

Danish Position Paper on the future EU Framework Programme for research and innovation (FP10)

Research and innovation (R&I) are prerequisites for prosperity and job-creation - as well as solving current and future global challenges. The changed geopolitical situation has made the need for R&I even more eminent in order for the EU to enhance its strategic autonomy. EU global leadership in e.g. green transition, life science, digitalisation and emerging technologies requires an ambitious Framework Programme for R&I, building on Europe's excellent science and innovation base. Therefore, R&I is expected to be one of the key priorities in a modernised EU budget.

The main added value of the EU Framework Programme for R&I is to achieve what no Member State can achieve alone. This entails transnational cooperation and competition, large-scale grants for Europe's best consortia and mono-beneficiaries, risk-sharing, enhanced mobility, alignment of national and European funding to enhance collective impact, strategic directionality, a simple set of rules and principles for the majority of R&I-projects and agile, essential R&I-support in times of crises.

Without pre-empting the future MFF negotiations, the 10th Framework Programme for Research and Innovation (FP10) should be based on the successes of previous Framework Programmes whereas unsuccessful elements should be discontinued or adjusted.

This position paper highlights the main principles and issues to be addressed in order to achieve an ambitious FP10.

Key messages

1. Ensuring that FP10 is based on the principle of excellence and competitiveness, and rethinking the approach to widening participation

We stand firmly behind the principle of excellence in FP10 and the competitive nature of calls. Excellence is key if European R&I is to continue to deliver essential contributions and solutions both in the short, medium and long term.

We propose to apply a new approach to widening national participation in FP10 through a separate EU scheme for R&I capacity building, policy support and training to better link European and national efforts in building strong R&I ecosystems.

We believe international cooperation on R&I is essential in order to boost R&I leadership and competitiveness in the Union, while adhering to the guiding principle 'as open as possible, as closed as necessary'.

2. Ensuring a proper balance between predictability and flexibility in FP10 in order to safeguard R&I, while at the same time being able to support new EU initiatives during the programming period

We find it as important as ever to ensure that unforeseen, exceptional circumstances or new policy initiatives are implemented through a well-coordinated, transparent and timely procedure involving Member States and based on thorough impact analyses. FP10 should be able to encompass this. A better balance than in Horizon Europe has to be found. We suggest to wait producing a first Strategic Plan for FP10 until two years after the launch of FP10 for the sake of enhancing the balance between predictability and flexibility and optimising the impact of resources.

Funding for the European Research Council, Marie Skłodowska-Curie Actions, which have demonstrated clear results over the years should remain predictable during FP10 as they nourish future knowledge and innovation. The predictability in funding for these essential programmes could be found by halving the number of partnerships.

Furthermore, if our EU missions are to succeed they should be lifted out of the Framework Programme and be (re)launched as proper EU missions, not as R&I missions, as the current governance model has not proved efficient.

3. Enhancing clear structures and simplified rules for participation in FP10 and streamlining the landscape of EU programmes supporting R&I

We believe that FP10 should stimulate synergies, but at the same time avoid duplication of efforts and funding. A greater simplification would encourage and support improved participation. It is especially important to reconsider and simplify the EU innovation support landscape, as it has become overly complex. In FP10, the European Innovation Council (EIC) must be continued and improved. At the same time the European Institute of Innovation & Technology (EIT) should be discontinued, while providing a plan for reaching self-sustainability for well-functioning EIT-partnerships (KICs).

In general, the balance between Research and Innovation Actions (RIA) and more Innovation Actions (IA) should be reversed to reclaim an appropriate balance. Research remains a precondition for innovation.

We propose to keep FP10's pillar structure comparable to Horizon Europe's, but at the same time use the opportunity to rethink each part in order to fine-tune and simplify the Framework Programme. Our goal should be an attractive, simple FP10 that facilitates the broadest possible scope of applicants, not least Small and Medium Sized Companies.

We find that synergies between EU programmes should be better exploited and promoted under the FP10, without diluting the purpose of the individual programmes.

The abovementioned key messages are elaborated in the following annex.

Summary of Position Paper

- A continued focus on **excellence** is essential.
- **A new approach to widening** through a separate EU scheme for R&I capacity-building, policy-support and -training should be applied.
- FP10 should stay **as open to the world as possible and closed** when necessary.
- **Wait to produce a first Strategic Plan for FP10** until two years into FP10 (in 2030) and update it after two years (2032).
- **Retain the three-pillar structure** with cross-cutting areas, but fine-tune it.
- **Continue and strengthen** the budget of The European Research Council (ERC) and Marie Skłodowska-Curie Actions (MSCA).
- **Reclaim an appropriate balance** between Research and Innovation Actions (RIA) and Innovation Actions (IA).
- **Reduce and rationalise** the number of partnerships.
- **Lift missions out** of the Framework Programme and (re)launch them as proper EU missions.
- Innovative Europe: **Merge and streamline EU programmes** to focus on added value and higher synergy than among separate programmes.
- **The EIT should be discontinued**, while providing a plan for reaching self-sustainability for well-functioning EIT-partnerships (KICs).
- Introduce **Research Infrastructures and Technology Infrastructures as a cross-cutting issue** in FP10 to ensure synergies across all pillars.
- **Further reduce the administrative burden** for participants with simplified rules for participation.

Annex

Excellence – and bridging the R&I divide

Excellence as the main evaluation criterion means selecting projects for funding based on open competition among the best applicants – wherever they are from and whoever they are.

Continuing and expanding the success of the EU Framework Programme, FP10 must be based on the principle of excellence as a foundation for evaluating all FP10 applications in free competition for funding. It will undermine not only the quality of R&I results funded by the FP10, but also – and importantly – the attractiveness of FP10 in the eyes of Europe’s best researchers and innovators if the principle of excellence is diluted. A stringent definition of excellence should be included in the legislative act of FP10.

Wider participation of researchers and innovators from all of the EU in excellent R&I is vital. It is fundamentally the responsibility of each Member State to ensure sound and well-funded national ecosystems, which is a de-facto prerequisite for participation in the Framework Programme.

The current widening-measures are not optimal in terms of added value measured as widened participation. Expanding the existing measures within FP10 would arguably not enhance the added value sufficiently. We propose to alter the current approach and consider a separate EU scheme for widening countries for R&I capacity building, policy support and training, e.g. using cohesion funds.

International cooperation

Association of third countries to the Framework Programme is the best way to support international R&I-cooperation. FP10 should be open to collaboration with excellent partners from non-associated third countries. Changes in the geopolitical situation and the needs for strategic autonomy underline the need to apply FP10 for international collaboration wisely, but should not result in closing off the Framework Programme to international R&I cooperation with partners that share the values and principles of the EU. Global collaboration remains a prerequisite for solving global challenges. Threats to our safety, security and strategic autonomy must be met by calculating risks topic-by-topic and deciding on whether or not to limit non-EU participation. The approach to international cooperation “as open as possible, as closed as necessary”, as agreed upon by the Council should still apply.

Predictability and flexibility

The European Research Area is dependent on long-term planning and predictable framework conditions in order to succeed, thrive and fulfil our ultimate goal of being a global research and innovation leader. The Framework Programme for R&I should rest firmly on sound legislative acts in terms of its intended purpose, structure, eligibility criteria, and budgetary commitments to the individual parts of the programme. However, even the best-laid plans are subject to unforeseen crises. The Union must be able to react to new and imminent challenges. The Framework Programme must be – and is – adaptable throughout its 7-year period. When unforeseen, exceptional circumstances occur or major new policy initiatives are launched, ad-hoc redirection of funding from the Framework Programme to other EU

initiatives should be based on a well-coordinated procedure involving Member States through Council and comitology, impact analyses and should only be applied for R&I-activities. It must remain a principle that funding from the Framework Programme cannot support capacity-building activities such as the building of pilot lines and production facilities. Also, where at all possible, such new strategic R&I activities should be supported within FP10 instead of launching new, separate programmes to avoid mushrooming and to maintain a clear overview in the eyes of applicants.

With Horizon Europe, the concept of a Strategic Plan was introduced. The plan has proven to be a useful communicative tool, but it has not sufficiently helped reach its purpose of ensuring an appropriate balance between predictability and flexibility. New EU policy initiatives during the programming period have been financed with Horizon Europe budget without these decisions being anticipated in the Strategic Plan, and in certain cases without proper involvement of relevant Programme Committees, often with insufficient impact analyses and not always for R&I purposes.

Also, due to timing issues of the legislative process, the first biannual Work Programmes were in fact formulated *before* the Strategic Plan for the first period was complete.

Therefore, in order to enhance the added value of our collective resources, we suggest:

- To apply the legislative act (Specific Programme) as the strategic starting point for the first biannual FP10 Work Programme.
- To wait producing a first Strategic Plan for FP10 until two years after the launch of FP10 (in 2030).
- To update the Strategic Plan again after two years (in 2032).

Such a time frame would help ensure a better balance between predictability and that flexibility by providing improved adaptability for unforeseen crises in the first years following the launch of FP10. Also, it would provide higher impact of resources by not having to formulate a first Strategic Plan that for timing issues cannot be the starting point for the first Work Programme.

Enhancing the Framework Programme's added value and attractiveness

Horizon Europe may be complex, but many parts are familiar to R&I actors across Europe. Making sure FP10's structure is generally comparable to Horizon Europe's will arguably help attract stakeholders to FP10.

However, with FP10 we must use the opportunity to rethink each part of the current Framework Programme and address the low success rates, which may be discouraging for applicants. FP10 has to be more effective, more approachable, and more user-friendly than Horizon Europe in order to attract the best applicants. We must dare to recalibrate and end the elements that do not yield sufficient added value and impact. The pillar-based design is useful, but the current headings are confusing and overlapping in terms of types of programmes and purpose should be reworked, using the perspective of first-time participants as a starting point.

Open research and mobility

FP10 must continue the decades of successful investment in top research talent and curiosity-driven research in Europe with a focus on open research and mobility. Stimulating talent and curiosity-driven research is a necessary long-term investment in being able to solve the challenges of the future. The components supporting the stimulation of talents and fundamental research must be strengthened in the next Framework Programme.

The European Research Council (ERC) is the crown jewel of the Framework Programme and with a massive impact in terms of scientific discovery, and fundamental reason for EU's brand as a top research destination. ERC supports healthy competition among the absolute top researchers, delivering outstanding results via solid grants. The Framework Programme's success also rests on the constant stimulation of young researchers and talent in the Marie Skłodowska-Curie Actions (MSCA).

The ERC and MSCA should continue and be strengthened in terms of budget as the main tools in this context – preferably making up a new pillar 1: “Open research and mobility” for mono-beneficiaries, while remaining 100 % open and competitive.

Challenge-based R&I

Activities for strategic research and innovation must be better suited to promote and support the cross-disciplinary nature of modern R&I projects and to counter silo-thinking among governing bodies. We need a grand challenges-approach instead of the current thematic clusters”.

Social Sciences and Humanities (SSH) play a pivotal role in tackling societal challenges as well as in developing and transforming new technologies into practical solutions for the benefit of citizens, thereby forming the basis for high impact. Rather than making sure SSH-elements are “flagged” they should be thoroughly integrated across all strategic calls.

The current trend towards fewer Research and Innovation Actions (RIA) and more Innovation Actions (IA) should be reversed to reclaim an appropriate balance, including more RIAs at low TRL-levels, while improving - or substituting - the currently applied scale to better reflect R&I realities. The Framework Programme must maintain the research proponent, as the fundamental starting point for competitiveness and innovation, which is threatened by the current shift in balance.

Also, the amount of smaller collaborative projects should be increased in FP10 to attract newcomers and enhance the success rates.

Partnerships

There is in particular a need to rethink and limit the number of partnerships under the Framework Programme. The reduction of the number of partnerships from Horizon 2020 to Horizon Europe has not been sufficient. There is a need for fewer, stronger, thematically clearer partnerships of broad EU interest, where enhanced national and EU alignment is deemed absolutely necessary.

The process behind the selection of partnerships, each of them an R&I programme in its own right, is not transparent. Both in terms of the continuation of old partnerships and when proposing new partnerships. The evaluation criteria are too broad, and too many partnerships still overlap. Technically, the partnership instruments remain overly complicated and there is still significant derogation from common rules, as well as severe implementation problems. Smaller administrations do not have the resources needed to coordinate national participation. The budget proportion to partnerships should be significantly reduced in comparison with Horizon Europe so as to push for a much more limited number of partnerships and to enhance the budget available for RIA and IA “classic”.

Missions

We are of the opinion that the Horizon Europe missions do not have adequate R&I-content – and that they cannot be realised solely as R&I-missions without more fundamental buy in from across DGs and national ministries. We continue to fully support the mission areas, but for missions to succeed, they should be (re)launched as proper EU missions with their own legislative acts independent from FP10, combining R&I resources from FP10 with other funding from relevant programmes to support all the necessary activities outside the R&I domain.

Knowledge valorisation and entrepreneurship

Knowledge-based innovation is key for European competitiveness, and innovation support should remain a key ingredient in FP10. We need to focus on knowledge driven innovation – knowledge valorisation – and help foster entrepreneurship and tech transfer.

The main part of European Innovation Council (EIC) support should be for excellent, open projects. Any strategic challenges should replicate the challenges of other main components of the programme to ensure a clear bridge between the production and use of knowledge and a leaner process.

FP10 should continue the successful EIC Pathfinder programme.

FP10 should support innovation among the most promising mono-beneficiaries with blended finance via a continuation of the EIC, pending an efficient solution to the legal issues facing the EIC Accelerator. While the EIC Accelerator has faced many difficulties in the implementation, it does provide EU added value through addressing the effects of a lacking and fragmented Venture Capital market in Europe.

The current Plug-In Accelerator scheme for national projects could be discontinued, as it has proven difficult and disproportionately costly to manage, and the results do not carry sufficient added value.

We are of the persuasion that the time has come to discontinue a separate European Institute of Innovation and Technology (EIT) and to help prepare the existing EIT-KICs for transforming into truly, financial sustainable, independent entities. This is based on close consultation with stakeholders that find it increasingly difficult to identify added value and have chosen to opt out of this instrument. Also, the KIC’s, institutional partnerships now also contain education elements clearly overlapping with Erasmus+ yet being funded by Horizon Europe, and certain EIC projects overlap with EIT-KICs,

which counters impact. Outfacing the EIT would constitute a major streamlining initiative by the EU - and the EIT-budget could strengthen the EIC. A plan should be launched for how to reach the goal of self-sustainability for well-functioning EIT-partnerships (KICs).

The current naming of pillars is confusing as it suggests innovation is limited to pillar III, which is not the case, seeing as transnational Research and Innovation Actions (RIA) and Innovation Actions (IA) are supported in pillar II. The naming of main components in FP10 should reflect this.

Cross-cutting components

Support to Research Infrastructures and Technology Infrastructures should be revised, expanded and categorised as a cross-cutting issue in FP10 to ensure synergies across all pillars (from cutting-edge research, to development and test of innovations and quick market uptake). Investment in Technology Infrastructures should have a strong coupling to the recommendations of the ERA Industrial Technology Roadmaps to ensure effective technology development and adoption by the industry.

The programme related to improving the European Research Area could be maintained as a cross-cutting programme in its own right combined with the European Innovation Ecosystems activities (pending evaluation), as this programme tends to overlap significantly with ERA activities.

Simplification of rules and streamlining the EU's R&I-landscape

Simple is difficult. We need practices that ensure accountability and transparency without reducing the attractiveness of the Framework Programme as a consequence of heavy administrative burdens. A narrative of EU bureaucracy persists, supported by testimonies from stakeholders who believe the promises of simplification have not been upheld. Certain contradictions face applicants such as a limit on page numbers in applications while increasing the number of requirements that applicants need to demonstrate their fulfilment of.

The Framework Programme is by definition wide-ranging and requires a number of implementation tools to cater for all the issues they set out to address. This can create a dichotomy between creating an unwieldy, overly complicated and sometimes even self-contradicting programme versus a programme that is too inflexible for its own good.

With the current programming period, the idea of one Corporate Approach across EU programmes was implemented. But the ideal solution is yet to be found. The approach has proven highly inflexible, in practice making it difficult to realise the promise of a simple, agile and logical Model Grant Agreement.

From a holistic user-perspective – as well as from that of national authorities, the landscape of EU innovation support schemes has become chaotic. There has been a tendency of “mushrooming” to support new EU policy initiatives – and without sufficient consideration of the point of view of applicants (as well as national contact points).

We urge the Commission as a whole, for the next programming period, to consider merging as many existing centrally governed R&I schemes with FP10, as *the* innovation programme in Europe. This would ensure higher synergy than among separate programmes (both in terms of funding streams and in terms of coordination among relevant DGs and ministries), greater simplicity for applicants (one set of rules instead of several different ones) and higher impact (reduction of separate governance regimes).