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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Second Interim Evaluation of the CLEAN SKY, FUEL CELLS AND HYDROGEN and INNOVATIVE MEDICINE INITIATIVE Joint Technology Initiatives Joint Undertakings

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1. INTRODUCTION

This report summarises the findings and main recommendations provided by the panels of independent experts who conducted the second interim evaluations of the following Joint Technology Initiatives (JTIs): Clean Sky; Fuel Cells and Hydrogen; and Innovative Medicines Initiative. It also presents the Commission's observations and highlights the areas in which follow-up actions should be planned. With this report, the Commission complies with the requirements under Article 11 of each Council Regulation establishing the above-mentioned Joint Technology Initiatives.[1]

Information on the three Independent Expert Groups (IEGs) that performed the evaluations and on the SWOT analysis (strengths, weaknesses, opportunities, and threats) run for each JTI is provided in the annexes. The annex also includes a full list of recommendations delivered by the IEGs. The full individual reports are published in the corresponding Joint Undertaking website.

2. BACKGROUND

The Seventh Framework Programme for Research and Technological Development (FP7) proposed the establishment of long-term public-private partnerships — as JTIs — to be implemented through Joint Undertakings (JUs) within the scope of Article 171 of the Treaty establishing the European Community (now Article 187 of the Treaty on the Functioning of the European Union) and defined specific criteria to identify them. A number of strategic technological areas were identified and Public Private Partnership (PPPs) between the European Commission and industry were set up. This Report focuses on the following PPPs:

- The **Clean Sky Joint Undertaking** (CS JU) is the PPP between the European Union (represented by the Commission) and the aeronautics industry. Its main objective is to develop environmentally friendly technologies — thereby contributing to the ACARE

[1] Clean Sky: Council Regulation (EC) No 71/2008; Fuel Cells and Hydrogen: Council Regulation (EC) No 521/2008; Innovative Medicines Initiative: Council Regulation (EC) No 73/2008.

2020 targets[2] to reduce emissions and noise in air transport in Europe — for all flying segments of commercial aviation.

In Clean Sky, the industry is represented by 12 industry leaders and currently 66 associated members. Alongside the members, there are more than 400 partners selected through open calls for proposals and working on specific tasks. All members and partners work together in a number of technology domains that have been integrated into six Integrated Technology Demonstrators (ITD) and a Technology Evaluator programme with the aim of assessing the performance of the technologies developed under Clean Sky.

- The **Fuel Cells and Hydrogen Joint Undertaking** (FCH JU) is the PPP between the European Union (represented by the Commission), the fuel cell and hydrogen industries (represented by the NEW-IG Industry Grouping), and the research community (represented by the N.ERGHY Research Grouping). Its main goal is to accelerate the introduction of fuel cells and hydrogen technologies into the market to fulfil their potential as an instrument in achieving a carbon-lean energy system.

- The **Innovative Medicines Initiative Joint Undertaking** (IMI JU) is the PPP between the European Union (represented by the Commission) and the European Federation of Pharmaceutical Industries and Associations (EFPIA). Its objectives are to build a more collaborative environment for pharmaceutical research and technological development (R&D) in Europe, and to develop more effective and safer medicines while increasing the competitiveness of the EU pharmaceutical sector.

Clean Sky has a budget of €1.6bn with a maximum EU contribution of €800m of which at least €200m is allocated to calls for proposals. By September 2013, 14 calls for proposals had been evaluated and a portfolio of projects was subsequently selected. At the time of the assessment, the project portfolio counts 349 projects for which grant agreements had been signed. The evaluation of the 15th call for proposals was ongoing and the 16th and final call was planned to be launched before the end of 2014.

Fuel Cells and Hydrogen has a maximum EU contribution for research activities of €470m. So far, six annual calls for proposals have been launched and a portfolio of projects was subsequently selected. Under the first five calls, approximately €380m was committed across 131 projects. Negotiations for the 71 projects submitted under the 2013 call for proposals, with a total indicative funding of about €68m, were still ongoing as this second interim evaluation was being carried out.

[2] ACARE targets (baseline 2000): (i) reduce fuel consumption and CO2 emissions by 50% per passenger kilometer; (ii) reduce NOx emissions by 80%; (iii) reduce perceived noise by 50% ; (iv) make substantial progress in reducing the environmental impact of the manufacture, maintenance and disposal of aircraft and related products

With regard to Innovative Medicines Initiative, a maximum € 1bn contribution was allocated from the FP7 budget. There have been 10 calls for proposals so far for an overall project portfolio of approximately 40 running projects. The 11th and final call was launched on 11 December 2013.

In accordance with the requirements of the Council Regulations establishing the JTI JUs, a first set of interim evaluations was carried out in 2010 and 2011. A second set, which is the subject of this report, was completed before the end of 2013. The Commission response to the first interim evaluation reports was included in its Partnering Communication.[3]

3. THE EVALUATION PROCESS

The second interim evaluations of the three Joint Undertakings were performed in parallel. Coordination of the evaluations was particularly important in view of the transition from FP7 to Horizon 2020 along with the ongoing process for the continuation of these initiatives.

The objective of this evaluation was to assess the effectiveness, efficiency and quality of the operations, both with regard to their operating bodies and their activities.

To this end, the Commission invited a number of independent experts to produce a report based on a review of evidence and interviews of selected stakeholders in each technological area. To ease the assessment of horizontal and common issues, one expert was common to the three Independent Expert Groups (IEGs).

After kick-off meetings in Brussels in March 2013, the evaluations ran for an average of five months. They were performed with a combination of work done remotely, conference calls, a number of meetings, and interviews with a wide range of stakeholders. In the case of Fuel Cells and Hydrogen, a web-based survey of project coordinators was also undertaken. For Clean Sky, there were several site visits to the companies and facilities within a selection of ITDs to assess the strategy and the work done in preparation of the demonstrators.

In addition, internal documents and information available online, including a set of EU policy documents, were analysed.

The reports from the IEGs were issued in July 2013 (Fuel Cells and Hydrogen), August 2013 (Innovative Medicines Initiative) and October 2013 (Clean Sky). This second round of interim evaluations supported, when relevant, the legislative process on the setting up the next generation of JTI JUs.

[3] See Commission Staff Working Paper SEC(2011) 1072 final and the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Partnering in Research and Innovation (SEC(2011) 1072).

4. SUMMARY OF THE EVALUATION RESULTS AND RECOMMENDATIONS

The overall conclusion of the IEG reports is that the Joint Undertakings have been successful in achieving their objectives, that they are relevant to the challenges of Horizon 2020 and they should be continued.

The second interim assessments show that the existing Joint Undertakings have successfully demonstrated the viability of the PPP concept for research in strategic technological areas. They have been effective in delivering on the main objectives and have been able to reinforce Europe's role in aeronautics, pharmaceutics and fuel cell and hydrogen R&D.

Looking ahead, the experts consider that some issues can be improved and have therefore made a series of recommendations to remove or reduce weaknesses identified in the current operations of each Joint Undertaking and to improve their effectiveness, efficiency and quality.

4.1. Clean Sky

The IEG concluded that the research undertaken in Clean Sky[4] is of high quality. Already, a number of demonstrators are running or have been tested. In many cases, the preliminary assessments of the environmental benefits confirm the capability of achieving the targets by the end of the programme.

4.1.1. Organisation of the Joint Undertaking and relations with stakeholders

Concerning organisation and efficiency in the use of resources, the report states that overall governance is efficient in programme management and in delivery of calls and projects. The IEG is convinced that Clean Sky has created an effective dialogue between industry, including SMEs, and the research and academic communities around a common strategic programme, and has successfully implemented it. However, the IEG considers that existing links with both SESAR[5] and ACARE[6] should be enhanced and that Clean Sky should have a better view about airlines, Air Navigation Services Providers (ANSPs) and other stakeholders.

In terms of running the Executive Office, the IEG found that there is still room for improvement in reducing administrative work, increasing organisational efficiency and enhancing internal and external communication. There has been, nonetheless, significant progress in speeding up processes and reaching higher operational efficiency. The report gives a recommendation for additional adjustments to further improve the efficiency of the Executive Office. Moreover, now that Clean Sky is well established, the balance of skills in project management needs to be improved.

[4] http://www.cleansky.eu/sites/default/files/news/clean_sky_-_2nd_interim_assessment.pdf.
[5] http://www.sesarju.eu/.
[6] http://www.acare4europe.org/.

4.1.2. Research Agenda implementation

Regarding technical progress, the report states that despite initial delays due to its slow start, Clean Sky shows satisfactory progress in meeting its set objectives and has a clear, open and non-discriminatory attitude towards a wide community of stakeholders. In particular, the strategy (i.e. methods, processes and tools) used — to launch and manage the calls for proposals, select the best proposals, promote participation of SMEs and increase the rate of new entries in the Joint Undertaking and calls for proposal — has proved to be effective.

The technical development of the demonstrators is also progressing satisfactorily. It is noted that by the end of Clean Sky, the demonstration programmes will provide evidence of the integration in practice of several technologies and indicate the potential benefits in a relevant operational environment.

4.2. Fuel Cells and Hydrogen

On Fuel Cells and Hydrogen,[7] the coupling of the long-term commitment by the EU and the stable funding provided through the instrument have allowed the Joint Undertaking to give confidence to the industry and support the sector in bridging the gap between research and deployment.

4.2.1. Organisation of the Joint Undertaking and relations with stakeholders

The IEG recognises that project management is efficient and appreciated by participants; nevertheless, it was recommended to reduce overheads. The FCH governance structure is seen as adequate, but with room for improvement, notably at the level of decision-making and cooperation with Member States. Lastly, the IEG also recommended that the Joint Undertaking improves in the area of communication.

4.2.2. Research Agenda implementation

Regarding technological progress, the evaluation found that developments resulting from the research conducted in Fuel Cells and Hydrogen have ensured market improvement (e.g. by reducing costs and improving performance and life span of components). The report highlights that demonstration projects, particularly in the transport sector, have strengthened knowledge and confidence. While the quality of the work performed is perceived as comparable to that performed under the rest of FP7, the impact on policy (a key to the success of fuel cells and hydrogen technologies) is perceived as limited, most probably because of the early stage of research activities (only a few projects have been finalised). Nonetheless, the experts recommend that the mechanisms and links between research and policy be revised and that communication with the Commission services in charge of policy development be improved. They also recommend that access to financing resources be facilitated to enable the

[7] http://www.fch-ju.eu/sites/default/files/2nd%20interim%20evaluation.pdf.

necessary large-scale demonstrations required for market take-up of these technologies. At the same time, there should still be room for breakthrough research activities.

4.3. Innovative Medicines Initiative

According to the IEG, the Innovative Medicines Initiative[8] has successfully demonstrated its effectiveness in reinforcing Europe's attractiveness for pharmaceutical R&D, in pooling resources and stimulating stronger engagement and involvement from various stakeholders, and stimulating new technologies and methodologies to accelerate medicines development. In particular, the evaluation reports on the high quality and scientific excellence of the projects.

4.3.1. Organisation of the Joint Undertaking and relations with stakeholders

In the process of assessing Innovative Medicines Initiative's efficiency, the IEG analysed the Key Performance Indicators (KPIs), the governance structure and processes, the communication strategies and the use of funding. One of the main conclusions is that the KPIs should be further developed to better measure and reflect Innovative Medicines Initiative's overall objectives. There is also a need for the long-term strategy to better evaluate the general impact of IMI on the biopharma industry, the healthcare system and the European economy.

Furthermore, the report points out that the communication strategy needs further development to reach different groups with a targeted message. This would address the lack of visibility of IMI among specific groups within the scientific community.

Although the IEG considered significant progress had been made to improve the functioning of the Executive Office, there are still a number of organisational and human resources issues that can be improved.

4.3.2. Research Agenda implementation

Regarding the implementation of research and development activities, the IEG noted that there are still misconceptions on intellectual property matters, although the perception of the problem varies significantly among stakeholders. The IEG appreciated the efforts made to explore a new funding mechanism, e.g. through the calls for proposals for exploitation of new scientific opportunities (ENSO), which have delivered beyond expectations.

4.4. SWOT ANALYSIS

To place the evaluation in a broader context and to help draw conclusions, the IEG experts performed SWOT analyses of the JTI Joint Undertakings. From the individual strengths, weaknesses, opportunities and threats, a number of common features, in particular regarding strengths and weaknesses, have been detected. This analysis is robust, since it explicitly

[8] http://www.imi.europa.eu/sites/default/files/uploads/documents/Governance/2ndInterimEvaluationIMI.pdf.

covers three of the five JTI joint undertakings set up under FP7. The report from the Commission on the second round of interim evaluations for the other two JTI joint undertakings under the responsibility of DG Communications Networks, Content and Technology has already been published[9] and the conclusions are in line with those presented here.

In general, the strengths in current JTI JUs confirm that PPPs are a successful cooperation model to address non-competitive challenges in specific technologies. JTIs are a valid instrument to achieve agreement on strategic research agendas and potentially more efficient use of research budgets. Another strength is the capability to create and maintain strong communities across industry, research organisations and academia by widening the network of stakeholders involved, creating a critical mass of expertise to address the most complex problems and delivering high-quality scientific output. The mobilisation of resources and the growth of synergies have also proven to be an asset.

Clean Sky has put in place an effective governance structure and proactive participation of advisory bodies; Fuel Cells and Hydrogen and Innovative Medicines Initiative should reinforce these aspects.

As to the weaknesses, the analysis highlights that the balance between scientific and administrative staff in the Executive Offices of the Joint Undertakings can still be improved. However, this has to be considered in the broader context of the concept of the JTI joint undertakings: these are, by design, small bodies that have to provide a full range of services in support of research and demonstration activities. This has an impact on the possibility to improve the balance between administrative and scientific tasks and to rebalance staff skills internally.

In this respect, the Commission's proposed Council Regulations[10] include measures to help the Joint Undertakings to rationalise some administrative tasks and to benefit further from the common services offered to the whole family of bodies implementing Horizon 2020.

Moreover, the IEGs commented on the lower participation of certain categories of stakeholders (i.e. SMEs, EFPIA companies) and the measures to be taken to broaden the scope of the initiatives. The current level of coordination with regional, national and international initiatives and policies is seen as limited and should be improved. These observations on participation and coordination on different levels of intervention and policies are quite specific to JTIs; the monitoring of improvements, however, is in the remit of the Commission.

[9] COM(2013) 830.

[10] COM/2013/0496 Bio-Based Industries; COM/2013/0505 Clean Sky 2; COM/2013/0506 Fuel Cells and Hydrogen (FCH) 2; COM/2013/0501 Electronic Components and Systems for European Leadership (ECSEL) COM/2013/0495 Innovative Medicines Initiative (IMI) 2.

Where relevant, the set of KPIs established in each JTI JU has been considered insufficiently mature, limiting the possibility of demonstrating both the broader socio-economic and environmental impact and the achievements towards objectives at programme level. This latter factor may in particular threaten the political support for the, JTI Joint Undertakings.

Finally, the common threat identified is the potential rising of a negative perception on JTI Joint Undertakings among major stakeholders.

5. COMMISSION RESPONSE TO THE IEG REPORTS

The Commission welcomes the IEGs conclusions that the Joint Undertaking is an appropriate setting to implement research and demonstration in specific important sectors and that it should be continued. The Commission is committed follow up on the recommendations addressed to it and to work together with other stakeholders and bodies on the recommendations addressed to them. Generally, the Commission agrees with the IEG assessments and conclusions and with most of the specific recommendations. Many of the recommendations have already been addressed in the Commission's proposals for JTI Joint Undertakings under Horizon 2020.

5.1. Clean Sky

The Commission notes the IEG conclusion that, despite the slow start, Clean Sky has accelerated its activities and is now running at full speed. Even though not all delays have been fully recovered, all planned implementation will be achieved. The Commission acknowledges the IEG position and is reassured that Clean Sky is in line with the achievement of its objectives.

5.1.1. Recommendations on organisation and efficiency

5.1.1.1. Appropriateness of the Joint Undertaking internal rules and funding

In general, the Commission acknowledges the IEG opinion that the decision-making process should be accelerated, but at the same time underlines that the streamlining process should be undertaken within the bounds of Rules for Participation and the Financial Regulation, thus maintaining control and allowing total transparency on the use of public funds.

5.1.1.2. Efficiency of the Executive Office organisation and procedures, including monitoring

The Commission agrees that extending the Joint Undertakings is an opportunity to streamline their use of administrative and technical resources. It is however important to note that this rationalisation process is to be seen and carried out in the wider context of the implementation of Horizon 2020 under which the JUs are means to achieve the objectives set by the legislator.

5.1.1.3. Efficiency of communication

The Commission agrees that communication should become a central channel of the Joint Undertaking internal and external synergies. It is determined to provide its support in the achievement of that goal. It is important to step up effective communication activities and target the general public, sectoral representatives, decision-makers and international communities. The Commission agrees with the IEG that very good results have been achieved so far and that the current status is an important starting point for further improvements in communication. Besides, the Commission agrees that links between SESAR JU and Clean Sky should be strengthened and it is ready to work with both Joint Undertakings to improve the communication and reinforce synergies and complementarities.
The Commission is also committed to work closely with Clean Sky and all stakeholders including Member of the National State Representative Group in order to raise global awareness and visibility of Clean Sky 2.

5.1.1.4. Quality of calls for proposals

The IEG recognises that the call for proposals procedure and implementation have been effective and commensurate to the role of partners in the Clean Sky technical programme. The Commission agrees that this approach should continue and the calls process should remain an important contributor to reaching the specific objectives in the even more ambitious Clean Sky 2. The IEG considers that further work should be done in systematically reviewing the technical content of calls and the Commission is prepared to contribute to achieving this goal.

5.1.2. Recommendations on progress and effectiveness

5.1.2.1. Overall progress and effectiveness

The Commission agrees with the IEG conclusion that Clean Sky 2 should become the focal point of a pan-European demonstrator-based innovation programme in aeronautics. Capitalising on the successful implementation of Clean Sky in FP7 is necessary when striving to meet environmental and competitiveness targets. The Commission highlights that such environmental targets and progress in meeting them have to be aligned to other initiatives that support its environmental policy.

The Commission notes that the IEG reported that the strategy and preparation of the final demonstrator phase, including flight tests, has been exemplary. At the same time, the IEG pointed to the need for a more intensive correlation between Clean Sky objectives and the overall objectives of the aeronautics sector as set out in the European Technology Platform ACARE. The Commission shares the IEG position and will explore the possibility to develop further a methodology to assess the progress towards ACARE goals.

5.1.2.2. Site visits

The IEG acknowledges that site visits have provided first-hand experience of the progress made by Clean Sky and of how the results obtained have met the specific objectives. The Commission accepts the IEG position and recommendation to ensure that site visits are contemplated in future assessments.

5.1.2.3. Technology Evaluator and policy needs

The Commission notes the current horizon of the Technology Evaluator, which is geared to technological assessments. The Commission would welcome widening the scope of the Technology Evaluator tools development.

5.2. Fuel Cells and Hydrogen

5.2.1. Recommendations on organisation and efficiency

5.2.1.1. Governance and stakeholder engagement

The Commission agrees that decision-making procedures should be as swift as possible, but underlines that proper deadlines should be ensured in the organisation and preparation of Governing Board (GB) meetings. It should be noted that the Commission vote in the GB is indivisible, and that sufficient time should be allowed for it to run its inter-service consultation process to reach an agreement across all services involved. The current deadlines for provision of documents for Governing Board meetings and responding to written procedures respect this need.

The EU will, as a member of the Governing Board, monitor the proper allocation of resources, the continuous commitment from members and the efficient application of procedures. The authority of the Executive Director is limited in matters where the Commission has a veto right (generally matters of public spending) and which should therefore remain for the GB to decide. The Commission supports the proposal to reinforce the role of and to improve the flow of information with the States Representatives Group.

5.2.1.2. Administrative design and management

The Commission's proposed Regulation for Fuel Cells and Hydrogen 2 includes the possibility of sharing a set of administrative functions. Given the autonomous nature of the Joint Undertakings, however, it would not be possible for the Commission to re-claim the functions as proposed by the IEG. The Commission is willing to explore options on how industry expenditure can be monitored, where this is compatible with the overall simplification approach enshrined in Horizon 2020.

5.2.2. Recommendations on progress and effectiveness

On the subject of funding, the Commission agrees with the proposed measures. The new proposed Regulation for Fuel Cells and Hydrogen 2 provides that the JU will indeed have access to the guarantee fund, which implies that the participation of SMEs will be facilitated.

As regards work programmes, a new effort to improve synergies and interactions with other relevant areas will be undertaken. Actions have already been taken to maximise alignment between work programmes, both concerning the first calls under Horizon 2020 and the activities of the European Green Vehicles Initiative.

The Commission is willing to explore how to streamline interactions between its services in charge of policy definition and the JU in order to guarantee that the activities of the JU are more relevant to the policy areas. It will also ensure that scientific evidence is consistently incorporated in transport and energy policy areas.

The ERA-NET scheme[11] and the European Energy Research Alliance (EERA) Joint Programme on Fuel Cells and Hydrogen may be considered as appropriate instruments to coordinate and integrate national and regional activities in this field, and might be effective partners for the Fuel Cells and Hydrogen joint undertaking.

The Commission will investigate the possibility to include hydrogen infrastructures in the new National Strategic Reference Framework (NSRF) for Structural Funds.

[11] The ERA-NET scheme is intended to step up the cooperation and coordination of research activities carried out at national or regional level in the Member States and Associated States. http://ec.europa.eu/research/era/era-net-in-horizon-2020_en.html

5.3. Innovative Medicines Initiative

5.3.1. Recommendations on organisation and efficiency

5.3.1.1. Organisational structure and funding mechanisms

The Commission acknowledges the IEG recommendations for further improvements in the organisational structure of the Innovative Medicines Initiative Executive Office to ensure a suitable balance between administrative and scientific staff. Moreover, IMI should identify possible skills or competency gaps in the office with a view to improvements. The IEG recommends that Innovative Medicines Initiative should examine whether some administrative and horizontal functions can be shared with other Joint Undertakings, knowing that such an approach has already been taken up in the Commission proposal for Innovative Medicines Initiative 2. The Commission supports the recommendation to continue planning and designing new funding mechanisms to ensure the sustainability of current and future projects, whenever appropriate and aligned with Horizon 2020 rules.

5.3.1.2. Governance and engagement of industrial stakeholders

The IEG encouraged the Commission to avail itself of the opportunity to use a cross-comparison to identify areas of best practice for the operational functions of the State Representatives Group and the scientific committee in the Joint Undertakings. The Commission welcomes this recommendation and encourages the sharing of good practices, in particular on matters related to governance and the role of the advisory bodies.

The IEG also observed that IMI projects could benefit from the participation of medium-sized pharmaceutical companies that are too big to be SMEs but are not EFPIA members. It was suggested that the JU should find the way to engage such companies in future projects. The Commission supports this observation, and has addressed this in its proposal for Innovative Medicines Initiative 2 under Horizon 2020. This includes the opening up of the partnership to companies beyond EFPIA associates and SMEs, explicitly including medium-sized companies.

The Commission takes note that the IEG suggested to use the possibility to include non-EU in-kind contributions as part of the total in-kind contribution. It also notes that — to stimulate broader engagement of industry in Innovative Medicines Initiative — EFPIA has been recommended to follow up the suggestion.

5.3.1.3. Communication strategy and awareness raising

The Commission agrees that the Innovative Medicines Initiative Governing Board should make all possible efforts to finalise and implement the newly developed communication strategy, which would be linked to the IMI vision and its long-term policy framework. It will help to demonstrate the value of Innovative Medicines Initiative to stakeholders and beyond and subsequently attract both more involvement and more investment.

The Commission acknowledges EFPIA's agreement to further develop targeted communication to a wide range of stakeholders, including the general public, patient organisations, and regulators. Shifting the focus from inputs and processes to outputs and impacts — to demonstrate the importance of Innovative Medicines Initiative's work — is essential. This will also further increase IMI's visibility, positively boost the Joint Undertaking's image and generate public support.

The IEG recommended engaging members of the States Representatives Group to act as IMI ambassadors in their respective countries to enhance support and participation in future calls.

The Governing Board has already taken action by requesting that IMI 'scientific ambassadors' be identified and appointed in each country. They should be found among high-level key researchers who participate in IMI projects or who have a deep knowledge of its scientific activities. Their role would be to enhance awareness and achievements at national and regional level. A draft list of potential candidates selected from Innovative Medicines Initiative projects and former members of the Scientific Committee has been drafted.

The Commission appreciates the efforts made so far in involving SMEs and these should be continued. The Commission supports the IEG suggestions on targeted communication and messages concerning Intellectual Property policy issues and examples of SMEs that have benefited from participating in IMI projects.

5.3.2. Recommendations on progress and effectiveness

5.3.2.1. Key Performance Indicators (KPIs)

The Commission agrees that the KPIs need further sharpening, in line with the general approach that is set by the legislator for Horizon 2020. It is clear that the long-term strategy and the KPIs are needed to quantify the return on investment and to assess the value for money and opportunity cost of IMI. The Commission advocates that the aggregated KPIs should be monitored regularly and communicated broadly beyond the usual scientific and research communities.

5.3.2.2. Data and information availability

The IEG recommended that the Commission, together with EFPIA, should help to provide the information and baseline figures needed to develop aggregated KPIs. Overall, the Commission agrees with the IEG, but it also advocates a better mutual exchange of data for the benefit of policymaking within the Commission services.

6. CONCLUSIONS

The Commission acknowledges the thorough and in-depth work carried out by the IEGs in undertaking the second interim evaluation of the Clean Sky, Fuel Cells and Hydrogen and Innovative Medicines Initiative Joint Undertakings. In particular, it acknowledges the effort made by the IEGs to provide a cross-comparison of procedures in the three Joint Undertakings and — in the case of Clean Sky — to endure a heavy schedule of site visits to assess achievements at demonstrators' level. It also notes that the IEGs recognised the validity of the PPP approach implemented through Article 187 initiatives and expressed positive views about the future prospects for Joint Undertakings under Horizon 2020. The Commission notes the satisfactory and effective consistency of views in the two interim assessments to date and acknowledges the IEGs' recognition that most recommendations from the first interim evaluations in 2010 and 2011 have been implemented successfully.

The IEG recommendations are considered valuable for removing or at least reducing the weaknesses identified in the current Joint Undertaking operations. They are being taken into account, insofar as the legislative process allows, in establishing JTI joint undertakings under Horizon 2020 (i.e. Clean Sky 2, Fuel Cells and Hydrogen 2 and Innovative Medicines Initiative 2).

The Commission undertakes to implement corrective measures when appropriate and within its powers of intervention. It also commits to continue working together with other joint undertaking stakeholders and bodies to address the recommendations appropriately.

Finally, the Commission recalls that implementing the recommendations addressed to the next generation of joint undertakings requires the adoption of new Council Regulations. Since 10 July 2013, when the Commission presented its proposed Regulations, the processes for continuing Clean Sky, Fuel Cells and Hydrogen and Innovative Medicines Initiative under Horizon 2020 are fully underway.