

Guiding Principles for the New Framework Programme – Croatian Position Paper

The aim of this position paper is to contribute to the Horizon 2020 interim evaluation as well as to set guiding principles for the next programming period. Different stakeholders have been consulted and various points of view have been taken into consideration in the process of creating this position paper.

The proportion of successful project applications among Croatian institutions in the first period of Horizon 2020 implementation has dropped from 16.3% to 11.2%, in comparison to participation in FP7. Therefore, improving the Croatian success rate and increasing visibility of Croatian research excellence in the second period of Horizon 2020 and the new Framework programme is one of the key goals of national science policy.

The Framework programme is one of the cornerstones of EU R&D&I policies, as it promotes research excellence, stimulates development of the European research and innovation system, by creating opportunities for different stakeholders, therefore contributing to the creation of a unique European research area. Based on experiences from the first phase of Horizon 2020 implementation, the new Framework programme should be based on a similar three-pillar structure oriented towards excellent science, societal challenges and industrial leadership, therefore further increasing the research and innovation potential of the EU.

It is of great importance to set guiding principles to be implemented in all member states, while bearing in mind their specific contexts and various starting positions, as well as their research and innovation potential to maximize the scope and impact of European RDI policy. Excellence should remain an inherent part of the future Framework programme, which should allow excellence to transcend any obstacles arising within national RDI systems that the member states are currently facing. The development of the European research area should be **driven by excellence, anchored in equity, enabling synergies and consistency with other EU instruments on policy and implementation levels, all the while insisting on impact.**

In principle, aiming to create the optimal foundation for fulfilling various needs of different stakeholders should be considered as one of the most important guiding principles in the next programming period. At this point we need to recognize the different positions of various EU member states, while also accepting the fact that diversity can unite and make Europe stronger. We should appreciate the fact that not every member state has the same opportunity or even the need to achieve the same result as other member states. Nevertheless, the need for fair representation needs to be acknowledged. The capacity of a particular member state should be considered as a crucial factor when designing specific implementing instruments which should, consequently, result in fairly positioning each member state in international competition. Only then will our common outcomes not differ, regardless of our differing starting positions, and only then will all member states have an equal and fair chance in achieving our common goals. Hence, equity as a guiding principle should not only recognize and accept specific positions of different EU member states, but should also transcend the borders of the EU in order to prevent further widening of inequalities. This is why **equity** (and not equality) should be among the main principles of not just the next Framework programme, but also of national and other funding programmes.

The described principle of equity is crucial for the effective application of **excellence** as the main driving force behind the next Framework programme, which must reflect the fact that research excellence has universal value and that it knows no borders. Excellence must be free of political influence and applicable to all stakeholders equally regardless of their background, association to pre-established groups and level of development of the national RDI system. Therefore, the Framework programme should stimulate participation of researchers from newer and lower-performing member states and associated countries, as well as those affected by migration resulting from economic, political or climate conditions.

Equity is also seen as a foundation for **widening approach**. Multiple analysis conducted through the years have shown that differences among member states by the level of investment in R&D and other circumstances shape the ability to foster and capitalize excellence in RDI. Thus, we support further strengthening of instruments which will enable synergy in discovering and nurturing strengths of every member state rather than insisting on development of special instruments or distribution leverages created just for the countries that are less successful in competition. Other measures can also contribute to improving recognition of research excellence throughout Europe and beyond, for instance by further increasing transparency, impartiality and independence of the evaluation process. Accordingly, funding must continue to be allocated to the best projects selected through a rigorous evaluation process. **Increasing the total budget for the Framework programme** will have a crucial role in spreading excellence. In particular, the budget should be increased for activities with direct and measurable impact on national systems and ERA policies, such as **Marie Skłodowska Curie Actions (MSCA) and the European Research Council (ERC)**. Initiatives which focus on mobility of researchers and exchange of the best practices as well as creating support for the research career development should be strongly supported in the next Framework programme.

Excellent researchers are not only raising the quality of the research system, but are also creating strong, quality-based higher education. Therefore, a closer connection between higher education and research should be supported. Stimulation of research-led education and promoting research mobility for early-stage researchers is crucial for the next Framework programme. Stronger emphasis should be placed on tighter linkages between higher education, research and innovation, especially regarding the development of new skills for entrepreneurship, which should create a more flexible, mobile and open labour market. This is why the new Framework programme should reflect the **vision of the impact** that every action and instrument has on European society and economy. Sustainable development with a focus on global climate change, demographic and socioeconomic trends, public health and national security should be of great importance in the future. Questions of human rights and its violations, religious freedom and migration caused by economic and climate changes should be taken into consideration during the discussion on societal challenges under the new Framework programme. Even though the current global trend is to focus on STEM fields, social sciences and humanities should not be neglected and the new Framework programme should acknowledge the **importance of the contribution of social sciences and humanities** as a separate challenge. Apart from their contribution in tackling challenges such as an ageing population, analysis and predictions of future development trends would not be possible without these fields, as well as the articulation of challenges and the possibility of implementation of new technologies in a wider society. Therefore, interdisciplinarity and intersectorality should also be recognized as inherent to contemporary and promoted at all costs.

Although intentions behind launching the **European Innovation Council (EIC)** are praiseworthy (i.e. establishing better funding instruments, improving the innovation ecosystem and making innovation support more user-friendly), it is important to keep in mind that introducing additional instruments and, even more importantly, new bodies in an already complex landscape should come with a higher degree of responsibility. Accordingly, new actions (EIC Pilot actions) should be well explained and aligned with the overall goals of the Framework programme. Introduction of new financial instruments, especially those with strong social and public responsibility, should be considered carefully. Introducing economic model-sharing such as crowdfunding as one of the official models of funding of RDI in the EU might be seen as a lack of EU responsibility for its research systems. If the underlying idea of introducing *sharing economy* models, as one of the means of RDI funding, is to engage citizens in science, then this should be done in a different manner by enhancing visibility, popularization and simplification of the Framework programme.

The new Framework programme should reflect a more **coherent approach between national and EU policies**. It should acknowledge and accept differences among member states as an advantage by further stimulating specialisation, not only on national but also on regional levels, while bearing in mind the pooling of regional resources in a complimentary and mutually beneficial manner. Hence, the

bottom-up approach should be strengthened by including different and often underrepresented stakeholders in the process of creating guidelines and work programmes.

In order to achieve **efficient synergies** on the policy and operational levels, it is necessary to keep in mind the need for a further harmonization of rules in the next financial period – of structural funds and the new Framework programme, jointly – and in close coordination between relevant European Commission Directorate-Generals. Harmonizing rules related to application procedures, costs, state aid, etc., should emanate from the overall strategy related to different funding programmes and policies, with the objective of simplification for beneficiaries serving as the guiding principle. Even though cohesion and RDI policy have different goals, their implementing instruments should be designed in a way that will ensure complementarity and maximise impact on the policy level.

An effort to include all emerging research topics into work programmes has resulted in an onset of different instruments and calls in Horizon 2020. The preliminary results of our national survey on Horizon 2020 have shown that an overflow of options for potential applicants has caused difficulties in choosing the best option for their projects, especially for those new to applying. Therefore, it is important to stay focused on users' needs when thinking of ways for **simplification on all levels**. Decreasing the number of bodies and configurations managing the Framework programme is needed in order to simplify the overall landscape and to ensure a more compact governance structure.

Based on experiences of Croatian researchers with H2020 and their recommendations for the future period, the following issues have been pointed out in line with guiding principles:

Programming – Ensuring coherent approach between RDI priorities and programmes on all levels

- Framework Programme should reflect key goals of strategic RDI documents, including supporting solutions for major challenges in European society. Therefore, further refinement of existing Societal challenges should be considered in order to provide more flexibility for pressing RDI issues and facilitate creation of new and diverse consortia, while containing overlapping initiatives.
- The same state aid rules should be applicable to projects positively evaluated under H2020 regardless of the source of funding. For instance, in instruments such as Seal of Excellence the same state aid rules should be applicable for projects funded under H2020 as well as for projects funded by national funds or ESIF funds.
- Actions under societal challenges should be open to interdisciplinary and intersectoral cooperation to respond more quickly to emerging societal issues.
- Social sciences and humanities should remain a separate challenge (topic), but the Programme should also encourage inclusion of SSH in tackling issues within other social challenges.
- Work programmes should reflect more interests and needs of member states by implementing a bottom-up approach.
- It is important to find balance between larger projects and those with smaller budgets. Focusing solely on large projects might hinder success rates in specific challenges (e.g.: energy and health).

Synergies – Ensuring complementarity of the Framework programme, ESIF funds and national funds on strategic and operational levels

- More emphasis should be placed on the synergies between national and EU strategic documents. National documents should not only follow measures described in EU documents but they should truly represent building blocks of coherent and consistent policy on EU level.
- Reinforcing the purpose of both sources of funding: the Framework programme for excellence and ESIF for infrastructural investments and capacity building, but also reforms of R&I systems. Synergies of rules and procedures between ESIF and the Framework programme

should be created and guided by the simplification of procedures and rules. Wherever possible, Framework programme rules should be applied, as they are clearer and more suitable to research projects than current rules of ESIF funds. Therefore, a synergetic approach must be established on the policy level and also on the implementation level, in order to increase absorption capacities of member states and to maximize impact of RDI investments.

- Aligning costs, state aid and other rules between the Framework programme and ESI funds is a key prerequisite to achieving efficient synergies. All stakeholders should be acquainted with practices enabling synergies both in institutions programming and implementing projects funded under the Framework programmes and in institutions whose role is to programme, implement and monitor implementation of ESIF. The European Commission should organise a community of practices in order to ensure common understanding and implementation of rules across member states.

Simplification – addressing the needs of applicants

- Simplification on the structural level should take into consideration that different groups of applicants have different needs, i.e. that a unified approach is not the best solution.
- Decreasing the number of measures and calls under each activity, while keeping in mind the simplification of procedures for applicants.
- Complexity of different phases of the project implementation process should be more balanced, i.e. the application phase, in comparison to reporting and auditing, to avoid additional strains on researchers upon project finalisation.
- Presenting the Framework programme landscape in a simple, user-friendly manner to enhance navigation through different instruments and measures for new applicants.

Budget – supporting excellence and initiatives with biggest impact

- Overall budget for the new Framework programme should be considerably increased.
- Allocation directed to instruments contributing to excellence (ERC) and instruments focusing on mobility of researchers (MSCA) should be increased due to their direct and measurable impact on national R&D&I, but also ERA policies.
- Grants should be kept as the main instrument of the Framework programme, including for the close-to-the-market activities.

Impact – Reinforcing societal and industrial impact of H2020 projects

- An additional indicator for every action and call addressing concrete impact of the project for society or industry should be introduced. It is not enough to strengthen instruments and activities for the business sector; the entire Framework programme should be focused on research that is contributing to resolving societal challenges, improving the RDI system in a very clear way and helping to enhance competitiveness of the European economy.
- A methodological framework for measurement of social and economic impact should be developed.
- Greater emphasis should be placed on presenting the benefits of RDI investments to EU citizens. Therefore, activities contributing to better visibility of project results should be developed.

Innovation landscape

- Overlapping of different instruments leading to the same or similar results should be avoided. For instance, instruments within different activities are targeting and enabling similar types of PoC projects: SME, FTI open, ERC PoC. These should be interconnected in order to avoid fragmentation, diverse application and evaluation procedures, thus hindering planned impact.
- Proof of Concept is an important instrument that should be strengthened in the future, together with the SME Instrument.

- Fostering breakthrough innovation projects is very important, especially for small markets such as Croatia. In this respect, we would like to emphasize that any intervention aiming to boost innovation must be designed in a way that would not lead to disunion between research and innovation. Accordingly, launching a separate EIC participant portal and own NCP structure might hinder key goals of Horizon 2020.
- The key to success of any mechanism is to ensure that it responds to detected gaps. Therefore, it should be very clear how new programmes such as EIC create additional European value and how they contribute to the further development of European policy landscape.

Increasing participation and promoting cooperation across and beyond Europe

- Enhancing spreading excellence and widening participation through dedicated instruments and as a cross-cutting issue throughout the Programme (both financially and by further developing instruments).
- Encouraging consortia with more partners, including under-represented countries/regions, especially if the project is oriented towards resolving issues relevant for those countries/regions.
- Increasing transparency of the evaluation process, in particular feedback information.