

The role of regions in EU's policies for research, innovation and cohesion



Study Visit to IPTS of
Political committee for European Affairs,
Eastern Norway County Network

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Joint Research Centre (JRC)
The European Commission's in-house science service

Research and innovation as a key EU policy issue

- Regional policy (ERDF + ESF): 86.4 bn EUR
- Research policy (FP7): 50.5 bn EUR
- Competitiveness policy (CIP): 3.6 bn EUR

2007-2013 programming period

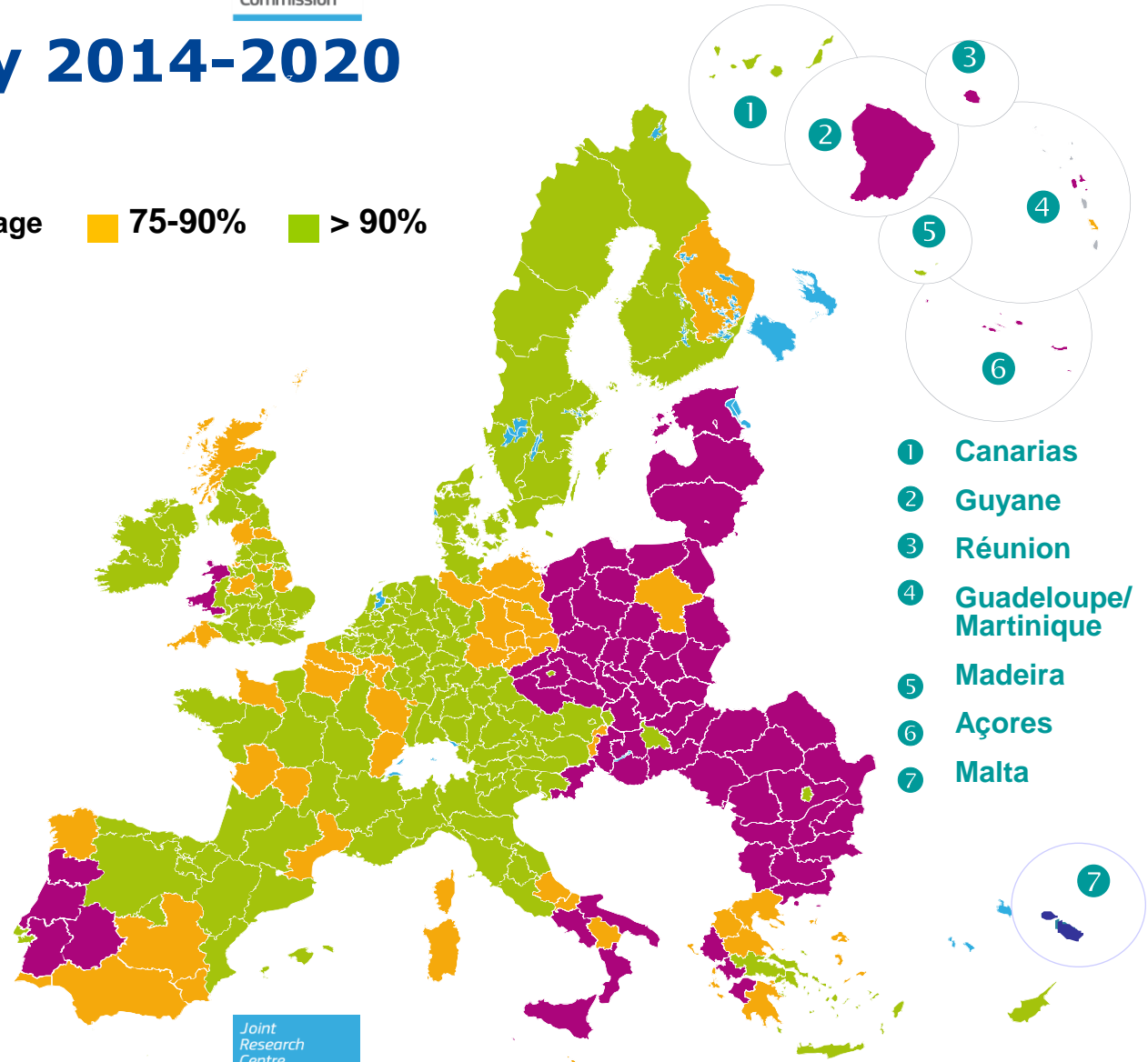
EU regional policy 2014-2020

GDP/capita* ■ < 75% of EU average ■ 75-90% ■ > 90%

*index EU27=100

3 categories of regions

- Less developed regions
- Transition regions
- More developed regions



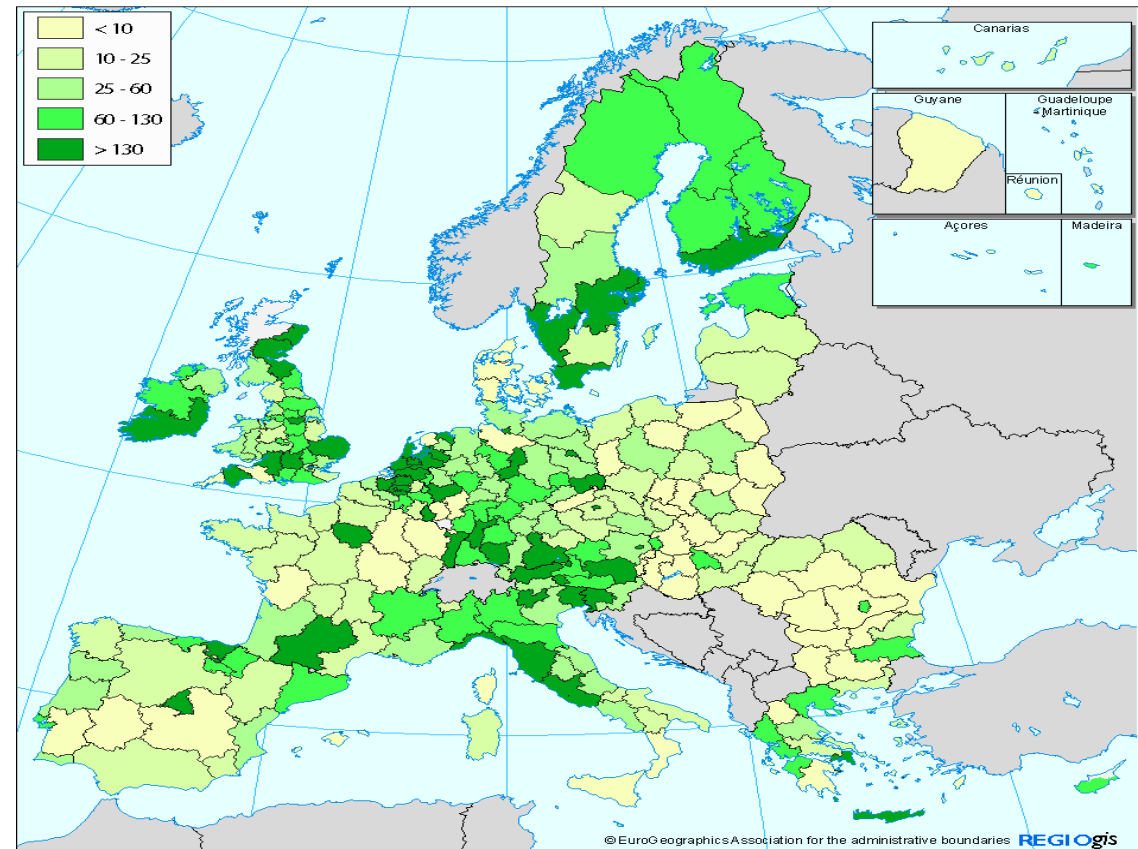
Funding Distribution of 7th FP by Regions

Recognizing the strong Territorial impact in space-blind policies

For instance, less developed regions are less successful as FPs funding recipients
(Source: 5th Cohesion Report)

7th Framework Programme, average funding per head

Index, EU27 = 100

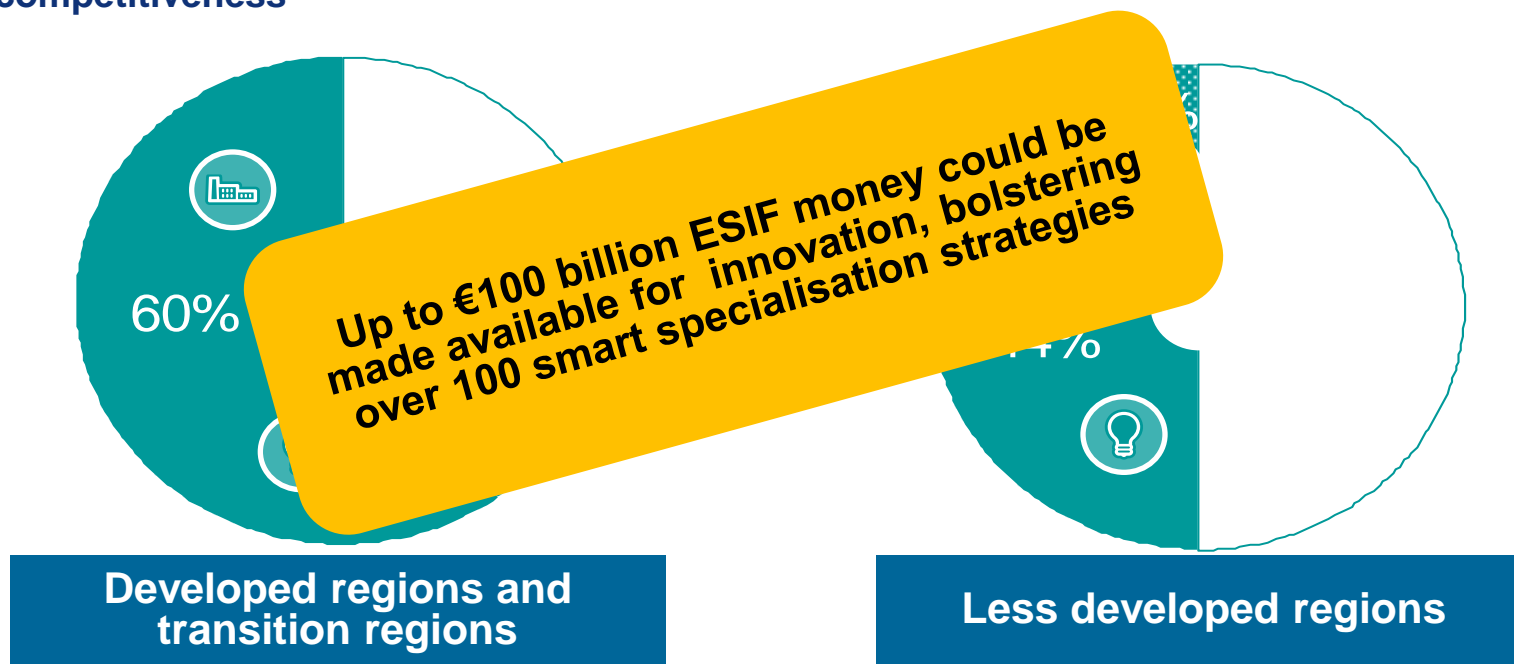


2014-2020: Concentration of ERDF resources to maximise impact

 Research and Innovation

 Energy efficiency and renewable energy

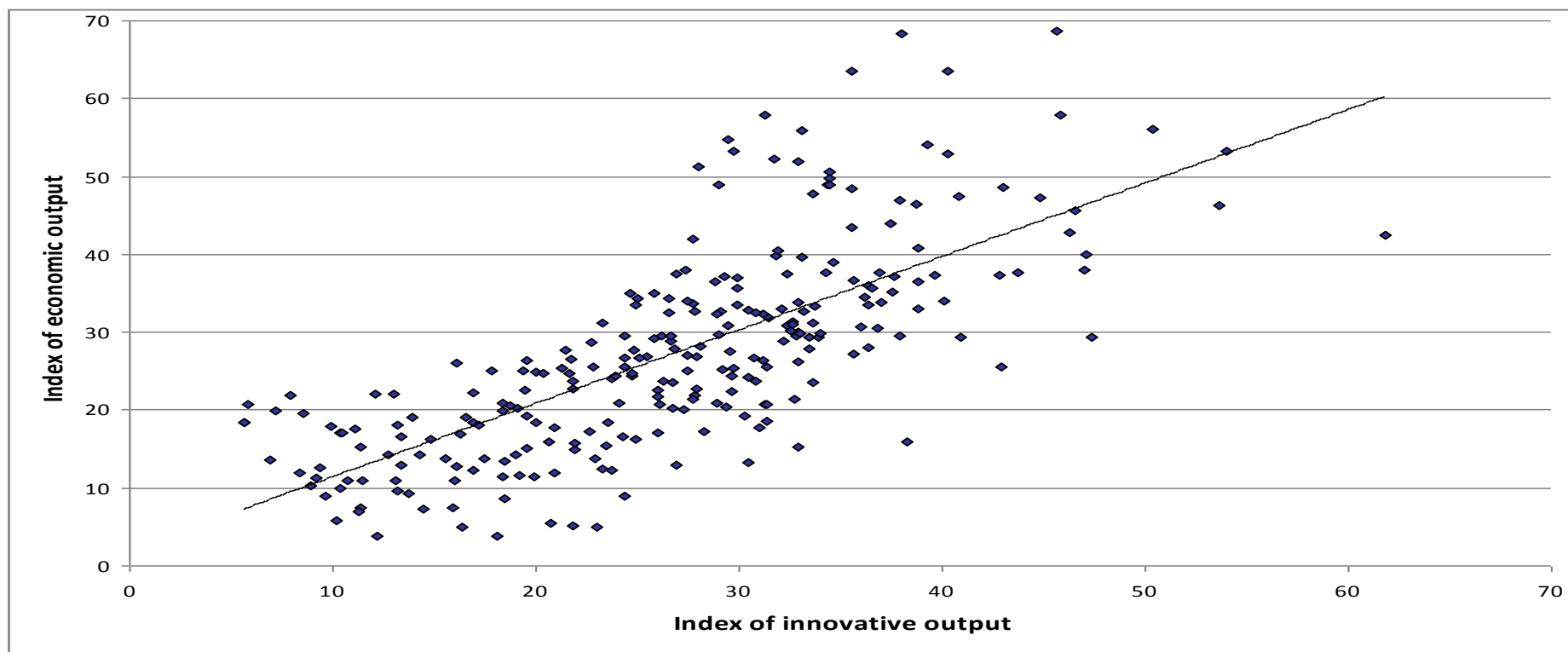
 SMEs competitiveness





Is there a link between innovation and regional growth?

“The general consensus...is that the driving force behind long-term economic growth is science, technology and innovation in its different forms and facets” (OECD 2011: Regions and Innovation Policy)



Source: Mikel Navarro et al, Basque Competitiveness Institute 2010.

Origins of EU Cohesion Policy



The EU founding fathers – representing the original 6 Member States – already had the vision, set out in the Treaty of Rome, that:

"the Community shall aim at reducing the disparities between the levels of development of the various regions"

This set the tone for subsequent policy...

Why do we bother?



➤ **Leaving disparities in place is not an option**
that would wreck two of the policies on which Europe's growth has been based: the single market and the European Monetary Union (EMU)

➤ **It is in the treaty**

“to promote economic and social cohesion by reducing disparities between the regions”



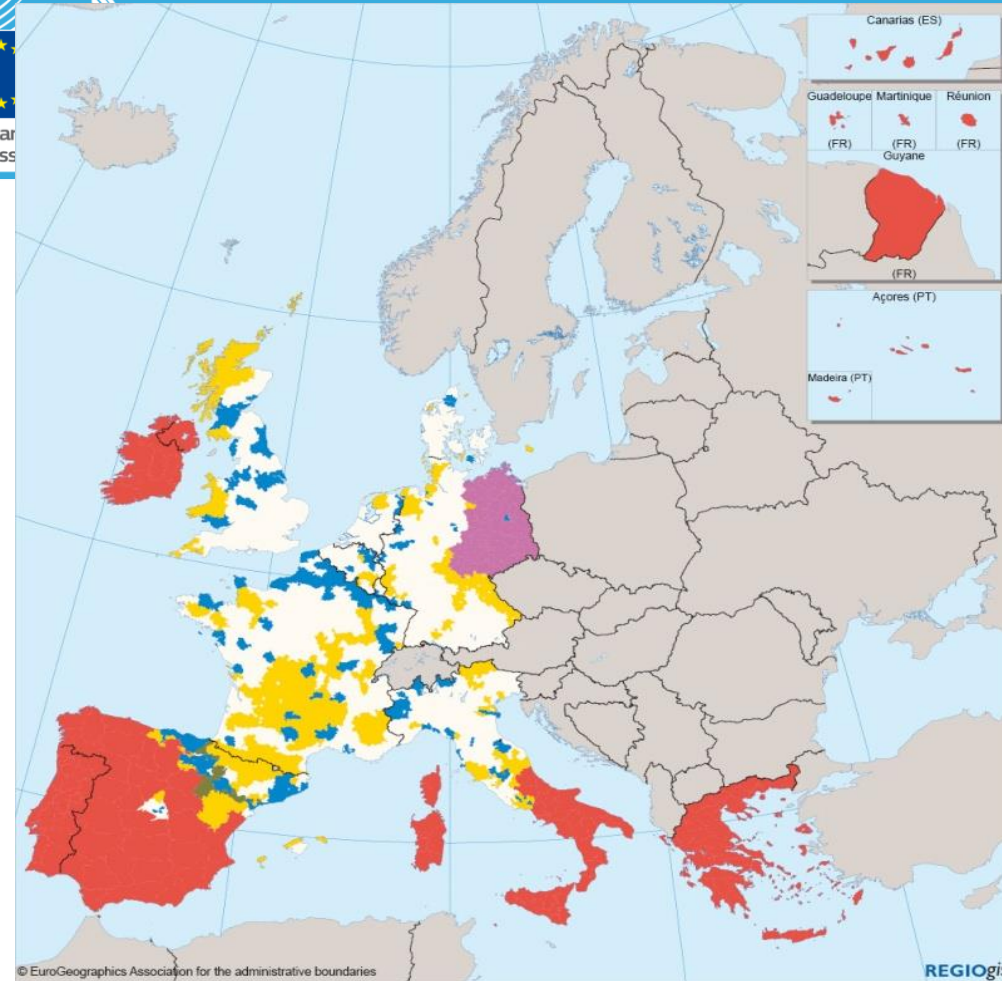
A turning point in 1988

- European Council allocated ECU 64 billion to Structural Funds over 5 years
- The Council adopted first regulation integrating the Structural Funds

Introduced 4 key principles:

- ***CONCENTRATION: focusing on poorest regions***
- ***PARTNERSHIP: involvement of regional and local partners***
- ***PROGRAMMING: multi-annual programming***
- ***ADDITIONALITY: EU expenditure must not substitute national***

Summary: 1989 – 1993



Structural Funds 1989 - 1993 : Eligible Areas

- Objective 1*
- Objective 2
- Objective 5b
- Objective 2 & 5b
- New German Länder

New German Länder eligible for aid from 1990
Situation of Non EU countries in 1993.
* with a GDP/head below 75% of the EU average



Objectives, Structural Funds and instruments

Objectives	Structural Funds and instruments		
Less developed regions	ERDF	ESF	Cohesion Fund
Other regions	ERDF	ESF	
European territorial Cooperation	ERDF		
	infrastructure, innovation, investments etc.	vocational training, employment aids etc.	environmental and transport infrastructure, renewable energy
	all Member States and regions		MemberStates with a GNI/head below 90%

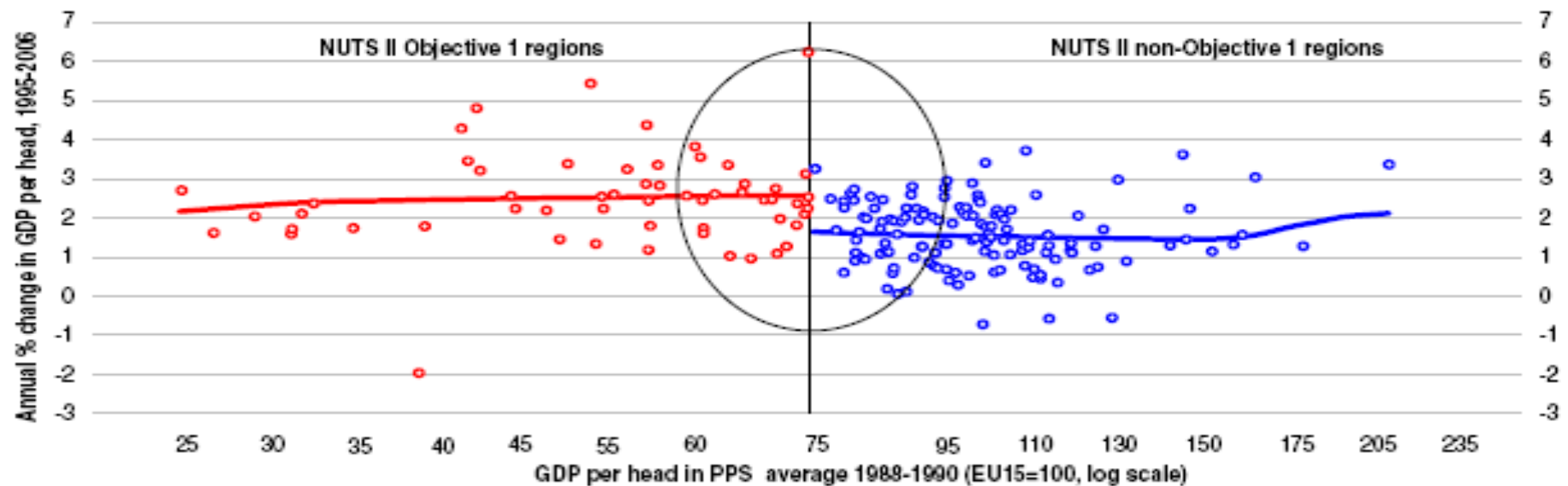
The main tools and principles Programme cycle



Any result of the regional policy?

Convergence of the less developed regions

4.3 A comparison of the growth rates of Objective 1 and other regions, 1995-2006



Source: "Measuring the Effects of European Regional Policy on Economic Growth: a Regression Discontinuity Approach" Busillo, Mu ccigrosso, Pellegrini, Tarola, Terribile (2010)

Beware of imitations!

« Based on the bearing capacity of resources and environment, development foundation and potential, and full play of regional comparative advantages ... our objective is to form a pattern of balanced structure of regional development. »

11th five-year plan, PR of China, 2005



Beware of imitations! - 2

“The Obama Administration is looking for ways to support the unique competitive advantages of regions across the country in order to get America moving again.”

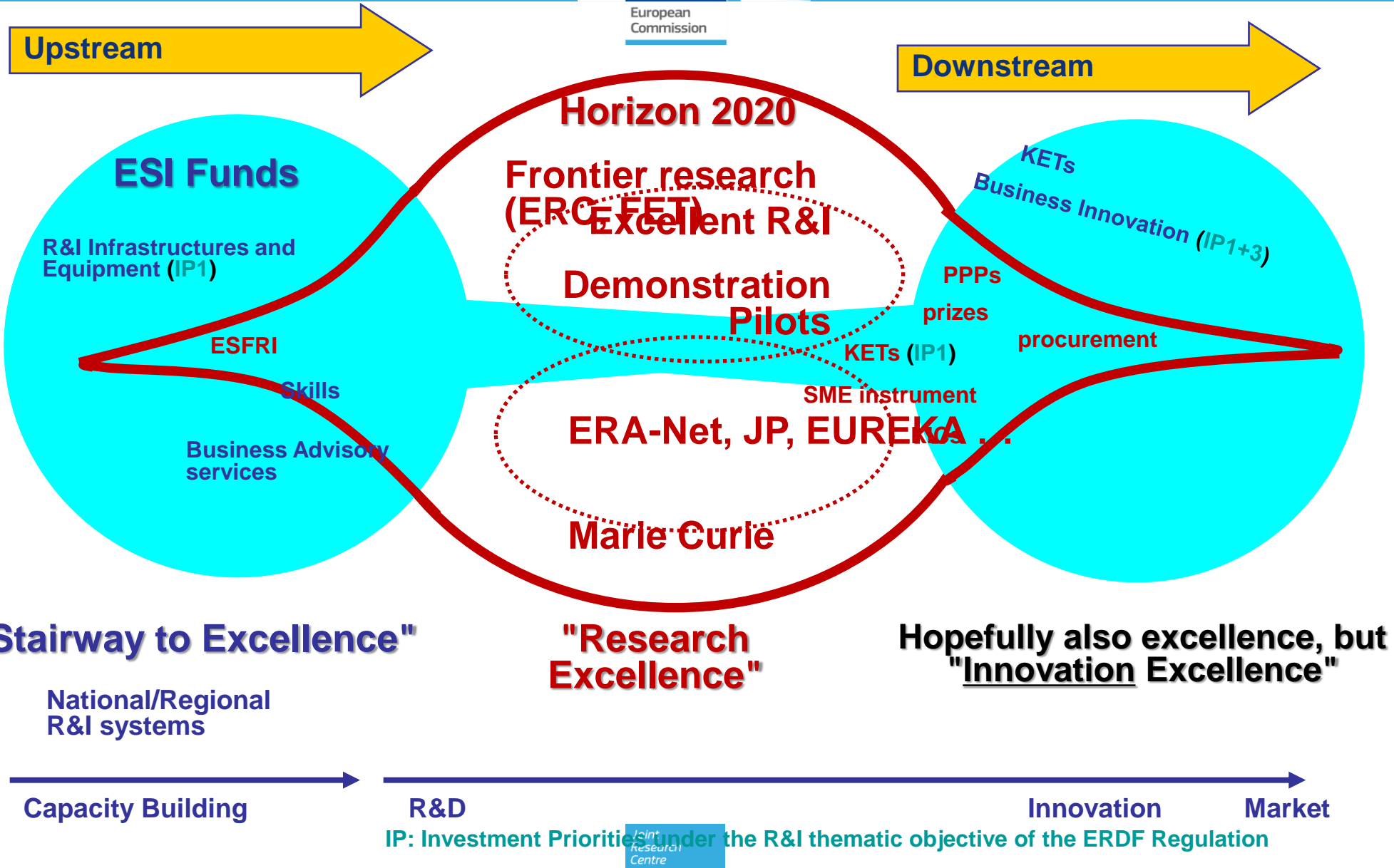
The White House, 2010



Horizon 2020 and Cohesion Policy: Differences and complementary objectives

EU R&D and Innovation Policy – Horizon 2020	EU Cohesion Policy
Differences	
Based largely on individual R&D and innovation projects of a pre-competitive nature aiming at advancing knowledge and fostering innovation for growth and jobs, including but not exclusively frontier research (also co-funding national and regional programmes)	Based on multiannual programmes aiming at increased to reduce regional disparities, including through close to the market competitive R&D and innovation efforts
Awarded directly to final beneficiaries (firms, public and private R&D centres and Universities, including national and regional governments in certain cases – Art. 185, ERA-NET etc.)	Awarded through shared management exclusively to national and regional public intermediaries
Through transnational competitive calls addressed to international groupings through peer review based on excellence criteria	Non competitive attribution addressed to regional players based on strategic planning negotiation (however calls possible at national or regional level)
Synergies and Complementarities	
Horizon 2020 will focus on tackling major societal challenges , maximising the competitiveness impact of research and innovation (Industrial leadership) and raising and spreading levels of excellence in the research base	Cohesion policy will focus on galvanising smart specialisation that will act as a capacity building instrument, based on learning mechanisms and the creation of critical skills in regions and Member States.

How about synergies with Horizon2020?



Thank you!



<http://s3platform.jrc.ec.europa.eu>

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