



# **EU13 CROSS COUNTRY ANALYSIS: Key elements on synergies**

**Mariana Chioncel**

**University of Bucharest  
DG-JRC, IPTS**

**S2E ROMANIA NATIONAL EVENT  
BUCHAREST, 22 JUNE 2016**



# Methodology

**Preliminary results:** cross country analysis over EU13, based on S2E Country Reports & Synergy Case studies.

## **S2E Country Reports & Case Studies**

- Evidence based analysis of the national R&I system and policy/factors that hinder or support national participation in FP7/H2020 and SF/ESIF funded R&I projects;
- Builds on analytical framework developed by IPTS;
- Based on data and information collection and evaluation, interviews with relevant stakeholders, assessment performed by independent national experts;
- Input for capacity mapping;
- Produced in 2015 (published August 2015)

- 1. Quality of Governance**
- 2. Factors that hinder or enhance the national participation in R&I calls funded by SF/ESIF**
- 3. Push-Pull factors for participation in FP7/H2020**
- 4. Enhancing or limiting the synergies?**
- 5. WHAT CAN BE DONE ?**



# 1. Quality of governance

6<sup>th</sup> Cohesion Report: *"Quality of governance is low in countries benefitting the most from Cohesion Policy"*

*"At levels of Cohesion expenditure per capita where investment may make a difference, the quality of government is a key factor determining the returns of public expenditure"*

Quality of Government, Institute at the University of Gothenburg (QGI, 2010)

Significant national and regional disparities in the quality of governance



**1<sup>st</sup> group:** mostly from the Scandinavian, Germanic and English speaking countries

**2<sup>nd</sup> group:** largely Mediterranean countries, EE and SI

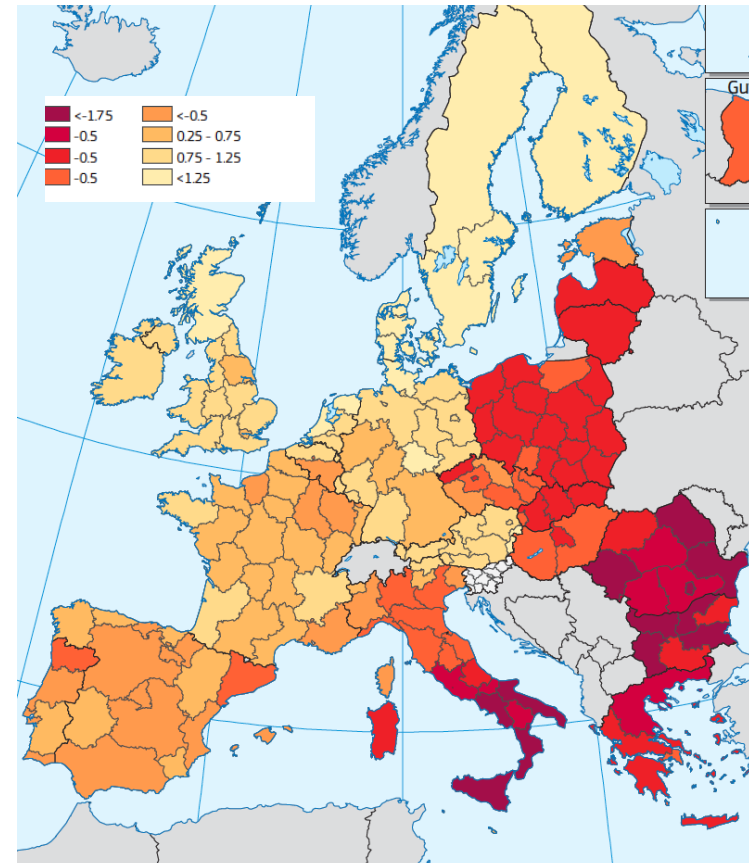
**3<sup>rd</sup> group:** most of the 'new' EU MS plus, notably, IT & GR

**4<sup>th</sup> group:** **RO** and BG

QoG Rank	Country	Combined WGI Total
1	DENMARK	1.978
2	SWEDEN	1.915
3	FINLAND	1.909
4	NETHERLANDS	1.834
5	LUXEMBOURG	1.747
6	AUSTRIA	1.701
7	UNITED KINGDOM	1.628
8	IRELAND	1.628
9	GERMANY	1.620
10	FRANCE	1.403
11	BELGIUM	1.368
12	MALTA	1.268
13	SPAIN	1.103
14	PORTUGAL	1.084
15	CYPRUS	1.077
16	ESTONIA	1.043
17	SLOVENIA	0.994
18	CZECH REPUBLIC	0.826
19	HUNGARY	0.759
20	SLOVAKIA	0.651
21	LATVIA	0.608
22	GREECE	0.574
23	LITHUANIA	0.563
24	POLAND	0.552
25	ITALY	0.480
26	BULGARIA	0.100
27	ROMANIA	0.059

**Source:** *Regional Governance Matters: A Study on Regional Variation in Quality of Government within the EU*, Nicholas Charron, Victor Lapuente and Lewis Dijkstra (WP, 2012)

"....the quality of government is a key factor determining the returns of public expenditure...'



European Quality of Government index, 2009

**Source:** Quality of Government Institute, 2010, p. 40



# 1. QUALITY of GOVERNANCE (S2E conclusions)

- (-) **Lack of policy coordination across the knowledge triangle policies/** lack of policy dialogue, tension, substantial financial disparity (including staff salaries) between the Ministries / Agencies dealing with SF/ESIF and national funds for R&D;
- (-) Lack of strategic vision for R&I, often influenced by lobbying;
- (-) Further hampered by the **system instability, political changes, reliable funding;**
- (-) **Instability of administrative structures** - constant staff fluctuation and institutional changes;

## 1. QUALITY of GOVERNANCE (S2E conclusions)

- (-) System fragmentation, duplication, multiple funding agencies without clear division of competences: **“no one knows who does what”**;
- (-) Weak programme management, monitoring, evaluation, foresight capacities;
- (-) Staff often lacks the expertise to manage research/hands-on experience with research; often affected by discretionary political choices.
- (-) Isolated institutional efforts to revise the regulation face difficulties due to rigid national regulations, habits, mentality, university laws, clash between generations and powers, lack of international exposure and limited brain circulation.





## 2. Factors that hinder or enhance the national participation in R&I calls funded by SF/ESIF

### (2.1) IMPLEMENTATION (MINISTRY/AGENCY level)

- (+) **High budgets and accessibility** compared to other sources; Financial incentives for researchers;
- (-) **Very high administrative burden** during the whole project cycle; does not differentiate between high-low budget projects;
- (-) **Frequent changes in the regulation, legislation**, even during the implementation of the project; (+) Sometimes inherent in the learning process and meant to correct deficiencies;
- (-) **Lack of information/awareness** of planned interventions;
- (-) **Inappropriate timing of calls** (often during the holiday without pre-notice);

## (2.1) IMPLEMENTATION (MINISTRY/AGENCY level)

- (-) **Monitoring rather 'blind' to the scientific activity** output, focus on compliance to the spending rules;
- (-) **Complex procurement procedures** aiming to prevent fraud.
  - Often the mechanism may have opposite effect;
  - contribute to the excessive administrative burden on R&I performers
- (-) **Co-funding rules + Delay of payments;**
- (-) **Administrative capacity** of funding agencies;
- (-) Cost eligibility issues;
- (-) **"One size fits all"** approach does not help: EU countries are different – culture, nature, geopolitical situation, size;
- (-) Ambiguous and high administrative requests for Business Enterprise Sector (BES);

## **(2.2) BENEFICIARIES' level**

- (-) Limited managerial capacities; high administrative workload; focus on financial aspects;
- (-) BES Motivational bias: "high competition, mistrust in evaluation, significant efforts – low chances";
- (-) BES – lack of awareness;
- (+/-) BES -Financial incentives;
- (-) Impact of the crisis (and not only): BES – reticent in investing in R&I;
- (-) Structure of the economy

## **(2.3) Design of support measures**

- (+) Good policy design, BUT often (-) inefficient implementation;
- (-) Funding gaps at certain stages of innovation cycle;
- (-) Concern that strong prioritisation compliant with smart specialisations may affect those not in the 'box';
- (-) Policy mix often focused on „mature innovators“, limited support to „emerging innovators“ and „potential innovators‘.



### 3. Push-Pull factors for participation in FPH2020

**(++) Evaluation perceived as fair, easier implementation, focus on scientific excellence;**

**(-) Limited experience in FP7;**

**(-) "Resistance from the 'EU15 club' of regular successful candidates to accept the new EU13 to enter the club perceived as one of the most difficult barriers; "without any push from EC this will not work".**

**(-) Limited, highly heterogeneous or no NCP support;**

**(-) Different logics than SF, national funds. National science system does not promote quality but quantity !**

**(-) Weak links with European networks; in some countries limited command of English by top-level managers;**



### 3. Push-Pull factors for participation in FPH2020

- (-) Significant effort + lack of recognition in the career path;**
- (+) International prestige and exposure;**
- (+) FP7, (-) H2020 salary regulations;**
- (-) competition with national opportunities;**
- (-) lack of institutional support;**
- (-) Insufficient qualified research project managers;**
- (+) Large investments in RI in recent years; “nobody has any excuses now”**
- (-) Yet persistent wrong perception of EU15 partners: EU13 RI low quality, obsolete equipment;**
- (-) Evaluation of the research performance at national level inconsistently used and without impact on financing, focus on quantity rather than the quality;**

### **3. Push-Pull factors for participation in FPH2020 specific for BES**

**(-) H2020 less attractive:** Low success rate, high administrative load and being far away from the market;

**(-) H2020 IPR regulations and time span**

## 4. Enhancing or limiting the synergies?

**Most of the information collected in 2015 !! Not enough data yet to assess...**

(-) No evidence of strategy for creating synergies between the SF/ESIF or FP7 measures;

**(+) (-) When synergies occurred most often they were not created in a strategic way;**



## Limiting factors

- (-) **Limited co-ordination between national and EU level programmes**
- (-) **Different legal frameworks;**
- (-) **Lack of information and data** sharing among the authorities in charge of SF/ESIF programmes and those authorities in charge of FP/H2020 programmes.
- (-) Distinct eligibility criteria, monitoring and evaluation procedures for SF/ESIF and FP/H2020 projects; Lack of Portability of evaluations;
- (-) Uncoordinated timing of potentially linked calls



## Enhancing or limiting the synergies?

- (-) Alternative funding: lack of compliance of evaluations rules leads to the failure of the policy intention;
- (-) **Psychological barriers:** Although relatively clear cost eligibility and unambiguous allocation of costs fear of being accused of financing the same research efforts from two parallel sources
- (-) Salary restrictions restrictions on the number of hours worked in all externally funded projects;
- (-) **H2020 IPR regulations** perceived as sources of potential business risks.

## WHAT CAN BE DONE ?

- ✓ (EU) At EU level;
- ✓ (N&R) Encouraged at EU level but implemented an national / regional level;

## WHAT CAN BE DONE ?

**Quality of the governance** = the most important factor hampering the impact of SF/ESIF !

***"There are no shortcuts: greater amount of funds will not do the trick, unless the quality of government is improved".***

**(N&R)** Improve the QoG of the national R&I system;

- **(EU)** Increased intervention in the policy mechanism with more ex ante conditionalities;
- **(EU)** Monitoring mechanisms (Indicators of Strength of Governance and Public Management; Citizen focused governance; regulatory governance indicators (WB+EC+OECD))

**(EU+N&R)** Foster synergies between EU, Inter-governmental, national and regional interventions;

**(N&R)** Evaluation of the research system; financing based on the evaluation results.



## WHAT CAN BE DONE ?

**(EU) Policy learning platform:** good practices to support the participation in H2020/ usage of ESIF; benchmarking for national authorities;

**(EU)** Good practices for evaluation mechanisms of institutions, funding schemes, programmes and a set of common criteria and rules for the distribution of funds for R&I;

...<http://s3platform.jrc.ec.europa.eu/stairway-to-excellence>

**(N&R)** Simplify the administrative burdens related to ESIF; shift focus of evaluation & monitoring from compliance to financial rules to economic and scientific impact;

**(N&R)** ESIF funds to enhance the institutional capacity;



# Factors that support or limit the national participation in R&I calls funded by ESIF

**(N&R)** Improve communication between different governmental departments and national agencies;

**(EU)** H2020 schemes, focused on excellence, risk to increase the innovation gap; **specific rules and schemes designed to encourage the participation of EU13;**

**(EU)** ESIF Agency at EU level – to manage an EU database of evaluators, provide support, evaluation, monitoring, intervention when/if needed;

**(EU)** EU and national policy process more inclusive



**THANK YOU FOR YOUR ATTENTION !**