Presidency discussion paper for the
Informal meeting of Ministers responsible for research and innovation
27 January 2016, Amsterdam

The future outlook for investing in Research and Innovation (R&I):
FP7 Ex-Post Evaluation on the essentials for success and impact in R&I

1. OBJECTIVE OF THE MEETING

In the upcoming debates, starting with the interim Evaluation of Horizon 2020, there is a momentum for us Ministers responsible for R&I to advocate the importance of R&I investments as an indispensable part of public expenditure that should be oriented towards growth.\(^1\) To us, the importance and impact of investments in R&I are paramount. How do we get this message across to, for instance, our colleagues in government, public funders, investors, society at large, philanthropists and voters – all of whom are relatively less familiar with the benefits of R&I for society and the economy or have a different background and vocabulary thus may have to be convinced to consider R&I funding not as a short-term cost but as an investment in the future.

An important step towards getting the message across is to showcase the long-term impact on science, industry, society, the environment and people, supported by telling success stories. Our goal is to have an action-oriented meeting in which Ministers inspire each other by sharing good practices and in which they motivate each other to take an active stance in upcoming debates on expanding R&I investment at national and EU level and on its impact on science, economy and society.

2. STRUCTURE OF THE DISCUSSION

We will begin consideration of this issue with a scene setter by Ms Catherine Mann, Chief Economist at the OECD, who will outline how investments in R&I contribute to economic growth and future wealth. In order to ensure everyone at the meeting is on the same page, Ms Louise Fresco, Chair of the Independent High Level Expert Group (HLEG) on the Ex-Post-Evaluation of the Seventh EU Framework Programme (FP7), will start with a short introduction on the main findings from the FP7 Evaluation of the HLEG. Following these presentations, the Presidency aims to spark an inspiring, action-oriented but focused debate. There will be no traditional tour de table. Instead, Ministers will be invited to take part in two rounds of interactive debates, based on the following topics:

1) Achievements of FP7: Impact of R&I investments

The impact of R&I investments is best illustrated by concrete examples and achievements of FP7. As R&I Ministers, we have to be able to substantiate the importance of R&I investment. We need to underline the urgency of the issue and this urgency can be illustrated by the impact of FP7. We can all think of examples that have generated added value for society, the economy and human life, and that have triggered private investment or created synergies with regional funds. The treatment of Ebola, for example, was a global challenge that no single country could have addressed on its own. Cooperation

\(^1\) Council Conclusions of 14 October 2014 on investment support measures in Europe.
was vital, and we could never have developed solutions with the same speed or diligence without the firm basis of FP7 funding in medical research into Ebola. Another example is the FP7 GHOST project, through which new technologies are being developed that will change the way we interact with phones, computers and laptops thanks to deformable screens. This breakthrough in user interaction will enable us to use devices in completely new ways. A surgeon, for instance, will be able to work on a virtual brain physically, with the full tactile experience, before performing a real-life operation. Examples like these are myriad. We need to tap into them even more to reach out to decision-makers, policymakers, investors and society as a whole.

2) Recommendations of FP7: the future outlook
The recommendations of the HLEG report on FP7 provide a good basis for discussion of future improvements. According to the report, ‘Europe should build on R&I in a more targeted way to address the critical challenges and involve the civil society more broadly to build a socially, economically and environmentally sustainable future.’ The Presidency wants to deepen the discussion on the impact of excellence-based Framework Programmes on a more competitive and innovative economy. Therefore, the debate will focus on two of the five recommendations, namely: (a) Ensure focus on critical challenges and opportunities in the global context and (d) Bring science closer to the European people.

3. PREPARATION OF THE DISCUSSION
In preparation of the discussion, the Presidency would like to invite all delegations to prepare a short memo (max. 2 pages) in advance using the template provided in the annex to this paper. Your contributions should be sent to: bre-ato@minocw.nl by 13 January 2016 (cob) at the latest.

In light of the overall context described above, the Presidency invites the Ministers to address in their written contributions the following questions:

1. Which project/programme exemplifies the main achievements of the Framework Programmes (FP7 or previous) in terms of the impact of R&I investments? Why was it a game changer? For example, how did it mobilise other stakeholders or funders, and what synergies were achieved? Why does it make you proud?
   We kindly request all countries to supply at least one example of a FP project or programme that exemplifies the impact of R&I investments and is connected to one or more of the main achievements listed in the FP7 Ex-Post-Evaluation. (Max. 1 page)

2. Excellence-based Framework Programmes contribute to a more competitive and innovative economy. On the basis of the two selected recommendations of the HLEG, how would you change the Framework Programmes to better address critical challenges or involve civil society in a more targeted way?
   We kindly request all countries to supply one or two concrete actions or suggestions.

The Presidency will compile the examples from question 1 in a booklet that everyone will receive at the meeting. This will offer a tangible result of each country’s ideas and ensure all input is considered. We will always be able to refer back to and draw on these examples, which in essence are impact stories and game changers for Europe.

To ensure an informal setting and open, future-oriented discussion, the answers to question 2 will only be used to structure the debate during the meeting. These answers will not be published.

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2 Ibid., p.7.
4. BACKGROUND

Boosting jobs, growth and investment is a common priority of the Council and the Juncker Commission. In addition, the Competitiveness Council’s Conclusions (Research) of 5 December 2014 on the Commission’s Communication on Research and Innovation (R&I) – which cites R&I as sources of renewed growth – focus on the growth potential of the Union that can be unlocked by increasing the quantity and quality of R&I investment in Europe. The EU Framework Programmes (FPs) are instrumental to achieving this objective – on the one hand, through the quantity and quality of direct investments through FPs, and, on the other, through a set of incentives to increase investments by the Member States and Associated Countries.

The report by an Independent High Level Expert Group (HLEG) on the Ex-Post-Evaluation of the Seventh EU Framework Programme (FP7) is clear: investing in excellent R&I with high potential impact is key for a significant effect on science, the economy and society. R&I investments are drivers for growth: every euro invested in FP7 results in 11 euros in direct and indirect economic effects. FP7 will increase GDP by approximately EUR 20 billion per year over the next 25 years through its indirect economic effects and create over 130 000 research jobs per year and 160 000 additional jobs per year. Moreover, it is evident that R&I in general, and FP7 in particular, are crucial for Europe as a whole. European added value has been proven through more coherent and coordinated cross-border cooperation on transnational societal challenges, the development of Research Infrastructures, and by reaching critical mass of research across the European landscape and worldwide. This is illustrated by many FP7 projects, such as FUSIONS, in which 13 countries are jointly combatting food waste in cooperation with public and private partners.

However, it is still a challenge to create wider awareness of these excellent results and the impact Europe is achieving with this integrated approach to R&I. This could be done by continuously measuring effects, making the impact visible and sharing good practices from the Framework Programmes. This approach is also reflected in the Better Regulation agenda of the Juncker Commission, one of the key parts of which is continuous evaluation of EU policy impact and effectiveness.

Simultaneously, Member States and Associated Countries have an opportunity to raise awareness of the impact of national R&I investments: EU and national efforts are complementary and can reinforce each other. The 3% target of public and private R&D spending as subscribed to by the Council in the Europe 2020 strategy is still an important requirement for the future success and competitiveness of science and innovation in Europe, and in the global context.

The HLEG report on FP7 states, ‘FP7 and earlier FPs have clearly had a positive impact on the structure, working and performance of EU Member States’ research and innovation systems.’ To reap even more benefits of EU and national efforts, the High Level Expert Group recommends, amongst other things, that ‘EU and national programmes should better align their research priorities using appropriate tools and incentives (such as pooling of funding in order to improve leverage effects, considering the innovation supply chain, shared databases and support of mobility).’ In addition, as Member States and Associated Countries, we may be able to identify other improvements for the future.
ANNEX

Template for answers
The Presidency would like to ask all delegations to prepare a short memo in the format below (max. 2 pages) in advance. Please send your contributions to: bre-ato@minocw.nl by Wednesday **13 January 2016 (cob)** at the latest.

**Format question 1**

<table>
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<th>Country</th>
<th>&lt;Member State or Associated Country&gt;</th>
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<tbody>
<tr>
<td>2</td>
<td>Name</td>
<td>&lt;Name of the project/programme&gt;</td>
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<tr>
<td>3</td>
<td>Year/duration</td>
<td>&lt;Year the project/programme started + duration&gt;</td>
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<tr>
<td>4</td>
<td>Website</td>
<td>&lt;Project website HTML address&gt;</td>
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<td>5</td>
<td>Results</td>
<td>&lt;175 words max.&gt;</td>
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|\> For example, the project:  
|   | generated added value for society, economy, human life;  
|   | triggered private investment and fostered new knowledge;  
|   | created synergies with regional funds;  
|   | attracted young talent;  
|   | resulted in industrial spinoff in Europe;  
|   | … |
| 6 | Expected socio-economic impact | <150 words max.> |
| 7 | Description   | <400 words max.>                     |
| 8 | Cooperation countries |                                        |
| 9 | FP7 Evaluation Achievements  | <To which of the achievements of the Ex-Post-Evaluation does this project relate?>  
|\> 1. Encouraged scientific excellence on individual and institutional level.  
|\> 2. Promoted ground-breaking research through a novel programme FP7- IDEAS (ERC).  
|\> 3. Engaged industry and SMEs strategically.  
|\> 4. Reinforced a new mode of collaboration and an open innovation framework.  
|\> 5. Strengthened the European Research Area by catalysing a culture of cooperation and constructing comprehensive networks fit to address thematic challenges.  
|\> 6. Addressed certain societal challenges through research, technology and innovation.  
|\> 7. Encouraged harmonisation of national research and innovation systems and policies.  
|\> 8. Stimulated mobility of researchers across Europe.  
|\> 9. Promoted investment in European research infrastructures.  
<p>|&gt; 10. Reached a critical mass of research across the European landscape and worldwide. |</p>
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| 2 | Recommendation        | <To which of the two selected recommendations of the Ex-post-Evaluation do your actions/suggestions relate?>  
(a) Ensure focus on critical challenges and opportunities in the global context.  
(d) Bring science closer to the European people. |
| 3 | Action/suggestion 1   | <approx. 200 words>                  |
| 4 | Action/suggestion 2   | <approx. 200 words>                  |