



Council of the European Union
General Secretariat

Brussels, 13 June 2017

WK 6597/2017 INIT

LIMITE

ERAC

WORKING PAPER

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From: ERAC Secretariat
To: ERAC (European Research Area and Innovation Committee)

Subject: ERAC plenary 16 June 2017 - agenda item 5 (Standing Information Point)
Update on the H2020 Policy Support facility

ERAC Members will find attached the update on the H2020 Policy Support facility relating to item 5 on the agenda of the ERAC plenary on 16 June 2017 in Brussels.



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR RESEARCH & INNOVATION

The Director-General

Brussels,
rtd.ddg1.a.4(2017)3151048

NOTE TO THE ATTENTION OF ERAC DELEGATES

Subject: Fourth expression of interest in the services of the Horizon 2020 Policy Support Facility (PSF)

With almost [twenty-five activities](#) since its launch in 2015, the PSF has managed to position itself as an influential tool to induce reforms of national research and innovation systems, drawing on tailor-made support from leading experts and policy practitioners. The [PSF Knowledge Centre](#) presents the main findings of these PSF activities.

PSF country-specific support has successfully addressed issues such as how to improve the links between publicly funded science and business uptake, how to best design and implement reforms that maximise the quality and efficiency of the science base, or how to put in place the most adequate framework conditions to support innovation against the backdrop of the national science and innovation system in place.

Bulgaria was the first country to benefit from a PSF peer review. An international team provided the government with guidance for reforms. This inspired significant discussions on the way to the country's national science strategy, foreseen for adoption shortly. Now, the PSF supports Bulgaria in the roll out of the panel's recommendations to establish a performance-based funding model. Similarly, PSF advice was provided to Moldova, as country associated to Horizon 2020, in order to improve the design of its national R&I policies on human resources or science-business links. This informed the country's revised law on research.

In addition the PSF concluded peer reviews of Hungary and Ukraine in 2016, and a peer review of Poland is ongoing. Specific support activities already provided assistance to Malta, Slovakia and Romania. Further activities have started with Latvia, Lithuania, Bulgaria and Slovenia, and are being launched for Georgia and Tunisia, too.

But beyond country-based activities, the PSF runs mutual learning exercises (MLEs). MLEs are highly appreciated by participants for their ability to sustain long-lasting communities of peers and because they furnish fresh policy insights on topical issues at the centre stage of national research and innovation policy-making such as complex public-private partnerships, R&D tax incentives, open science or innovation procurement.

To share and spread the results of PSF work beyond participants, the PSF promotes dissemination workshops. The next one will take place on 28 June 2017 in Brussels to discuss the results of the recent MLE on '*Alignment and interoperability of national research programmes*'.

Other upcoming activities by the Facility include a workshop with International Organisations on country review methodologies scheduled for Autumn 2017, and a joint MLE with the OECD on the digitalisation of innovation policies in 2018. ERAC will be duly informed of these activities.

The design of PSF activities draws on annual expressions of interest that the Commission services launches annually through ERAC. In order to plan the PSF pipeline for 2018 based on your needs, I have the pleasure of enclosing the fourth of those expressions of interest. You will find the details in Annex 1 to this note.

I would be grateful if you could send your responses by **Friday 15 September 2017** to RTD-PSF@ec.europa.eu.

Robert-Jan Smits

Encl.: Annex I – Fourth Expression of Interest in the PSF services, including the update on the current and planned activities

c.c.: ERAC Secretariat, K. Vandenberghe, R. Arjona, M. Surgeon, S. Vankalck, D. Senczyszyn, D. Ivanova van Beers, M. Menna

ANNEX 1

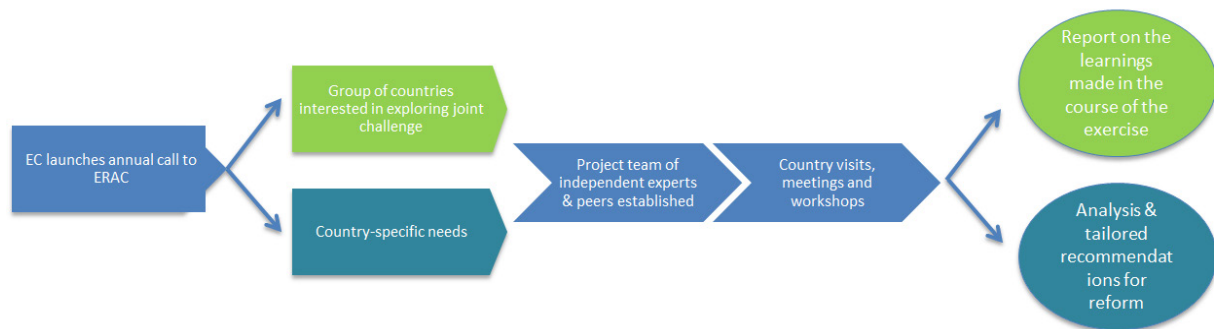
Fourth call for Expression of Interest for the Horizon 2020 Policy Support Facility and the update on its activities

34th ERAC Plenary meeting
Standing Information Point
Brussels, 16 June 2017

The objective of this note is twofold: i) to launch the fourth call for expression of interest for the services of the PSF, ii) to inform you on the state-of-play of the [Horizon 2020 Policy Support Facility](#) (PSF) two years after its launch.

I. Call for Expression of Interest for the PSF services

The Horizon 2020 Policy Support Facility (PSF) is a demand-driven policy tool that responds to requests made by Member States and Associated Countries¹:



The PSF is continuously open for countries' spontaneous requests for support. However, to facilitate the planning of PSF engagements, the Commission issues an annual call for expressions of interest to ERAC for the services of the PSF:

1. Country-specific activities

1.1 Peer Reviews of national R&I systems

Peer Reviews of national R&I systems are in-depth assessments of a country's R&I system carried out by a panel of experts and policy peers, leading to operational recommendations to the national authorities on the reforms necessary to strengthen their R&I systems.

A Peer Review can take the shape of a general assessment of the country's strengths and weaknesses in R&I, but it can also focus on a number of specific elements of the R&I systems (e.g. reform of universities, knowledge-transfer systems, performance-based funding of public research, etc.), as agreed with the country under review.

It can be preceded by a 'pre peer review' (preparatory step to identify focus areas, relevant stakeholder groups, etc.) and followed by a 'post peer review' (follow-up to

¹ Member States and Associated Countries participate in the PSF services on an equal basis.

provide concrete advice on how to adjust and strengthen the implementation of the peer review recommendations).

1.2 Specific Support activities

PSF Specific Support activities aim at providing a set of concrete recommendations on how to tackle a specific R&I policy challenge and how to implement the accompanying reforms. See Annex 2 below for examples of Specific Support thematic areas.

ERAC members are invited to inform about their country's interest in a PSF Peer Review of their national R&I system or in a PSF Specific Support activity and to indicate the optimal timing for this exercise.

The reply to this expression of interest should be followed, in due time, by an official letter of intent signed by a high-level official or Minister (or Deputy Minister) and addressed to the Director General of DG RTD confirming the request and specifying the political context and specific points to be addressed during the activity.

The PSF Team (RTD-PSF@ec.europa.eu) can support the identification of those needs.

2. Mutual Learning Exercises

Mutual learning exercises (MLEs) focus on specific R&I policy challenges of interest to several countries and use a hands-on project-based exchange of good practice. Your ideas for the MLEs topics will allow for appropriate design of future exercises.

ERAC members are invited to express their suggestions for future MLEs by:

Proposing topics for potential MLEs, together with a short description of the major challenges they face in this policy area and their expectations concerning the MLE.

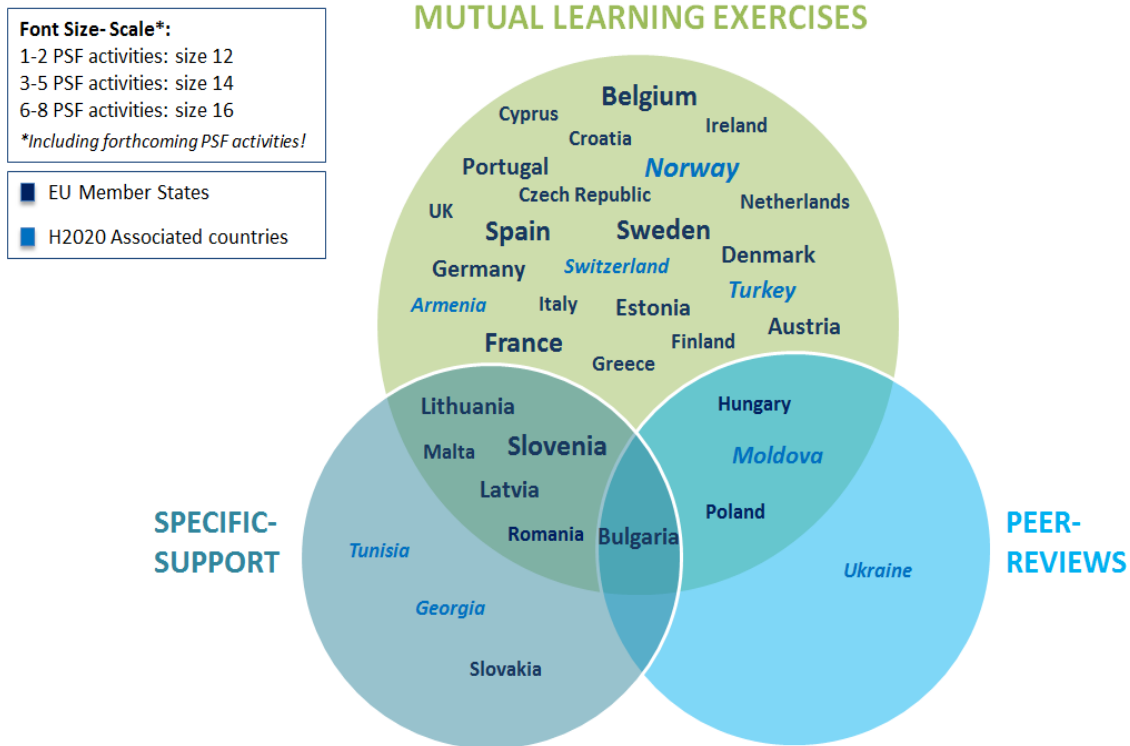
The PSF Team (RTD-PSF@ec.europa.eu) stands ready to support in conceptualising those challenges and expectations.

Please reply by **15 September 2017** to RTD-PSF@ec.europa.eu

II. Update on the state of play of the PSF

Demand for PSF services ramped up very rapidly since its launch in 2015: over 20 PSF activities have been put in place since then², with nearly all Member States having participated to at least one of them.

Overview of countries' participation in the PSF activities 2015-2017:



a) Country-specific activities

By May 2017, the PSF had completed four *Peer Reviews* (Bulgaria, Moldova, Hungary and Ukraine) and a Peer Review of Poland was launched. *Specific Support* projects provided assistance to Malta and Slovakia and were launched with Bulgaria, Latvia, Lithuania, Romania and Slovenia, while new activities in Tunisia and Georgia are about to be launched.

This shows an increasing interest for focused policy advice through Specific Support, while interest in full evaluations of national R&I systems appears now more moderate. The Bulgarian request for a Specific Support to develop a performance-based funding system, as a follow-up to the Peer Review, illustrates how the PSF can provide continuity of learning and policy support throughout the policy cycle.

Experiences also show that high-level commitment from the supported country contributes to the success and impact of the projects and leads to concrete R&I reforms

² See Annex 2 below.

(e.g. new Bulgarian strategy, renewed Research Code in Moldova, new system to monitor R&I strategy in Malta).

RTD will organise in Autumn 2017 an "International workshop on R&I policy review methodologies" with participation of international organisations with experience in country reviews such as the World Bank and OECD. the workshop shall allow for high-level PSF experts and practitioners, representatives of International Organisations and of other Commission services to exchange knowledge, practice and insight on success and impact factors.

b) Mutual learning exercises

Mutual learning exercises (MLEs) involved a large number of Member States around policy topics at the centre stage of national policy-making in research and innovation such as -in the first cycle in 2016- R&D tax incentives, complex public-private partnerships and business R&D grants.

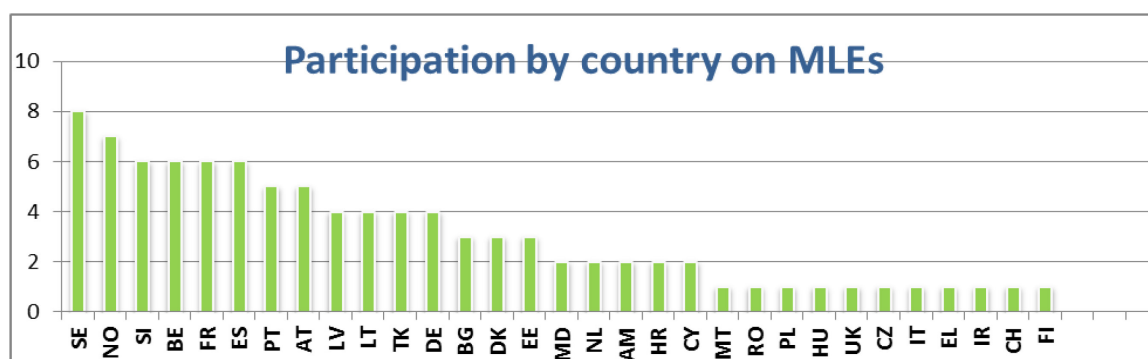
A first MLE on Alignment and Interoperability of research programmes was also launched in 2016 and will be concluded with a dissemination workshop on 28 June 2017. Further exercises were launched in 2017 on performance-based funding of public research, open science and innovation procurement.

Following up on the continuous interest and commitment of the countries that participated in the 2016 MLE on the evaluation of business R&D grant schemes, a second MLE on this topic is starting with its kick-off meeting on 9 June 2017 and a first country visit in Oslo on 29-30 August 2017.

Building on the joint expression of interest of several countries, a MLE on "National Practices in Widening Participation and Strengthening Synergies" has been designed with a clear focus on exchanges of national practice at the operational level on how to best support national participation in EU Framework Programmes and how to best exploit synergies between ESIF and Horizon 2020 to build-up a knowledge economy. Fifteen countries expressed their interest in taking part in this MLE (following the concept note circulated through ERAC on 4 April 2017). On 30 May 2017, at the Scoping Workshop in Brussels, the participating countries have further discussed the scope and initial work plan for this MLE.

Finally a joint MLE with the OECD on digitalisation of science and innovation policies ('DSIP', i.e. the exploitation of interconnected databases reflecting various aspects of science and innovation policies to build policy knowledge) is planned for 2018.

Overview of countries' participation in the PSF MLEs 2015-2017:



Feedback received from the participating countries proves that MLEs offer large opportunities to foster a learning community of peers, promote the exchange of national experiences in an open atmosphere of trust, and identify issues and peer recommendations in a process of mutual reflection. The participating countries highly value the country visits, with a truly impressive engagement of the host countries.

The [PSF Knowledge Centre](#) offers more information on PSF activities, country events and findings.

ANNEX 2 - PSF activities 2015-2017

I. 2017 pipeline (on-going or to be started)

1) PSF Country-specific supports

Peer Reviews

- **Poland** (to be finalised in September 2017 with a focus on the structure of the higher education and science system, its internationalisation and links with society and economy)

Specific supports

- **Romania** on innovative entrepreneurship (to be finalised by Summer 2017)
- **Slovenia** on the internationalisation of science and higher education policies, and on the cooperation between the science base and businesses (started in December 2016).
- **Bulgaria** on performance-based funding of public research and on evaluation of research institutions (started in February 2017)
- **Lithuania** on attraction of innovation-oriented FDI and science-business links (started in February 2017)
- **Latvia** on the funding system for public research, its governance and organisation (started in February 2017)
- **Georgia** on identification of promising research fields, science-business links and performance-based funding of research entities (to be launched by Summer 2017)
- **Tunisia** on private sector participation in R&I and methodology for defining research priorities (to be launched by Summer 2017)

2) PSF Mutual learning exercises

- **Alignment and Interoperability of research programmes** (phase 1: national coordination) – with participation of **FR, LT, DK, TK, NO, AT, PT, EE, SI, SE and RO** (**DE** as observer), dissemination workshop on 28 June 2017 in Brussels
- **Performance-based funding of public research organisations** – ongoing, with participation of **AT, CZ, CY, EE, ES, NO, SI, SE, PT, AR, IT, TK, HR, MD**
- **Innovation-related procurement**- ongoing, with participation of **AT, EL, EE, LV, ES, PT, DE, SI, FR, IR, NO, TR, BE, LT, SE, NL**
- **Open science**: ongoing; with participation of **LT, SI, FR, BE, LV, ES, CH, PT, HR, MD, AT, AR, SE, BG**
- **Evaluation of business R&D grant schemes - phase 2**: launched in June 2017; with participation of **LT, ES, FR, SE, AT, NO, SI, BE, UK**
- **National Practices in Widening Participation and Strengthening Synergies**: Scoping workshop on 30 May 2017, with participation of **FR, DK, CY, FI, TK, SE, BE, HR, DE** (as observer), **ES, SI, PL, LV, BG and HU**
- **Alignment and Interoperability of research programmes** (Second phase): tbc

II. 2015-2016 cycle –activities completed

1) PSF Country-specific supports

Peer Reviews:

- **Bulgaria** (final report published in October 2015)
- **Moldova** (final report published in July 2016)
- **Hungary** (pre-Peer Review in October 2015, Peer Review published in September 2016)
- **Ukraine** (final report published in December 2016)

Specific Supports:

- **Malta** on monitoring tools for the new R&I Strategy (final report published in July 2016)
- **Slovakia** on start-up ecosystem (final report published in February 2017, follow-up country visit on implementations of the recommendations in June 2017)

2) PSF Mutual learning exercises

- **Pilot Mutual Learning Exercise on measures to stimulate business research and innovation**, during which the new MLE methodology was proposed (June 2015)
- **Administration and monitoring of R&D tax incentives** with the participation of **LV, PT, BE, FR, NL, NO and UK** and country visits hosted by FR and UK; dissemination workshop held on 13 December 2016
- **Evaluation of business R&D grant schemes** with the active participation of **NO, DK, ES, SE, DE** and country visits hosted by DK and ES; the dissemination workshop was held on 3 November 2016
- **Evaluation of complex public-private partnerships** with the active participation of **BE, NO, BG, SE** and country visits hosted by SE and NO; dissemination workshop held on 19 October 2016