

K4I Conference Call Working Group Implementing Horizon Europe

*Tuesday, 14th January 2019
10h00 – 11h00*

Meeting Notes

AGENDA

- Introduction (purpose and process, Robert & Roland)
- Brief tour de table (max 10 minutes)
- Intro to the specific working group (max 5 minutes), how do we see it, our initial suggestions for topics
- First round of key topics to be brought forward by the participants (15 minutes)
- Discussion (15 minutes)
- Conclusions and next steps (10 minutes)

Attending

| First Name | Last Name | Organisation |
|------------|------------|---|
| Greg | Arrowsmith | European Association of Renewable Energy research Centres EUREC |
| Edvard P. | Beem | The Netherlands Organisation of Health Research and Development |
| Dominique | Damendrail | French National Research Agency; JPI Water |
| Robbert | Fisher | K4I |
| Nicolas | Furio | UNIFE- The European Rail Industry |
| Massimo | Gasparon | RawMaterials |
| Philippe | Jacques | EMIRI (Energy Materials Industrial Research Initiative) |
| Duncan | Jarvis | Euramet |
| Alexandros | Kaloxyls | 5G-IA |
| Louis | Lapidaire | United Academics |
| Juan | Pérez | Tecnalia |
| Claudia | Repp | Shift2Rail Joint Undertaking |
| Roland | Strauss | K4I |

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| Renato | Toffanin | Arches |
| Jan | Van den Biesen | Key Digital Technologies partnership; ECSEL Joint Undertaking |

Aim of the Working Group “Implementation”

- This is in a series of events leading up to the sessions during the 11th EIS. Next will be the physical breakfast meetings on the 21st of January and a second call in the last week of January.
- The sessions of the 11th EIS will round up and present recommendations, on key issues to ensure the impacts are reached from a stakeholder perspective to the EP and EC. The recommendations will be validated through discussion and debate with a wider.
- K4I serves as the platform of the European Parliament to bring together stakeholders; commissions and politicians to tackle topics that are considered most critical for a specific area.
- Working groups come up with specific recommendations that are brought forth at the conference to foster a dialogue between stakeholders, the EP and the Commission, financial institutions and investors; the working groups are a mechanism to focus the discussions and run over the lifetime of Horizon Europe.
- Horizon Europe as an effort to implement strategies and orientations; reorientations over the period of seven years as well as a continuous discussion of the budget allocation.
- The instrument “K4I MEP policy brief” informs MEPs about a certain subject matter. The sessions are accompanied by those briefings that lay out the topic, the priorities, the challenges and policy options or recommendations.

Horizon Europe is to be the largest, most comprehensive and complex R&I programme of its kind globally. It is also highly Innovative, exploring new Instruments and policies to better address the needs of the stakeholders, create more (measurable) Impact and better communicate to the citizens and stakeholders at large. It also aims to better coordinate and streamline between different governance levels and stakeholder types.

The concepts and Ideas behind the programme are generally deemed sound, the issue is however the implementation. The Implementation requires commitment and coordination between different silo’s In and outside the Commission, and not In the least across disciplines and sectors.

This working group aims at identifying and prioritising key Implementation aspects from the different stakeholder perspectives, what Is relevant, how to achieve effective collaboration and communication, and not least what can we learn from implementation and operation of current Instruments and mechanisms, to build upon and ensure continuity.

The second part of the work Is to produce recommendations within these priorities, including performance Indicators, monitoring, stakeholder engagement etc.

Meeting Notes

Main focus:

- Look at new ways of doing partnerships, get strong recommendations, discuss different types of funding
- Key aim is to identify and prioritize key implementation aspects; how to achieve effective collaboration and communication; how to make the implementation of HE more efficient and achieve a maximum impact

Key topics & overview:

- Last year the Commission identified candidates, there was a process with the MS reviewing those and commenting on them; the key issue is that there is no insight in how the partnerships will cooperate with each other, a central coordinator has to be found;
- Second key issue is the budget; the Council wants to control and limit the budget; the EP wants to put in more money than the Commission
- Small countries might not be in favour of partnerships because they believe the big countries will mainly benefit; there is the possibility that they then limit the budget of HE that is going to partnerships;
- The message of partnerships being valuable, bringing in national funding and coordination has to come across
- In the negotiation between the Parliament and Council, the outcome is that no more than half of the budgets of the second pillar can go to partnerships.
- Reduce bureaucracy and maximize research and impact
- Find preferred association models
- Article 187; point of cash contribution and the financial burden for partners, while others benefit without putting money in;

Statements excerpts of participants:

- **Duncan Jarvis:** The Member States have made their draft commitments to me (Euramet Art. 185 P2P). That's because we're one of these institutional ones, we have to put that in as part of our proposal and I am already oversubscribed. It's relevant for the institutional partnerships because we have to show that the Member States are putting in their slice of the budget and you have to do that at this stage now in your proposal, so you have to go away and ask the Member States, what they're prepared to put in. And if you can't demonstrate that Member States are signing up with their part of the budget, then you're not going to progress through the process quickly. But this time around everyone recognizes the value of what we're doing. And I've got no trouble finding the commitments. I've just going to have problems rationalizing the commitment rationing, the commitment between countries.
The Commission has come up with a proposal; the Member States want to restrict it and the overall budget is still being controlled and HE is likely to take a cut at some point. So the whole budget is under much strain.

- **Greg Arrowsmith:** There is the idea to want the work programs of Horizon Europe to be less prescriptive in how they define the calls for proposals, allowing more new creative ideas to come and I think that you can take that too far. I think that many of us on this call represent groups that spend quite a lot of time reflecting on research priorities for our sectors and drawing up strategic research agendas and lists of research that we think is important and I think we need to caution the ambition against going towards open work programs and bottom up calls and, part of HE does need to have bottom up elements but I think there's a lot of people who need to stay fairly prescriptive and follow a research strategy that has been designed in consultation with expert stakeholders. It has its place and provides you an open and transparent way of deciding what topics are important and allowing us to be open to public scrutiny.
My understanding is that the “pay a flat fee” model is disappearing in HE and instead it's going to be more of a pay as you go model.

- **Duncan Jarvis:** The bit that no one will answer to me is how does that filter down the other budget. So once a budget has been fixed for a partnership, is that the budget from the Member States and the associated countries come and make a commitment and that adds to the budget or if the budget for the partnership is fixed, and then the associated countries, then come in and make a big commitment to that partnership, does that reduce the share of the partnership that all the Member States get. That's the key mechanism that I can't get anyone to answer for me yet and is quite important for planning the scope of my proposal.

- **Dominique Darmendrail:** We have been exchanging on that with the two different units within DG research because the international dimension for water is really important and I do agree with Duncan for the moment it is still unclear how it would be feasible, but what we heard is that the international cooperation should be nested in the partnerships, so they will like to see the associated countries joining the partnerships individually And for those, we will not follow the association model because that could happen if you look at their partial agreement. The text says that this association should be based on mutual benefits and, where appropriate, reciprocity.

So they will look at the commitments and they will look at them every year. What the countries have been putting in.
This is quite critical because of the countries that are not in the associate status.

And the last point I wanted to say is that they're there. They are discussing this association model or models with different countries at the moment because they may come up with different models.

- **Nicolas Furio:** So on our side, I would like to see a smooth transition from the existing partnership to the potential new one. So we don't want to restart from scratch and use what has been done in the previous one to improve what is not working so well, but to

keep what is working well today in the partnership.

Regarding the future partnership, one of the key topics is to reduce the bureaucracy. So we should try to mobilize the resources for the research, innovation activities and avoid having too many let's say administrative tasks being reporting and so on to try to simplify as much as possible and focus on increasing the impacts of the partnership. We're convinced that in such a new partnership we need also to have one part dedicated to deployment of new technologies.

Not choosing Europe funding, but using other funding, and what you could just have to be used to deploy some new technology coming from the partnership on the European Network.

Regarding the new partnership. We are convinced that it should answer the EU policies. So we are following the discussion because rail would have liked to achieve the green deal objectives and we also are quite worried by the budget.

And this would be reduced. And the right partnership is a new cluster of energy, climate and mobility and many partnerships are in this cluster. So we're at risk on the budget and if the Commission is winning to have high ambition, at least for the rail transport, they should allocate the budget in a proper way.

Another issue that we have is the concept of cash contribution meaning that some cash contributions that will not be used only for the cost of the new partnership, but would be used so for its research, innovation activities and we consider that partners cannot provide cash contribution to finance their competitors.

- **Jan van den Biesen:** I think I would completely agree for that that's a concern that we also have of course we are looking at the same set of slides and there's this imbalance that on the one hand, due to the pressure of the smaller Member States that was mentioned earlier. All partnerships have to be open in their calls and in their priority setting, the benefits will be for all but the burdens in terms of financial contributions will only be for the partners. So, not for all participants. So we see a strong imbalance between the benefits for all and the burdens only for a few. So why would you become a partner if you can also participate for free and open calls
- **Duncan Jarvis:** I can explain how we do some of those things. So we have a 10% contribution that we don't use to fund the key joint research projects we do other activities with that additional money around capacity building, funding mobility grants, so we use that cash to fund activities that the less developed states will benefit from we use it for things that aren't funding your competitors, as you see it, but we of course come in and we have a case where we need to serve every country in Europe, to develop the capabilities and we want everyone to be there, that's part of our mission, so funding the activities that help the less developed states, to get up to our level is a key priority and is a good use of that money. How do you persuade people to join if they have to pay...Well, I'm constantly surprised by the countries that do that if you join our partnership in Horizon 2020, not only do you have to pay your fee. But you also end up getting a reduced payment for your joint research projects, while everyone that's an external gets 125% of their direct costs.