



# Competitiveness Council

## Contribution of EU Cohesion Policy 2014-2020 to research and innovation

Johannes Hahn, Commissioner for Regional Policy

Key note speech, Informal council meeting, 2 February 2012



# Contribution to Research and Innovation in the current programming period 2007-2013



- Unlocking **growth potential** by promoting (applied) research and innovation in all regions
- **2007-2013** - € 86 billion for innovation funding (€ 65 billion from ERDF) – **25% of cohesion policy** budget
  - Focus on capacity-building especially for SMEs but also on infrastructure in less developed regions
  - For less developed regions, ERDF is the most important source of funding for research and innovation
- Until 2011 –**over €50 billion has been committed** to R&I projects, mainly with SMEs (~ 60 % of €86 billion)



# Cohesion policy 2014-2020 and Europe 2020



## Commission adopted its proposals 6 October 2011:

- **Focus on Europe 2020** objectives for smart, sustainable and inclusive growth
- **List of thematic objectives** in line with Europe 2020 headline targets and flagship initiatives
- **Thematic concentration for maximising impact:** minimum shares for R&I through the ERDF

Commission is drafting the “**Common Strategic Framework for Cohesion**” and the “**Common Strategic Framework for Research and Innovation**” - linkages and coordination mechanisms will be specifically defined.



# 11 Thematic Objectives to Deliver Europe 2020



- **Strengthening research, technological development and innovation**
- *Enhancing access to, and use and quality of, information and communication technologies*
- *Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)*
- Supporting the shift towards a low-carbon economy in all sectors
- Promoting climate change adaptation, risk prevention and management
- **Protecting the environment and promoting resource efficiency**
- **Promoting sustainable transport and removing bottlenecks in key network infrastructures**
- **Promoting employment and supporting labour mobility**
- **Promoting social inclusion and combating poverty**
- **Investing in education, skills and lifelong learning**
- **Enhancing institutional capacity and an efficient public administration**



# Research and Innovation: Investment priorities for ERDF



## Strengthening research, technological development and innovation:




- Enhancing **research and innovation infrastructure** 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.

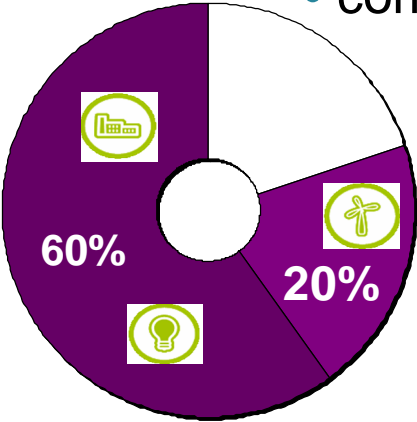


# Concentrating resources to maximise impact

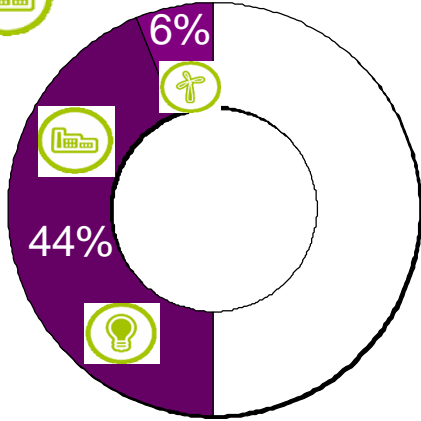


## Concentration of ERDF investments on:

- energy efficiency & renewable energy 
- research & innovation 
- competitiveness of SMEs 



More developed & transition regions



Less developed regions

- flexibility – different regions have different needs
- special arrangements for ex-convergence regions



# More coherent use of available EU funds



**Common Strategic Framework**



**Partnership Contract**



**Operational Programmes**

- Comprehensive **investment strategy**: aligned with Europe 2020 objectives
- **Coherence with National Reform Programmes**
- **Coordination**: cohesion policy, rural development, maritime + fisheries funds
- Objectives and **indicators to measure progress** towards Europe2020 targets
- **Effectiveness**: ex-ante conditionality, performance framework
- **Efficiency**: simplification; alignment of eligibility rules of different EU instruments



# R&D excellence & Cohesion Policy: two policies with complementary objectives



EU R&D Policy – future Horizon 2020	EU Cohesion Policy
<b>Differences</b>	
Based on <b>individual R&amp;D Projects</b> often of a pre-competitive nature aiming at improving leading edge <b>basic research</b>	Based on <b>multiannual Programmes</b> aiming at increased economic competitiveness through close to the market competitive R&D and <b>innovation</b> efforts
Awarded <b>directly to final beneficiaries</b> (firms, public and private R&D centres and Universities)	Awarded <b>through</b> shared management to national and regional <b>public intermediaries</b>
<b>Competitive calls</b> addressed to international groupings through peer review <b>based on excellence</b> criteria	<b>Attribution</b> addressed to regional players <b>based on strategic planning</b> negotiation and on <b>territorial</b> criteria.
<b>Complementarities</b>	
<b>Horizon 2020</b> will focus on tackling major societal challenge, maximising the competitiveness impact of research and innovation and raising and spreading levels of <b>excellence</b> in the research base	Cohesion policy will focus on galvanising smart specialisation that will act as a capacity building instrument, based on learning mechanisms and the creation of critical skills in regions and Member States.





## Promoting complementarity in practice:

- **Harmonisation** to the extent possible of funding rules and for **financial instruments**
- Possibility for the Funds to **work together** – for a project to receive support from different EU Funds
- Possibility to **apply rules** on unit costs, lump sums and flat rates applicable in other Union policies



# Smart Specialisation



## Regional Innovation Strategies for Smart Specialisation (RIS<sup>3</sup>) :

- **(Tough) Choices:** select few priorities on the basis of international specialisation and integration on international value chains
- **Competitive (Constructed) Advantage:** mobilise talent by matching Research & Innovation with business needs & capacities
- **Critical Mass:** provide arenas for cross-cutting links between sectors which drive specialised technological diversification;
- **Collaborative Leadership:** efficient innovation systems as a collective endeavour based on partnership between private and public entities (quadruple helix) and synergies between funding instruments from the EU, national and regional policies



## Further information



### Useful links:

## EU Cohesion Policy 2014-2020: legislative proposals

[http://ec.europa.eu/regional\\_policy/what/future/proposals\\_2014\\_2020\\_en.cfm](http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm)

## Smart Specialisation Platform

EU Joint Research Centre – Institute for Prospective Technological Studies

[http://ipts.jrc.ec.europa.eu/activities/research-and-innovation/s3\\_a.cfm](http://ipts.jrc.ec.europa.eu/activities/research-and-innovation/s3_a.cfm)

*Thank you for your attention and support!*

