PRIORITIES INFLUENCING NATIONAL AND REGIONAL PRIORITIES</b>	<b>THEMATIC CONCENTRATION FOR MOST ADVANCED AND TRANSITION REGIONS FOR ALLOCATING 80% OF THE ERDF MONEY FOR 4 OBJECTIVES: R&amp;I, ICT, SME COMPETITIVENESS AND LOW CARBON ECONOMY</b>	<b>THEMATIC CONCENTRATION FOR LESS ADVANCED REGIONS FOR ALLOCATING 50% OF THE ERDF MONEY FOR 4 OBJECTIVES: R&amp;I, ICT, SME COMPETITIVENESS AND LOW CARBON ECONOMY</b>
<b>EXCELLENCE</b>	<b>SMART SPECIALISATION EX-ANTE CONDITIONALITY</b> <i>based on a SWOT analysis to concentrate resources on a limited set of research and innovation priorities in compliance with the NRP; measures to stimulate private RTD investment; a monitoring and review system; a framework outlining available budgetary resources for research and innovation; a multi-annual plan for budgeting and prioritisation of investments linked to EU research infrastructure priorities (European Strategy Forum on Research Infrastructures -ESFRI)</i>	
<b>INDUSTRIAL LEADERSHIP</b>		
<b>SOCIETAL CHALLENGES</b>		

## ANNEX IV

### *Ex ante conditionalities*

#### **Thematic *ex ante* conditionalities**

Thematic objectives	Investment priorities	<i>Ex ante</i> conditionality	Criteria for fulfilment
1. Strengthening research, technological development and innovation ( <b><i>R&amp;D target</i></b> ) (referred to in Article 9(1))	ERDF: - All investment priorities under thematic objective no. 1	1.1. <i>Research and innovation</i> : The existence of a national or regional research and innovation strategic policy framework for smart specialisation, where appropriate, in line with the National Reform Programme, to leverage private research and innovation expenditure.	<ul style="list-style-type: none"> <li>- A national or regional research and innovation strategic policy framework for smart specialisation is in place that: <ul style="list-style-type: none"> <li>- is based on a SWOT or similar analysis to concentrate resources on a limited set of research and innovation priorities;</li> <li>- outlines measures to stimulate private RTD investment;</li> <li>- contains a monitoring mechanism.</li> </ul> </li> <li>- A framework outlining available budgetary resources for research and innovation has been adopted.</li> </ul>
	ERDF: - Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest	1.2 The existence of a multi-annual plan for budgeting and prioritization of investments.	<ul style="list-style-type: none"> <li>- An indicative multi-annual plan for budgeting and prioritization of investments linked to EU priorities, and, where appropriate, the European Strategy Forum on Research Infrastructures - ESFRI has been adopted.</li> </ul>

## A simple idea (KfG brief no 9, 2009)

- ❑ *"It should be understood at the outset that the idea of smart specialisation does not call for imposing specialisation through some form of top-down industrial policy that is directed in accord with a pre-conceived "grand plan". Nor should the search for smart specialisation involve a foresight exercise, ordered from a consulting firm.*
- ❑ We are suggesting **an entrepreneurial process of discovery that can reveal what a country or region does best in terms of science and technology**. *That is, we are suggesting a learning process to discover the research and innovation domains in which a region can hope to excel. In this learning process, entrepreneurial actors are likely to play leading roles in discovering promising areas of future specialisation, not least because the needed adaptations to local skills, materials, environmental conditions, and market access conditions are unlikely to be able to draw on codified, publicly shared knowledge, and instead will entail gathering localized information and the formation of social capital assets."*

# ***Smart Specialisation: Concept***

- *Smart specialisation aims to foster innovation via **entrepreneurship, technological adaptation and governance innovation***
- *Smart specialisation – **strategic technological diversification** on areas of relative strength and potential*
- *Smart specialisation is about **increasing diversification – promoting new linkages, synergies, spillovers***

# ***Smart Specialisation: Policy***

- ***Smart specialisation is not about promoting specialisation*** – unless it is clear that this offers the greatest rewards – via first-mover advantages in emerging technologies and specialist niches
- ***It is not about championing sectoral policies***
- ***It is about finding the new and emerging technologies, linkages which offer the greatest medium and long-term local entrepreneurial opportunities***
- ***May or may not have a cluster logic to it***



# ***Smart Specialisation: Policy***

- *A smart specialisation approach to regional policy should be about promoting the generation of local ideas, and maximising both intra- and inter-regional knowledge spillovers in the relevant scale domains (embeddedness + relatedness)*
- *Embeddedness + relatedness: focuses on the choice of innovation thematic priorities, concentration, targeting – based on a regional-structural logic*

# A three-step entrepreneurial discovery process

## Strategic Governance

### Visioning:

with focus on **societal challenges**  
(transition management / starting  
experiments)

in **Transition Arenas**

### Strategy development:

with focus on **transformation by  
innovation**  
strategies within **innovation hubs**)  
in **Innovation Direction Groups**

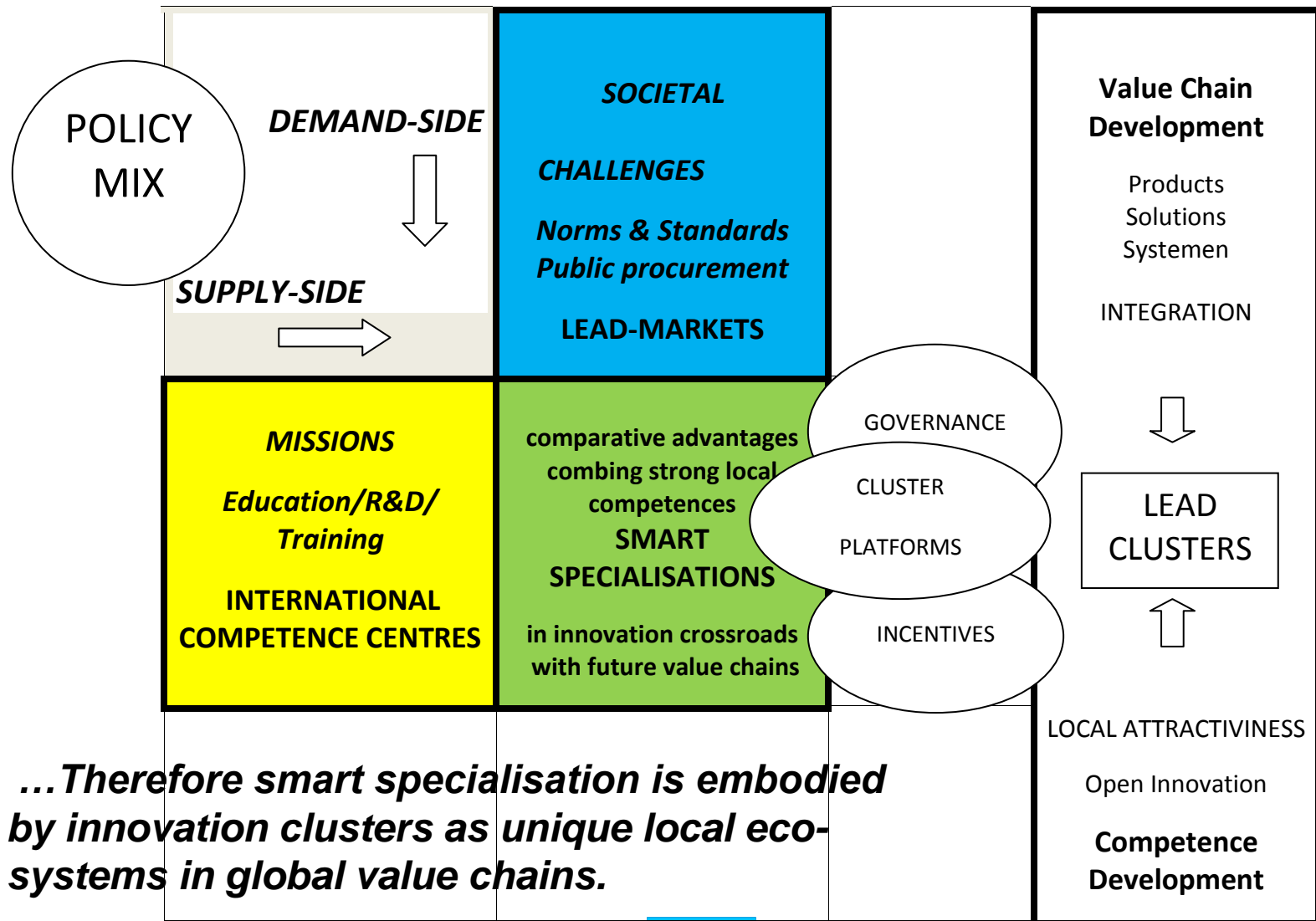
### Action plan:

with focus on **investment  
projects**

in **consortia** driven by frontrunners  
(promoted in **Round Tables** and  
**Transformation and Innovation  
Platforms**)



**The Flanders  
example**



# Important implications for H2020

- ❑ *Implications for Horizon 2020 future Work Programmes in all Priorities (especially Industrial Leadership and Societal Challenges)*
- ❑ *Feedback from National and Regional Research and Innovation Strategies for Smart Specialisation can identify priority areas for future Topics and vice versa*
- ❑ *Involvement of flagship Horizon 2020 projects and stakeholders in RIS3 should not be excluded although of course not compulsory and largely unpredictable. But this depends also on policies by MS and regions involved (active involvement policies maybe supported by the Structural Funds)*

## Implications for future Horizon 2020 / SF stakeholders

- ❑ Policy Measures for Research and Innovation have **TO BE INSERTED TIMELY** in the Structural Funds Partnership Agreements and Operational Programmes of the Member States
- ❑ For the Structural Funds, stakeholders will **ALWAYS DEAL WITH THE NATIONAL AND REGIONAL AUTHORITIES, NOT WITH THE COMMISSION** and this means need for better anticipation and planning

# WHAT YOU NEED TO KNOW IF INTERESTED IN FUNDING FROM COHESION POLICY

**FIND OUT WHO IS THE MANAGING AUTHORITY FOR STRUCTURAL FUNDS IN YOUR COUNTRY / REGION**

They are responsible for managing the money of the SF and know the eligibility rules etc...

**FIND OUT WHO IS RESPONSIBLE FOR PREPARING THE OPERATIONAL PROGRAMMES AND SF PARTNERSHIP AGREEMENTS IN YOUR COUNTRY / REGION**

They are the ones identifying the content of the SF programmes for the next period 2014 - 2020

**HOW IS YOUR SCIENCE / RESEARCH MINISTRY INVOLVED IN THAT PROCESS?**

They may have a role to play in that context e.g. for strategies regarding RI, universities etc.

**IS THERE A NATIONAL ROADMAP FOR INFRASTRUCTURES AND ARE YOU ON THAT LIST (OR CAN YOU GET ON IT)?**

Research infrastructures are often co-financed by SF, being on that list gives a kind of priority status

**HAS YOUR COUNTRY/REGION STARTED A SMART SPECIALISATION STRATEGY? POTENTIAL THAT YOUR AREA OF RESEARCH IN A BROAD SENSE IS A PRIORITY?**

Smart specialisation strategies will be a pre-condition for SF funding. How could you fit in there?

**ARE THERE CONCRETE LINKS ALREADY TO ACTIVITIES THAT MAY GET CO-FUNDED FROM HORIZON 2020?**

JPI, Art. 185, ETP, KIC involvement important in the context of combined funding and strategic planning

# TAKE ACTION

- **GET IN TOUCH WITH THE RELEVANT PEOPLE**
- **PROMOTE THAT WHEN THE OPERATIONAL PROGRAMMES ARE BEING DEVELOPED THEY DO CONTAIN SUFFICIENTLY THE BROAD LINES OF FUNDING YOU COULD FIT IN RESEARCH AND INNOVATION / RESEARCH INFRASTRUCTURES / OR ANY OTHER DEGREE OF DETAIL POSSIBLE**
- **LOOK WHERE YOUR ACTIVITIES FIT IN - training under the ESF; research and any infrastructures, under the ERDF.**

**YOU NEED TO EXPLAIN WHY FUNDING YOUR PROJECT / INFRASTRUCTURE ETC. IS NOT ONLY VALUABLE FROM A SCIENTIFIC POINT OF VIEW BUT HOW IT HELPS THE GOALS OF THE STRUCTURAL FUNDS: CREATION OF JOBS, ECONOMIC AND REGIONAL DEVELOPMENT, CAPACITY BUILDING, CONTRIBUTION TO GROWTH AND COHESION ETC...**





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**Thank you !**



research

