

European Partnerships

#HorizonEU



European Partnerships - Points to be covered

- a) Implementation and funding modalities
- b) Question received from delegations
- c) Status of preparation and next steps

Co-programmed European Partnerships (I)

- Most relevant current types of actions: Contractual PPPs;
- Based on a roadmap / Strategic Research and Innovation Agenda, agreed with the Commission Services;
→ need to be specific about objectives, expected impacts and milestones
- Union contribution is implemented via the Horizon Europe Work programmes (comitology);
- Partners provide input on the drafting of the respective parts of the Work programme, and apply to the open calls for proposals;
- Partners implement their commitments (activities/contributions, investments) under their responsibility;
- Partners activities to be described in Annual Work Programmes;
- Templates for contractual arrangement / memoranda of understanding will be developed;
- These will need to specify objectives, key performance and impact indicators, and outputs to be delivered, as well as the related commitments for financial and/or in-kind contributions of the partners.

Co-programmed European Partnerships (II)

Previously

- Used for partnerships with industry;
- Contractual arrangements signed with the association representing the private partners;
- Association provides back-office with important functionalities.

Under Horizon Europe, in addition

- Possibility to use co-programmed Partnerships with Member States, or with Member States and private partners;
- Supported by Coordination and Support Actions for the preparation and implementation of MS activities (back-office);
- Assumption: dedicated arrangements by type of partner (Private, MS) but based on a common approach;
- **Proposal for co-programmed Partnerships with MS: Signature of Memoranda of Understanding between MS representatives (appropriate level) and Commissioner.**

Co-funded European Partnerships (I)

- Most relevant current types of actions: EJP Cofund, ERA-NET Cofund;
- Broad range of activities that can be implemented;
- Funding rate: 30%, in justified cases up to 70%, based on Horizon Europe eligible costs, including financial support to third parties, Consideration can be e.g.:
 - Main element financial support to third parties: lower reimbursement rate, possible premium for stronger integration/common rules;
 - Main element activities directly implemented by beneficiaries: higher reimbursement rate;
- Based on a call for proposals in the WP, grant agreement, 5-7 years duration;
- Core partners: programme owners/managers (nominated), others in addition;
- Implementation based on annual work programmes;
- Calls under Co-funded European Partnerships: implemented on the basis of rules agreed by the partners (e.g. national funding rules, including costs);
- Important: define for each co-funded ex-ante what types of partners are needed to form the partnerships (consortium), and which ones will provide input, or be addressed/ involved by the activities implemented (third parties).

Definition programme co-fund action

“programme co-funding action’ means an action to provide **multi-annual co-funding** to a programme of activities established and/or implemented by **entities managing and/or funding research and innovation programmes**, other than Union funding bodies. Such a programme of activities may support networking and coordination, research, innovation, pilot actions, and innovation and market deployment actions, training and mobility actions, awareness raising and communication, dissemination and exploitation, any relevant financial support, such as grants, prizes, procurement, as well as Horizon Europe blended finance or a combination thereof. **The programme co-fund action may be implemented by those entities directly or by third parties on their behalf.**”

Co-funded European Partnerships (II)

Which models can be used?

- 1. Research and Innovation activities addressed by calls for proposals**
 - Core partners are national research funding organisations;
 - Main component as under today's ERA-NETs is the "Financial support to third parties" → **financial contributions**;
 - Possibility to have some call topics with, and others without co-funding.
- 2. Research and Innovation activities directly implemented by the beneficiaries in the Grant Agreement**
 - Core partners are governmental (research) organisations (example: EJP Zoonoses, EJP Human Biomonitoring);
 - Main component are activities carried out by the beneficiaries; → **in-kind contributions**
 - In case of R&I activities, good practice: internal competitive calls;
 - Possibility to have some calls opening up to external expertise.
- 3. Hybrid approach, involving research funders and governmental (research) organisations as core partners**
 - more complex to prepare and implement (example: EJP Rare Diseases).

Programme co-fund actions: Beneficiary vs. Third Party

Principle: Beneficiaries in an action cannot be at the same time a third party to the action (Financial Regulation).

Horizon 2020: exception was created ex-post for running actions to allow that a beneficiary (research funder) could provide financial support (grant) to another beneficiary in the same action (research performer) and declare the costs of funding as eligible costs as “financial support to third parties”.

Horizon Europe:

- No general exception;
- Research funders and other organization can be in the same consortium;
- Research funders can, if necessary, provide financial support to other beneficiaries (attention: need to avoid risk of perception of conflict of interest);
- But: in this case costs of funding cannot be declared as financial support to third parties;
- Alternatives: national funding only, or declared as direct costs by the other beneficiary.

Further questions from Delegations (I)

Is the Commission having direct knowledge of the different initiatives raised by other DG Research Units or even other DGs in order to work on the design of partnerships as if they were already prioritized? Is the Commission aware of the content and expectations of these workshops?

- DG RTD is supporting all services preparing partnerships and is organizing regular meetings (by cluster) in order to keep an overview of status of preparation, to address open issues and identify bottlenecks.
- DG RTD is participating, on invitation, in meetings between COM and partners
- Validation that partnership proposal comply with the new, more ambitious policy approach, and the respective criteria.

Risk of creating expectations over some partnerships that finally would not be launched, or/and the approach for their agenda building is not defined with the right stakeholders. Risk of proposals not gathering the required funds to have a significant impact compared to the H2020 situation. When is the Commission going to initiate the debate of national funding commitments?

→ Commitments will need to be discussed early next year, prior to the Commission taking any position on allocating indicative Union contributions to the portfolio of partnerships.

→ Proposal for discussion/ feedback: a single commitment per MS for all its planned participations?

Further questions from Delegations (II)

Present proposals for partnerships contain the requirement of central financial management. This is not in alignment with national rules on financial liability and national political accountability (sovereignty). How does the Commission foresee to find a solution, jointly with the Member States, for this topic?

- Reminder: central management of financial contributions only applicable to Article 185/7 initiatives, where the co-legislators have defined this as default approach;
- Concerns only few Partnership candidates;
- Currently discussion ongoing (e.g. KDT).

Which requirements does the Commission set to partners under a partnership? In other words, how will the partners be selected?

- Commission services insist in discussion with partners to a broad approach, resulting in emerging partner configurations much different from current partnerships;
- For co-funded partnerships: selection by the consortium partners, core partners based on mandated organisations from participating states.

Further questions from Delegations (III)

What kind of system will be used for financing the secretariats of the partnerships?

- Co-programmed: possible support via CSA
- Co-funded: part of the activities of the programme co-fund action

Will there be one system/desk for participants on calls within partnerships to request and report to, or will all secretariats have their own system for calls?

Default:

- Co-programmed: Horizon Europe IT for Union contribution; partners (MS) for national contributions;
- Co-funded: common IT tools of consortium for proposal submission, national systems for grant management, unless otherwise agreed;
- Article 187: Horizon Europe IT;
- Article 185: IT tools of Dedicated Implementation Structure.

Further questions from Delegations (IV)

How will be decided what the running period of the partnerships will be?

- By default implementation covering 7 years, unless there is a need for a shorter period.

It is useful for PCs to know who participates in calls that are carried out through the (co-funded) partnerships. How will the link between thematic PCs and partnerships be consolidated, also in terms of call results?

- Data on all calls and proposals, projects etc. will be collected centrally in the COM IT tools
- Access via dashboard
- Dedicated data analysis for partnerships monitoring, interim evaluation etc.

Status of preparation and next steps

Status of preparation

Further elaboration of European Partnership candidates

- Commission services responsible for preparing individual initiatives have started discussions with potential partners and stakeholders to further elaborate the partnership proposals;
 - Focus on those that are to be launched in 2021/22;
 - Preparatory work based on the guidance document/template;
 - RTD.A4 organising regular meetings (per cluster) to review progress, provide feedback and identify bottlenecks;
 - Key element for all future European Partnerships will be a Strategic Research and Innovation Agenda / roadmap that builds the basis for a partnership proposal;
- **Consolidate by end of February to confirm candidates for co-programmed/co-funded partnerships in the Strategic Plan.**

Practical next steps

Proposal guidance and template

1 General information

- 1.1 Draft title of the European Partnerships
- 1.2 Lead entity (main contact)
- 1.3 Commission services (main contact)
- 1.4 Summary

2 Context, objectives, expected impacts

- 2.1 Context and problem definition
- 2.2 Common vision, objectives and expected impacts
- 2.3 Necessity for a European Partnership
- 2.4 Partner composition

3 Planned Implementation

- 3.1 Activities
- 3.2 Resources
- 3.3 Governance
- 3.4 Openness and transparency

Open Issues

Currently under preparation/discussion

- Financial and in-kind contributions from partners (Article 185/7)
- Central management of financial contributions (Article 185/7)
- Remaining negotiations on Horizon Europe and cohesion funds
- Governance within and among partnerships, and across Commission services to ensure coherence and coordination
- Complete data on proposals, projects, results in eCORDA (critical issue for MS initiatives)
- “Participation” of Member States in industry-driven initiatives (3 exploratory Workshops with MS on 25, 28 and 29 November)
- Co-programmed partnerships: Template for contractual arrangements/MoUs and partners contributions/commitments

For later stages

- Model Grant Agreements (Article 185/7)
- Union contribution/budgets for partnerships
- Model Grant Agreement programme co-fund actions

Article 187 initiatives and Contributions from private partners

Guiding principles resulting from the new policy approach and the Horizon Europe regulation (common understanding):

- Increase contributions and commitments in a qualitative and quantitative manner;
- Systemic approach across all Article 187 initiatives that is accountable, supports the openness of initiatives and is coherent, transparent, and fair;
- Provide positive incentives to make meaningful contributions, in particular in the funded projects, and avoid as much as possible negative impacts (“taxation”/penalisation of non-partners);
- Avoid affecting negatively the attractiveness of the initiative to non-members and newcomers, nor discourage companies from becoming a member and playing an active role in the partnership;
- Ensure that private partners are able to fulfil their commitments;
- Legal provisions: Partners contribute the equivalent of 100 – 300% of the Union contribution (comparison Horizon 2020 JUs: 54% - 261%).
- Financial contributions are compulsory, but primarily covering administrative costs, and the costs of coordination and support and other non-competitive activities, that are defined ex-ante.

Contributions from private partners (under discussion with private partners)

1. Open calls will be the principle.
2. Increase in-kind contributions at project level by only partially reimbursing eligible costs.
3. Simplify reporting by accounting for in-kind contributions based on “eligible costs minus reimbursed costs”.
4. Limit the scope of additional activities that allow to account for in-kind contribution.
5. Define a minimum fixed percentage for financial contributions, and allow current practice for additional financial contributions to operational costs to continue.

European Partnerships and cohesion funds

Council proposed wording: [“Financial contributions stemming from ESIF shall be allowed and considered as a national contribution.”]

A hypothetical example on the intention – for further discussion in Council

- A country participates in a call launched by a consortium of NFBs in a co-funded or institutionalised European Partnership;
- It participates with a programme/priority that is co-financed by the ERDF (e.g. 50% national funds and 50% ERDF for this priority);
- A beneficiary applies successfully to the call as part of a transnational consortium and receives a grant agreement from the NFB (e.g. a contribution of 100 for a project with total eligible costs of 200, according to national rules applicable under this priority);
- The NFB reports the costs of providing financial support with a value of 100 to Horizon Europe, and received a funding of 30 from Horizon Europe;
- The remaining 70 would be payed out of the cohesion programme/priority;
- If a priority is co-financed at 50% from ERDF, the funding of the project could be finally composed of:
 - 30% Union funding from Horizon Europe
 - 35% national funding
 - 35% Union funding from ERDF

Important: participation at programme/priority level required (with predefined ratio of national and ERDF contributions)

Complete data on proposals, projects and results from European Partnerships

The provisions for European Partnerships (Article 8, Annex III) require integrating in eCorda (and Cordis) data on proposals and selected projects for all calls for proposals launched under partnerships under Horizon Europe.

Having this data is key in:

- Assessing impacts of the future European Partnerships and the underlying activities, individually and collectively;
- Assessing the effectiveness of the new policy approach (compared to traditional calls under the Framework Programme);
- Identify weaknesses in the implementation, e.g. insufficient openness and accessibility of partnerships
- Support exploitation and valorisation of results, and in particular provide input to policy making for the Commission Services and national administrations.

Issue that needs to be addressed: Partnerships with MS participation

- Today: Partial data on projects (4700) under Public-Public Partnerships (Article 185, ERA-NET and EJP co-fund) – imported from ERA-LEANR into eCorda, however: no proposal data, or results, datasets incomplete, insufficient data quality, problems attributing unique identifiers to beneficiaries, no updates from national data.

Relevant European Partnership candidates with likely MS participation

- EU-Africa Global Health
- Chemical Risk Assessment
- ERA for Health Research
- Innovation & transformation of health systems
- Personalized medicine
- Rare diseases
- One Health/AMR
- Key Digital technologies
- Smart Networks and Services
- European Metrology
- Global competitive space systems
- Sustainable, Smart and Inclusive Cities and Communities
- Clean energy transition
- Sustainable farming
- Animals & Health
- Agriculture of data
- Biodiversity
- Blue economy
- Food Systems for People
- Water 4 All
- Innovative SMEs
- European Open Science Cloud

In addition: R&I partnerships between MS without Union co-funding?

DG RTD has started work to define the scope, business processes, mandatory and supplementary (national) data requirements; identify any necessary adaptation of IT tools, and possible additional support needed (e.g. linked to PIC validation).

Indicative timeline for Institutionalised Partnerships (Article 185/7): step by step

1. *Partnership fiche* resulting from strategic planning describes Partnership from COM perspective (confirmed/commented by Member States during consultation);
2. **Inception Impact Assessment** publication, start of **Impact assessment** work, launch of **Open Public Consultation** (open until 8 November)
3. **Finalisation of Ex-ante Impact Assessment**, submission of drafts to the regulatory scrutiny board (indicative submission date: 5/2/2020, hearings from 4/3 to 25/3)
4. In parallel: **Partnership proposal** is further developed together with partners, based on common guidance/template;
5. Drafting of **COM proposals** for Article 185 and Article 187 initiatives
6. **Commitments from Partners**, finalisation of Strategic Research and Innovation agenda/roadmap
7. Agreement on **budgetary provisions** for all partnerships in the portfolio
8. **Commission adopts proposal** for Article 185/7 initiatives
9. **Negotiation in Council (and European Parliament)**, in parallel: preparatory work (MGAs, preparation of first Annual Work Programme ...)
10. **Adoption of basic act**
11. **Launch of the European Partnership**, preparation and launch of implementation structure, subsequent launch of activities, including calls for proposals