

EUROPEAN UNION
EUROPEAN RESEARCH AREA
AND INNOVATION COMMITTEE

– ERAC –
Secretariat

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NOTE

From: ERAC Secretariat
To: ERAC delegations

Subject: Summary conclusions of the 33rd ERAC plenary meeting on 16-17 March 2017 in St-Julian's, Malta

Delegations will find annexed to this Note the summary conclusions of the 33rd ERAC plenary meeting on 16-17 March 2017 in St-Julian's, Malta, as adopted by written procedure.

Summary conclusions

33rd ERAC plenary meeting, 16-17 March 2017 in St. Julian's, Malta

Co-Chairs: Wolfgang Burtscher and David Wilson

Secretariat: General Secretariat of the Council

Present¹: Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, European Commission, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Latvia, Lithuania, Luxembourg, Malta, Montenegro, Netherlands, Norway, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom (36)

Absent: Albania, Faroe Islands, Former Yugoslav Republic of Macedonia, Moldova, Poland, Serbia (6)

1. Adoption of the provisional agenda

The agenda was adopted with three additional AOBs: 1) a request by the HR delegation relating to the application for a dedicated MLE on synergies between ESIF and Horizon 2020 programme sent to the Commission on 14 January 2017, 2) a suggestion by the Member State (MS) co-Chair relating to the inquiry sent by the ERAC Secretariat concerning a list of ERAC members with photos and 3) a request by the ES delegation relating to the state of play of the invitations to the latest countries having signed an Association Agreement to Horizon 2020 (Armenia, Georgia and Tunisia).

The co-Chairs welcomed all new ERAC delegates.

¹ The list of delegations present or absent at the meeting is based on the List of Participants that was circulated during the meeting for completion by delegates.

2. Summary conclusions of the 32nd meeting of ERAC

The MS co-Chair indicated that the summary conclusions of the 32nd meeting of ERAC, held in Brussels on 2 December 2016, were approved by written procedure on 7 February 2017.

3. ERAC Opinion on "Streamlining the R&I Monitoring and Reporting Landscape"

The MS co-Chair informed ERAC that the ERAC Opinion on "Streamlining the R&I Monitoring and Reporting Landscape" was approved by written procedure on 2 March 2017. He also thanked the rapporteur, Ms Karina Angelieva (BG), for all her work and efforts.

4. Information from the co-Chairs and Presidency

Relating to the latest ERAC Steering Board meeting organised on 31 January 2017, the Commission (COM) co-Chair indicated that the agenda of the plenary reflected well the items discussed at the Steering Board.

5. ERA and Innovation Policy

5.1 Interim Evaluation of Horizon 2020 and preparations for the next Framework Programme for Research and Innovation

The COM co-Chair referred to the workshop on 15 March organised back-to-back with the ERAC plenary. The workshop focussed on the Interim Evaluation of Horizon 2020 (IE H2020) and the preparation of the next Framework Programme (FP) for R&I. The idea of the workshop had been to gather the views of the ERA-related groups on the achievements of H2020 and on the issues that the next FP might have to tackle.

As part of the H2020 interim evaluation and preparation of the next framework programme, the Commission (Kurt Vandenberghe and Rosalinde van der Vlies) made a presentation on the Economic case, on the preliminary results of the IE H2020 and on Foresight. According to the Commission, the economic impacts of public R&I funding are large and significant, as R&I investments are key drivers of productivity and

economic growth and the creation of more and better job opportunities. However, there is a "productivity paradox", a productivity gap compared to the most important competitors of the EU, like the USA and Japan. Therefore, to maximize impact, public R&I policy needs to target faster and more effective creation and diffusion of innovation.

As far as the IE H2020 is concerned, initial results show that H2020 has been flexible enough to adapt to new emerging needs and subsequent technological and scientific advances, in particular through bottom-up actions. To date, H2020 has produced demonstrable benefits in terms of: speed, scale and scope via the creation of excellence through competition; the creation of international, cross-border, multidisciplinary networks; pooling of resources; creating a leverage effect and critical mass to tackle global challenges. Overall, H2020 is on track in delivering its objectives, but there are issues with oversubscription, programme flexibility, the balance between research and innovation, the complexity of the funding landscape and the widening aspect.

The basic messages that emerge from Foresight, a strategic preparatory study for the proposal for the next FP for R&I, are the following: R&I should identify options and invent opportunities for society before, rather than after a crisis strikes; experiment in real world settings; learn from the best; get the governance right; use cities as laboratories; tear down policy silos; and be open.

At the end of May, the Commission will publish its Staff Working Document on IE H2020. On 3 July, the report from the Lamy group on maximising the impact of EU R&I Programmes will be released and the Commission will hold a stakeholder conference on the future of R&I. In October it will publish its Communication with the overall conclusions of the IE H2020 and the responses to the Lamy group recommendations. The final Foresight report will also be published in October.

Most delegations took the floor, an overwhelming majority mentioning the same priorities and concerns regarding the future FP: the role of excellence, the importance of openness, inclusiveness and widening, the importance of impact of R&I and the need to communicate it clearly for the great public and effectively for the policy makers, the need to balance research and innovation, the importance of synergies between various funding instruments (in this context many delegations mentioned the need to revise state aid rules) and rationalisation of the funding landscape, the need to create stronger links with (higher) education and the problem of the productivity paradox and the innovation gap. Some also referred to the ERA Priorities and recalled that the FPs are instruments to achieve them.

After the Commission presentation, the rapporteur for the ERAC Opinion on the IE H2020 and preparations for FP9, Denis Despréaux, made a presentation on progress so far. He explained that his team of rapporteurs (delegates from AT, CH, DE, DK, EE and PT who have volunteered to help) had already had a kick-off meeting to reflect on the challenges linked with the task. They had identified the choice of the main messages and a limited number of key priorities (current strengths and areas for improvement) as the most difficult challenge. Mr Despréaux invited delegations to give their input on four questions, the most important one concerning the top three priorities (including areas for improvement) for the next FP. As the next step, he indicated that the rapporteur's team would organise a participative workshop with important stakeholders and ERAC delegates on 10-11 May (probably in Brussels). The ERAC Opinion should be ready for adoption by ERAC at the June 2017 plenary, in time for the informal competitiveness council in Tallinn on 25 July 2017.

The COM co-Chair concluded by indicating that there was broad consensus among Member States and Associated Countries on key issues relating to the next multiannual financial framework and he took this as a positive sign for the preparations of the next FP.

5.2 ERA National Action Plans and strategies

The next item (on the second day of the meeting) concerned the ERA National Action Plans and strategies (NAPs). A workshop to discuss the NAPs had been organised on 15 March, by the Maltese Presidency and the Commission.

The Commission (Anette Bjornsson) first presented the 2016 ERA Progress Report. The main message was that all headline indicators show progress over time according to the EU-28 averages, although there are large disparities both in performance levels and in growth rates between countries. ERA NAPs are a clear proof of political ownership and ambition in the Member States to make further progress on ERA. Member States should now turn their focus towards reinforced implementation of ERA to deliver on all priorities with monitoring and policy support from the Commission. Special attention should be paid to weaker scores and policy initiatives in those fields.

Delegations that took the floor underlined that the success of the new FP depended on competitive national research systems and structural reforms were needed. The future FP, therefore, would need to support structural reforms in the Member States. Some Member States also recalled the need to have a strategic discussion on the ERA Priorities and suggested that this could be done in the context of the discussions on the IE H2020 and the next FP. It was pointed out that workshops were useful for Member States to learn from each other to a certain extent, but the national research systems were different so not everything could be harmonised. Representatives of the ERA-related groups also reminded the meeting that other Priorities were being addressed by the other ERA-related groups which would also advance discussions on Priority 1. It was suggested that it would be useful to find areas in which the ERA-related groups could co-operate.

Ms Bjornsson stated that it was clear that there are differences in the delivery of the ERA Priority 1 because the situation varies in different Member States. This is why it had been agreed at the workshop (of 15 March) that delegations would send their input

on how best to plan and use future workshops dedicated to the follow-up of the ERA NAPs. Delegations were asked to send their input before the next ERAC Steering Board (SB) meeting on 16 May for the SB to take into account these inputs and discuss the issue.

The COM co-Chair concluded that competitiveness of the national research systems was at the heart of the ERA priorities.

6. Standing Information Point

A document on "Unlocking investment in Intangible Assets" (document WK 2553/17) had been circulated to delegations prior to the meeting.

Some delegations pointed out that the analysis and measurement of intangible assets linked with the economic case presented by the Commission under agenda item 5.1.

7. ERA Governance

7.1 Review of ERA governance foreseen in 2018

The underlying idea for the review, as indicated by ERAC in its Opinion of October 2015 on the review of the ERA advisory structure, is that the ERA-community needs to keep its structure and agenda aligned with a dynamic environment. The MS co-Chair reminded ERAC members that the mechanism for the review is set out in Annex D of the ERAC Opinion. The procedure starts a year before the triennial review with a discussion in ERAC at DG level on the strategic landscape for research and innovation in Europe to identify the key strategic priorities that will require attention by the research and innovation community. The final report with ERAC's recommendations should be put forward to the Council in good time to allow the process to be finalised by the December meeting of the review year at the latest. The mechanism also covers the issue of the review of ERAC itself. As stated in Annex D, ERAC "*should not be responsible for carrying out an in-depth review of itself; hence, if the DG discussion in December 2017 identifies ERAC's mandate as one of those requiring in-depth*

consideration during the review in question, recommendations to Council should be based on independent advice on a basis to be determined by the Presidencies covering the period of the review - if only minor changes are required, then it would be acceptable for ERAC to make recommendations on its own behalf."

The ERAC Steering Board (SB) had prepared the following proposal for the timetable to follow for the review of the ERA governance:

- at its meeting on 24 October, the SB will discuss the guidance paper to be submitted to the DGs;
- the discussion at DG level will take place in the context of the ERAC plenary on 5 December 2017;
- at its meeting in January 2018, the SB will consider the outcome of the DGs' discussion and prepare draft terms of reference, methodology and a detailed timetable to ERAC²;
- at the ERAC plenary in March 2018, ERAC will approve the terms of reference, the methodology and the timetable. A rapporteur will be chosen at this meeting to draft the outcome of the review;
- at the ERAC plenary in September 2018, the rapporteur will present the draft outcome of the review which will be submitted to ERAC for approval. Approval of the outcome by the DGs will take place in October (possibly by written procedure);
- the outcome will be put to the Council in good time to allow completion of the process by December 2018 at the latest.

The MS co-Chair underlined that delegations would have to start reflecting on the issues starting from now, in order to be prepared to contribute to the discussions in the SB in October.

Delegations that took the floor were concerned that the new review would mean re-launching the long and heavy procedure that ERAC went through in 2015. Several

² If an ERAC in-depth review is decided, the procedure to follow is described in Annex D of the ERAC Opinion on the review of the ERA advisory structure foreseen in 2018.

delegations, especially those with a limited size of national administration, were also worried about the timetable, as there will be other important issues during the same period like the IE H2020 and the preparations for the next FP to discuss. They underlined that it cannot be considered as a lack of commitment to ERA if some delegations cannot be fully engaged in the review process. They also referred to the procedure for an in-depth consideration of ERAC's role which would complicate the review. Some delegations however recalled that the review had to be ready in 1.5 years from now, whereas only 3 months were available for the drafting of the ERAC Opinion on the IE H2020 and the next FP. Some delegations also underlined the importance of the meeting at DG level in December 2017 and the guidance paper by the SB as the discussion about the review had to be strategic.

The MS co-Chair reminded delegations that it was ERAC itself who had decided on the mechanism. Moreover, it was up to ERAC (at DG level) to decide whether it considered that an in-depth review of its own mandate and that of the other ERA-related groups was necessary or not. He thus suggested that ERAC would try to follow the proposed timetable and procedures and use the September 2017 plenary to take stock, including on how to use the time available effectively and on how to best involve the DGs in the process. ERAC agreed to this. Since delegations would be starting to reflect on the issues from now onwards, Christian Naczinsky (AT) volunteered to help the process by coordinating and channeling inputs from interested delegations to the Steering Board in October who will prepare a paper which would frame the December DG discussion. The MS co-Chair thanked Mr Naczinsky for his kind offer, noting that it would ensure that the SB's paper reflected the broad range of delegations' views.

7.2 ERAC Annual Report 2016

The MS co-Chair reported that the discussions amongst all ERA-related groups in the ERAC Steering Board had indicated a common desire for the ERAC Annual Report 2016 to have as much impact as possible and for the individual groups' contributions to

be more coherent in structure and style than in last year's report. For these reasons, a set of guidelines and a template for the contributions to ERAC Annual report had been provided to the Chairs of the ERA-related groups by the ERAC Secretariat before the end of 2016.

The MS co-Chair also indicated that the other ERA-related groups had submitted their contributions concerning Priorities 2-6. The draft concerning Priority 1 was being finalised and would be sent to ERAC for comments shortly, together with the parts concerning the other Priorities. Adoption of the Annual report is foreseen at the ERAC plenary on 16 June 2017.

7.3 Updates from the ERAC Working Groups

7.3.a Ad-hoc Working Group on Measuring the Impact of EU Framework Programmes for R&I at National Level

The Chair of the Ad-hoc Working Group, Mr Tiago Santos Pereira, gave a brief update on the group's activities. The group had had its fourth meeting on 7 March 2017 and had continued the discussions on the impact analysis and the specification of a template which would embrace standardization and comparability with flexibility and national needs. Mr Santos Pereira showed some examples of the impact analysis. He also presented the draft structure of the final report by the ad-hoc group and indicated that the group would meet on 3 May to finalise the analysis. The draft report would then be submitted to the ERAC Steering Board prior to its meeting on 16 May and presented to ERAC at its plenary on 16 June.

The BE delegation indicated that while a toolbox for measuring the impact would be very useful, care must be taken to avoid it leading to an increased reporting burden on Member States. Some delegations underlined that feedback from the members of the group was critical, that the involvement of experts had to be taken

into account in the work of the ad-hoc group. They also warned against the creation of silos. One delegation asked about a study done by the Commission on impact of FPs.

Mr Pereira Santos replied that part of the challenge was indeed to develop a toolbox but that it could not be developed without additional data collection. The baseline for the ad-hoc group was the dimension that is common in all Member States. Moreover, he took note of the concerns relating to the involvement of experts.

The Commission (Ms Malgorzata Misiewicz) indicated that in 2016, the Commission had indeed launched a study on the impact of the 6th Framework programme at national level. The results of the study were expected in June/July 2017. Mr Pereira Santos added that the ad-hoc group had looked at the on-going work for the study but concluded that it was not in the ad-group's interest to try to align its report with the results of the study, as the study concerned a past programme, whereas the work of the ad-hoc group was looking towards the future.

The MS co-Chair thanked the group for the work done so far and underlined that it was important to submit the draft report to the ERAC SB as early as possible before its meeting on 16 May.

7.3.b Standing Working Group on Open Science and Innovation

The Vice-Chair of the Standing Working Group (SWG), Marc Vanholsbeeck, gave a brief update of the work of the SWG. The group had had its third meeting on 14 February 2017. The work of the SWG was proceeding well and it had established functioning working methods. It was continuing with the two preparatory tasks which had been agreed for its work: 1) the assessment of the actions of the Amsterdam Call for Action as a basis for the work of the SWG, focusing on the actions related to the two main thematic priorities identified by the

group i.e. open research data and infrastructures and open access to publications; and 2) taking stock of existing and ongoing recommendations, suggested actions and other relevant information with particular emphasis on the two main thematic priorities identified. In 2016, the SWG had launched a questionnaire on Open research data and e-infrastructures and was at this stage preparing the launch of two others on Open access, OS implementation and monitoring and citizen science; and Rewards, TDM, IPR and transparency.

Delegations that took the floor underlined the importance of the work of the group and pointed out that innovation should have a more visible role in the H2020 work programme and in the preparations of the new FP. Some were concerned about the possibility of fragmentation as the scope for the work of the SWG is very wide, and recalled that the SWG should concentrate on the tasks defined in its mandate. Mr Vanholsbeeck indicated that the SWG had indeed discussed the issue of open innovation and where it ends and other innovation issues begin. The SWG had come to the conclusion that it could not cover too many issues relating to innovation as it would result in a too heavy workload for the SWG and would be out of scope. The SWG considered also that open science should not be left behind innovation issues but should be worked on as a cross-cutting issue. Furthermore, Mr Vanholsbeeck underlined that the SWG was in constant contact with other groups and organisations working in the field of open science and innovation.

7.4 Updates from the ERA-related groups

ERAC was informed about the status of the transition of the Helsinki (HG) and SGHRM groups as ERAC Standing Working Groups (SWGs) before the triennial review. The HG co-Chair and the representative of the SGHRM both took the floor and indicated that the groups had received draft mandates as ERAC SWGs prepared by the

ERAC Secretariat. SGHRM had already discussed the draft mandate at its plenary the week preceding the ERAC plenary, and the HG was going to do the same in the week following the ERAC plenary. Both also underlined the importance of a smooth transfer of the groups.

8. Any other business

8.1 34th ERAC meeting (16 June 2017, Brussels)

The MS co-Chair indicated that at its next meeting on 16 May 2017, the Steering Board will draw up the provisional annotated agenda of the next ERAC plenary meeting on 16 June 2017 in Brussels on the basis of the updated Work Programme 2016-2017. Delegations with items to suggest for the next ERAC plenary should notify the Secretariat by 9 May. The ERAC Secretariat will also invite delegations to attend the SB meeting as observers, as has been the case for three previous SB meetings.

8.2 Dedicated MLE on synergies between ESIF and Horizon 2020

The Croatian delegation informed ERAC about a Mutual learning exercise addressing complex issues concerning implementation of projects reflecting synergies that Croatia and Slovenia had jointly proposed. After initial proposal and additional consultation, eight more Member States (Latvia, Austria, Poland, Czech Republic, France, Spain, Bulgaria, Germany (observer)) supported the proposed MLE on synergies between European structural funds and Horizon 2020 programme.

Croatia indicated that even though several documents at EU level address different models of the implementation of synergies, Member States are still facing major challenges in the implementation process. For example, there is an issue of different cost categories between different instruments, different reporting rules, and challenges related to the state aid rules. Also, challenges on the more strategic levels such as complementarity between different documents on EU and national levels have to be

addressed. The purpose of the proposed MLE was to discuss these challenges, but also to present the examples of good practice among Member States in order to increase investment efficiency and absorption capacities.

After submitting the proposal for the MLE on synergies, Croatia and Slovenia had jointly discussed the proposal with the European Commission and had come to the conclusion that, along with the topic of synergies, the MLE should be combined with the topic of widening participation. According to Croatia, previous experience has shown that newer Member States, as well as those with lower levels of R&D&I investment, lack the experience in the implementation of European Structural and Investment Funds. By sharing knowledge and experience among Member States, a more harmonious environment for investment and more opportunities to increase competitiveness can be created with more jobs and stimulated growth, and consequently synergy can be created between different instruments on policy and practice levels.

8.3 *List of ERAC members with photos*

The MS co-Chair referred to a request from the ERAC Secretariat concerning a list of ERAC members with photos. He explained that this had been done in response to feedback from delegations that this would be helpful, particularly for people relatively new to the Committee. Due to a tight deadline, it had not been possible to gather the consent of the 40% of ERAC members required to comply with good practice on data protection. ERAC agreed that a similar request for permission to produce a list with photos should be circulated before the next plenary.

8.4 *State of play on inviting the representatives from Armenia, Georgia and Tunisia in ERAC as observers*

The Spanish delegation asked about the state of play on inviting the representatives of the 3 new countries associated to H2020, Armenia, Georgia and Tunisia, as observers in ERAC. The MS co-Chair indicated that letters by the co-Chairs had been sent in February but that no replies had yet been received.