



# Synergies between Horizon Europe and Cohesion Funds-post 2020

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# Comprehensive approach to synergies

## Why seek synergies across Union's programs ?

- Maximise scientific, economic and societal impact
- Leverage R&I investments in Europe from all sources

## What does it require?

- at POLITICAL level → shared Vision & common priorities
- at STRATEGIC / PROGRAMMING level → awareness, alignment of strategic priorities and co-creation of funding actions
- at OPERATIONAL / IMPLEMENTATION level → specific and consistent legal provisions in the different Regulatory frameworks

# Where do we stand?

## At political level: a shared vision (✓)

- 6 political priorities of the new Commission
- Green Deal, Digital Europe, new Industrial Strategy...

## At programming level: strategic alignment & co-creation (+++)

- Horizon Europe strategic planning and WP 2021-2022
- ERDF/ESF+ programmes

## At operational level: consistent provisions in the frameworks (++)

- Horizon Europe/Annex IV
- Common Provision Regulation (ERDF/ESF+)
- State aid framework (Global Block Exemption Regulation)

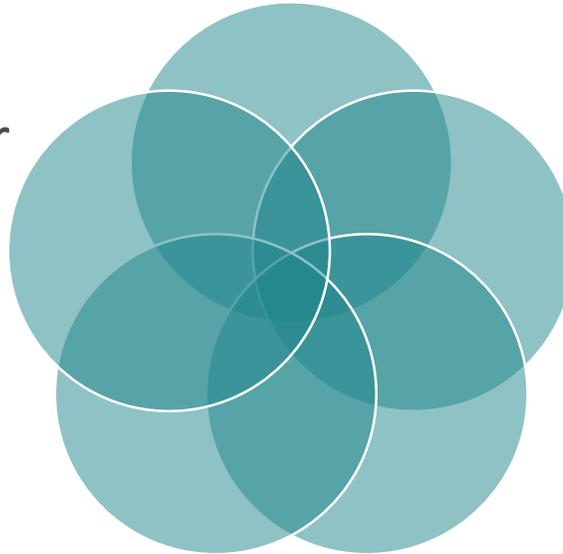
# Different types of synergies

## Transfer of resources

Shift of funds from one Union Programme to another

## Cumulative funding

Use of several Union Programmes to fund the same action



## Alternative funding

Seal of Excellence

## Combined funding

Co-funded actions & contribution to relevant European Partnerships

# What's new?

## Alternative

- Use of HE eligible costs/funding rate
- Exemption from state aid notification
- No new technical evaluation
- Seal of Excellence
- EIC business acceleration services

## Combined

- Use of cohesion funds as MS contribution in Partnerships
- Favorable state aid rules for co-funded projects in partnerships

## Transfers

- Shift from shared management funds to HE
- Transfer-back of unused funds to originating programs

## Cumulative

Use of several Union programs to fund the same action

# Alternative Funding (*Seal of Excellence*)

*Horizon Europe proposals with Seal of Excellence may get support from ERDF, ESF+, or EAFRD (European Agricultural Fund for Rural Development)*

**Beneficiaries:** Mainly for mono-beneficiaries support, e.g. EIC Accelerator, MSCA, ERC Proof of Concept (multi-beneficiaries support not excluded but difficult to implement).

**Funding rules:** Seal of Excellence proposals funded according to CPR rules with some exceptions where Horizon Europe rules apply (categories, maximum amounts and methods of calculation of eligible costs)

**State aid rules:** Pending revision of General Block Exemption Regulation ('GBER') Seal of Excellence support exempted, under conditions, from notification requirement

*Co-fund actions: same simplifications above applies also to co-funded actions (GBER 25b)*

## Specific Article in Horizon Europe regulation on Seal of Excellence for EIC Accelerator

A Seal of Excellence may be awarded subject to the following cumulative conditions:

- (a) the beneficiary is a start-up, an SME or a small mid-cap,
- (b) the proposal was eligible and has passed applicable thresholds for the first two award criteria referred to in paragraph 4,
  - [(a) excellence;
  - (b) impact;]
- (c) for those activities that would be eligible under an innovation action.

## Changes to strengthen the Seal of Excellence (subject to approval of Work Programme)

- **New application and evaluation process for EIC Accelerator:**
  - **Higher quality SoEs** (all SoE applicants to have face to face interviews with juries)
  - **SoEs only awarded if applicant gives consent** to share data with other funding bodies
- **SoEs to receive access to EIC Business Accelerator Services**
  - **Coaching**
  - **Access** to investor pitching, Corporate days and other matchmaking
- **Enterprise Europe Network** to receive specific funding from EIC to support SoEs

## Combined Funding (*partnerships and co-fund actions*)

*Financial contributions from programmes co-financed by European Structural and Investment Funds may be considered as contribution of a Member State for participating in Horizon Europe partnerships, under certain conditions*

**Example 1:** Co-funded Partnerships under Horizon Europe (where national funding bodies provide financial support to third parties, which are reimbursed by Commission)

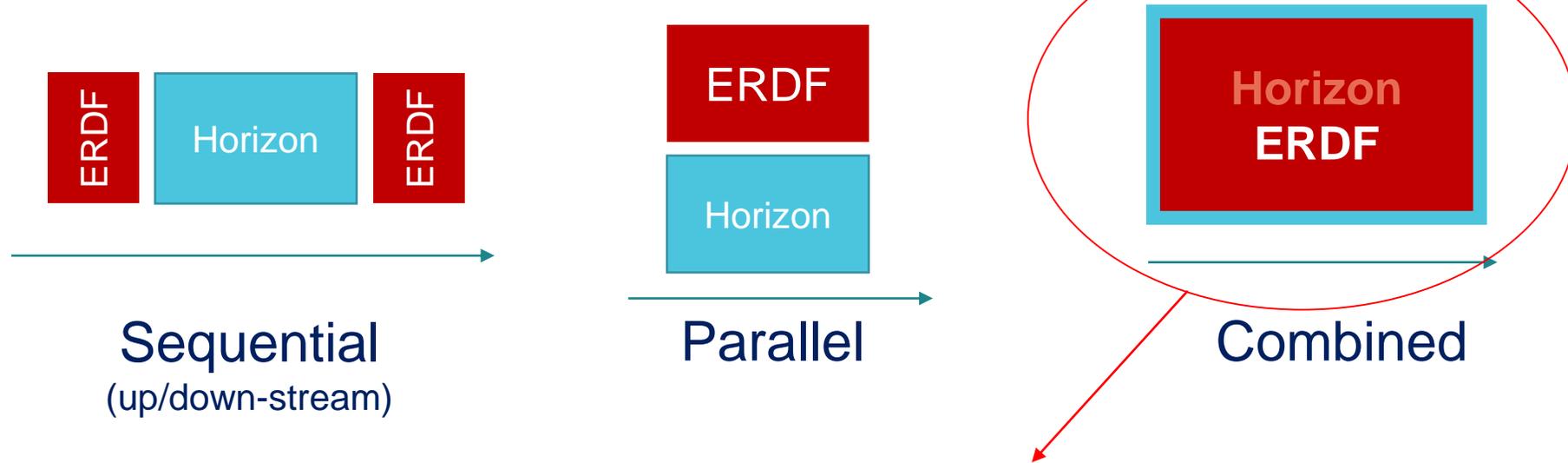
**Example 2:** Institutionalised European Partnership (Article 185/7)

Managing authorities still need to respect priority areas supported by the smart specialization strategy.

→ Important to analyze partnership proposals to identify relevance

→ Create “hooks” in the related MS programs

# European Partnerships: What will change in Horizon Europe in terms of synergies?



## Relevant provisions (numbering of art could change):

- CPR, Art. 106 and other applicable provisions of the CPR
- HE, Art. 11

Financial contributions from programmes co-financed by the ERDF, the ESF+, the EMFF and the EAFRD may be considered as a contribution of the participating Member State for the purpose of participating in Horizon Europe partnerships, provided that Article 106 (co-financing rates) and other applicable provisions of CPR and the fund-specific Regulations are complied with.

# Transfer of resources

*Possibility for MS to voluntarily transfer up to 5% of initial allocation of each Fund under shared management to any other instrument under direct or indirect management for the benefit of the MS concerned*

*Transferred resources must be implemented in accordance with the rules of the Fund or the instrument to which the resources are transferred*

**Mirroring provision in HE:** Resources allocated to Member States under shared management may, at their request, be transferred to the Horizon Europe Program and be used for the benefit of the MS/region.

**Transfer-back:** Where the Commission has not entered into a legal commitment under Horizon Europe by 31 August of n+1, the corresponding uncommitted resources may be transferred back to the respective programs co-funded by the European Structural and Investment Funds.

# Cumulative funding

The same action may receive two separate contributions from two Union funds or programs, with due regard to the principle of co-financing laid down in the Financial Regulation (cumulative funding cannot exceed 100% of the eligible costs)

Rules of contributing programs apply to their respective share

Combination possible between two directly managed programs or between a directly managed program and a program under shared management

Two separate grant agreements will be signed for each respective part. The grant agreements will specify the link to the other grant agreement (“linked action”)

# Synergies: Potential benefits for EU regions and their key stakeholders



## Seal of Excellence

Pipeline of excellent R&I projects identified for funding

Leverage of Horizon Europe mechanisms and visibility + economic impact at regional level



## Support to Partnerships

ERDF as MS contribution in Horizon Europe partnerships

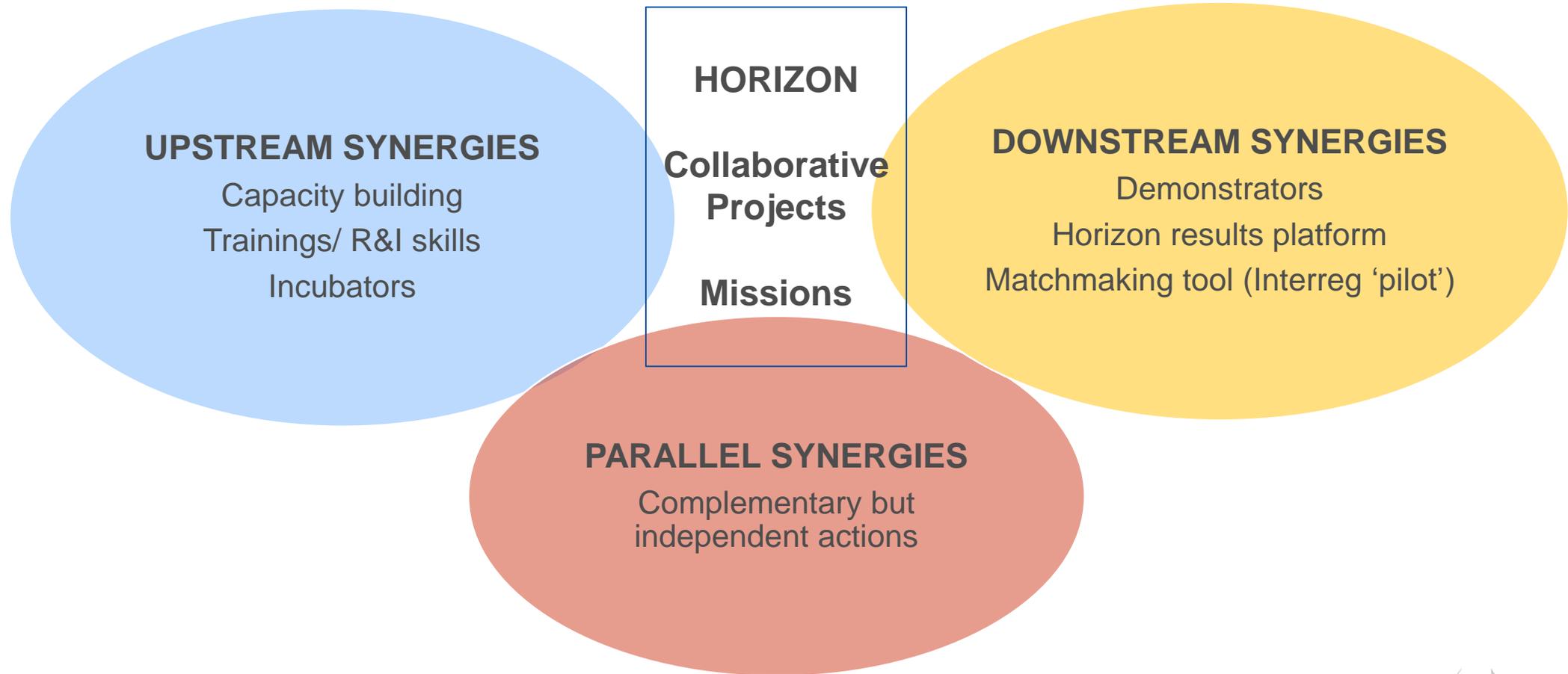
major incentive for participation of regional actors + alignment towards common EU priorities



## Transfer possibility

relieves regional ERDF Managing Authorities from setting up a full administrative system for evaluating and following projects + learning effect for firms entering Horizon Europe

# Synergies: Wide range of opportunities



# The Recovery and Resilience Facility

## The Recovery and Resilience Facility:

672.5 billions in grants & loans to support

**public investments**

and

**reforms**

aimed notably to:

- accelerate the **green and digital transitions**
- address the country-specific **challenges identified in the European Semester.**

- The **Annual Growth Sustainable Strategy 2021** set the orientations for RRF deployment:

- It reaffirms **the European Green Deal** as the new EU growth strategy
- It calls to build on Europe's **scientific and technological** expertise in order **to develop transformative and forward-looking R&I and diffusion strategies**

# Recovery and Resilience Facility, R&I and ERA

- **R&I** critical to accelerate Europe's twin transformation, to boost crises preparedness and sharpen competitiveness in the global race for technology

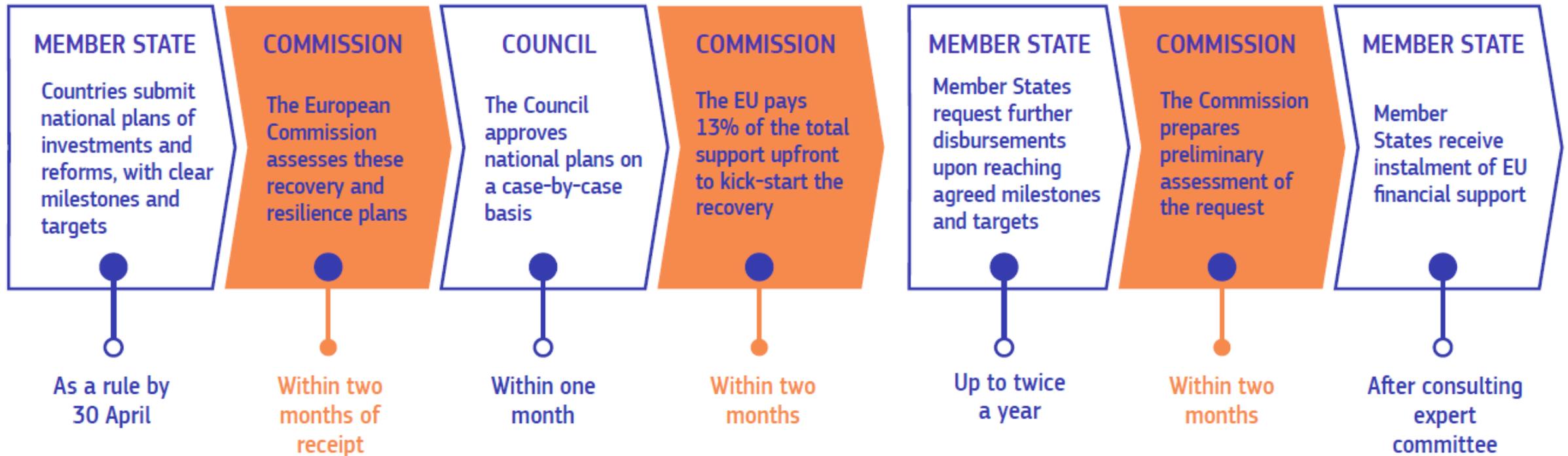


- The RRFs can include a wide range of R&I investments and reforms that are instrumental in progressing towards the R&D targets and addressing all the ERA strategic objectives



- RRF is a unique opportunity to strengthen the ERA and make it more impactful, and vice-versa

# Plan of the assessment and implementation process





Unique momentum:

Horizon Europe,

Cohesion Regulation,

General Block Exemption Regulation,

and the Recovery and Resilience Fund

offer a great opportunity to leverage investments in R&I for a better future:

**Let's seize this opportunity!**

Thank you for the attention