



ECRN Joint Position

Response to the Commission Consultation on the Green Paper

**From Challenges to Opportunities:
Towards a Common Strategic Framework for
EU Research and Innovation Funding**

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**Green Paper – From Challenges to Opportunities:
Towards a Common Strategic Framework for
EU Research and Innovation Funding**

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At its meeting on 19 May 2011, the ECRN General Assembly adopted this position paper on the Common Strategic Framework for EU Research and Innovation Funding.

The European Chemical Regions Network (ECRN)², representing a broad range of chemical regions from all over Europe, welcomes the opportunity to comment on the Green Paper, and emphasises the importance of including the regional perspective in the development of the Common Strategic Framework. From the point of view of the chemical regions in Europe, the ECRN wishes to emphasise the following points in particular:

- The ECRN supports the strategy and objectives outlined by **Europe 2020** and the development of a "**Common Strategic Framework**" for EU research and innovation funding. In developing the framework, the ECRN underlines the need for a **strategic multilayer approach**, allowing for involvement and engagement of stakeholders at multiple levels. In this respect, the ECRN wishes to highlight the **key role of the regions** in activating cooperation, developing favourable context conditions and mobilizing resources to support research and innovation through close contacts with stakeholders and policy implementation on practical level.
- The ECRN welcomes the Common Strategic Framework as a tool for strengthening the **collaborative efforts and the alignment of strategies of national and regional governments** in supporting research and innovation, but underlines the necessity for sufficient **flexibility** and respect to the principle of **subsidiarity** to account for divergent local needs. The ECRN stresses the need for greater involvement and more **effective interaction between the different levels** of projects operating on a different scale (European, national and regional).
- The ECRN encourages the Commission to use this new phase of programming as an opportunity to review **the role and the contribution that regional governments can bring** to the European innovation and competitiveness landscape.

¹ The Green Paper in different languages: http://ec.europa.eu/research/csfr/index_en.cfm?pg=documents

² <http://www.ecrn.net>

Question 1. How should the Common Strategic Framework make EU research and innovation funding more attractive and easy to access for participants?

The ECRN welcomes the efforts for further **simplification** of processes to facilitate access to research programmes, to shorten time to grant, and to reduce the administrative burden and bureaucracy on project management, whilst acknowledging the need to ensure transparency and accountability of the processes and projects. Initiatives to reduce unnecessary complexity are supported, as they facilitate access and encourage broader participation, particularly that of SMEs.

Question 3. What are the characteristics of EU funding that maximise the benefit of acting at the EU level? Should there be a strong emphasis on leveraging other sources of funding?

The ECRN believes that diverse funding sources should be leveraged to support initiatives within the Common Strategic Framework. These sources include for instance **venture capital** and private finance, as well as **state aid** and grants. Possibilities to attract funds or apply for grants should be accessible particularly to SMEs. The ECRN acknowledges the need for EU efforts to bridge the market gaps and provide financial instruments to support growth of business and commercialisation of research results. Complementary sources of funding should be accessible, but there is a need for further simplification of the approval procedures relating to aid and potential conflicts in regulations.

Question 6. How could the Commission ensure the balance between a unique set of rules allowing for radical simplification and the necessity to keep a certain degree of flexibility and diversity to achieve objectives of different instruments, and respond to the needs of different beneficiaries, in particular SMEs?

The ECRN appreciates the intention of the Commission to integrate research and innovation in a single reference and funding framework and the goal of simplification. In this regard, however, the ECRN calls for sufficient **flexibility** to allow for tailored responses to address regional challenges and the ability to develop initiatives matched to the level of regional development. The framework should allow for adjustments or modifications to maintain its relevance and adequacy throughout the duration of the next programme period. Regional input should be included in the evaluation. Hence, it is necessary to integrate foresight tools and a policy of continuous review of strategic priorities in the framework.

Question 8. How should EU research and innovation funding relate to regional and national funding? How should this funding complement funds from the future Cohesion policy, designed to help the less developed regions of the EU, and the rural development programmes?

The ECRN acknowledges the need and advantages of **enhancing integration between research funds and development funds** to improve the **leveraging capacity of structural funds and the Common Strategic Framework**. It would be beneficial for the European and regional authorities to work together to develop complementarities and close links between different funding programmes covering the entire research and innovation chain. However, it is essential that the regional level has enough flexibility in implementing the operational programmes according to local needs and requirements. There are several good examples from regional operational programmes on ERDF and

cohesion funds directed towards supporting research and innovation, and these efforts should be supported with possibilities to build research capabilities or develop innovations further with leverage from the Common Strategic Framework.

The regional practices and processes are known and accepted especially by the SMEs, involving for instance simplified application procedures and short approval and granting cycles, which facilitate participation of SMEs and new project applicants. If similar practices and support were also available for EU funding, it would be easier to bridge the gap and leverage the benefits of complementarities between Cohesion policy and EU funding. Successful project experiences on local level encourage future participation in research programmes and other projects, and thus it is necessary on one hand to facilitate and enable participation on local level, but also to encourage and support participation in European projects on the other.

The ECRN therefore wishes to underline the need to build and reshape on an ongoing basis an **effective and up-to-date definition process for funding policies and programmes**, involving:

- developing strategies for **enhanced participation in EU funding and cooperation by the regions**
- supporting a **strategic and complementary use of structural funds** and financial mechanisms, and removing the regulatory obstacles that hinder such leverage based on a strong role of local and regional actors in shaping the policies
- encouraging **“smart specialisation” and development of local excellence** in the regions, as well as increasing regional involvement in new initiatives, such as the European Innovation Partnerships

The ECRN underlines the essential **role of regional governments** in contributing both to the **development of the Common Strategic Framework** for research and innovation and the **future design of cohesion policies**. The ECRN will elaborate its position on the cohesion policy later this year when the proposals for new policy are published.

Question 11. How should EU research and innovation funding best support policy making and forward-looking activities?

The ECRN acknowledges the vast potential of **collaborative networks** and **strategic alliances**, and recognises the supporting role of EU research and innovation funding for policy making and foresight activities. Collaboration and dialogue between the EU, the Member States and the regions is necessary to identify priority areas for research and innovation activities. The priorities should be aligned with political agendas and socio-economic trends and scenarios.

The variance between Member States and regions, as well as the prerequisites of key industries and clusters should be taken into account in identifying the priorities. The ECRN supports European initiatives to **map and monitor these needs**, and welcomes for instance the prior information notice on the foreseen tender from the Commission to analyse the policies in chemical regions to support the competitiveness of the chemical industry.

The ECRN stresses the importance of creating and supporting **cross-border networks** and development of **clusters**. The current system is inadequate to effectively support the **trans-national nature of research and innovation**. The role of regional efforts is vital in supporting European competitiveness in the global competition between regional systems and clusters.

Regions are particularly well-positioned to **identify emerging trends** and implement initiatives on a territorial basis through a specific relationship with the various stakeholders. Thus, regions possess a capability of feeding ideas, topics and methods for developing and renewing research and innovation policies in Europe. The innovation capabilities of chemical regions and cluster cooperation have been central to the INTERREG project ChemClust³.

The ECRN recognises the importance of **Joint Programming Initiatives** in enhancing effectiveness through focused support, but urges for constant monitoring of trends and emerging opportunities and dialogue between European, national and regional levels to ensure that such initiatives are appropriately directed and mediated and allow for sufficiently broad participation and implementation.

Question 16. How and what types of Small and Medium-sized Enterprises (SME) should be supported at EU level; how should this complement national and regional level schemes? What kind of measures should be taken to decisively facilitate the participation of SMEs in EU research and innovation programmes?

To support research and innovation and innovative SMEs in particular, the ECRN encourages the complementary use and leverage of tools, policies and initiatives on European, national, and regional level. This involves endorsement of **public-private partnerships (PPPs)** to enable synergistic collaboration of public and private entities, and support for innovative SMEs and other entities for instance with **research vouchers**. Vouchers have been trialled on regional basis with success, allowing businesses to obtain support for their innovations from research centres or other accredited entities.

This paper is a result of close collaboration and discussion with our member region Lombardy (Italy).

³ <http://www.chemclust.eu>