



JOINT STATEMENT OF THE NATIONAL EVENT OF POLAND

Synergies between European Structural and Investment Funds (ESIF) & Research and Innovation Funding

Organised by
the European Commission (Stairway to Excellence Initiative)
and
the Polish National Contact Point for Research Programmes of the EU
27 April 2016, Warsaw – Poland

The development of efficient national/regional research and innovation strategies for smart specialisation (RIS3)¹ allows Member States (MSs) and their regions to identify a limited number of research areas and industrial activities with high innovation potential. In turn, this can ensure a more effective use of public funds while stimulating more effective private investments.

The S2E national event of Poland - jointly organised by the European Commission and the Polish National Contact Point for Research Programmes of the EU - took place in Warsaw on 27 April 2016 as part of the capacity building activities of the [S2E project](#) in the EU13 Member States². The event brought different stakeholders together and provided a platform for a better understanding of MS innovation ecosystems, raising awareness of the actions needed to enable synergies and drawing lessons for future actions.

The Polish National Event provided an effective venue for engaging different stakeholders and discussing forward-looking results. Around 90 participants joined the event from several academic/research institutions, public sector, business and ESIF Managing Authorities. As an indication of the commitment to this topic by the Polish authorities, the event was opened by Małgorzata Szczepańska, Director, Department of Innovation, Ministry of Economic Development and Mateusz Gaczyński, Deputy Director, Department of Innovation and Development, Ministry of Science and Higher Education. Moreover, the event gathered experts from other European countries (namely the Netherlands and Spain) who presented their experiences on innovation policies, governance and the creation of synergies. All these inputs offered insightful elements for discussion in the different panels and participatory sessions during the event. General comments and recommendations are summarised below.

General comments and recommendations are summarised below. They do not represent the Polish National Contact Point for Research Programmes of the EU's nor the European Commission's official position but are the outcome of the discussions during the event.

¹ <http://s3platform.jrc.ec.europa.eu/home>

² EU13 indicates those 13 Member States which have joined the European Union since 2004.

Main Issues

1. Stakeholders' involvement in building synergies

The Polish macroeconomic situation is comparable to other EU13 countries. The GDP growth rate was 3.6% in 2015 while the unemployment rate is below the EU28 average having decreased from 10.1% in 2012 to 7.5% in 2015 (Eurostat). Gross domestic expenditure on R&D (GERD) increased in nominal terms and as a percentage of GDP, from 0.88% in 2012 to 0.94% in 2014, therefore slightly closing the gap vis-à-vis the EU28 average (2.03%).

While Poland has been increasing investment in R&D, it has still under-performed in FP7 and this has continued in Horizon 2020. The share of funding in H2020 decreased slightly (from 0.99% in the FP7 to 0.94% in Horizon 2020 as of March 2016) while the total share for EU13 also increased (4.25% in FP7 to 4.68% in the H2020 programme). On the one hand, the low participation in Horizon 2020 as a regular participant or coordinator raises the issue of the lack of motivation of public organisations to be involved in such competitive programmes. On the other hand, other factors contribute to the situation such as a remuneration gap between “new” and “old” Member States and existing collaborative networks that are difficult to access. Addressing the causes of this low participation, including how ESIF could be used, is important in the creation of future funding synergies. The following issues were identified by participants during the event as reasons for this unsatisfactory participation along with areas of strength or potential that could be built on.

a. An environment conducive to collaboration and creating synergies

In Poland there are ‘silos’ of different communities and this leads to a lack of coordination and low strategic planning between ESIF and H2020. This lack of coordination can occur between the different communities where different ministries have responsibilities for the different programmes and also between different levels of aggregation: the national and regional levels.

National instruments tend to target individual organisations, rather than building consortia, meaning that Polish researchers lack experience of this style of work. Furthermore, the actual research is fairly fragmented within organisations in Poland meaning it may be difficult to generate the critical mass required to participate in international research projects. Additionally, it was stated that the Polish system promotes quantity and not quality. It was also highlighted that there is a lack of experience with regard to the preparation of FP/H2020 Work Programmes, which is a different process to that required for ESIF. However, to gain experience there needs to be

Key Issue 1: *Create the environment for collaboration*

Possible Action(s):

Polish national authorities:

- Target INTERREG and ERA-NETs as a means to engage in international networks

Polish regional authorities:

- Engage more with international aspects including greater visibility in Brussels

European Commission:

- Consider ways to increase measures for spreading excellence and widening participation

participation in the projects.

The following recommendations were raised by participants and experts during the event (Key issue 1):

- Overall better communication is required between the different communities;
- Target participation in projects that could help increase international exposure such as those of INTERREG and also the use of instruments such as ERA-NETs;
- Encourage greater involvement of researchers in international networks and increased activity in mobility schemes and reward it at an individual level by being a consideration for career progression;
- Regional government also needs to help with international cooperation. It could be beneficial to develop greater visibility in Brussels;
- Measures should be taken to encourage the inclusion of new partners, especially from EU13, in order to utilize the whole potential of ERA (e.g. via facilitating the openness and inclusiveness of existing networks by CSA networking projects, introducing additional criterion for differentiation³ related to *new comers*;
- Increase the budget and number of instruments for measures for spreading excellence and widening participation.

b. Support for participation: preparation and implementation

Complexity of administrative procedures

There are issues related to bureaucracy at various levels that were expressed by participants to the event. At the EU level the rules for both ESIF and H2020 are considered administratively heavy. Participation in such programmes has a greater administrative burden, increased responsibility and risks without due recognition of this. A related issue, in the context of synergies between H2020 and ESIF, is the different legal frameworks for the different funds (ESIF falls under state aid rules whereas H2020 does not) and also the need to avoid problems such as double funding of the same cost item. Furthermore, H2020 is directly managed by the European Commission whereas ESIF is not. This means there can be a reluctance to combine the funding due to the perceived complexity and possible legal problems.

Several researchers also stated that they can have problems with the administrative procedures within their universities or research centres being complicated and time consuming. It is not necessarily the Polish public administration or European level procedures that are the only burdens in this regard.

Direct support for researchers to participate

There is extensive support that exists through the Polish National Contact Point (NCP) aimed at the H2020 side whereas participants indicated that for the ESIF side support is not as extensive.

³ Differentiation criteria are used when the evaluation criteria cannot separate projects (they have the same scores). Current differentiation criteria include budget for SMES, gender balance, call specific criteria.

Managing authorities should consider better ways to support those applying for funding. Overall support should be more effective within the existing structures and networks, such as those already described above and EU support offices within public research organisations and universities. There is a need to make sure the administrative personnel are suitably motivated and have the appropriate skills, including a suitable command of English and knowledge of the different project modalities. This support should also include a suitable support office in Brussels as knowledge and building relationships with the EC is very important, offices that already exist could be strengthened. It is important to have coordination between the different levels of support and the sharing of intelligence; this could be assisted by having short term stays in Brussels for experienced administration personnel from Polish institutions and universities.

Another initiative to improve the support to researchers is the "Pact for Horizon 2020" that is signed between the Polish government (Ministry of Science and Higher Education) and research organisations. Activities from the government side include amending institutional assessment rules to promote beneficiaries of H2020 funding, support for H2020 applications, and bonuses for researchers undertaking H2020 projects. Meanwhile, the responsibilities of institutions include offering effective administrative support to researchers, rewarding those that manage grants or act as evaluators, engaging with business, and accepting the European Charter for Researchers⁴. While the "Pact " provides a good practice example it has been criticised for not having enough funding to encourage H2020 participation or change behaviours. However, it is a recent initiative and its implementation should be monitored.

Salary difference between Poland and EU15

There is a substantial remuneration gap between old and new member states and measures are required to address the negative effect it could be having on H2020 participation. While the base salaries in Poland are low the H2020 regulations do not take into account the performance based bonuses in Polish research institutions. This means that researchers in Poland have significantly less project budget in H2020 than their counterparts in EU15 and this is not offset by cost of living factors and so acts as a disincentive for Polish researchers to participate in H2020.

The following recommendations were raised by participants and experts during the event (Key issue 2):

- Consider greater harmonisation of rules between different EU funding sources;
- Polish authorities should further encourage the creation (or the reinforcement) of EU grant offices with the appropriately skilled people in public research organisations and universities complementing the work of the National Contact Points. Support work should include:

Key Issue 2: Support researcher participation in H2020

Possible Action(s):

Polish authorities:

- Support to EU offices in research organisations and universities

European Commission:

- Continue simplification of rules
- Explore potential measures that could mitigate the researchers' remuneration gap between "new" and "old" MSs in H2020

⁴ See <http://ec.europa.eu/euraxess/index.cfm/rights/europeanCharter>

- Help with preparation of proposals and project management;
- Scientific and technological coordination;
- Financial and administrative management;
- Building of relationships with the EC;
- Legal advice - such as consortium agreements and IPR;
- Monitor the impact of the "Pact";
- There is a need to consider potential measures to mitigate the researchers' remuneration gap between "new" and "old" Member States in Horizon 2020 (following a general rule - to apply regular national accounting/remuneration rules or introducing an optional system of unit costs in selected instruments). The Marie Skłodowska-Curie style system, based on a country coefficient corrected unit cost, for H2020 collaborative projects was rejected⁵ but there is still an issue to be addressed.

2. Upstream activities: How to build capacities to create appropriate conditions for Research & Innovation?

a. Improve strategic planning of resources - Research infrastructures

Poland does have modern infrastructures; however, investment in equipment and facilities is done outside a national level framework (more at an institutional level) and there is a lack of strategic planning meaning that there is duplication and low efficiency of use. Consequently, very expensive high quality equipment is under used due to a lack of information about its availability and accessibility.

Legal issues related to the use of research infrastructures can be complicated. Several participants indicated that they prefer to avoid legal problems and so do not undertake applied research projects. Such problems may include state aid regulations particularly those related to economic activity and the use of infrastructures by private organisations.

Some suggestions were raised by participants and experts during the event (Key issue 3):

Key Issue 3: Strategic planning and efficient use of research infrastructures

Possible Action(s):

Polish authorities:

- Map infrastructure/facility capacity across Poland
- Opening up excellent research infrastructures

- Improve access to public infrastructures and equipment. It would be useful to have a mapping of infrastructure/facility capacity across Poland;
- The "widening package" could be extended to a new instrument opening up the excellent research infrastructures in Poland to more kinds of users, such as industry, in order to operate at the forefront of international research and to attract the best minds;
- Simplify legal aspects for the use of public infrastructures by private organisations.

⁵ For explanation of the proposal see: <http://www.leru.org/index.php/public/news/charity-starts-at-home/>

b. Researcher mobility and attracting foreign researchers to Poland

Poland has a problem attracting external researchers and suffers from brain drain rather than brain circulation. Polish researchers are also not very mobile.

There could be some language issues and maybe cultural issues but there is also a need to devise a funding system that provides new openings for such researchers. Participants also stated that the rigid nature of the Polish researcher career track and lack of opportunities make it less attractive to come to Poland as a researcher.

Some suggestions were raised by participants and experts during the event (Key issue 4):

- Enable funds and tools for the internationalisation of the academic programmes;
- Develop a more flexible career track with the ability to change institution, group and specialisation as appropriate;
- Develop further the EURAXESS initiative to maximise the support offered in Poland.

Key Issue 4: *Attraction of Poland to foreign researchers*

Possible Action(s):

Polish national authorities:

- Consider a more flexible researcher career track
- Development of EURAXESS support

3. Downstream activities: How to enhance the creation of economic value from the R&I system?

a. Better cooperation between research, business and the end user

There is a need to improve links between business and universities/research institutes. It was stated that there is no history of cooperation between business and academia and that it is a cultural issue that leads to a low level of crossover between public research and business. It was also pointed out that it is not only links between these two sectors that are important but also society, as the ultimate beneficiary needs to be included. More actors need to work together in an integrated flexible ecosystem. Such links start with the universities but currently it is something that is neglected. It was also stated that there is actually a lack of trust between the research organisations/education institutes and business.

However, such links are also dependent on the capacity in the country as it may be that the research units of large companies are not in Poland so the opportunities for researchers in the private sector are limited.

Other reasons why firms may not want to participate in H2020 can include the administrative burden. There are a

Key Issue 5: *Improve links between all the actors in the innovation process*

Possible Action(s):

Polish national authorities:

- Reinforce policies to encourage cooperation between the public sector, business/enterprises and society as the end user

European Commission:

- Consider more actions to encourage such links.

variety of bureaucratic issues that are problematic for participants in ESIF and H2020 and particularly if they are trying to combine the funds. The general issues already mentioned were repeated for business, including the administrative load and the different legal frameworks. Several participants also stated that as there is so much ESIF funding available it is easier to access this than apply for the highly competitive H2020 funding.

The following suggestions were provided by participants and experts during the event (Key issue 5):

- There should be projects created by business and sponsored by the public sector as happens in the US (DARPA etc);
- Offer access to open calls in topics, which are of interest to companies and universities.
- Reinforce policies such as the Polish Technology Platforms and clusters in order to create the conditions for good cooperation between public and private organisations.

b. Foster an innovation culture and overcome specific issues for SMEs

Some participants at the event felt that there is a lack of innovation strategies within Polish firms. A culture of innovation needs to be created as SMEs are considered to be conservative.

However, it was also pointed out that for business, particularly SMEs, there is a high cost to H2020 participation as proposals require a lot of work without payment and no guaranteed success. Furthermore, legal issues such as the grant agreements, consortium agreements and intellectual property rights and the exploitation of background intellectual property are further obstacles. These increased burdens are exacerbated by payment delays at the start, during and end of projects – something that public institutions or large businesses can absorb but can prove catastrophic to an SME, particularly given limited support from banks.

Finally, there are a lack of programmes to capitalise on research results meaning that the investment undertaken to participate in programmes does not result in a means to generate income. The SME instrument is very competitive and national funding is usually aimed at bigger projects that require significant self-funding.

The following suggestions were provided by participants and experts during the event (Key issue 6):

- There is a need for more bottom up exercises rather than top down management;
- Develop national programmes for the continuation of research results and extension of the SME instrument and similar instruments at the national level;
- Simplify procedures;
- Provide financial support in the case of payment delays.

Key Issue 6: Improve innovation culture and breakdown barriers for SMEs

Possible Action(s):

Polish national authorities:

- More bottom up initiatives rather than top down
- Develop programmes aimed at valorising research results including a national extension of the SME Instrument



4. The Way Forward

In order to widen the benefit of the discussion to a broader network involving all potential research and innovation stakeholders, the EC will disseminate relevant information to:

- Help Polish stakeholders to build capacity and international networks;
- Establish an information system for all stakeholders involved to inform on examples of synergies that take place in Poland.

The state of play of the above key issues and actions will be followed up after a period of one year with:

- A survey targeting managing authorities in charge of the implementation of synergies and beneficiaries of national and EU funding to assess the progress with regard to the issues raised in this Joint Statement;
- A follow-up seminar with Managing authorities to monitor the progress on issues assessed in the Joint Statement in more depth and to develop further actions to be taken.