

16/01/2023 IGLO

Special Report N°23/2022

Synergies between Horizon 2020 and European Structural and Investment Funds: not yet used to full potential

juan.vazquez@eca.europa.eu



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Why did we do this audit?



What questions did we ask?



How we carried out the audit?



What did we find?



What do we recommend?



Background information: ECA's performance audits in R&I

Focus	2016	2017	2018	2019	2020	2021	2022
Implementing body	SR 04/2016: EIT						
Type of support		SR 20/2017: SME loan / guarantee instruments (InnovFin)			SR 02/2020: SME instrument (EIC)		SR 15/2022: Horizon 2020 widening measures
Thematic area						Review 6/2020: Response to Covid-19	
Horizontal aspects			SR 28/2018: H2020 Simplification measures				SR 23/2022: Synergies



Why did we do this audit?

- ❖ increasing importance of synergies in the regulation
- ❖ missed opportunities by not creating synergies
- ❖ increasing EU funding to R&I (2014 – 2020)

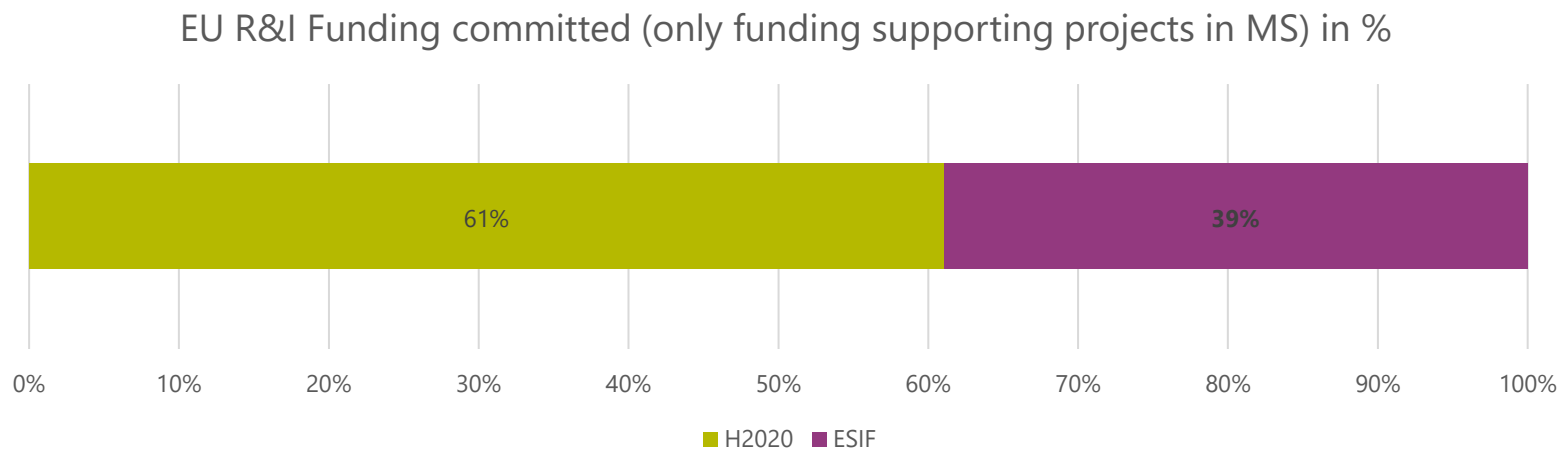
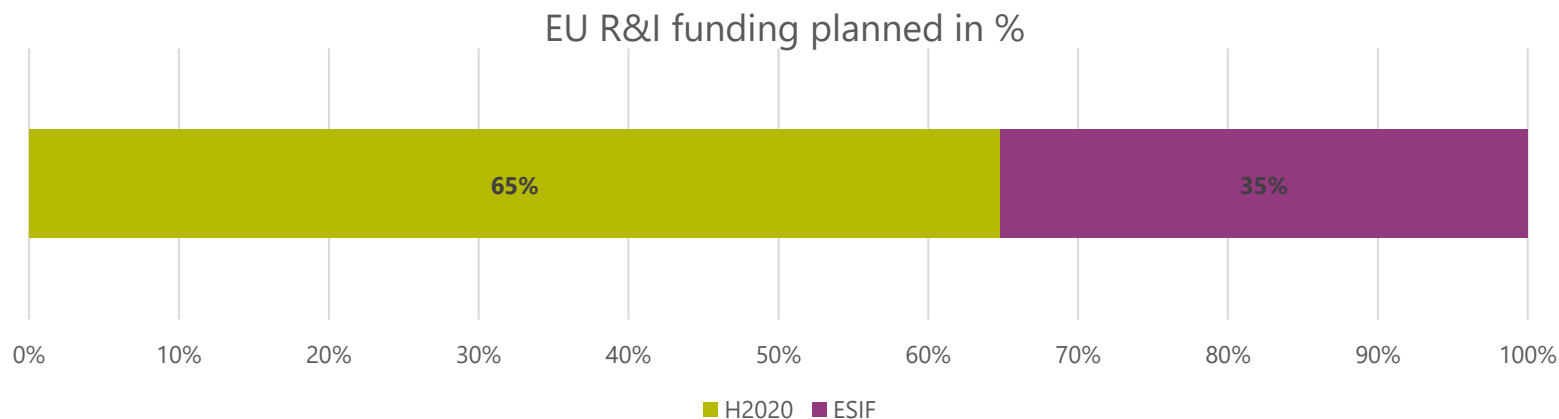
SYNERGY
 $1 + 1 = 3$



But



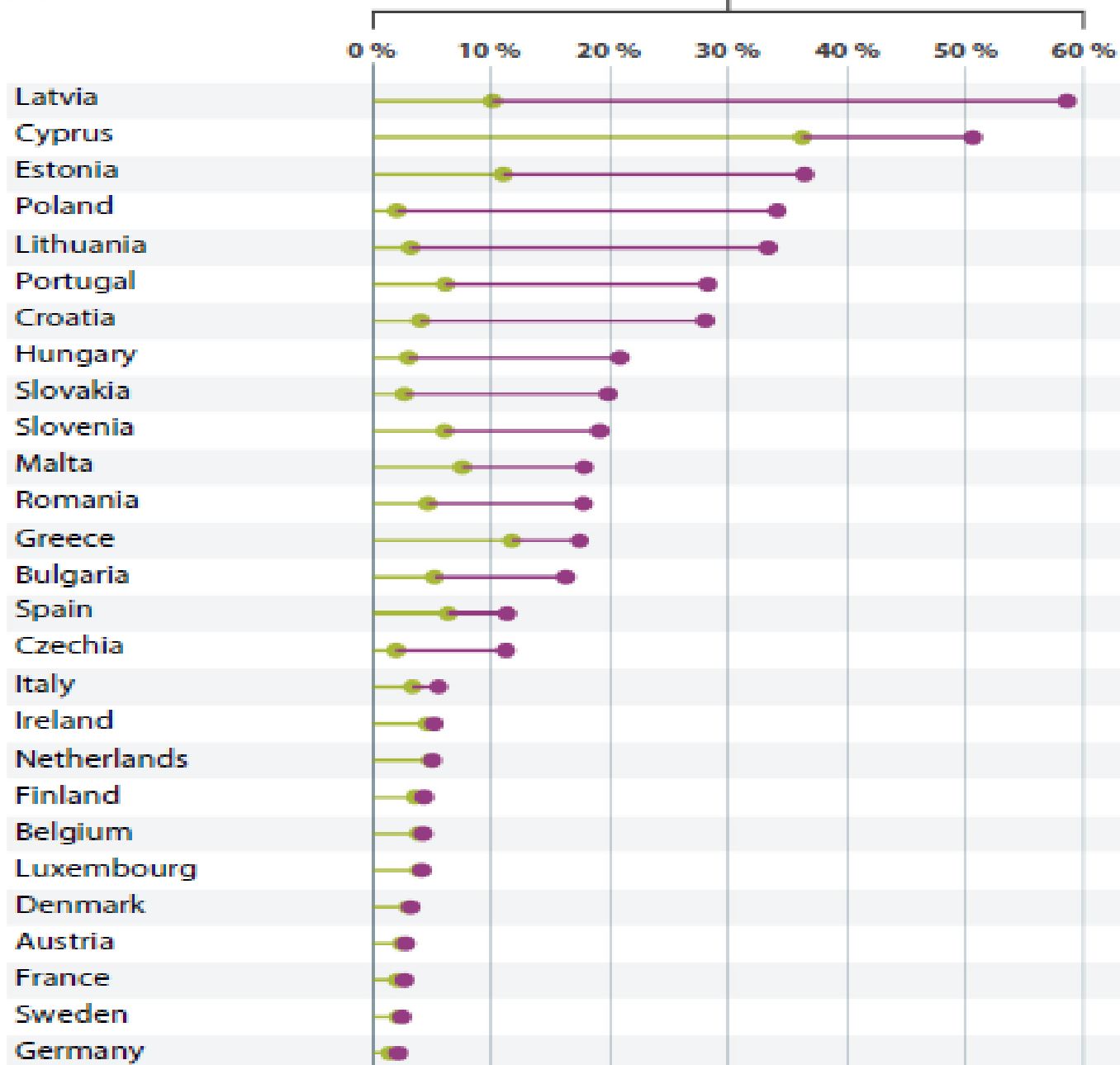
EU R&I funding per programme (2014-2020)



H2020

ERDF

Funds committed as a percentage of Member States' R&I expenditure (2014-2020)





How did we carry the audit?

Audit approach

- auditee: **European Commission** and a sample of **five Member States** (Croatia, Poland, Portugal, Romania, Slovenia)
- analysis of relevant documents
- “virtual visits” to five Member States
- data and text-mining analysis
- surveys of managing authorities and H2020 NCPs
- interviews with experts



What questions did we ask?

Had the Commission and national authorities taken appropriate measures to establish synergies between H2020 and the ESIFs?

- ☐ Had the Commission and authorities attributed due importance to factors instrumental in creating synergies?
- ☐ Had the Commission and national authorities planned and implemented synergies effectively?



What did we find?

Main conclusion

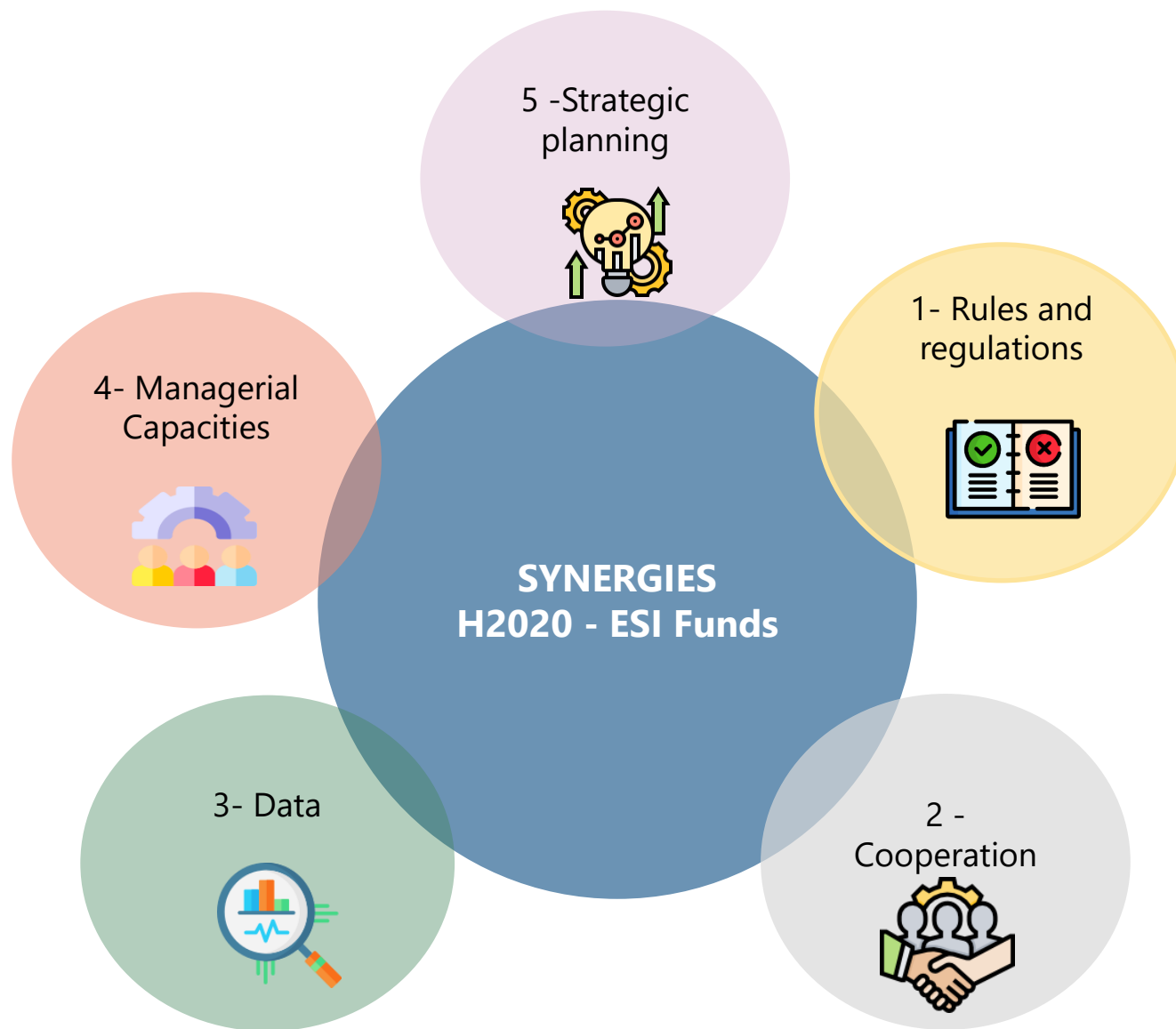
1

Not all factors instrumental in creating synergies were given due attention

2

Synergies envisaged in strategic documents were implemented to varying degrees

Factors instrumental in creating synergies



Observations

1

Not all factors instrumental in creating synergies were given due attention: rules and regulations



The Commission has reacted to shortcomings in rules and regulations that hampered the creation of synergies

- Lack of alignment between regulatory provisions → obstacle for synergies
- Several adjustments introduced for the 2021-2027 period
- It remains to be seen whether these adjustments live up to the expectation

Observations

1

Not all factors instrumental in creating synergies were given due attention: cooperation



There was little cooperation between bodies involved in the management of the ESIF and H2020 R&I funds

- Little cooperation between implementing bodies (ESIFs) and NCPs (H2020)
- Limited examples of structured dialogue Commission DGs and national / regional stakeholders on specific topics
- The Interreg call “Capitalisation through Coordination Across EU Funds” revealed how limited cooperation affects the impact of EU R&I funding

Observations

1

Not all factors instrumental in creating synergies were given due attention: data



Identification and monitoring of synergies were hampered by a lack of suitable data

- Databases did not allow mapping the main EU funded R&I investments:
 - no integrated database for gathering together all ESIFs projects
 - an integrated database of ESIFs projects became operational in March 2022 but it is not interoperable with H2020 database

Observations

1

Not all factors instrumental in creating synergies were given due attention: data



Benefits of interoperable datasets

Synergies



identify ongoing and completed R&I projects



support identification of existing synergies



map actors in specific research topics and facilitate the networking among them

Policy monitoring



identify overlapping of EU R&I funding and activities



identify concentration of EU R&I funding on specific research topics in a Member State or region



identify EU R&I funding allocated to H2020 and S3 priorities

- work in progress [TED viewer \(JRC\)](#)

Observations

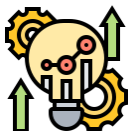
1

Not all factors instrumental in creating synergies were given due attention: capacities



Little uptake of capacity building actions by managing authorities

- Limited participation in capacity-building activities
- there is still a (big) need for capacity building actions
- the main capacity building project (Stairway to Excellence) does not continue in the 2021-2027 period



Synergies were envisaged in the ESIFs' strategic documents, but the level of detail varied

- synergies need to be appropriately planned for in the strategic documents
- the level of detail in ESIF strategic documents on synergies with H2020 varied considerably



Synergies were envisaged in the ESIFs' strategic documents, but the level of detail varied

- ESIF strategic documents included limited references to H2020 priorities.
- S3 aim to focus on a number of priorities to facilitate the strategic planning, but:
 - priorities set out were broad
 - calls for proposals were generally open to any priority of the strategy

→ ESIF investments have difficulties to:

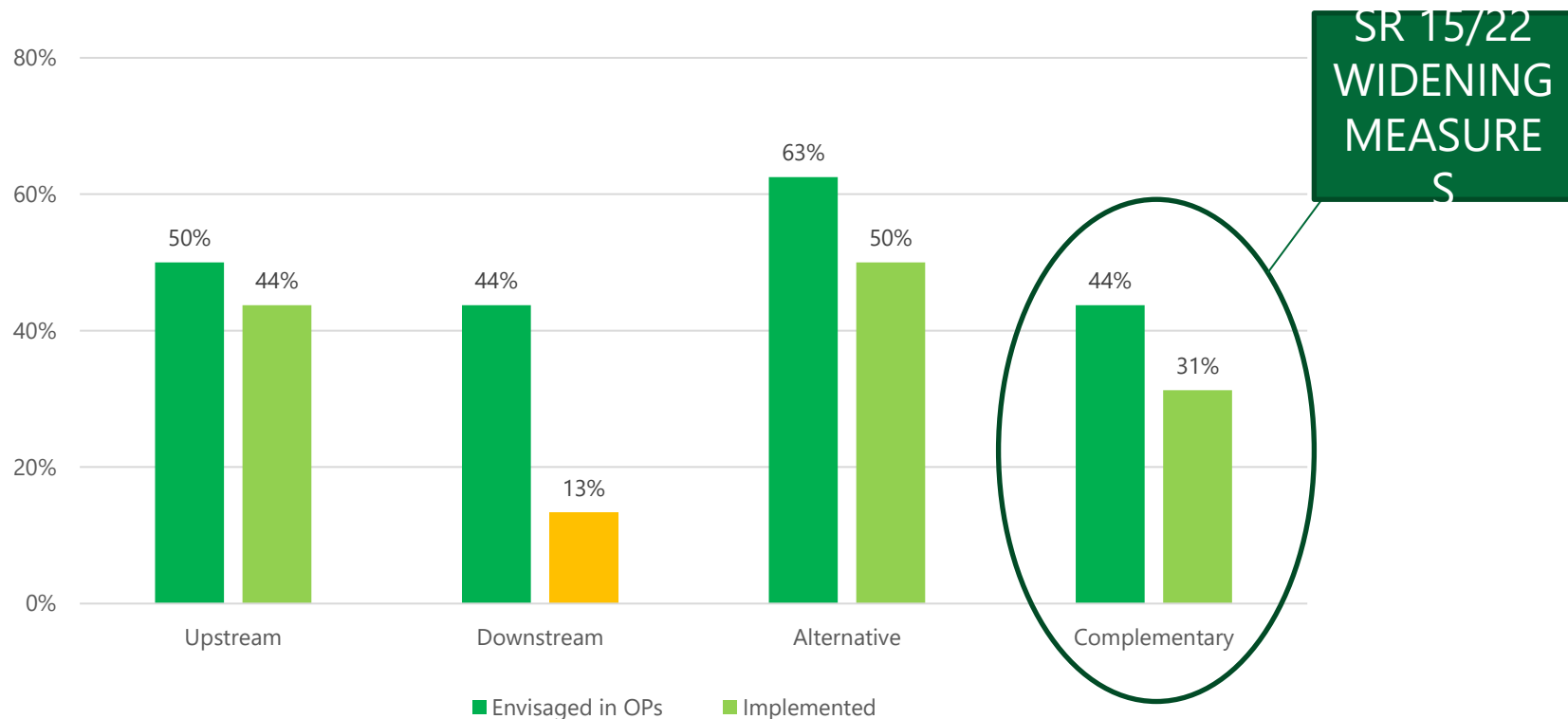
- align (thematically) with H2020 investments
- achieve funding concentration (investments are scattered)

Observations

2

Synergies envisaged in strategic documents were implemented to varying degrees

The implementation of synergies varied, depending on the type of synergy



Source: ECA's managing authorities Survey

❑ Planned upstream synergies were generally implemented

- Main types of upstream synergies:
 - Research Infrastructures
 - Centers of Excellence
 - Support to Internationalization

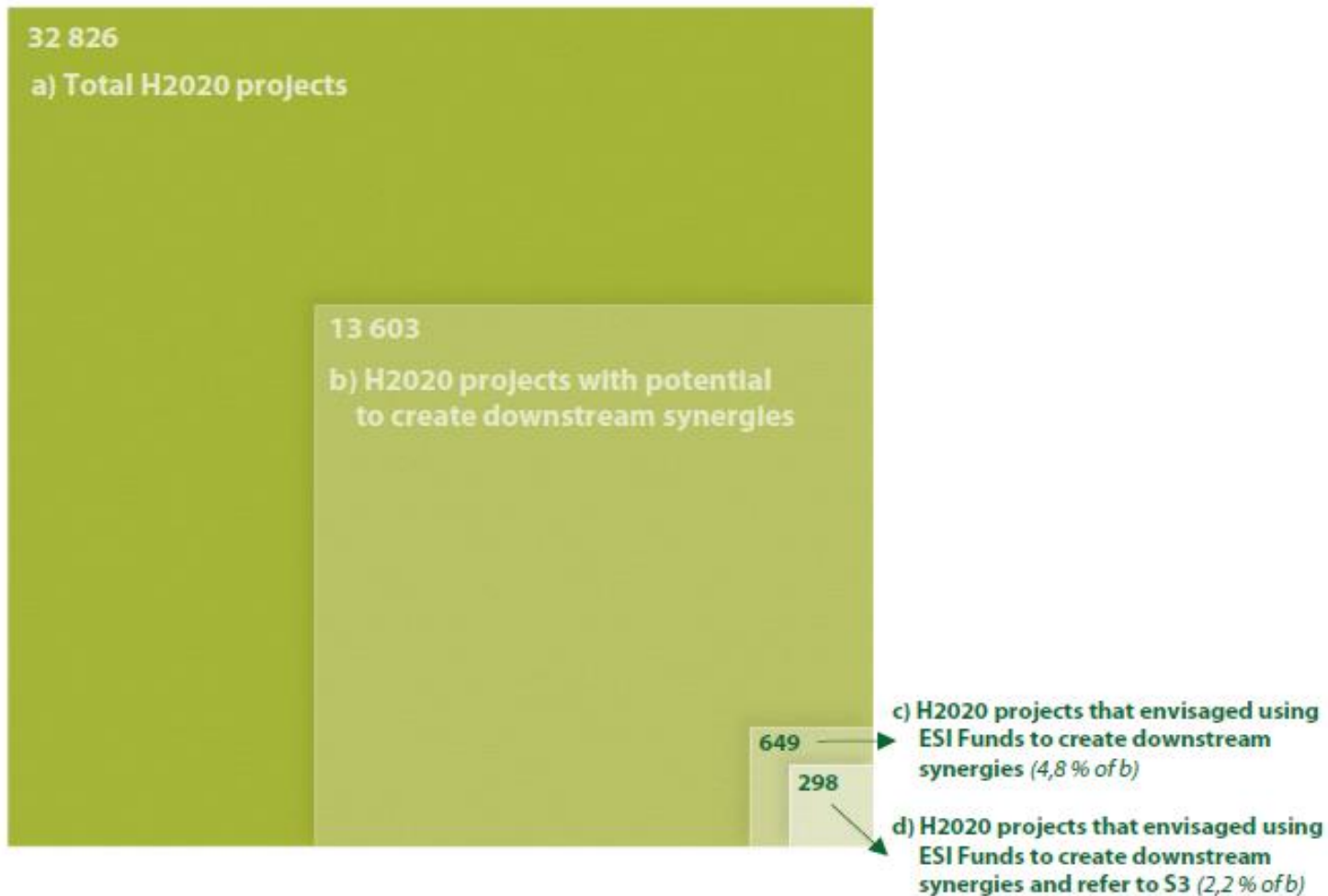
Observations

2

Synergies envisaged in strategic documents were implemented to varying degrees

❑ There was a lack of downstream synergies (I)

- H2020 projects rarely envisaged downstream synergies



❑ There was a lack of downstream synergies (II)

- Managing authorities did not pursue downstream synergies because they:
 - did not understand the concept and the related benefits
 - had limited knowledge about how to create downstream synergies
 - were often unfamiliar with the database CORDIS
- The Pilot Interreg call "[Capitalisation through Coordination Across EU Funds](#)" reached similar conclusions

❑ The Seal of Excellence (SoE) has potential, but was only used to a limited extent

- SoE had been rarely used beyond the SME Instrument / EIC Accelerator
- There were administrative barriers to effective support SoE projects:
 - (i) divergent State aid rules
 - (ii) eligibility of costs
 - (iii) managing authorities had limited information on projects awarded with the SoE label



What do we recommend?

1

Improve cooperation between bodies involved in the management of the ESIF and the framework programmes

2

Exploit the potential of data to foster synergies

3

Increase the use of downstream synergies

4

Improve the information flow about projects that have received the Seal of Excellence



**Thank you
for your attention!**

**Find out more about the other
products and activities of the ECA:**

eca.europa.eu

Juan.vazquez@eca.europa.eu

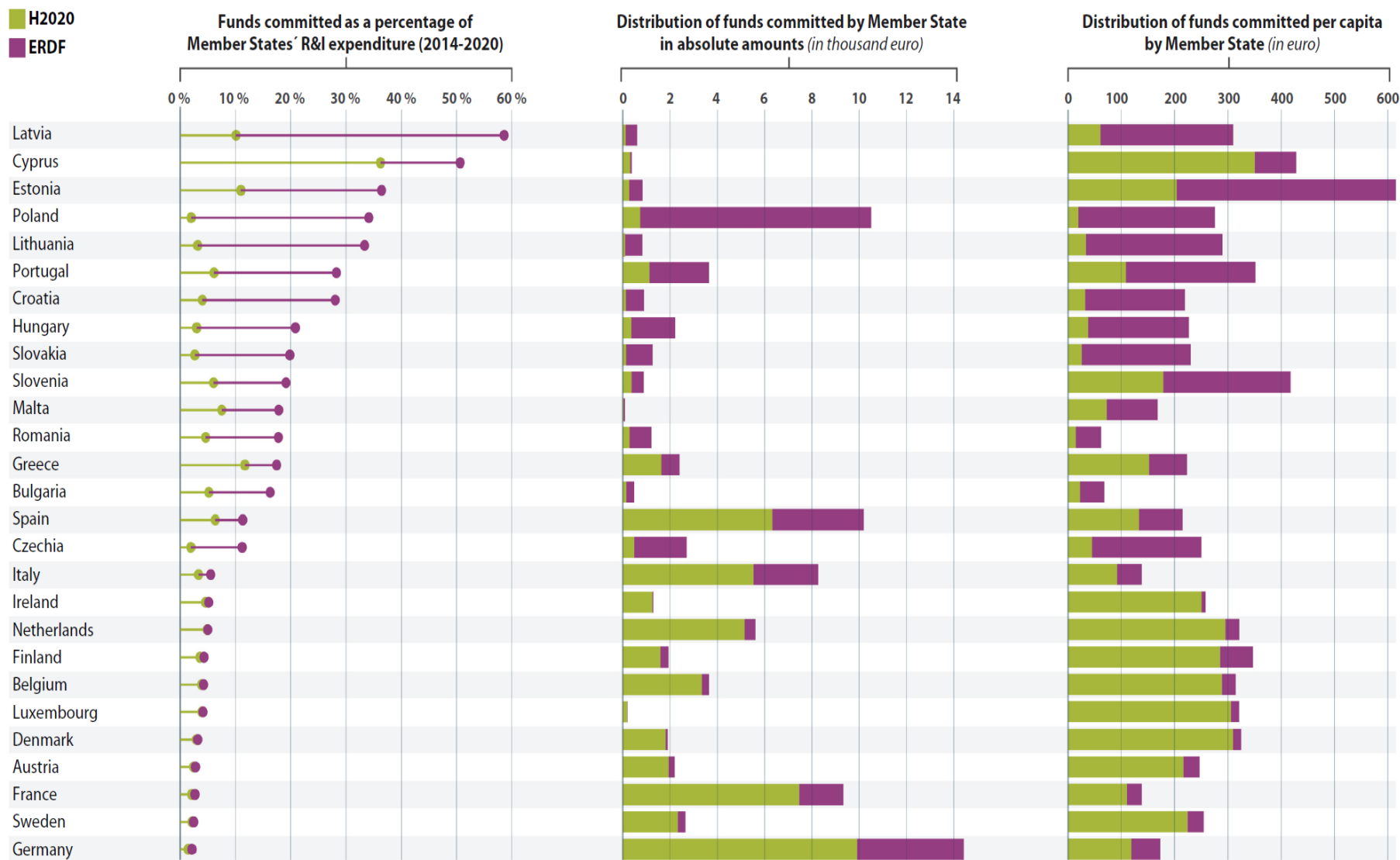
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12, rue Alcide De Gasperi
1615 Luxembourg
LUXEMBOURG



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Figure 8 – H2020 and ESIF funds committed (as of 31.12.2021)



Source: ECA, based on Commission data.

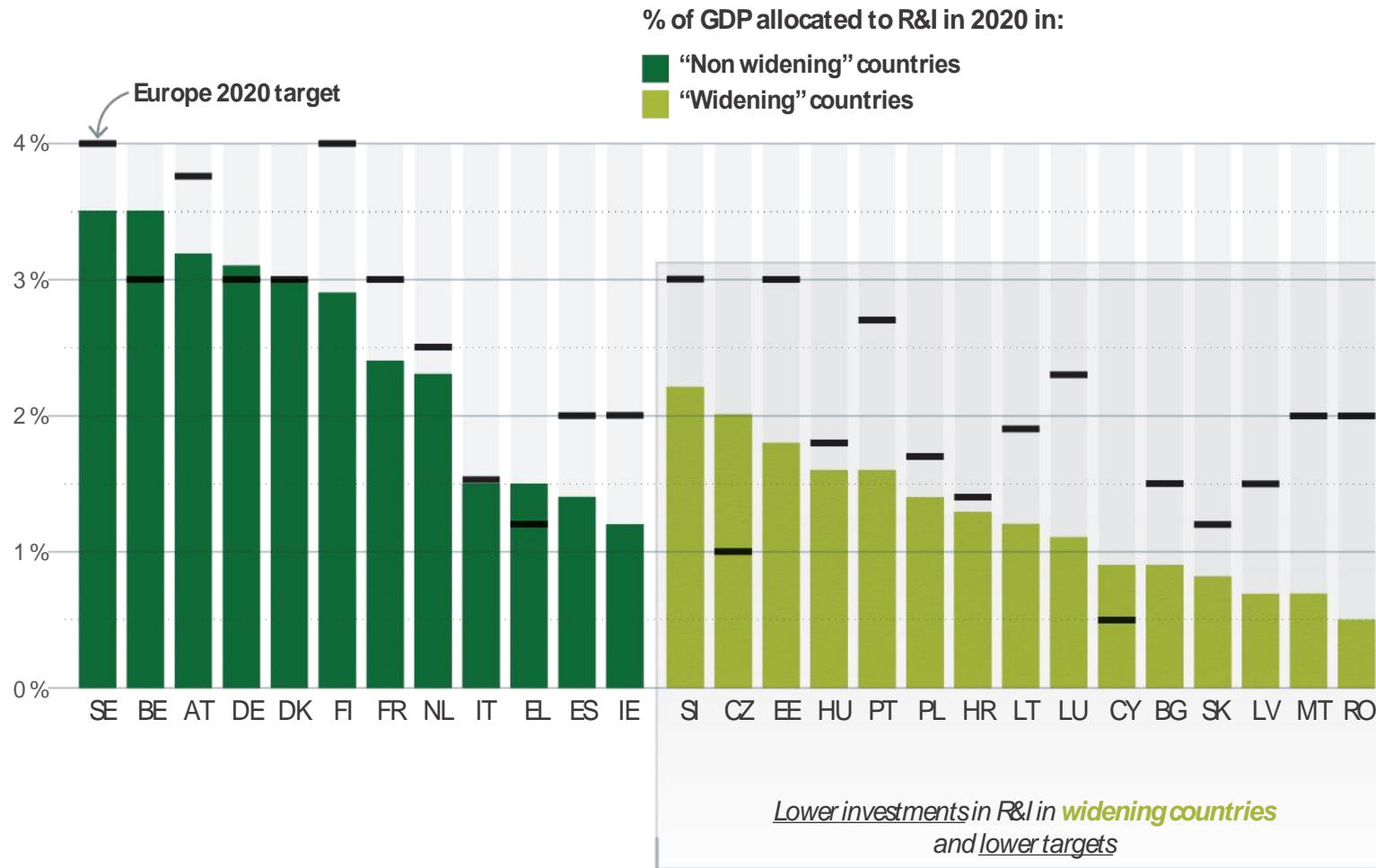
Note:

Slides 28, 29 and 30 are not included in the Sr on synergies but on the SR 15/2022 on widening measures

I included in this presentation as they complement the information provided in slide 26



Network indicator normalised by size of country





Correlation between R&I investment per capita (2014-2020) and participation in H2020

R&I investment (2014-2020)
thousand euro per capita



Low investment in R&I and low funding per capita in H2020 in most widening countries

- ◆ “Widening” countries
- ◆ “Non widening” countries

Horizon 2020 funds
euro per capita



Correlation R&I investment per capita (2014-2020) and 2021 European Innovation Scoreboard

R&I investment (2014-2020)

thousand euro per capita



- Interreg Experimental call “Capitalisation through Coordination Across EU Funds”
- **Stakeholders** seemingly **need a deliberate “push”** to actively seek and make use of synergies across funds
- **Strengthening the impact of R&I and Interreg project results requires an active support** to the project holders.
- **Capacity building measures and matchmaking opportunities** set up by DG RTD and the Interreg CE Programme within the fourth call, **increased the knowledge of stakeholders about existing R&I and Interreg results that could fit to specific needs of certain regions and target groups.**
- The **identification of R&I results** suitable for exploitation in a territorial context is **still very challenging** and even the **tools set in place to this end showed their limits.**
- the call **managed to attract also other organisations that are interested in exploiting existing project results but they were not involved in their development.** This brings new knowledge and new connections to the existing partnerships, thus further strengthening the exploitation of existing results.