

EURADA-NEWS  
Périodique Mensuel  
Editeur Responsable : Christian SAUBLENS

E

# EURADA NEWS

## **SNAPSHOT AGORADA 2013+**

This issue of Eurada-News presents, per speaker, the slides which we believe are best illustrating the novelties of the EU regulations in 2014-2020 vs the 2007-2013 period.



# Legislative framework for the period 2014-2020

Ann MYLEUS  
19 November 2013

N.B. The presentation is based on preliminary agreements between the co-legislators

Adoption of legislative package is expected in December

1

Regional Policy



## MFF 2014-2020: More Europe for the same money

MFF fully geared to support objectives of Europe 2020 strategy

Modernised budget (result oriented, conditionality, innovative financial instruments, simplification)

	<b>2007-13</b>	<b>2014-20</b>	
EU	976	908	
<b>Coh.Policy</b>	347	<b>325</b>	

<i>Cohesion Fund</i> <sup>1</sup>	66.3
<i>Less developed regions</i>	164.3
<i>Transition regions</i>	31.7
<i>More developed regions</i>	49.5
<i>European Territorial Cooperation</i>	8.9
<i>Outermost regions and sparsely populated areas</i>	1.4
<b>Total</b>	<b>325.0</b>

<sup>1</sup> €10 billion from the Cohesion Fund will be allocated to the Connecting Europe Facility

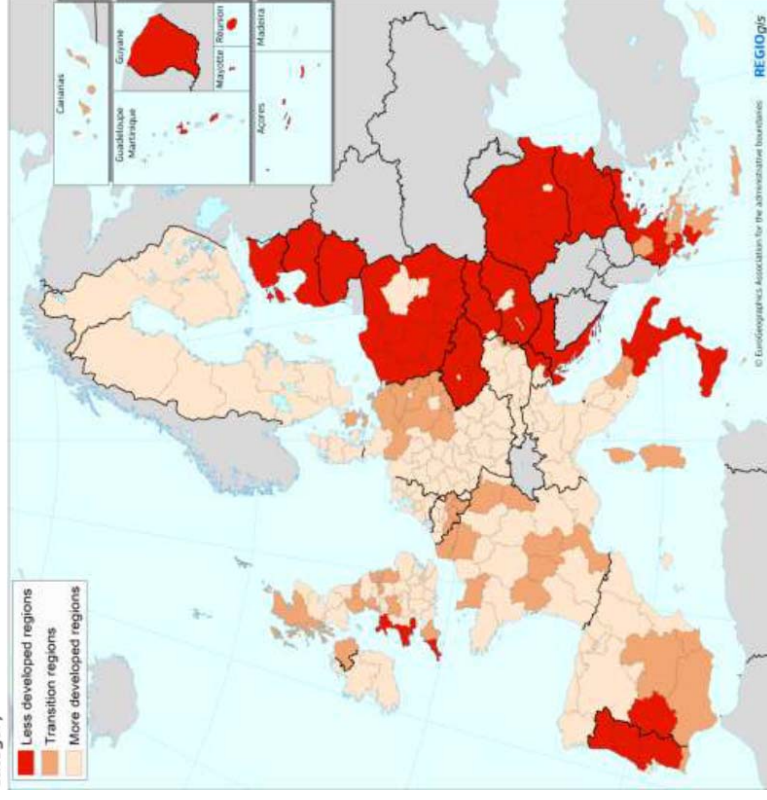
Regional Policy



European Commission

## Structural Funds (ERDF and ESF) eligibility 2014-2020

Category



### 3 categories of regions

#### GDP/capita

Less developed regions:  
< 75 % of EU average

Transition regions: 75-90%

More developed regions > 90%

### Total allocations of Cohesion Policy 2014-2020\* (million €, 2011 prices)

	ERDF and ESF			ERDF	Total		
	Cohesion Fund	Less developed regions	Transition regions			Special allocation for outermost and sparsely populated regions	More developed regions
BE	-	-	962	-	868	231	<b>2.061</b>
BG	2.384	4.623	-	-	-	145	<b>7.153</b>
CZ	6.562	13.646	-	-	79	298	<b>20.585</b>
DK	-	-	64	-	230	199	<b>494</b>
DE	-	-	8.750	-	7.609	847	<b>17.207</b>
EE	1.123	2.198	-	-	-	49	<b>3.369</b>
IE	-	-	-	-	869	148	<b>1.017</b>
EL	3.407	6.420	2.105	-	2.307	203	<b>14.443</b>
ES	-	1.858	12.201	432	10.084	542	<b>25.116</b>
FR	-	3.147	3.927	395	5.862	956	<b>14.288</b>
HR	2.676	5.225	-	-	-	128	<b>8.029</b>
IT	-	20.333	1.004	-	7.006	998	<b>29.341</b>
CY	286	-	-	-	388	29	<b>703</b>
LV	1.412	2.742	-	-	-	82	<b>4.236</b>
LT	2.145	4.189	-	-	-	100	<b>6.434</b>
LU	-	-	-	-	39	18	<b>57</b>
HU	6.313	13.452	-	-	416	318	<b>20.498</b>
MT	228	-	441	-	-	15	<b>684</b>
NL	-	-	-	-	908	342	<b>1.250</b>
AT	-	-	66	-	823	226	<b>1.114</b>
PL	24.274	45.917	-	-	2.017	615	<b>72.823</b>
PT	3.000	15.008	232	103	1.148	108	<b>19.599</b>
RO	7.251	13.773	-	-	405	397	<b>21.826</b>
SI	939	1.134	-	-	763	55	<b>2.891</b>
SK	4.361	8.489	-	-	40	196	<b>13.086</b>
FI	-	-	-	272	911	142	<b>1.325</b>
SE	-	-	-	184	1.355	300	<b>1.840</b>
UK	-	2.126	2.335	-	5.144	760	<b>10.364</b>
<i>interregional cooperation</i>						<i>500</i>	
<b>Total</b>	<b>66.362</b>	<b>164.279</b>	<b>32.085</b>	<b>1.387</b>	<b>49.271</b>	<b>8.948</b>	<b>322.332</b>

\*The youth employment initiative (top up) of EUR 3 billion is not included in the table



## Reinforcing effectiveness and performance

### More concentration

#### Focus on results (built into programme design)

- Better common & programme-specific indicators, reporting, monitoring & evaluation

#### Performance framework

- Clear and measurable milestones and targets
- Performance reserve: 6 % of national allocations (by Member State, fund and category of region)

#### Conditionalities:

- **Ex-ante conditionality:** Ensuring necessary conditions for effective investment are in place, i.e. regulatory, strategic, institutional etc.
- **Macro-economic conditionality:** Alignment with new economic governance: aim is to ensure that the effectiveness of cohesion expenditure is not undermined by unsound macro-fiscal policies

Regional Policy



## Scope of the ERDF - Positive list

- a. Productive investment by SMEs.
- b. Productive investment related to R&I or low carbon economy (all enterprises), and on ICT in the case of cooperation between large enterprises and SMEs
- c. Infrastructure: energy, environment, transport, ICT.
- d. Infrastructure: business, social, health, R&I, educ.
- e. Endogenous potential: fixed investments in equipment and small-scale infrastructure, incl. small-scale cultural and sustainable tourism infrastructure, services to enterprises, support to R&I bodies...
- f. Networking, cooperation, capacity building, studies.

Regional Policy



## Scope of the ERDF - Negative list

- a. De-commissioning or construction of nuclear power stations.
- b. Reduction of greenhouse gas emissions from activities falling under Emissions Trade Scheme.
- c. Manufacturing, processing and marketing tobacco.
- d. Undertakings in difficulties (EU's State Aid rules).
- e. Airport infrastructure unless related to environmental protection or accompanied by mitigating measures

**No major changes compared to the current period.  
However - note certain restrictions.**

16

Regional  
Policy



## A menu of 11 thematic objectives for programmes

1. **Research & innovation**
2. **Information and communication technologies (ICT)**
3. **Competitiveness of SMEs**
4. **Shift towards a low-carbon economy**
5. Climate change adaptation & risk prevention and management
6. Environmental protection & resource efficiency
7. Sustainable transport & removing bottlenecks in key network infrastructures
8. Employment & supporting labour mobility
9. Social inclusion & combating poverty
10. Education, skills & lifelong learning
11. Institutional capacity building & efficient public adm.

**Translated into investment priorities set out in the Fund-specific rules**

17

Regional  
Policy



European  
Commission

## ERDF thematic concentration (1)

- At least 80% (more developed regions), 60 % (transition regions) or 50% (less developed regions) to at least two of TOs 1-4:
  - **TO 1 (research and innovation)**
  - **TO 2 (ICT)**
  - **TO 3 (SME competitiveness)**
  - **TO 4 (shift to the low carbon economy)**
- At least 20% (more developed & transition regions), 15% (transition regions) or 12% (less developed regions) to TO 4 - **low carbon economy**.
- **CF** can contribute to ERDF thematic concentration requirements for the low carbon economy. In case of less developed regions, this will increase the requirement from 12 % to 15%.
- **ETC:** at least 80% concentrated on four TOs

19

Regional  
Policy



European  
Commission

## ERDF thematic concentration (2)

### Exceptions to general rule

- All regions which are phasing out in 2007-2013 will be considered "transition";
- All NUTs II regions consisting solely of island MS or of islands which are situated in MS which receive support from the Cohesion Fund will be considered "less developed";
- All outermost regions will be considered "less developed";
- Mayotte will have to concentrate on five (instead of four) objectives, the fifth being environment;
- All northern sparsely populated areas should concentrate their special allocation on TOs 1-4 and 7 (transport).

20

Regional  
Policy

# The EU's rural development policy in the period 2014-2020

*Kerstin Rosenow*  
*Unit G1: Consistency of Rural Development*

*Agorada 2013+*  
*19/11/2013*

## The future: what should the policy achieve overall?

In 2014-2020, rural development policy must still help to:

- foster the **competitiveness** of agriculture;
- ensure the sustainable management of **natural resources**, and support action over the **climate**;
- achieve a **balanced territorial development** of rural economies and communities, including the creation and maintenance of employment



## Programming: more precise but more flexible

More detailed objectives in rural development legislation:

- **6 Union priorities** for rural development...
  - ...broken down into more detailed **focus areas**
  - (N.B. Cross-cutting objectives of innovation, environment, climate change mitigation / adaptation must be served through each priority)
- More room for creativity** in achieving those objectives
- Measures not allocated in advance in EU rules to given priorities / focus areas
  - Member States / regions decide & explain which measures they will use to address each priority / focus area

Possibility to establish **thematic sub-programmes**

- "Programmes within programmes" devoting particular attention to certain themes

9

9



## 6 Union priorities for rural development

*1. Knowledge transfer / innovation in agriculture, forestry, rural areas*

2. Viability of all types of farming in all regions; innovative farm technologies;  
Sustainable management of forests

3. Food chain organisation, animal welfare, risk management in agriculture

4. Ecosystems related to agriculture and forestry

5. Resource efficiency, low-carbon / climate-resilient economy in  
agriculture, food and forestry sectors

6. Social inclusion, poverty reduction and economic development in rural areas

10

10





## Thematic sub-programmes (TSPs)

- Intended to contribute to the achievement of RD priorities
  - overall SWOT should provide justification for any TSP
- May, **but not only**, relate to:
  - (a) young farmers
  - (b) small farms
  - (c) mountain areas
  - (d) short supply chains
  - (da) women in rural areas
  - (db) climate change mitigation and adaptation and biodiversity
- Support rates:
  - possibility of increase by **10 percentage** under TSPs for small farms, short supply chains, climate change mitigation and adaptation and biodiversity
  - possibility of increase in the case of young farmers and mountain areas in accordance with **Annex I**
- Specific requirements for each TSP introduced:
  - Specific SWOT and needs assessment
  - Intervention logic, selection of measures, target-setting, allocation of resources, specific reporting, delivery mechanisms



## RD policy: broad menu of measures

Knowledge transfer	Basic services & village renewal	Payments to areas facing constraints
Advisory services	Investments in forest area development	Animal welfare
Quality schemes	Setting-up of producer groups and organisations	Forest-environmental payments
Investments in physical assets	Agri-environment-climate	<b>Co-operation</b>
Restoring agricultural production potential	Organic farming	<b>Risk management</b>
Farm and business development	Natura 2000 and Water Framework Directive payments	(Leader approach)



## EIP on Agricultural Productivity and Sustainability

- **A new facility for building bridges between research and practice, whilst encouraging innovation**
- **Acts through operational groups carrying out innovative projects**
  - Model story of an **operational group**: a farmer has an innovative idea but does not have means to develop it. He/she joins forces with e.g. a scientist, a farm advisor and a technology supplier and they set up an operational group. The idea is developed and shared via the networks. EAFRD co-finances project-specific costs and costs of co-operation.
- **Supported by a national and EU network**
  - National network can be part of the Rural Network
- **Key RD measures for implementing the EIP:**
  - Co-operation
  - Investments (various measures)
  - Knowledge transfer
  - Advisory services

20

## Other considerations



### "Show me the money"

- **Total EAFRD amount 2014-2020: € 84,936 M**
- **Basic maximum co-financing rate = 53 %**
- **Higher maximum rates for various regions**
  - Less developed regions, outermost regions, smaller Aegean Islands, transition regions
- **Higher maximum rates for certain measures**
  - Knowledge transfer (art. 15), producer groups (art. 28), co-operation (art. 36), LEADER
- **Higher maximum rate for operations contributing to environment- and climate-related objectives**
  - Under arts. 18, 23, 24, 29, 30, 31 (3 / 4), 32, 35
- **Higher rates in various other circumstances**
  - E.g. funds transferred from Pillar I (100 %)

22



## Networking

- **National Rural Networks**
- **European network for rural development** - aims to:
  - increase the involvement of all stakeholders in the implementation
  - improve the quality of rural development programmes
  - informing the broader public on the benefits of RD policy
  - support the evaluation of rural development programmes
- **EIP network** – aims to:
  - facilitate the exchange of expertise and good practices;
  - establish a dialogue between farmers and the research community and facilitate the inclusion of all stakeholders in the knowledge exchange process



European Commission

# SME support under HORIZON 2020

**Dr Bernd Reichert**  
Unit "Small and Medium-Sized  
Enterprises"  
DG Research and Innovation

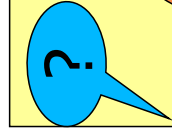
1

Research and  
Innovation



European  
Commission

## SME instrument



Concept &  
Feasibility  
Assessment



Demonstration  
Market Replication  
Research  
Development

Procurement

Commercialisation

SME window EU  
financial facilities

IDEA

business coaching throughout the project

MARKET



### Phase 1: Concept and feasibility assessment

**Input:** Idea / Concept: "Business Plan 1" (~ 10 pages)  
**10% budget**

**Activities:**  
Feasibility of concept  
Risk assessment  
IP regime  
Partner search  
Design study  
Pilot application  
etc.

10-15% success

40-50% success

**Output:** elaborated "Business plan 2"

Lump sum: 50.000 €  
~ 6 months

### Phase 2: R&D, demonstration, market replication

**Input:** "Business plan 2" plus description of activities under Phase 2 (~ 30 pages)  
**90% budget**

**Activities:**  
Development, prototyping, testing, piloting, miniaturisation, scaling-up, market replication, research

**Output:** "investor-ready Business plan 3"

1-3 (5) M€ EC funding  
~ 12 to 24 months

### Phase 3: Commercialisation

Promote instrument as quality label for successful projects  
Facilitate access to private finance

Support via networking, training, information, addressing i.a. IP management, knowledge sharing, dissemination

SME window in the EU financial facilities (debt facility and equity facility)

Possible connection to PPC (and PPI?)

No direct funding



# Implementation

Phase 1: fixed lump sum of 50 k€

Phase 2: assumed average project size 1.5 M€, in order to guarantee short Time-to-Grant it is suggested to fund projects with below 2.5 M€ EU funding

Over 7 years:

5,200 Phase 1 projects will be funded

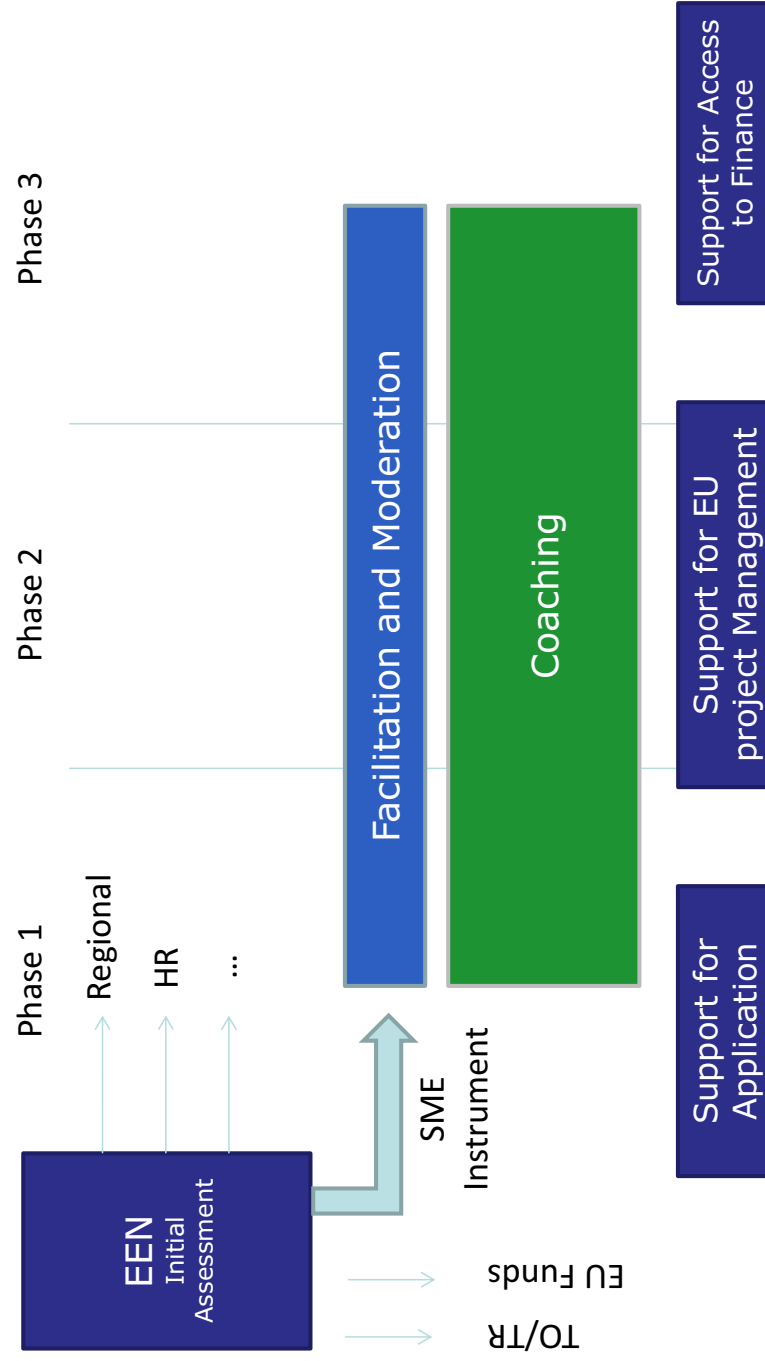
1,700 Phase 2 projects with an average size of 1.5 M€ can be funded (or 2550 of an average size of 1 M€, 1250 of an average size of 2 M€)

# Evaluation



1. Remote evaluation throughout the process
2. Suggestion to abandon consensus meetings
3. Long feedback loops ("ESRs") slow down the process
4. Evaluation criteria to focus on excellence in innovation, commercialisation potential, economic impact and the company's potential achieving the envisaged results.
5. The profile and competences of evaluators is highly important.

# Coaching and EEN support



*Agorada 2013  
Brussels, 19 November 2013*

*Patrice LIAUZU*

## EIB Group - 2013 SME Access to Finance Initiative

- **2013 Exceptional measures**
  - EIB Group – 2013 SME support target of EUR 20bn
    - 2013 SME lending target increased to up to EUR 17bn (+55%)
    - 2013-2015 additional SME financing support up to EUR 15bn
    - To-date (October 2013): approvals for EIB finance for SMEs and Mid-caps in EU amount to EUR 14bn (+90% YtD)
  - Extend range of financial intermediaries where possible
  - Transfer Financial Advantage, Complementarity, Transparency
  - Widened eligibility and allocation criteria for Loans for SMEs
    - Capital expenditure investment: fixed assets, intangible assets: now including purchase of patents and licenses (not issued by the public sector) as part of the project
    - Medium and long-term working capital investment: subject to min. 2 year commitment
    - Generation change or staff-related enterprise transmission: up to EUR 5m (from EUR 1m previously)

## EIB Group - Innovative SME financing

### • EIB Trade Finance Initiative

- Purpose: address the gap in trade finance for SMEs.
- How? EIB provides guarantees (on a revolving basis) to geographically distributed international Counterpart Banks (confirming banks) covering their risk on selected issuing banks in relation to trade finance facilities provided to SMEs and Mid-caps. The guarantees provide 85% cover for several trade products for both imports and exports (e.g. confirmation of letters of credit, advance payment guarantees, bid bonds).
- Status:
  - Pilot project for Greece up to EUR 500m approved in December 2012 and signed in June 2013 with Eurobank, NBG and Piraeus bank; first operations covered;
  - Cyprus EUR 150m approved;
  - Extension to other programme countries underway (survey for market-gap analysis).

## Innovative SME financing (& mid-caps)

### • Risk Sharing Facility for innovative SMEs (RSI)

- Purpose: joint financial instrument to improve access to debt finance for innovative SMEs and Small Mid-caps (< 500 employees) in support of their research, development and innovation (RDI)
- How? EIF provides direct (and indirect) financial guarantees to selected financial intermediaries based on portfolio analysis and review of operations. EIF provides 50% guarantee on individual transactions. Initiative falls under the Risk Sharing Finance Facility (RSFF) and benefits from EU budget allocation.
- Status: joint pilot scheme launched end 2011 and rolled-out in 2013. Covers 12 EU MS so-far through 18 counterparties for guaranteed amounts over EUR 950m; .



## EIB Group - Innovative SME financing

- **Eligible financing:**
  - **New loans and/or financial leases;**
  - to be originated within a **two-year period** by the selected intermediary
- **Eligible debtors:**
  - **SMEs** (EC definition) and **Small Mid-caps** (< 500 employees);
  - Operating in EU-27 and other RSFF eligible countries (Norway, Turkey...); and
  - **Innovative:**
    - invest in producing or developing innovative products, processes and/or services and where there is a risk of technological or industrial failure; or
    - “innovative” SMEs/Small Mid-caps, i.e. satisfying at least one of a list of pre-defined criteria;
    - “fast growing enterprises”, measured by employment or by turnover: annual increase > 20%

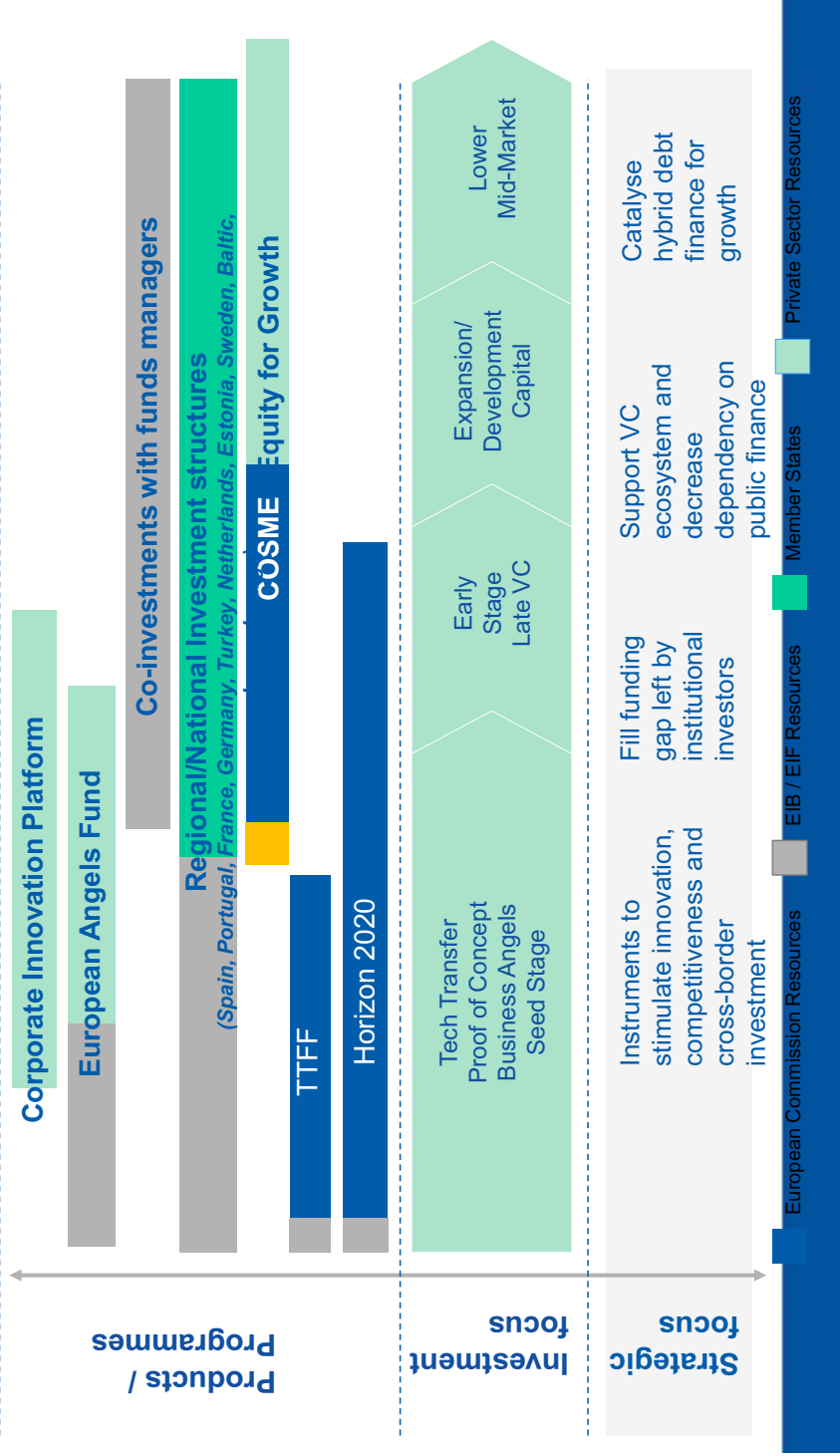
**The Growth Finance Initiative (GFI)** provides loans of up to EUR 25 million to mid-cap companies focusing on industry sectors that heavily rely on research, development and innovation (RDI). Variety of financing solutions ranging from senior secured debt to mezzanine financing



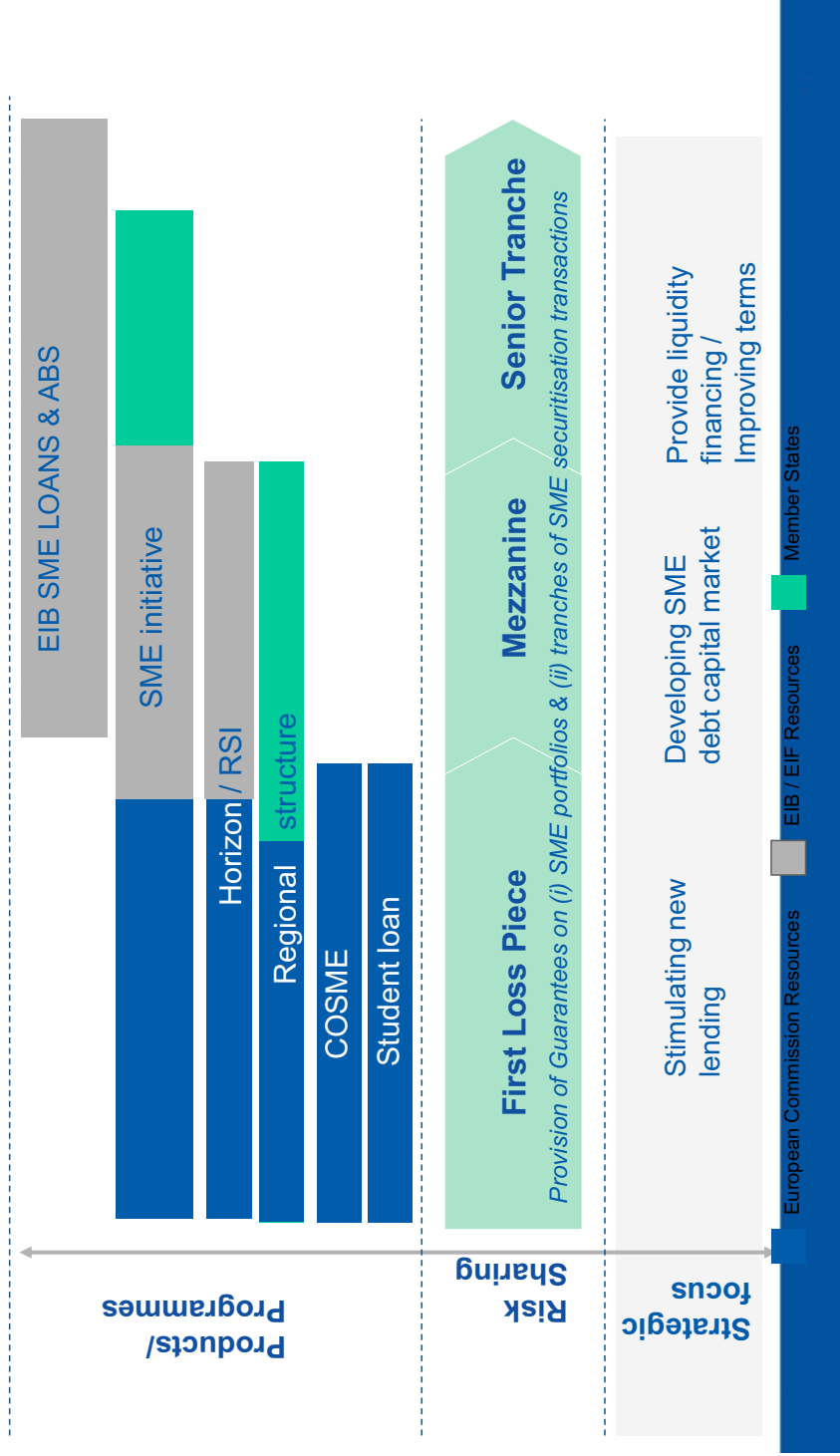
## Innovative SME Financing

- **“Skills for Jobs – Investing in Youth” programme**
  - **Purpose:** EUR 6bn contribution to the EU effort to support youth employment by improving access to finance for SMEs (“Investing in youth”) and to enhance employability via targeting projects focused on education, vocational training and student finance (“Investment in Skills”).
  - **How?** Under the “Investing in Youth” window for SMEs, the EIB is developing pricing incentive schemes for SMEs and Mid-caps that confirm compliance with set criteria to hire young people (15-25yrs) or offer training to young people.
  - **Status:** first loans for SMEs with dedicated amounts for SMEs employing youth have been signed.
  - In addition, prioritising credit lines for SMEs in regions with youth unemployment of over 25%, aligning closely with the guidelines of the Youth Employment Initiative and the Youth Guarantee. By the end of October, EUR 2.7 billion had been allocated to youth-employing SMEs in these regions.

# Equity Instrument Development 2014 and beyond



# Debt Instrument Development – 2014 and Beyond





# Financial Instruments under the European Structural and Investment (ESI) Funds 2014-2020

AGORADA 2013+

19 November 2013

Thomas de Béthune, REGIO.B3

Regional  
Policy



## Financial Instruments in 2014-2020

- ✓ Commission encourages more extensive use of FIs
- ✓ Advantages:
  - revolving funds, remain in the programme area
  - leverage resources, increase impact of EU programmes
  - financing provided before investment takes place
  - better quality of projects (investment must be repaid)
  - Incentives to use FIs as alternative to grants

Regional  
Policy



## Financial instruments 2014-2020: Key novelties <sup>(1)</sup>

- ⇒ **Wider scope:** Expansion to all thematic objectives & priorities foreseen by ESIF OPs (ERDF, ESF, Cohesion Fund, EAFRD, EMFF)
- ⇒ **SMEs (60%), RTDI (45%) and Low carbon (45%) as emerging priorities in the public survey from May\***
- ⇒ **Ex-ante assessment** to be carried out before the launch of FI operation under the ESIF
- ⇒ **Phased contributions to FIs**
  - MAs to pay programme contributions in at least 4 tranches
  - Subsequent payments from MA to FI to be made on the basis of FI investment rate in relation to programme contributions received

\*[http://ec.europa.eu/regional\\_policy/theunds/instruments/doc/20130621\\_ta\\_survey\\_en.pdf](http://ec.europa.eu/regional_policy/theunds/instruments/doc/20130621_ta_survey_en.pdf)



## Financial instruments 2014-2020: Key novelties <sup>(2)</sup>

- ⇒ **Better combination of FIs & other forms of support:**
  - Grant component may cover financing (e.g. state aid compliant subsidy element) or technical assistance for the benefit of the final recipient
  - At the level of final recipients: Combination is now possible also with assistance from other programmes supported by the EU budget
- ⇒ **Incentives regarding EU co-financing rates:**
  - EU-level instruments: Up to 100% and a separate priority axis
  - Instruments implemented at national/regional level: co-financing rate + 10 pp if an entire priority axis is implemented through financial instruments
- ⇒ **More detailed rules concerning**
  - eligible expenditure at closure
  - the (re-)use of interest/other gains and ESIF resources returned during the programming period and after closure (legacy)
- ⇒ **Annual reporting by MAs**
  - MA to report to COM on FI operations annually (annex to the annual implementation report);
  - COM to publish annual summary report on the basis of data received



## Financial instruments 2014-2020: Key novelties <sup>(3)</sup>

- ➔ **More implementation options for managing authorities:**
  - Contribution to national or regional FIs under shared management
    - Tailor-made instruments (cf. current period) **(57% in the survey)** Standardised "off-the-shelf" instruments for quick roll-out **(13% in the survey)**
  - Contribution to EU level FIs under central management (ring-fencing) **(6% in the survey)**
  - MAs may undertake implementation tasks directly for FIs consisting solely of loans and guarantees



## FI complying with standard terms and conditions – "off the shelf" instruments

- ➔ To facilitate and speed up the design and management of the most commonly used financial instruments, e.g. in specific sectors.
- ➔ They should be flexible enough to cater for the needs of regions and MAs; Their terms and conditions should be simple and clear, based on lessons learnt; They should provide the rationale for a given instrument, the technical requirements, compliance with the state aid regimes and procurement rules.
- ➔ To some extent the above principles point in different directions, so an appropriate balance needs to be struck (for instance between the need for simplicity and the aim to cover the multiple situations of the different regions).

## Types of instruments proposed:

1. **Loan for SME's** based on a portfolio risk sharing loan model (RS Loan);
2. **Guarantee for SMEs** (partial first loss portfolio) (Capped guarantee);
3. **Equity Investment Fund for SMEs** and start-up companies based on a co-investment model (Co-investment Facility);
4. **Loan for energy efficiency** and renewable energies in the residential building sector (Renovation Loan);

## 1. Portfolio Risk Sharing Loan:

- Aim of the instrument: combining public and private resources to finance SMEs at better/preferential conditions (new loans);
- Programme contribution for the instrument: typically between EUR 2m and EUR 100m;
- Risk-sharing: 80%/20%, i.e. the financial intermediary shall contribute with its own private fund for a minimum of 20% (at market conditions);
- State aid:
  - state-aid free at the level of the financial intermediary and
  - Compliant with de-minimis rule at the level of SMEs
- Duration: typically 4 years after the signature of the funding agreement between the managing authorities and the financial intermediary;
- Purpose of the loan: financing tangible & intangible investments as well as the working capital link to the investment financed;
- Target: Eligible SMEs (according to EU recommendation), are excluded: SME in difficulty, active in the agriculture/fishery sectors, de-minimis exclusions, delinquent/default, etc.
- Loan maturity: between 1y and 10y (including grace period);
- Loan amount: up to EUR 1m;
- Advantage for the SMEs: access to finance at preferential conditions (interest rate reductions)



European  
Commission

## 2. Capped Portfolio Guarantee:

- Aim of the instrument: credit risk coverage up to a certain limit allowing the financial intermediary to facilitate SMEs access to finance at better/preferential conditions;
- Programme contribution for the instrument: typically between EUR 5m and EUR 30m;
- Guarantee rate: up to 80% on a loan by loan basis (credit risk retains by the financial intermediary in no case less than 20%);
- Cap rate to be determined in the ex ante risk assessment;
- Min multiplier: min.5x;
- State aid:
  - state-aid free at the level of the financial intermediary and
  - Compliant with de-minimis rule at the level of SMEs
- Duration: typically 4 years after the signature of the funding agreement between the managing authorities and the financial intermediary;
- Purpose of the loan guaranteed: financing tangible & intangible investments as well as the working capital link to the investment financed;
- Target: Eligible SMEs (according to EU recommendation), are excluded: SME in difficulty, active in the agriculture/fishery sectors, de-minimis exclusions, delinquent/default, etc.
- Loan maturity: between 1y and 10y (including grace period);
- Loan amount: up to EUR 1.5m;
- Advantage for the SMEs: access to finance at preferential conditions (interest rate and collateral reductions).

Regional  
Policy



European  
Commission

## 3. Co-investment facility:

- Aim of the instrument: combining public and private resources to provide more capital to take shares into SMEs in early and expansion stages.;
- Programme contribution for the instrument: typically between EUR 10m and EUR 50m;
- Duration the funds: typically 10 years after the signature of the funding agreement between the managing authorities and the financial intermediary;
- Investment period into SMEs: up to 31 December 2023;
- Type of investment: equity;
- Investment amount: max EUR 10m / SME (including follow-on investments);
- Public and private contribution: depending on the type of investment target, the private contribution (matching the contribution programme) shall be of a min. 10%/40%/60% of the overall amount invested into an SME;
- State aid: if all conditions of GBER fulfilled the instrument is state aid compatible (i.e. no notification to the EC needed);
- Target: Eligible SMEs (according to EU recommendation), are excluded: SME in difficulty, active in the agriculture/fishery sectors, de-minimis exclusions, delinquent/default, etc.;
- Advantage for the SMEs: supporting SMEs growth in a very difficult funding environment.

Regional  
Policy



European  
Commission

## 4. Renovation Loan:

- Aim of the instrument: combining public and private resources to finance natural persons owning premises/ private owners at preferential conditions to invest in renewable or efficiency energy assets;
- Programme contribution for the instrument: typically between EUR 5m and EUR 30m;
- Risk-sharing: 85%/15%, i.e. the financial intermediary shall contribute with its own private fund for a minimum of 15% (at market conditions);
- State aid:
  - state-aid free at the level of the financial intermediary and
  - Compliant with de-minimis rule at the level of SMEs.
- Purpose of the loan: energy efficiency or renewable measures (e.g. replacement or refitting of the heating, improvement of heat insulation, replacement of windows and entrance doors, roof insulation, etc.);
- Target: natural, legal persons or independent professionals (economic activity), as well as administrators or other legal bodies acting on behalf and for the benefit of owners, owning premises (apartment or individual household), social housing companies, etc.
- Loan maturity: up to 20 years (including grace period);
- Loan amount: up to EUR 50.000 / owners;
- Advantage for the owners: access to finance at preferential conditions (interest rate and collateral reductions)

Regional  
Policy





# The future Enterprise Europe Network

Sven Schade  
DG Enterprise  
Access to markets

November 2013



## COSME – What is new for the Network

- *EEN can be used for SME oriented actions of other EU-Programmes*
  - 'The European SME network'
- *Horizon2020 supported service 'Enhancing Sme innovation management capacity'*
  - Support function to the SME-instrument
- *Enhanced cooperation in the regional SME support ecosystem*
  - Other service providers become partners and clients
- *better involvement of host organizations*



## Thematic scope of activities & services

- *Core: Cross-border business cooperation, R&D, technology & knowledge transfer & technology & innovation partnerships;*
- *Advisory services:*
  - **Support to enhance management capacities to increase SMEs' competitiveness** (includes innovation support services)
  - **Support for improving financial knowledge of SMEs** (funding opportunities, access to finance, coaching/ mentoring)
  - **Access to services for energy & resource efficiency**
  - **Internationalization** (avoiding overlap with other services)
- *EU initiatives & legislation*
- *Feedback*
- *Services for other EU programmes (H2020)*



## Integration in the SME support ecosystem

- *How do proposed services fit into SME support system and support regional economic development strategy?*
- *Which services are not provided within the project?*
  - **Local cooperation/subcontracting**
- *Help connect local partners to European networks & actions & transfer successful practices to them*
  - **EEN as a communication channel of European quality initiatives**
  - **Assisting other services providers counts just as assisting an SME**
  - **See: Court of Auditors upcoming report on 'Incubators'**

## **Possible synergies with ESIF / Regional OPs:**

*Communicate suggestions for actions on better SME support:*

- *'Extensions' of the EEN-project*
- *New / better service concepts implemented by others*





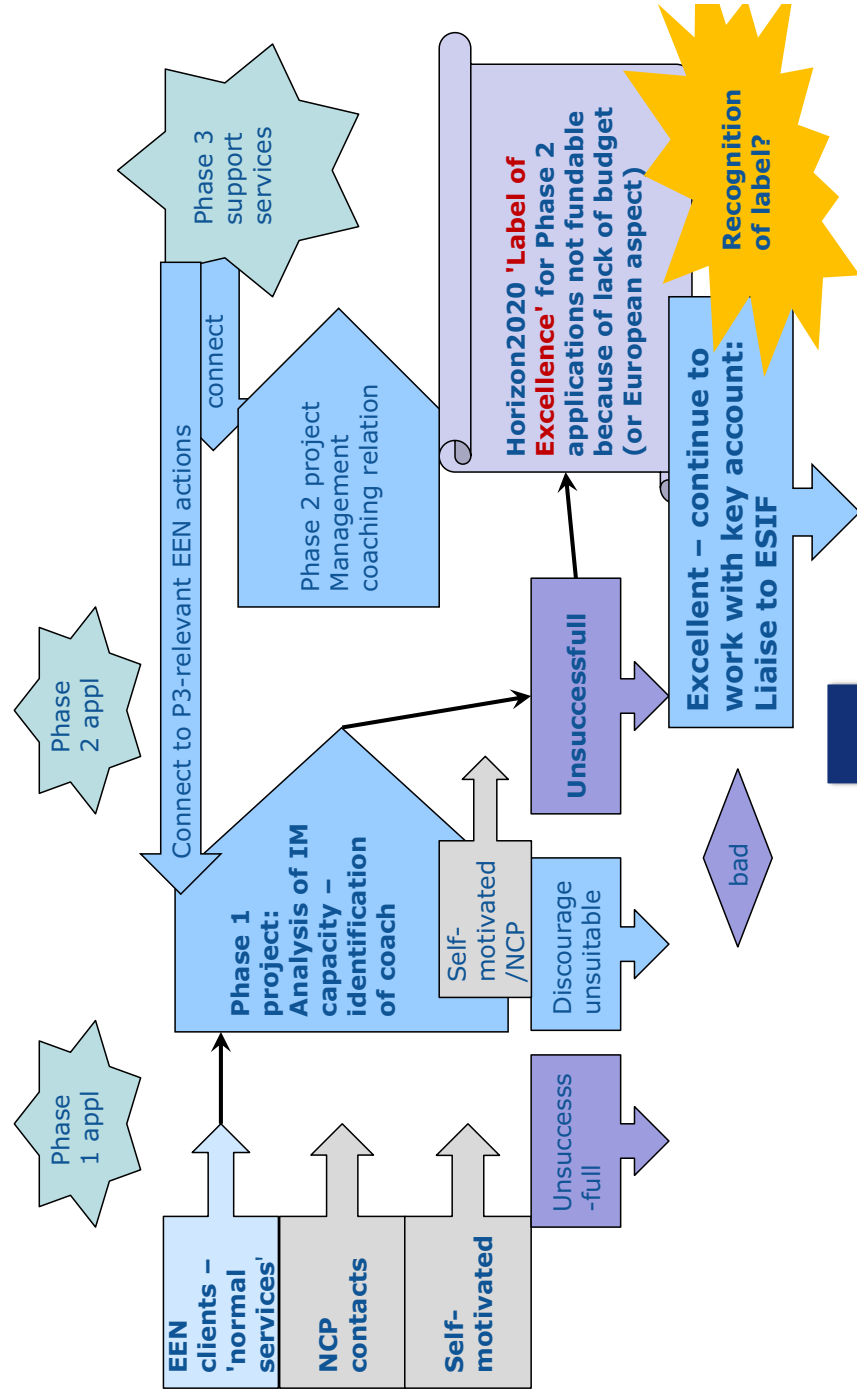
## Services for Horizon2020

### Services to **enhance innovation management capacities of SMEs**

(ie their capacities to turn innovation activities into an economic success)

Two types of service:

- **Services targeted at Innovating SMEs independently of a concrete project or of the SME instrument**
- **Key Account Management for SMEs participating in the SME instrument of H2020**
  - Regional access point to the coaching system
  - 'Re-entry point' to the regional / national support for failed phase 2 proposals





## Budget proposed

- *COSME will probably be adopted 12/2013*
- *Expected total budget of COSME = €2.3 billion*
- *Preliminary budget allocation for the Network:*  
€97 million for the first 2 years of COSME which compares to 106.4 million for 2013-2014.
- *Contribution from Horizon2020: €10mio p.a.*
- **The budget may still vary because of Third Country contributions under negotiation and subject to the COSME 2015 work programme preparation**





# Guidelines on regional state aid for 2014-2020

Miek VAN DER WEE  
DG Competition

EURADA  
Brussels  
19 November 2013

Competition



## Regional aid maps - 1

For regional aid to be effective, it needs to be focused on the regions that suffer the most serious difficulties

- **Regions with abnormally low standard of living** → Art. 107(3)(a)
  - Reference point is EU average
  - Criterion → GDP/cap lower than 75% EU average
    - Outer Most Regions (Art. 349 TFEU)
- **Other disadvantaged areas** → Art. 107(3)(c)
  - Ex-Article 107(3)(a) regions (2011-2013)
  - Sparsely populated areas
  - Other problem regions with population of at least 50,000

Competition

## Regional aid maps - 2

Comparison population coverage 2006-2013 and 2014-2020:

Types of region	2014-2020	2006-2013
<b>'a' areas</b>	<b>25.8%</b>	<b>33.0%</b>
- GDP/cap < 75%	24.9%	32.1%
- Outermost regions	0.9%	0.9%
<b>'c' areas</b>	<b>21.8%</b>	<b>13.6%</b>
- Former 'a' regions	6.9%	
- Sparsely populated	0.6%	
- Other 'c' areas	14.3%	
<b>Total 'a' + 'c'</b>	<b>47.6%</b>	<b>46.6%</b>

Competitiveness

## Regional aid maps - 3

Population coverage (%)	Total 2014	'a' areas	'c' areas
Bulgaria, Estonia, Latvia, Lithuania	100.0	100.0	
Greece	100.0	45.9	54.1
Malta	100.0		100.0
Poland	100.0	86.3	13.7
Romania	100.0	89.4	10.6
Slovenia	100.0	52.9	47.1
Slovakia	88.5	88.5	
Czech Republic	88.1	88.1	
Portugal	85.0	69.2	15.8
Hungary	76.7	70.4	6.3
Spain	68.6	6.8	61.8
Ireland	51.3		51.3
Cyprus	50.0		50.0
Italy	34.1	29.0	5.0
Belgium	29.9		30.0
UK	27.0	3.9	23.2
Finland	26.0		26.0
Germany	25.8		25.8
Austria	25.8		25.8
France	24.1	2.9	21.2
Sweden	12.3		12.3
Denmark	8.0		8.0
Luxembourg	8.0		8.0
Netherlands	7.5		7.5



European  
Commission

## Regional aid maps - 4

Population coverage (%)	Total 2014	Total 2013	Difference
Bulgaria, Estonia, Latvia, Lithuania	100.0	[100.0]	
Greece	100.0	[100.0]	
Malta	100.0	[100.0]	
Poland	100.0	[100.0]	
Romania	100.0	[100.0]	
Slovenia	100.0	[100.0]	
Slovakia	88.5	[88.9]	-0.4%
Czech Republic	88.1	[88.6]	-0.5%
Portugal	85.0	[76.7]	+8.3%
Hungary	76.7	[100.0]	-23.3%
Spain	68.6	[59.6]	+9.0%
Ireland	51.3	[50.0]	+1.3%
Cyprus	50.0	[50.0]	
Italy	34.1	[34.1]	
Belgium	29.9	[25.9]	+4.0%
UK	27.0	[23.9]	+3.1%
Finland	26.0	[33.0]	-7.0%
Germany	25.8	[29.6]	-3.8%
Austria	25.8	[22.5]	+3.3%
France	24.1	[18.4]	+5.7%
Sweden	12.3	[15.3]	-3.0%
Denmark	8.0	[8.6]	-0.6%
Luxembourg	8.0	[16.0]	-8.0%
Netherlands	7.5	[7.5]	



European  
Commission

## Regional aid maps – 4

Regional aid map also places limits on the amount of investment aid that can be granted in each region:

Assisted area (% EU GDP/head)	Large firms 2006-13	firms 2014-20	Medium firms	Small firms
'a' areas (<45%)	50%	50%	+10%	+20%
'a' areas (45%-60%)	40%	35%	"	"
'a' areas (60%-75%)	30%	25%	"	"
Ex 'a' areas (until end '17)		15%	"	"
Sparsely populated areas, external border areas	15%	15%	"	"
Other 'c' areas	10%-15%	10%	"	"



# Investment aid: “Initial investment” - 1

- Investment in tangible and intangible assets relating to

## In 'a' regions & SME in 'c' areas:

- Setting up of a new establishment;
- Diversification of output of establishment into products not previously produced in the establishment;
- Extension of the capacity of an existing establishment;
- Fundamental change in the production process.

- Acquisition of assets linked to establishment that has closed or would have closed

- No replacement investment!

Competition



# Investment aid: “Initial investment” - 2

- Investment in tangible and intangible assets relating to

## In 'a' regions & SME in 'c' areas:

- Setting up of a new establishment;
- Diversification of output of establishment into products not previously produced in the establishment;
- Extension of the capacity of an existing establishment;
- Fundamental change in the production process.

- Acquisition of assets linked to establishment that has closed or would have closed

- No replacement investment!

Competition

## LEs in 'c' areas:

- Setting up of a new establishment;
- Diversification of activity of establishment, if new activity is not same as or similar to activity previously performed in the establishment;
- Diversification of existing establishments into new products or new process innovations.





## Operating aid

- **Operating aid:** Aid that is not linked to initial investment
- **Permitted exceptionally in cases where investment aid alone is not enough to trigger a process of regional development:**
  - The least developed 'a' regions (SME only)
  - The sparsely populated 'c' regions (SME + LE)
  - Outer-Most Regions (SME + LE)
- **MS has to demonstrate that the aid is :**
  - An appropriate instrument for addressing the specific problem
  - Proportionate to the specific handicap

Competitiveness



## Main changes 2014

- **Stricter requirements under RAG 2014-20**
  - Reduction of maximum aid intensities
  - Compatibility assessment for notified measures outside SF operations
    - Incentive effect
    - Proportionality
    - Necessity of aid
  - No aid linked to relocations
  - Limits on eligibility of initial investment projects by LE's in 'c' areas
  - No forum shopping
  - Evaluation + increased transparency requirements
- **Widening of scope of GBER**

Competitiveness



European  
Commission

## Links between RAG and GBER

### Exempted under new GBER:

- **Multi-sectoral schemes**
- **Operating aid schemes:**
  - Transport aid schemes for outermost regions + sparsely populated areas
  - Operating aid schemes for outermost regions
- **Other types of ad hoc aid (option draft GBER)**

### To be notified under RAG:

- **Sectoral schemes**
- **Other operating aid schemes**
- **Large schemes (option draft GBER)**
- **Individual aid > notification thresholds**
- **Certain types of investment aid** (companies closing down elsewhere, large projects, diversification projects by LE's in "c" areas)
- **Other types of ad hoc aid (if not block-exempted)**



# Guidance on Synergies between European Structural and Investment Funds, Horizon2020 and other innovation-related EU Funds

## State of Play

Disclaimer: These PPTs reflect the views only of the author and are not the official Commission position. Regulatory references may differ from the final guidance.

Katja Reppel  
Deputy Head of Unit  
CC Smart and Sustainable Growth  
DG Regional and Urban Policy



## Which EU programmes were considered?



- **Horizon2020** for mostly transnational research and innovation projects, incl. non-EU: €70.2 billion



- **COSME** for SME competitiveness, financial instruments, business support services, etc.: € 2 bn



- **Erasmus+** for students, teachers, pupils: € 14.5 bn



- **Creative Europe** for culture and creative industries: €1.4 billion

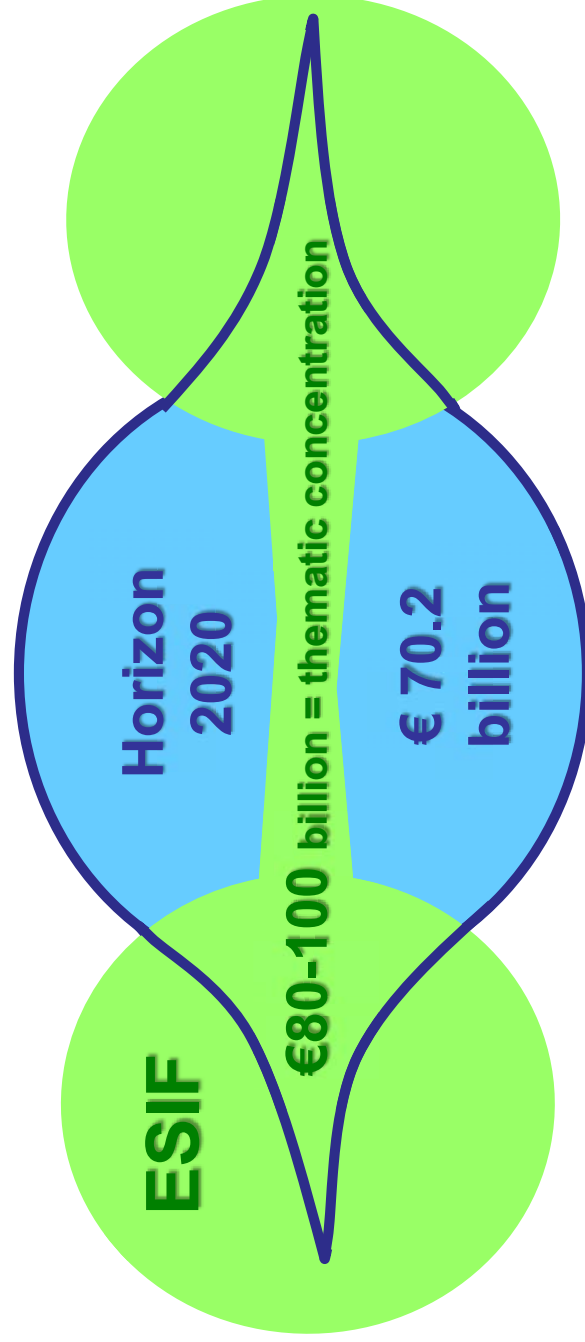


- **Digital service part of CEF** for EU wide e-government platforms to roll-out e-ID, eProcurement, electronic health care records: €0.85 billion

See annex I to CPR: Common Strategic Framework (CSF)



## Overall concept for complementarity: Emphasis of programmes



### "Stairway to Excellence"

National/Regional  
R&I systems

Capacity Building

"Up-stream"



### "Research Excellence"

Research & Development

Regional  
Policy



Hopefully also excellence, but

### "Innovation Excellence"

Innovation

"Down-stream"



European  
Commission

## Legal base for combination of H2020 and ESIF

### Transnational opening of ESIF:

- **Article 60(2) CPR:** 15% of ERDF, CF and EMFF may be spent outside OP territory (5% EAFRD)
- + **Art 87(3)d CPR:** OP describes arrangements for inter-reg. & trans-nat. actions with beneficiaries located in at least 1 other MS

### Alignment for cost options:

- **Alignment of similar cost options possible** for easier combining of funds: lump sums, flat rates (up to 25% of direct costs – delegated act will follow), unit costs under ESIF may use the H2020 rules applicable for similar types of operations and beneficiaries (see: Art 57, 58 CPR & H2020 rules for participation)



## Legal base for combination of H2020 and ESIF

### ESIF

**Art. 55(8) CPR:** "An **operation** may receive **support** from one or more European Structural and Investment Funds or from one or more programmes and from other Union instruments, provided that the **expenditure item** included in a request for payment for reimbursement by one of the ESI Funds does not receive support from another Fund or Union instrument, or support from the same Fund under another programme."

### Horizon2020

#### Article 31 Rules for Participation:

"An **action** for which a **grant** from the Union budget has been awarded may also give rise to the award of a grant on the basis of Regulation [Horizon 2020] provided that the grants do not cover the same **cost items**."

= **exemption from the non-cumulative principle of Art. 129**

**Financial Regulation!** = A beneficiary may receive more than one grant for the same project / action

**Expenditure item = Cost item**

**Project** in the synergies context = an **operation** with several components / **actions** with several grant agreements / contracts

In other words:

**Project ≠ grant agreement!**

Regional Policy



## Synergies between Horizon2020 & ESIF is no easy business

**Even the new opportunities take effort to seize them:**

- ✓ **Similar cost options:** lump sums, flat rates, unit costs...  
**BUT:** are MA sufficiently familiar with Horizon2020 rules to be able (and willing) to align?
- ✓ **Horizon:** actions to "close the innovation divide" and widen participation (ERA Chairs, networks, teaming and twinning, research infrastructures, ...)  
**BUT:** Can timing be synchronised with ESIF operations?
- ✓ **ESIF/RIS3;** combined funding [Art.55(8) CPR]; support outside of the OP-area [Art.60(2)CPR]; transnational arrangements [Art.87(2)CPR]  
**BUT:** How will auditors react?

Regional Policy

# What are synergies? What is combined funding?

## Basic principle 1:

**NO substituting of national or regional or private co-funding** to centrally funded EU projects or programmes by ESIF money!

- **Synergies** are about obtaining **more impacts** on competitiveness, jobs and growth by combining ESIF and Horizon2020,
- about **amplifying** projects of the other fund (incl. funding reserve list projects from SME instrument & ERC proof of concept) or
- **carrying further** the projects of the other fund.
- No "grant hunting"! MA should **not focus on acquisition of additional funding from H2020**, but on what is the strategic aim of RIS3 & OP.

# What are synergies? What is combined funding?

## Basic principle 2:

**NO double funding** : two Union grants (e.g. Horizon 2020 and ESIF) may not cover the same cost item.

- **Combined funding** is the possibility to use different public funding sources, including EU funding sources, within a programme, project or a group of projects.
- It seeks to **exploit complementarities and synergies** while at the same time needs to avoid overlaps and exclude double-financing.



# What are synergies? What is combined funding?

## Basic principle 3:

**Synergies is more than combining ESIF and other Union grants in the same project!**

Synergies can be about bringing together **Horizon2020** and ESIF money in a same project (Art 55(8) CPR + Art 31 H2020 RfP), but:

- Accounting-, synchronisation- and organisation-wise it is **easier to use successive projects** that build on each other or **parallel projects**.
- For the other EU centrally managed Union programmes, the non-cumulative principle applies, i.e. combination of grants in same project for same beneficiary is not possible.

Regional  
Policy



# What are synergies? What is combined funding?

- For a combination of ESIF with Erasmus+, Creative Europe, COSME there needs to be clearly a **different action** with **different beneficiaries**, as Art 129 FR applies: parallel or sequential projects are possible.

**However: EEN may be used to deliver specific services on behalf of ESIF OPS.**

See: **Article 10 COSME regulation: Enterprise Europe Network**

(2) The Network may also be used to **deliver services on behalf of other Union programmes** such as Horizon 2020. This may include dedicated advisory services encouraging SME participation in other Union programmes.

The Commission shall insure that the various financial resources for the Network are **coordinated efficiently** and that services delivered by the Network on behalf of other Union programmes are funded by those programmes. [**=no double funding!**]

Regional  
Policy



European  
Commission

## Different scenarios – different eligible costs:

1. **Combining "normal" H2020 multi-country projects & ESIF support** through sequential, parallel or joint projects
2. **Human resources & Mobility:** EIT-KICs, Marie Curie/COFUND, Erasmus for All, ERA Chairs
3. **R&I in and for SMEs:** H2020-SME instrument, COSME (EEN), Creative Europe (Culture/Media),
4. **Public-Public Partnerships and Transnational cooperation/coordination initiatives :** Joint Programming, ERA-NET, Art. 185 Initiatives, EUREKA/EuroStars, European Territorial Cooperation
5. **Research infrastructures:** ESFRI Roadmap, major ERDF projects, ERIC, EGTC
6. **Stimulation of demand:** pre-commercial public procurement, procurement of innovative solutions
7. **New forms of innovation support:** Prizes, social innovation, non-tech. innovation, European Innovation Partnerships

**The guide spells many of them out, including the eligible cost and acceptable cost/expenditure item definitions for each**

Regional  
Policy



European  
Commission

## ➤ Recommendation to beneficiaries

1. Project promoters should contact the ESIF Managing Authorities (MAs) **asap** to explain the **impact on the regional economy** (links with industries, spin-offs, etc.) and learn about the regional priorities (RIS3, OPs), budget planning, timing and procedures.
2. Define the **budget categories** at the **project conception stage**, e.g.
  - per activity (e.g. costs of training activities, work packages),
  - per nature (e.g. personnel costs) or
  - by a combination of the nature and activity (e.g. costs of personnel assigned to the training activities)
  - where will they happen / direct benefits materialise?

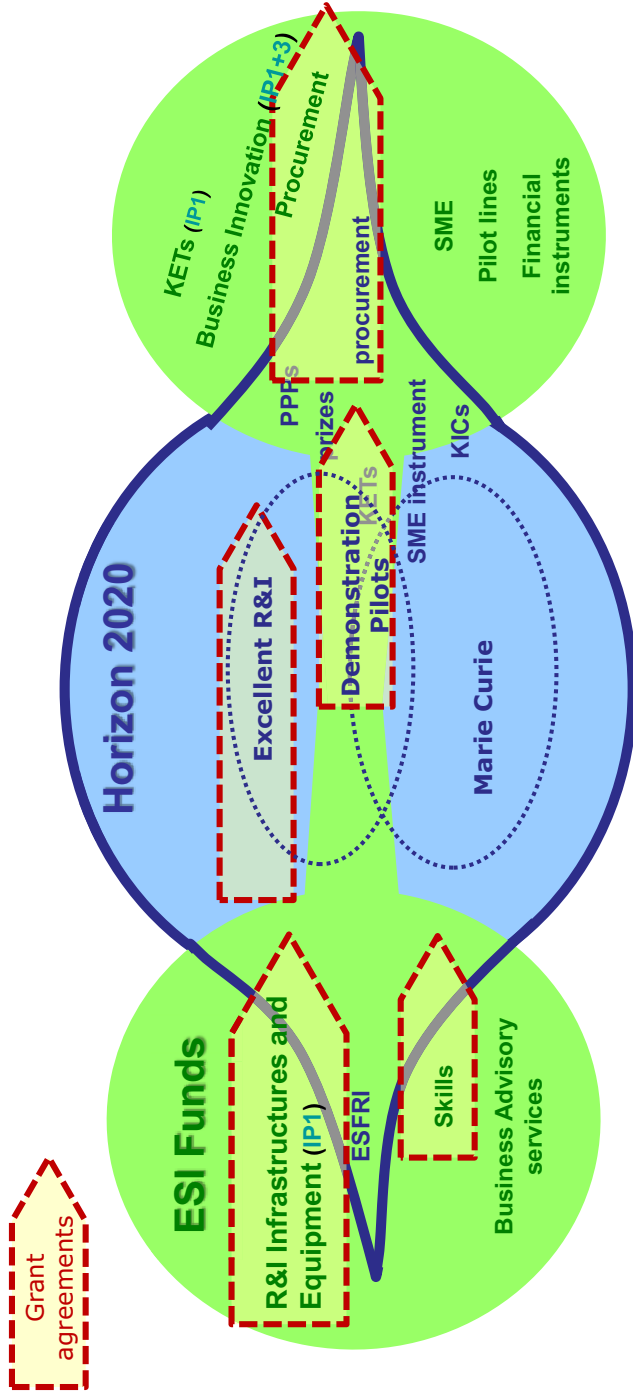
Cost items should be **from the beginning identifiable and attributable** to the different EU funding sources / grants, i.e.:  
✓ **Set up the accounting system** for the project accordingly (one strand for H2020 cost items and another strand for ESIF)





European Commission

# Combining "normal" H2020 projects & ESIF ... through sequential or parallel projects



Regional Policy



European Commission

## Structure of draft guide



**Part 1: Principles and Rules**

**Part 2: Main messages to the different target groups**

**Part 3: Identifying suitable forms of combination by policy objective and target group** (also in view of ESIF intervention logic: "*what is your target group? What is the desired result?*")

**Part 4 Scenarios for combining R+I funding sources ... incl.** Do's and don'ts & hypothetical examples

**Part 5: FAQs**

### ANNEXES:

- information on the different programmes
- Legal and background information
- Summary of State Aid rules
- Acronyms,
- Useful Documents and websites, **Contacts** for further information

# INTERREG EUROPE

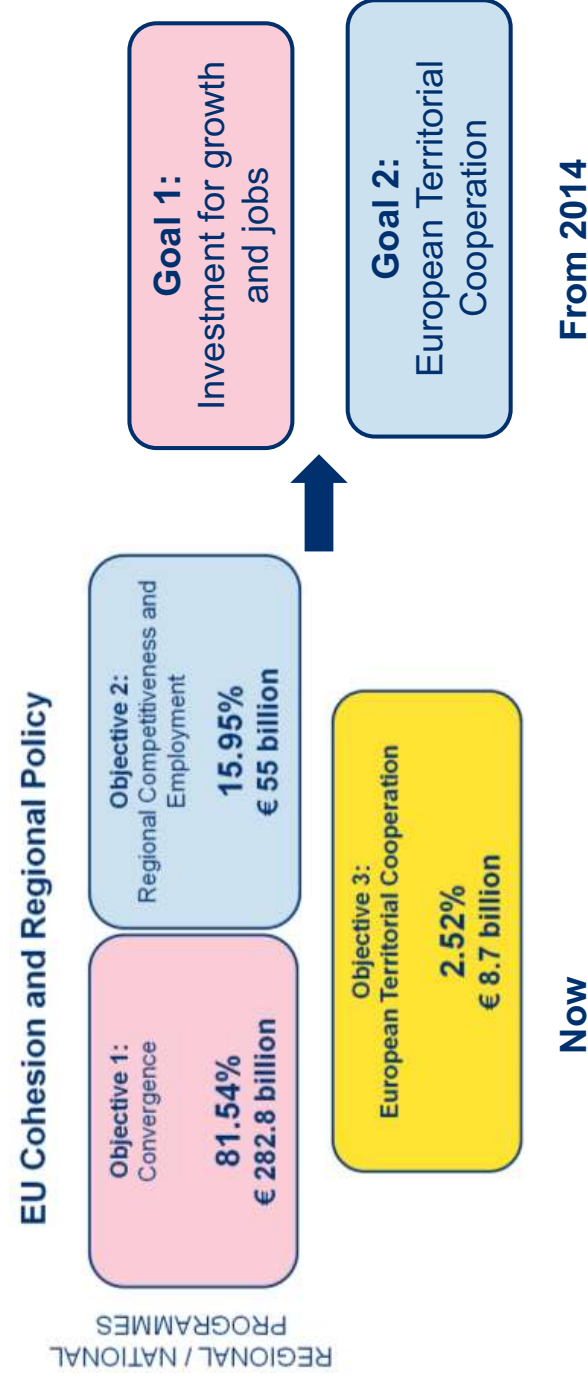
AGORADA 2013+

Brussels, 20 November 2013




**Nicolas Singer** | Senior Project Officer  
INTERREG IVC Joint Technical Secretariat

## From 3 objectives to 2 goals



## Draft regulation 2014-2020 on interregional cooperation

- **Integration of ‘Regions of Knowledge’**  
*‘foster cooperation between innovative research-intensive clusters and exchanges between researchers and research institutions based on ‘Regions of Knowledge’*
- **Link to EU cohesion policy**  
  
*‘to reinforce the effectiveness of cohesion policy’  
‘to enhance design and implementation of operational programmes under the **Investment for growth and jobs**’*

## 2. Future of interregional cooperation

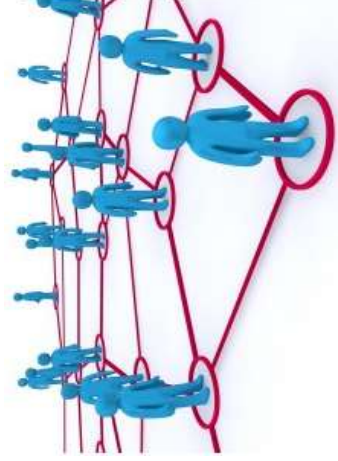
### Thematic focus

#### Four Thematic Objectives (TO) selected

- **TO 1:** Strengthening Research, Technological Development and Innovation
- **TO 3:** Enhancing the competitiveness of SME
- **TO 4:** Shift towards a Low Carbon Economy
- **TO 6:** Protecting the Environment and promoting Resource Efficiency

## Two types of interventions

A. Interregional cooperation projects      B. Policy Learning Platforms



## A. Interregional cooperation projects Rationale



- **Build on the current IVC experience:**
  - ✓ Exchange and transfer of experience at policy level
  - ✓ Result oriented approach
- **Improve certain programme's features**
  - ✓ Monitoring beyond the exchange of experience
  - ✓ Ensuring the (policy) relevance of implementation related activities

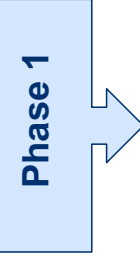
## A. Interregional cooperation projects

### Main features



#### Implementation in 2 phases

Phase 1



Policy exchange of experience (2 to 3 years)  
ending up with the production of 1 Action Plan / Region

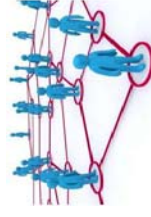
Phase 2

Monitoring of the Action Plan's implementation +  
possible pilot actions (up to 2 years)

### Creation of 'local stakeholder groups'

## B. Policy Learning Platforms

### Origin



1. Regulation: focus on Cohesion Policy (in particular Goal 1 programmes)  

2. First success of thematic programme capitalisation  

3. S3 platform experience  


## B. Policy Learning Platforms

### What is it?



**1 resource centre** per Thematic Objective embodied through:

- **On-line collaborative tool**



With relevant functionalities

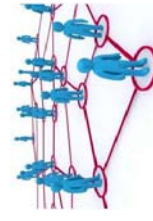
- **Expert team**



Content and coordination role

## B. Policy Learning Platforms

### Activities



- Monitor • Assess
- Analyse • Moderate
- Write • Answer
- Advise • Organise





## Enterprise and Industry

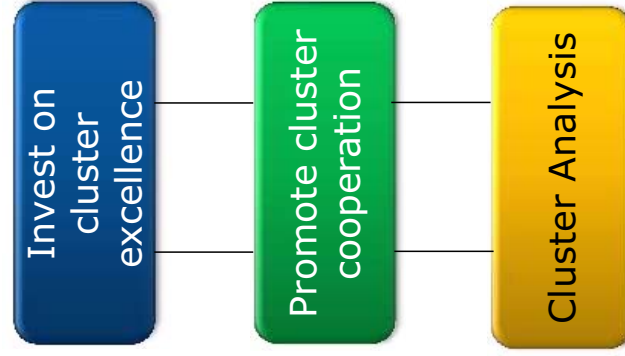
Carsten Schierenbeck  
SMEs: Clusters and Emerging  
Industries unit

## Cluster policies in COSME and Horizon2020

Agorada 2013+, Brussels, 19.11.2013



## Clusters in COSME



➔ **Cluster Excellence Programme**

➔ **Cluster Internationalisation  
Programme for SMEs**

➔ **European Cluster Observatory**



## Clusters in COSME

### Cluster Excellence Programme

Invest on  
cluster  
excellence

- Support benchmarking activities to further increase the number of bronze and gold labels in EU countries;
- Support training activities at large scale to train more cluster instructors and cluster managers;
- ✓ Calls for proposals will be addressed to cluster organisations engaged on a joint industrial project and willing to improve their cluster management practices and skills.



## Clusters in COSME

### Cluster Internationalisation Programme for SMEs

Promote  
cluster  
cooperation

- Implement the new concept of **European Strategic Cluster Partnerships**;
- Further develop the European Cluster Collaboration Platform;
- Implement the MoUs (and get more), mainly through cluster matchmaking events for SMEs.





# Clusters in COSME

## European Cluster Observatory

- European Cluster Panorama  
(analyse cluster strengths)
- European Cluster Trends reports  
(analyse cross-sectoral linkages)
- Regional eco-system scoreboard  
(analyse framework conditions for clusters)
- European stress test for cluster policies  
(analyse cluster policies)
- Model regions for new cluster strategies  
(provide advisory services to model regions)

Cluster  
Analysis





# Joint Programming and Horizon 2020

*AGORADA 2013+*  
*Brussels, 20 November 2013*

Seán O'Regain  
Deputy Head of Unit, Joint Programming  
European Commission – DG RTD



## What is Joint Programming?

- Building Block of European Research Area: Member States in Lead
- Voluntary and Variable Geometry Participation
- Based on Common Vision to Address Societal Challenges
- Involves Cooperation between National/Regional Programmes
- Entails Putting Resources Together





## Joint Programming and Horizon 2020

- Societal Challenges are Sole Focus of Joint Programming and One Pillar of Horizon 2020:
- Member States in Lead for Joint Programming Initiatives: Need to Demonstrate Concrete Commitments
- Commission as Facilitator: Horizon 2020 Instruments can be Used to Support JPIs if Good Fit with Priorities
  - No "One-Size-Fits-All" Approach
- Horizon 2020 Regulation indicates Possible Options for Supporting JPIs (Preamble and Article 20)



## Joint Programming and Horizon 2020

### Scenario 1

#### **Member States' Joint Activity Independent of Horizon 2020**

Possible Horizon 2020 support via Coordination and Support Action

- "Ideal" Functioning Mode of JPIs

Examples: First Joint Calls in Neurodegenerative Diseases and Agriculture and Climate Change JPIs





## Joint Programming and Horizon 2020

### Scenario 2

#### **Member States' Joint Activity Corresponding to Horizon 2020 Priority**

Possible Horizon 2020 Support through ERA-NET Instrument

- Action must have EU-Level Added Value
- EU Support for Research Activities - Provided Member States Make Prior Commitments
- Must Include at least One Joint Call
- Harmonisation of Rules for Implementation of Joint Calls and Actions



## Joint Programming and Horizon 2020

### Scenario 3

#### **Member States Seek to Integrate their Research Programmes in Area Corresponding to Horizon 2020 Priority**

Possible Horizon 2020 support under Article 185

- Clear Commitment to Scientific, Management and Financial Integration
- Demonstrated Capacity for Significant Collaboration and Added Value
- Strong Evidence of Necessary Scale and Scope in line with Horizon 2020
- Confirmed Financial Commitments of Participating Countries
- Article 185 Clearly Shown to be Most Appropriate Means of Achieving Objective



## Joint Programming and Structural Funds

- No Limitation on Use of Structural Funds by JPIs
  - Must Comply with National and Structural Funds Rules
- Possible Uses of Structural Funds
  - Regional/National Contribution to Joint Calls
  - Research Infrastructures Linked to JPIs' SRAs
- Where ERA-Net or Article 185 Instruments Support a JPI, Use of Structural Funds is Restricted



## Spreading excellence and widening participation in Horizon 2020

Dimitri CORPAKIS

Head of Unit  
Research and Innovation  
DG Research and Innovation  
European Commission  
[dimitri.corpakis@ec.europa.eu](mailto:dimitri.corpakis@ec.europa.eu)

November 2013

## Fast Track to Innovation Pilot

- *A Fast Track to Innovation pilot is to be launched in 2015, with the following features:*
  - Aimed at 'innovation actions' with a maximum of 5 partners and a maximum of EUR 3 million per project
  - Bottom-up driven logic
  - Continuously open call with three cut-off dates per year
  - Time to grant not exceeding 6 months
  - Projects will not require Programme Committee approval
  - Covering all fields across LEITs and Societal Challenges
- *The Fast Track to innovation will be part of the interim evaluation of Horizon 2020. The further implementation of the Fast Track to innovation will be determined on the basis of the evaluation results.*

November 2013



## Spreading excellence and widening participation through Horizon 2020

- New **Part III-a** in Horizon 2020 (budget circa EUR 800M)
- Main actions on **Teaming** (Centres of Excellence), **Twinning** (institutional networking), **ERA Chairs** (bringing excellence to institutions); also **Policy Support Facility** and a special action from **COST on Widening actions**



## Establishing a Policy Support Facility

- **Policy Support Facility (PSF)** : This will aim to improve the design, implementation and evaluation of **national/regional research and innovation policies**. It will offer **expert advice to public authorities at national or regional level** on a voluntary basis, covering the needs to access the relevant body of knowledge, to benefit from the insight of international experts, to use state of the art methodologies and tools, to receive tailor-made advice.



# ERA Chairs

- Establishing 'ERA Chairs' to attract outstanding academics to institutions with a clear potential for research excellence, in order to help these institutions fully unlock this potential and hereby create a level playing field for research and innovation in the European Research Area.
  - *This will include institutional support for creating a competitive research environment and the framework conditions necessary for attracting, retaining and developing top research talent within these institutions.*

November 2013



## Teaming for excellence

- ❑ **Teaming of excellent research institutions and low performing RDI regions:** Teaming aims at the creation of new (or significant upgrade of existing) **centres of excellence in low performing RDI Member States and regions.**
- ❑ It will focus on the preparatory phase for setting up or upgrading and modernising such an institution facilitated by a teaming process with a leading counterpart in Europe, including supporting the development of a business plan.
- ❑ Proposals have to fit with the overall Smart Specialisation Strategy of the host
- ❑ A commitment of the recipient region or Member State (e.g. support via Cohesion Policy Funds) is expected. Subject to the quality of the business plan, the Commission may provide further seed financial support for the first steps of implementation of the centre.
- ❑ Building links with innovative clusters and recognising excellence in low performing RDI Member States and regions, including through peer reviews and awarding labels of excellence to those institutions that meet international standards, will be considered.

November 2013



# Twinning

- ❑ **Twinning of research institutions:** Twinning aims at significantly strengthening a defined field of research in an emerging institution through links with at least two internationally-leading institutions in a defined field. A comprehensive set of measures underpinning this linkage would be supported (e.g. staff exchanges, expert visits, short-term on-site or virtual trainings, workshops; conference attendance; organisation of joint summer school type activities; dissemination and outreach activities).
- ❑ Twinning proposals are also encouraged to explain their links with the Smart Specialisation Strategy of the host location of the applicant institution



# Supporting ICT innovation in EU regions

**DG CONNECT**  
**Innovation**  
**Helen Köpman**



## ICT Innovation Vouchers

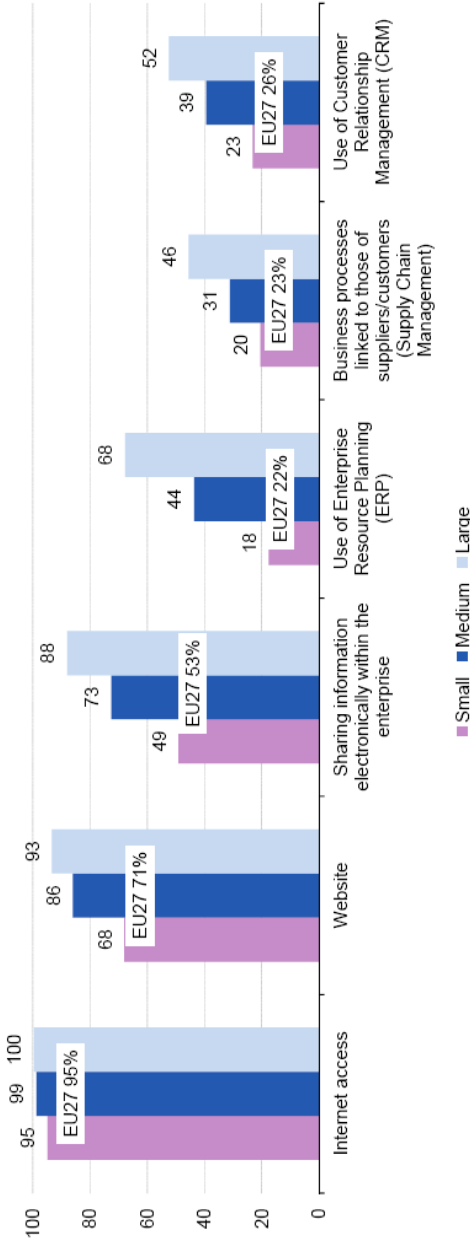




European  
Commission

## Small companies in lower value-add ICT services

Figure 2: Enterprises adopting technologies for e-business, by size class, EU27, 2012 (% of enterprises)



Source: Eurostat (online data codes: [isoc\\_ci\\_in\\_en2](#), [isoc\\_ci\\_it\\_en2](#), [isoc\\_bde15dip](#))



European  
Commission

## Supporting the regions....

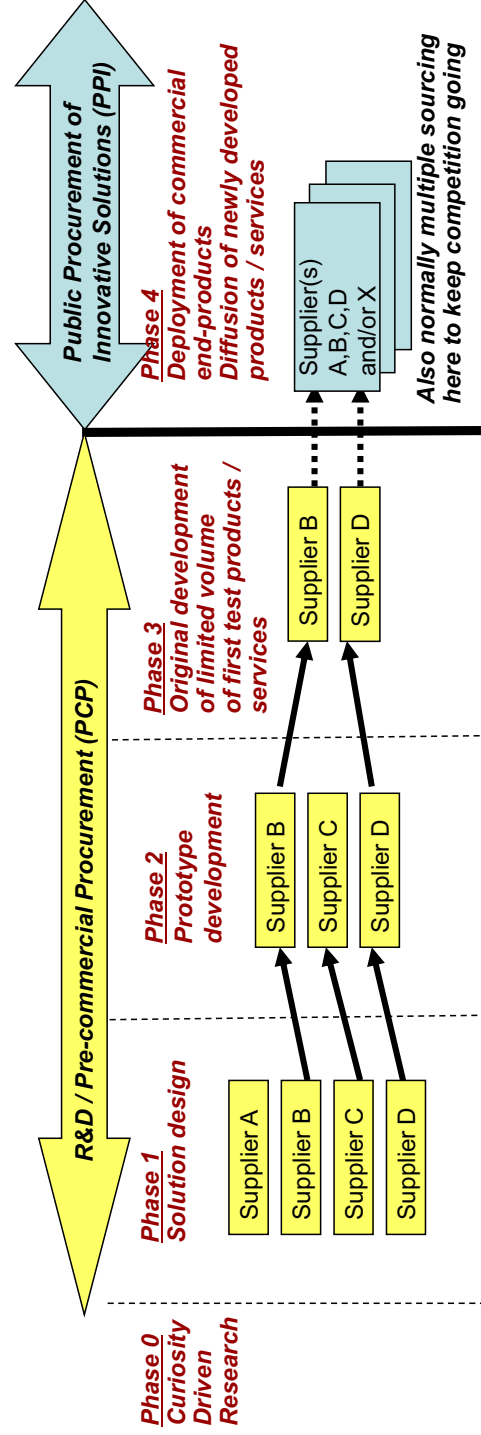
- *Cooperation with pilot regions*
- *Development of practical guide and training*
- *Uptake of ICT innovation voucher schemes in operational programmes*
- *Training targeted to regions*
- *Evaluation and impact analysis*





European Commission

- PCP to steer the development of solutions towards concrete public sector needs, whilst comparing/validating alternative solution approaches from various vendors
- PPI to act as launching customer / early adopter / first buyer of innovative commercial end-solutions newly arriving on the market



... in line with WTO proc. rules, EU Treaty, State aid free

## Reinforcing support to procurement across the 3 Horizon 2020 priorities

"Support will be provided to pre-commercial procurement by **research infrastructure** actors to drive forward innovation and act as early adopters of technologies"

**Leadership in Enabling and Industrial Technologies:** "... and the support to pre-commercial procurement and the procurement of innovative products and services are all aspects that are essential in addressing competitiveness"

**Societal Challenges:** "The activities shall cover the full cycle from research to market, with a new focus on innovation-related activities, such as ... support for public procurement ..."

No specific funding program for PCP & PPI. Check out the work programmes of all the above priorities to find calls for PCPs/PPIs



# Horizon 2020 budget in support of PCP/PPI



European  
Commission

**€130-140 million in 2014-15**

Areas in H2020 expected to support PCP and PPIs:

- *e-Health, ICT, security, transport, research infrastructure*

Support to networks of public procurers preparing future PCPs/PPIs:

- *Bioeconomy, Energy, Climate, ICT, security, research infrastructure*

\* Provisional figures, still subject to adoption of the Horizon 2020 WP by the EU Commission

# New opportunities under Erasmus+

## Brussels, 20 November 2013

Peter BAUR, DG EAC  
European Commission



## Erasmus +



**A streamlined architecture and three key actions**  
Current Programmes

One integrated Programme



### Erasmus + actions

1. Learning mobility of individuals
2. Cooperation for innovation and best practices
3. Support for policy reform

Plus Specific Actions: • Jean Monnet • Sport



## The actions cover:

### 1. Learning mobility of individuals

- ➔ Staff mobility, in particular for teachers, trainers, school leaders and youth workers
- ➔ Mobility for higher education student, vocational education and training students
- ➔ Master degree scheme
- ➔ Volunteering and youth exchanges

### 2. Cooperation for innovation and best practices

- ➔ Strategic partnerships between youth organisations and other relevant actors
- ➔ Large-scale partnerships between education and training establishments and business
- ➔ IT-Platforms
- ➔ Cooperation with third countries

### 3. Support for policy reform

- ➔ Open method of Coordination
- ➔ EU tools: valorisation and implementation
- ➔ Policy dialogue with stakeholders, third countries and international organisations

## Knowledge Alliances



## Objectives

- ➔ Develop innovative ways of teaching, learning and governance
- ➔ Stimulate entrepreneurship and entrepreneurial competence of students, academics and company staff
- ➔ Strengthen the flow and exchange of information and knowledge
- ➔ Stimulate the co-creation of knowledge
- ➔ Stimulate the cooperation between higher education institutions and companies



## Activities - A consistent and comprehensive set of activities

- Development and implementation of new learning and teaching methods
- Develop and deliver new and innovative study programmes
- Organisation of continuing educational programmes and activities with and within companies
- Schemes of transversal skills' learning in cooperation with enterprises
- Entrepreneurship education in any discipline
- Study field related activities which are embedded in curricula
- Exchange of students, researchers, teaching and company staff
- Etc.



# Sector Skills Alliances



## Objectives



Assess skills needs in a specific sector



Bring vocational education & training (VET) closer to the labour market



Ensure quality of vocational programmes & facilitate transparency of qualifications



Achieve systemic impact on vocational education & training in the economic sector concerned



Develop innovative ways of vocational teaching and training



Improve flow of information between stakeholders





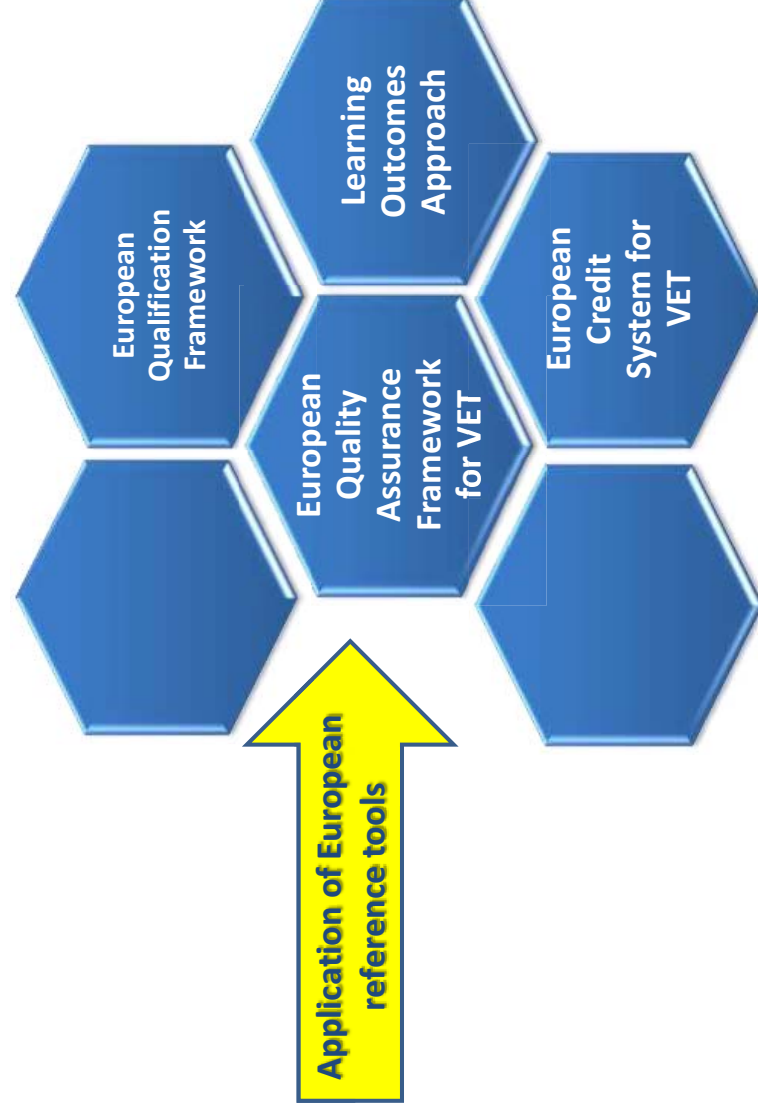
### Activities

- Define competence standards & identify occupational skills gaps
- Design joint curriculum
- Deliver joint curriculum
- Disseminate new curriculum

15



### Activities



16

## Main funding rules

### Budget:

- Grant between € 500.000 and € 1.000.000
- 2 – 3 years
- Max 75% co-funding of eligible costs (use of unit costs under analysis)

More than 300 Knowledge Alliances and Sector Skills Alliances by 2020