EU Research Trends – November 2014

Commission President Juncker has presented The Investment Plan for Europe, which is estimated to reach a multiplier effect of 1:15 in real investment in the economy (see more below)
The structure of the new Commission seems to imply a top-down approach. The new vice-presidents does not have their own directorates general, but are assisted by the General Secretariat. On the very day of presenting The Investment Plan for Europe, the director general of DG Research and Innovation did not yet know the figures of H2020 budget contributions to the Fund.

Trends

Horizon 2020: first impressions

Horizon 2020 promised a simple structure that reduced red tape and time so participants could focus on what is really important. Has this been the experience of participants so far? Representatives from academic and research institutes, industry and the European Commission gathered at last week's Innovation Summit to share their take on year one of Horizon 2020.

'Congratulations to the creators. This is not a case of "old wine in new bottles" but rather new wine in recycled bottles! It works, at least for my production area': this was the powerful endorsement from Andreas Förster, Director of Dechema (Society for Chemical Engineering and Biotechnology). Feedback generally followed an encouraging line like this, but speakers also drew attention to areas where there was room for improvement. Concerns were also voiced by all sides about what potential budget cuts that are currently under discussion between the European Parliament and the Council might mean for the programme.

Simplifying the process

Away from the finances, the issue of simplification, a key ambition of Horizon 2020, was also a focus. Speakers were, in general, satisfied that improvements had been made on this front. Maria da Graca Carvalho, former MEP and rapporteur on the Horizon 2020 proposal report, reflected, 'We see that it's much simpler than FP7, and we have tried to make it a more balanced programme in terms of geographical balance, gender balance and a balance between top down and bottom up.' Bertrand van Ee, CEO of Climate-Knowledge and Innovation Community (KIC), however went against the general consensus by stating, 'I think there is enough money but we need to focus on simplification because we are losing a lot of money in the system.'

Call for a two-stage application

Getting down to the operational side of things, Bernd Schulte, Vice President of Photonics 21, which formed a Photonics Public Private Partnership (PPP) with the Commission in 2013, urged for the process to become faster and pointed to good examples in Member States. He elaborated on the Photonics 21 experience of its first call under the new programme, noting, 'There was a good balance between industry and research. However oversubscription was 71, and there are people who will be disappointed. Given the bureaucracy, I don't know if they will try again.'

Both Mr Schulte and Mr Förster made a call for a two-stage application process to be introduced to reduce the time burden, particularly for those who are not successful. Mr Förster noted, 'Two-stage proposals would be helpful in terms of reducing the amount of work.'

Positive feedback for the participant portal and PPPs

Horizon 2020's participant portal was singled out for praise. Rudolf Strohmeier, Deputy Director General of DG Research and Innovation, reported that he was receiving good feedback from users. Mr Förster also offered positive feedback on the Public Private Partnerships (PPP) element of the programme, enthusiastically noting, 'They are excellent – continue with them please!'

The potential of a multi-funding approach

With regards to funding, there was some concern among speakers and participants that a multi-funding approach would become a selection criterion. Ms da Graca Carvalho assured participants that Horizon 2020 would not be linked to regional funds but insisted that they could complement each other: 'It should not be a criterion but we should make sure that there is a mechanism so that the multi-funding approach can happen. Regional funds can act upstream and downstream. We don't want to link them but one way that they might complement each other is, for example, through a stamp of quality. We have high percentage of proposals that are excellent but do not get funding, and it could be easier for regions to finance them. However, something would need to be solved to achieve this because usually the results are not public.'

For more information, please visit Innovation Summit 2014

2014 is the 25th anniversary of the fall of the Berlin wall and the Iron Curtain

This is a unique opportunity to make a critical analysis of the European integration of the post-socialist transition countries that joined the European Union. The objectives of the conference taking place 5. December and organised by the European Commission, Directorate General for Research and Innovation are:

• To provide the floor for a critical analysis of the integration of Central and Eastern Europe in the EU since 1989 with the participation of representatives of the EU institutions and political actors of the transition period

• To reach out and connect with the European civil society, the research community and other EU institutions concerning the knowledge gaps and challenges that European research and innovation should tackle

• To launch the DG RTD Policy Review '25 Years After the Fall of the Iron Curtain - The State of Integration of East and West in the European Union'

The conference will be interpreted into French, German, English, Hungarian, Polish and Bulgarian Attendance on the conference is free of charge, but will require pre-registration. To register, please send your name and institutional affiliation to the following e-mail address: rtd-ssh-meetings@ec.europa.

Ebola response: EU scales up aid with planes, material aid and research support

The European Union and its Member States have pledged more than 1 billion EUR in response to the Ebola crisis in West Africa. This means the Union has gone beyond the target set by the European Council on 24 October for 1 billion EUR in assistance to stem the epidemic.

The EU is boosting its investment in Ebola research, sending more material aid and providing new capacity for medical evacuations of international aid workers.

The European Commission, together with the European pharmaceutical industry, is launching a 280 million EUR call for proposals to boost research on Ebola. This will help address the current epidemic and manage future outbreaks.

The Commission is supporting the building and recovery of the health services of the affected countries and is funding research into Ebola vaccines.

The 280 million EUR call for proposals, is under the Innovative Medicines Initiative (IMI). 140 million EUR will come from Horizon 2020, and 140 million EUR from the pharmaceutical companies which are members of the European Federation of Pharmaceutical Industries and Associations (EFPIA).

The call for proposals will use a new fast-track procedure to get successful projects up and running early next year. The research will involve large-scale clinical trials of new vaccines in the Ebola-affected countries as well as the development of fast diagnostic tests and new approaches to manufacture and distribute vaccines.

The IMI call for proposals is part of the Ebola+ research programme which focuses on Ebola and other filoviral haemorrhagic fevers. The current call includes five topics and it is expected that further topics will be included in future calls to implement additional elements of the overall Ebola+ programme.

This programme complements earlier efforts by the EU which has been active since the beginning stages of the Ebola crisis. Support to research is part of the EU's response, together with humanitarian aid, expertise, international coordination and longer-term development assistance.

More on EU’s response to Ebola can be found here.

Brokerage Day for ICT24 – 2015 Robotics

euRobotics AISBL is organising a brokerage event on 9. December 2014 in connection with its General Assembly. In addition to presentations about the current call for proposals, ICT24-2015 Robotics under Horizon 2020, the event gives stakeholders in the robotics field an opportunity to meet and discuss project ideas and consortia. SPARC is the Public-Private Partnership between the European Commission on one side and the members of euRobotics AISBL consisting of academia, industry and end-users on the other. Among other topics of the General Assembly will be the ratification of the input to the ICT Robotics Call 3 and 4 (2016/2017) established by the Topic Groups of SPARC.

More information is available here

Failure of conciliation procedure on 2015 budget

The Council of the EU and the European Parliament have failed to reach agreement within the deadline (midnight on 17 November) set by the conciliation procedure on the various parts of the budget package, that is the amending budgets for 2014 and the 2015 budget. The discussions among the three EU institutions foundered principally on the issue of unpaid invoices. As the procedure requires, the European Commission will have to bring forward a fresh preliminary draft budget for 2015. Differences over the 2014 amending budgets could be long-lasting, however Parliament wants the Commission proposal (4.7 billion EUR) to be accepted so that some of the invoices can be paid. The Council, meanwhile, is unable to accept this amount. In the course of conciliation's “last chance saloon”, on Monday 17 November, the Commission submitted a somewhat complex draft compromise which the member states found unacceptable. The Commission made changes and came back before the end of conciliation but the concessions were, once again, deemed insufficient by the Council.

Draft amending budget no 3 to the 2014 general budget seeks to increase payment appropriations in the EU's 2014 budget by 4.7 billion EUR to cover bills awaiting payment. The Commission proposed that 4 billion EUR of this additional money is found by dipping into the contingency margin. The Council felt it had taken a major step towards MEPs in agreeing that 2 billion EUR could come from this instrument and 361 million EUR taken from the margin (between the budget and the ceiling set by the multi-annual financial framework) below the ceiling to pay the bills. The Parliament had called for an envelope of 7 billion EUR in all to stabilize the amount of unpaid bills (4.7 billion EUR under the amending budgets for 2014 and 2.3 billion EUR for 2015). The Commission proposed a compromise of 5 billion EUR but the Council could not accept it.

Parliament called for the special instruments (Emergency Aid Reserve, EU Solidarity Fund, Flexibility Instrument and European Globalisation Adjustment Fund) to be financed above the multi-annual financial framework (MFF) 2014-2020 ceiling, while the Council wanted funding of these instruments to remain within the ceiling. The Commission believed that there was a 711 million EUR margin, taking the view like the Parliament that the special instruments should be funded from outside the MFF. The Council was looking at a margin of 361 million EUR, removing the various flexibility instruments within the MFF (350 million EUR in total for 2014 under the proposed amending budget). The European Parliament is of the view that, from 2014 to 2020, these special instruments represent a total sum of 11 billion EUR above the ceilings. The difference in the 2014-2020 MFF between commitments and payments is 50 billion EUR.

The Commission is currently financing from week to week and even from day to day. If funds are returned after revision of FP7 projects, these funds are paid to new H2020 projects.

2015 budget

The Council believes it had, in comparison with its position in September, made concessions to the Parliament by increasing the total payment appropriations by 777 million EUR (to 140.77 billion EUR, an increase of 3.9 % compared with the 2014 budget as it was adopted), in order to reduce (to 3.6 billion EUR) the difference between commitments and payments. This difference is the cause of the problems currently being faced with regard to unpaid bills and the amount outstanding.

The Council wants to reduce the 2015 budget with 2 billion EUR, whereof 1 billion is to be taken from H2020. If this will be the case, the Commission will gather the programme committees in order to initiate discussions on which calls to annul in 2015.

If the budget has not been adopted by the start of 2015, a sum equivalent to not more than one twelfth of the budget appropriations for 2014 or of the draft budget proposed by the Commission, whichever is smaller, may be spent each month for each chapter of the budget. Since the inception of the MFF in 1988, recourse to “provisional twelfths” has never been necessary. Since 2010, even years have seen budgetary conciliation failure whereas odd years have brought success.

The next deadline for agreeing on the 2015 budget is 17. December.

Investing 315 billion EUR to jump-start the EU economy

Commission President Jean-Claude Juncker and European Investment Bank President Werner Hoyer unveiled the 315 billion EUR investment plan in a plenary debate with political group leaders during the plenary session in November.

Mr. Juncker explained that the money put forward comes on top of what already exists. It comes on top of the 630 billion EUR that is about to be unlocked from the structural and investment funds at national and regional level and comes on top of what the European Investment Bank has already been able to do so far. After the capital increase of 10 billion EUR, the EIB shipped 180 billion EUR to the real economy. It comes on top of EU programmes such as the Connecting Europe Facility, Horizon 2020 and 'COSME' which are already investing in infrastructure, innovation and Europe's SMEs.

President Juncker’s plan is based on three main pillars:

1. A new European Fund for Strategic Investments, guaranteed with public money from the EU budget and the European Investment Bank (EIB). The Fund will be able to mobilise 315 billion EUR over the next three years.

The Commission has put up 8 billion EUR from the EU budget*. This backs up a 16 billion EUR guarantee given to the Fund, topped up by another 5 billion EUR from the EIB, which makes 21 billion EUR. With a 21 billion EUR reserve, the EIB can give out loans of 63 billion EUR. That is 63 billion EUR of fresh financing injected into the economy. The EIB will not be acting alone, but will be financing the riskier parts of projects worth 315 billion, meaning private investors will be pitching in the remaining 252 billion EUR.

Mr. Juncker addressed those who are worried about the impact on the research and infrastructure allocations, who fear that redirecting money from the Horizon 2020 and Connecting Europe budget lines will mean that money is lost and assured that this is not the case. Every euro from these programmes paid into the Fund creates 15 EUR for those very same research and infrastructure projects. “We are not just moving money around, we are maximising its input”, Juncker said.

* 2.7 billion EUR in 2015, 2016 and 2017 (900 million EUR annually) will be taken from the H2020 budget to the Fund according to this fact sheet. Funds are expected to finance mainly research infrastructure.

2. A credible project pipeline backed by a technical assistance programme to link investments to mature, growth-generating projects of European significance. Projects will be choosen by technicians who have the experience and know-how to do so. The Fund will have a dedicated Investment Committee made up of experts that will have to validate every project from a commercial and societal perspective and based on what value-added they can have to the EU as a whole.

3. An ambitious roadmap to make Europe more attractive and remove red-tape and regulatory bottlenecks. The answer is not just financial. It is also regulatory. A single EU Regulation can replace 28 sets of laws. This is the best simplification machine, Juncker said.

The Fund is expected to be up and running by June next year.

President Juncker's speech

Italian EU Presidency issues document outlining responsible research and innovation

From 19 to 21 November, a large conference was held in Rome to discuss the relation between research and society in the frame of the Italian EU Presidency. The result of this debate is 'the Rome Declaration': a document supporting a more 'responsible' research and innovation. The declaration directly refers to the 2009 Lund declaration, which outlined societal challenges to be met by European researchers. The Lund declaration had a considerable impact in the definition of the priorities of funding instruments developed under Horizon 2020.

Similarly, the Rome declaration could influence the definition of future EU funding and support programmes, by promoting collaborations between various societal actors - researchers, industry, policymakers and civil society, supporting more gender equality in research institutions, calling for a boost in younger generations interest in technology and making research results more easily available. But the main novelty in the Rome declaration might be the introduction of 'ethics' to the definition of research schemes: the document stresses that 'policymakers have a responsibility to prevent harmful or unethical developments in research and innovation.'

Read the Rome Declaration on responsible research and innovation in Europe and the Responsible research and innovation leaflet.

Comments or questions should be directed to Rikke Edsjö