

Report Breakout session #3

Shaping funding instruments to accelerate innovation and competitiveness in Europe

Executive Summary

Competitiveness relies on the capacity to create added value. In the breakout session 2, the participants looked at shaping funding instruments to accelerate innovation and competitiveness in Europe. This breakout session examined the strengths and weaknesses of the design and structure of EU innovation funding instruments by sharing experiences of Horizon 2020.

The session started with an overview of the Horizon 2020 interim evaluation consultation presented by Debby De Roover of the European Commission's DG Grow. The consultation closed in January this year. The European Commission recently published the results of this consultation. Some of the reported results are:

- Efficiency: 80% of the respondents are satisfied with the total time taken to sign a grant.
- Value Creation: 63% of the respondents consider the added value of the Horizon 2020 programme higher than compared to national programmes

The presentation was followed by four short reflections from an RTO - Rudolf Pfändner of the Fraunhofer Institute; a Member State - Rebeca Bravo Martin from SOST-CDTI; academia - Fabrizio Cavani of the Università di Bologna; and industry - Felix Müller of Evonik Industries.

After the break, the participants split into five groups for a moderated brainstorming discussion. Each of the five groups covered an 'operational' aspect of the current EU Framework Programme, Horizon 2020. After 20 minutes, the groups rotated to a second 'topic' providing additional input.

1. Call Description, Clarity and Relevance of the Call

At this flipchart, the groups looked into Semantic Issues, discussed Societal Challenges and missions, and addressed Key Enabling Technologies (KETs).

The recommendations are:

- 1.1 Address the third concern/need in the EC presentation about involvement of “civil society / general public” by deliberately designing Mission Statements that make sense to general public at the same time draw up the Societal Challenge imperatives and KETs already defined.
- 1.2 Build into FP9 a facility to enable continuity of funding for projects that have been very successful but no longer fit with current Horizon 2020 calls (strong request from SMEs).

2. Fewer versus more Topics, Funding Balance and Success Rate

At this flipchart, the groups discussed Success Rate of project proposals in Horizon 2020, the Quality of project proposals vs. the Quantity of calls, and the split of the Horizon 2020 budget versus its three pillars.

The recommendations are:

- 2.1 Better balance of disciplines for evaluators, i.e. try to ensure evaluators have (and show in their feedback) familiarity/expertise in the field of the project.
- 2.2 Request a Business Case as part of the project proposal / evaluation and include long-term IMPACT (results) indicators.

3. Forming Consortia & Coherence with Member State Funding

At this flipchart, the groups shared experiences in forming project consortia, and the coherence between EU Framework Programmes and Member State initiatives.

The recommendations are:

- 3.1 Simplify the application process for EU Framework Programmes. Create a single application point and match a quality project proposal with available funding.
- 3.2 Continuation of successful demonstration projects with additional operational funding (continuation of support for scale-up etc.)
- 3.3 Realising successful demonstration projects in Member states / Regions
- 3.4 Administrative alignment of EU and Member State funding programmes (incl. deadlines, reports, etc.)
- 3.5 Allow additional funding partners (Foundations, Venture Capitalists, business angels (BAs) etc.)

4. Value Creation and Intellectual Property Protection

At this flipchart, the groups considered two aspects of Value: 1) The Value of the Horizon 2020 framework programme, and 2) the Protection of value from projects in Horizon 2020.

The recommendations are:

- 4.1 Clarify early on in the project consortium value creation goals
- 4.2 Clarify early on in the project consortium business model / win-win situations
- 4.3 Clarify early on in the project consortium IP protection / sharing

5. Quality of Evaluation Feedback and Time-to-Grant

At this flipchart, the groups worked on suggestions for improving the evaluation feedback report and process.

The recommendations are:

- 5.1 Improve the quality of the evaluation (quality and relevance of evaluators)
- 5.2 Provide a more substantiated feedback. The European Commission should prepare a consolidated report based on detailed feedback from the evaluators
- 5.3 Consider installing a dialogue with the evaluations and (representatives of) the project consortium
- 5.4 Reduce the investment in the project proposal preparation by a combination of the following suggestions:
 - 5.4.1 Two-stage calls with interviews with the evaluators in the second stage
 - 5.4.2 Standardisation of some sections of the project proposal (e.g. Impact)
 - 5.4.3 Simplification of the administrative part (e.g. partner details, etc.)

Session Agenda:

Welcome, introduction and positioning - Henk Pool

Horizon 2020 Interim Results Presentation - Debbie de Roover, DG Grow

Reflections (5-minute presentations):

- | | | |
|----------------|---------------------|-----------------------|
| • RTO | Rudolf Pfändner | Frauenhofer Institute |
| • Member State | Rebeca Bravo Martin | SOST-CDTI |
| • Academia | Fabrizio Cavani | University of Bologna |
| • Industry | Felix Mueller | Evonik Industries |

Working Sessions (Five Flipcharts):

1. Call Description, Clarity and Relevance of the Call
2. Fewer versus more Topics, Funding Balance and Success Rate
3. Forming Consortia & Coherence with Member State Funding
4. Value Creation and Intellectual Property Protection
5. Quality of Evaluation Feedback and Time-to-Grant

Breakout Session Reporting:

SusChem board member Andreas Förster of Dechema was the rapporteur for this breakout session. In his presentation, (see slide below) he brought forward the following selection of recommendations:

Call Description, Clarity and Relevance of the Call

- Involve Civil Society by Missions that address Civil Society, Societal Challenges & KETs
- FP9 funding continuity of successful projects

Fewer versus more Topics, Funding Balance and Success Rate

- Better Balance of Disciplines within Evaluator teams
- Need better Long Term Indicators (e.g. Business Case)

Forming Consortia & Coherence with Member State Funding

- Simplify Application Procedure; Single Application Point
- Allow additional funding partners (VC, BA, foundations, etc.)

Value Creation and Intellectual Property Protection

- Clarity Early on in Consortia:
 1. Value Creation Goals
 2. Business Model / Win-Win
 3. IP Protection / Sharing

Quality of Evaluation Feedback and Time-to-Grant

- Provide a more Substantiated Feedback
- Reduce the Investment required in project proposal preparation: Two-stage calls with interviews

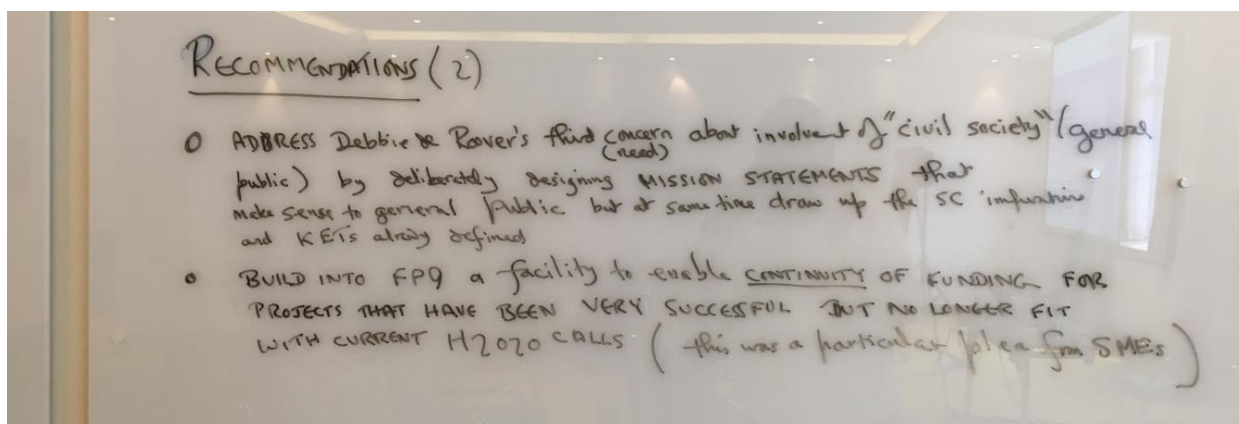
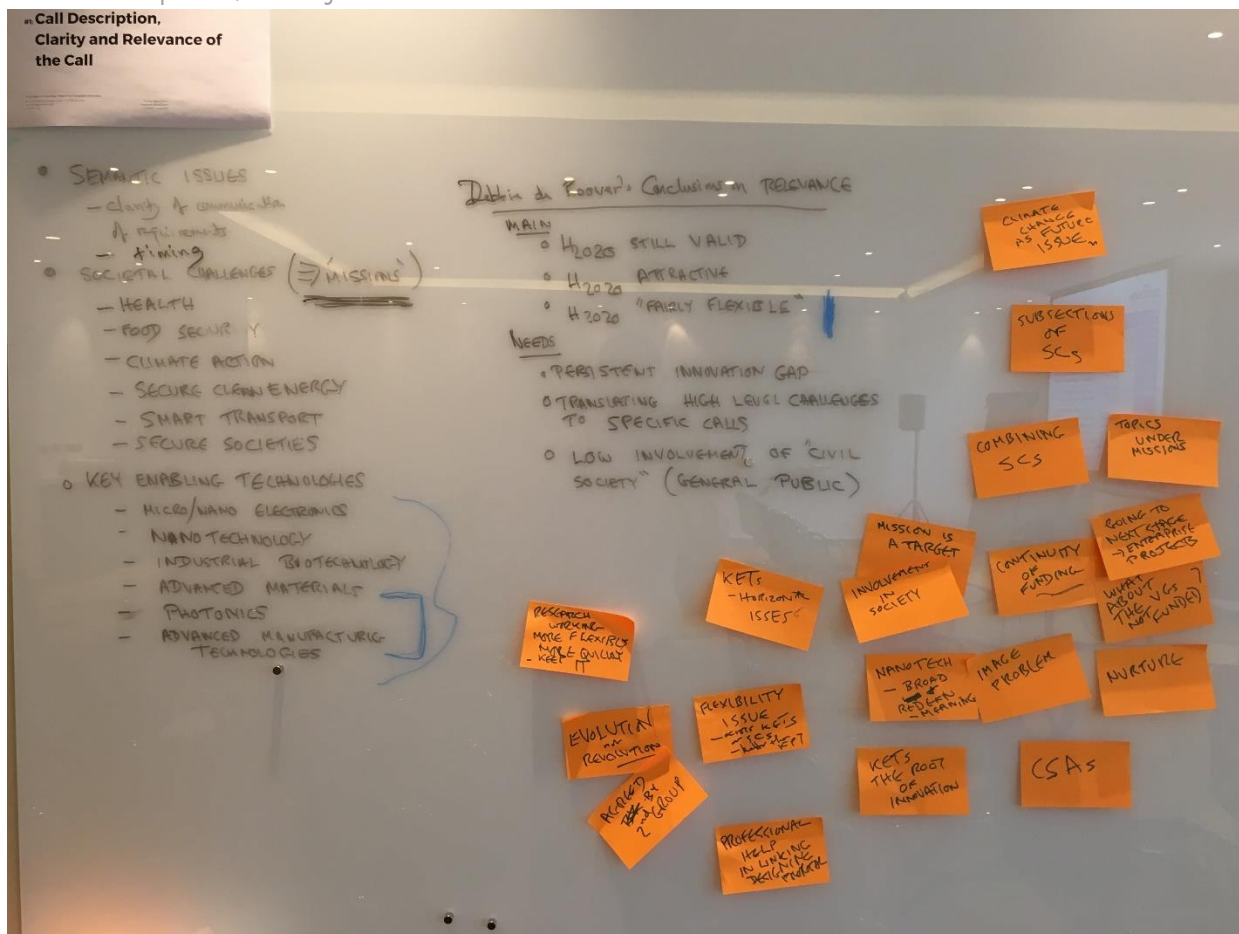
Rapporteur's presentation



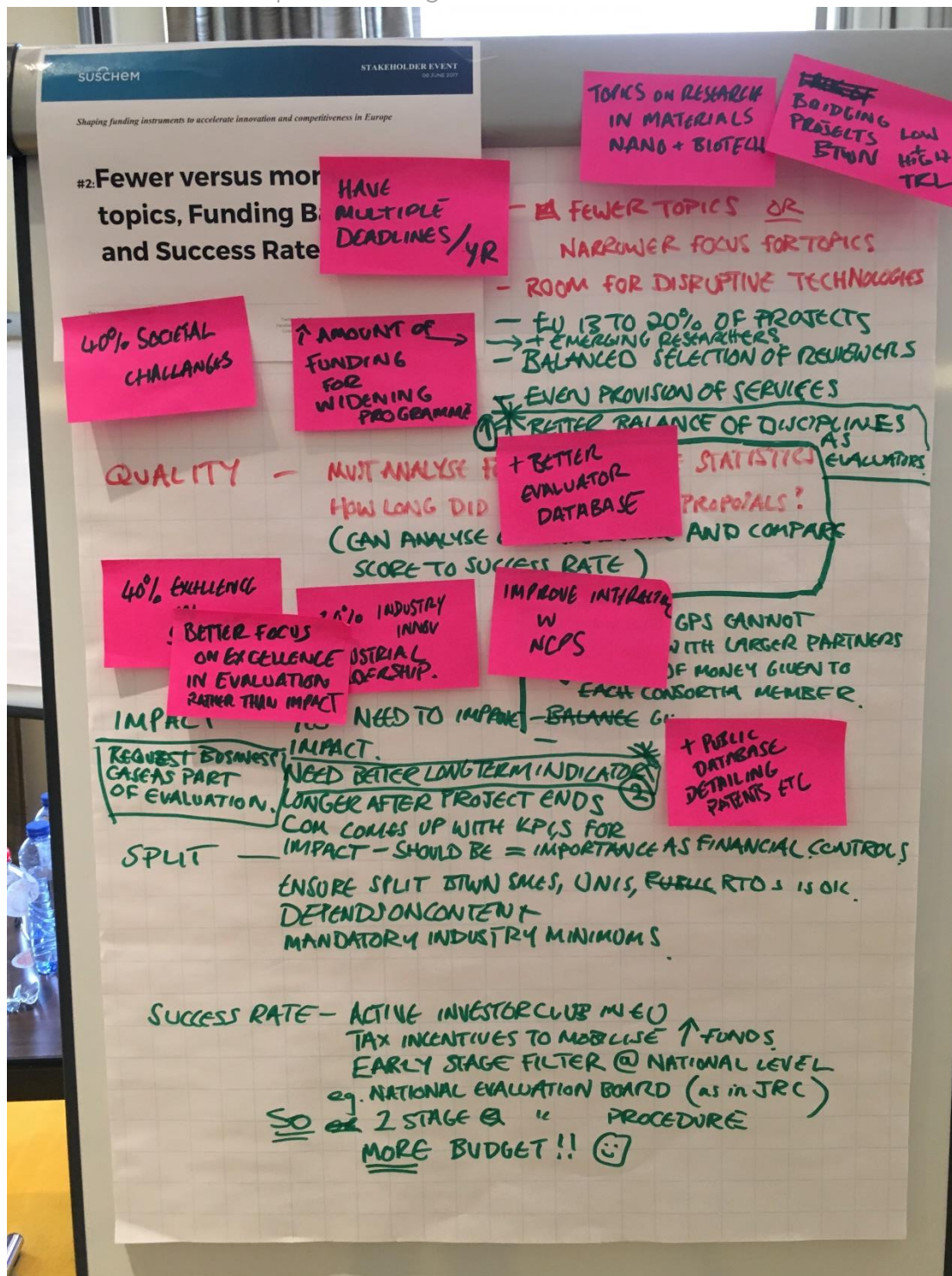
Topic	SusChem BO#3 Topics	SusChem Stakeholder Key Recommendations
<i>Relevance</i>	#1. Call Description, Clarity and Relevance of the call	<ul style="list-style-type: none"> Involve Civil Society by Missions that address CS, Societal Challenges & KETs FP9 funding continuity of successful projects
<i>Efficiency</i>	#5. Quality of Evaluation Feedback and Time-To-Grant	<ul style="list-style-type: none"> Provide a more Substantiated Feedback Reduce the Investment in project proposal preparation: 2-stages calls with interviews
<i>Effectiveness</i>	#2. Fewer versus more topics, funding balance and Success Rate	<ul style="list-style-type: none"> Better Balance of Disciplines as Evaluators Need better Long Term Indicators (e.g. Business Case)
<i>Coherence</i>	#3. Forming and joining Consortia; Coherence with Member State Funding	<ul style="list-style-type: none"> Simplify Application Procedure; Single Application Point Allow additional funding partners (VC, BA, foundations,..)
<i>Added Value</i>	#4. Value Creation and Intellectual Property protection	Clarity Early on in Consortia: <ol style="list-style-type: none"> Value Creation Goals Business Model / Win-Win IP Protection / Sharing

Appendix: Pictures of the five Flipcharts

1. Call Description, Clarity and Relevance of the Call



2. Fewer versus more Topics, Funding Balance and Success Rate



#2: Fewer versus more topics, Funding Balance and Success Rate

40% SOCIETAL CHALLENGES

40% EXCELLENCE

IMPACT

SPLIT

SUCCESS RATE

STAKEHOLDER EVENT
08 JUNE 2017

Shaping funding instruments to accelerate innovation and competitiveness in Europe

TOPICS ON RESEARCH IN MATERIALS NANO + BIOTECH

BRIDGING PROJECTS BTWN LOW HIGH TEL

HAVE MULTIPLE DEADLINES/YR

↑ AMOUNT OF FUNDING FOR WIDENING PROGRAMME

QUALITY

MUTUAL ANALYSIS

HOW LONG DID (CAN ANALYSE) SCORE TO SUCCESS RATE

BETTER FOCUS ON EXCELLENCE IN EVALUATION RATHER THAN IMPACT

NEED TO IMPROVE

IMPROVE INTERACTION W NCPS

GPS CANNOT WITH LARGER PARTNERS

EACH CONSORTIUM MEMBER

+ PUBLIC DATABASE DETAILING PATENTS ETC

NEED BETTER LONG TERM INDICATOR LONGER AFTER PROJECT ENDS

COM COMES UP WITH KPI'S FOR IMPACT - SHOULD BE = IMPORTANCE AS FINANCIAL CONTROLS

ENSURE SPLIT BTWN SMES, UNIS, PUBLIC RTO'S IS OK

DEPENDS ON CONTENT MANDATORY INDUSTRY MINIMUMS

ACTIVE INVESTOR CLUB MEET

TAX INCENTIVES TO MOBILISE ↑ FUNDS

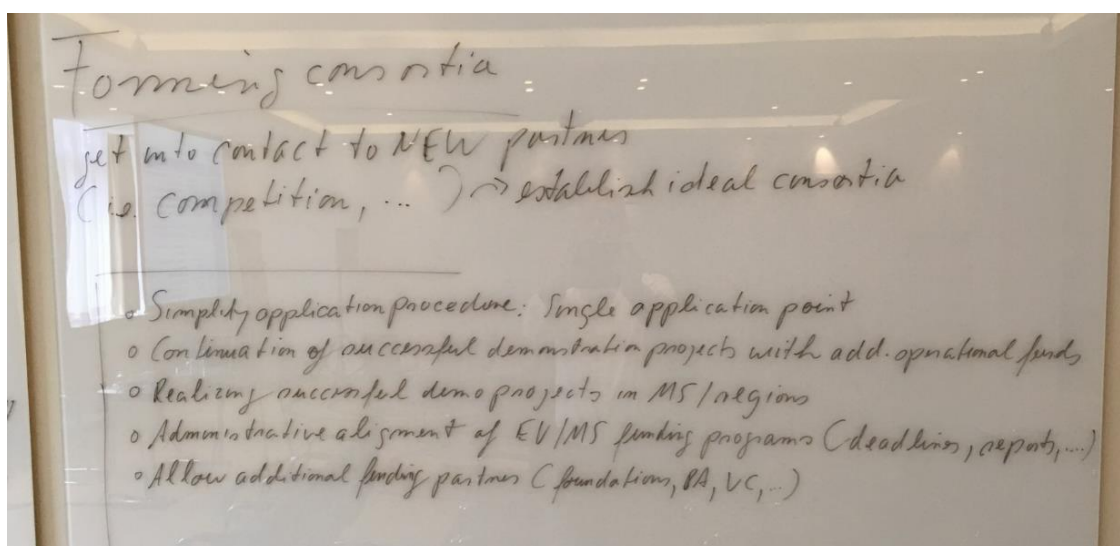
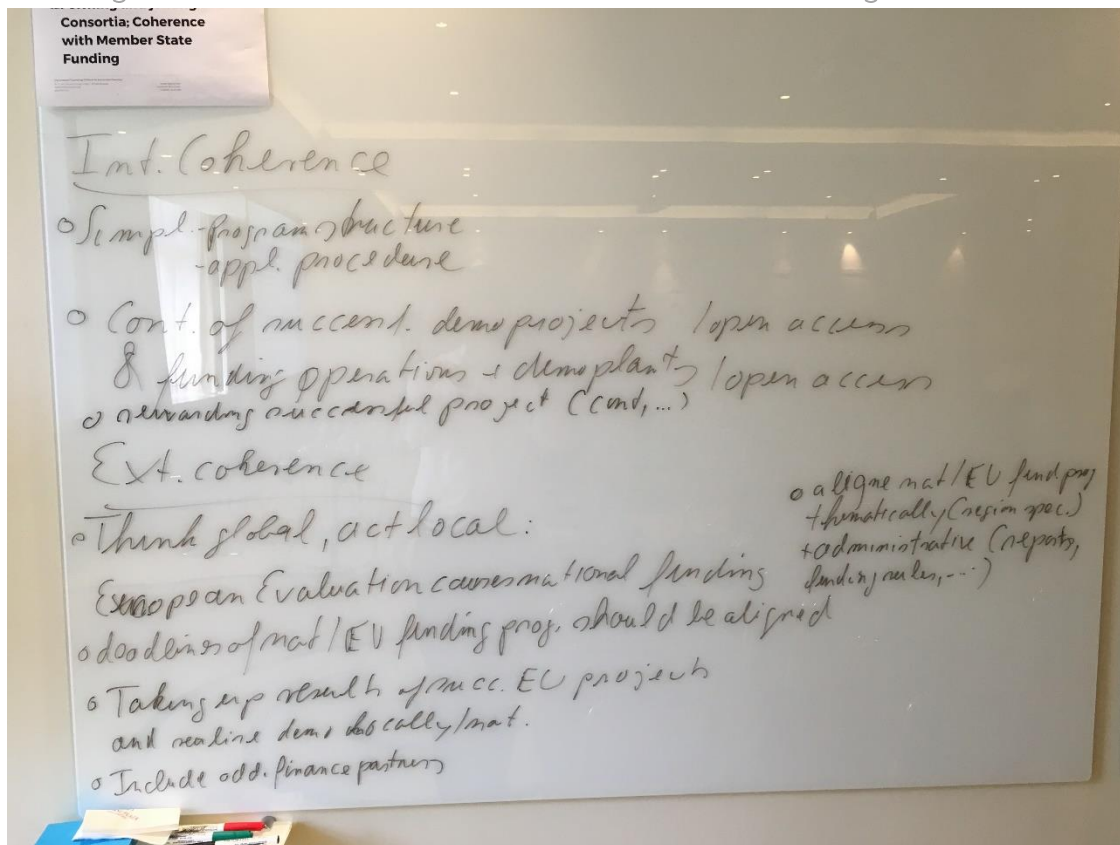
EARLY STAGE FILTER @ NATIONAL LEVEL

eg. NATIONAL EVALUATION BOARD (as in JRC)

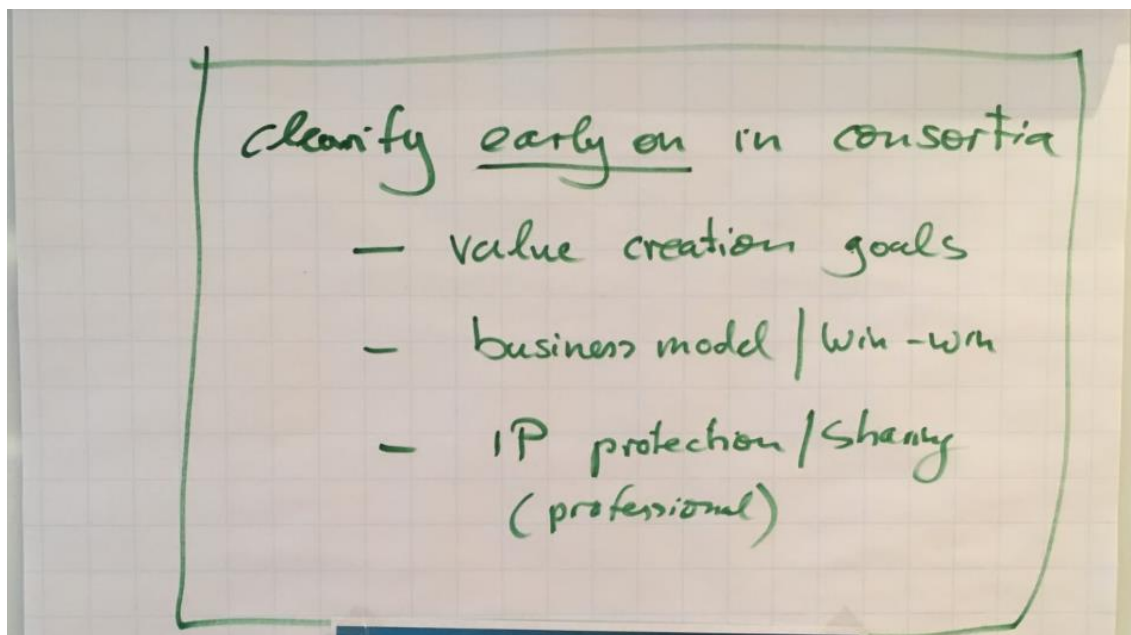
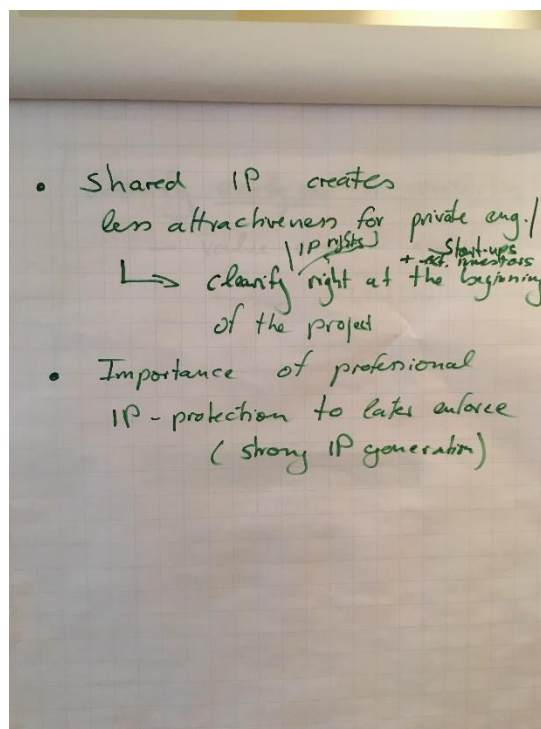
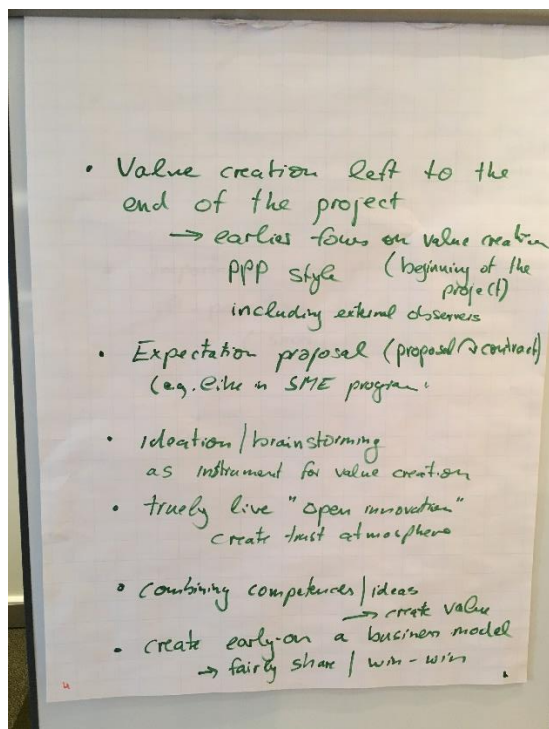
SO 2 STAGE @ " PROCEDURE

MORE BUDGET !! ☺

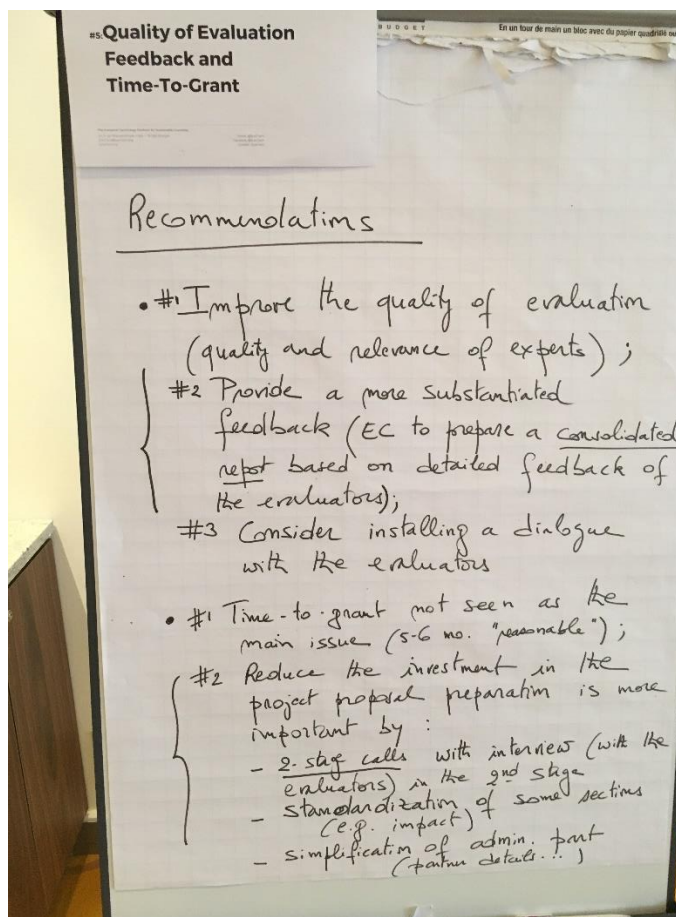
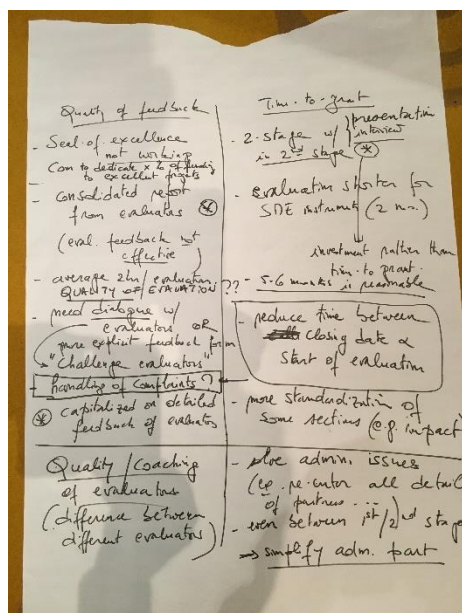
3. Forming Consortia & Coherence with Member State Funding



4. Value Creation and Intellectual Property Protection



5. Quality of Evaluation Feedback and Time-to-Grant



For more information, please contact:
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