

## **Analysis of the coordination of EU funding programmes in selected EU Member States (focus: institutional settings)**



**Report to the Ministry of Regional  
Development of the Czech Republic**

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## GLOSSARY

AMIF	Asylum, Migration and Integration Fund
Article 185	Article 185 of the Treaty on the Functioning of the European Union (TFEU) allows the EU to participate in research programmes undertaken jointly by several EU member countries
CDTI	Centre for the Development of Industrial Technology (Spain)
CF	Cohesion Fund
COSME	EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises
cPPPs	Contractual Public Private Partnerships, an initiative to encourage cooperation with industry under H2020 to implement technological priorities in particular areas
CPR	Common Provisions Regulation
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EaSI	EU Programme for Employment and Social Innovation
EASME	European Commission's Executive Agency for Small and Medium-Sized Enterprises
EC	European Commission
EEA	European Economic Area
EIB	European Investment Bank
EIF	European Investment Fund
EFSI	European Fund for Strategic Investment
EGF	European Globalisation Fund
EMFF	European Maritime and Fisheries Fund
ERASMUS	EuRoepan Community Action Scheme for the Mobility of University Students, an EU student exchange programme
ERDF	European Regional Development Fund
ESIF	European Structural and Investment Funds
ESF	European Social Fund
ETag	Estonian Research Council
ETC	European Territorial Cooperation (Interreg)
EU	European Union
FEAD	Fund for European Aid to the Most Deprived
FFG	Austrian Research Promotion Agency
FI	Financial Instruments
FP7	Seventh Framework Programme (EU R&D funding programme in 2007-13)
H2020	Horizon 2020 (EU R&D funding programme in 2014-20)
ISF	Internal Security Fund
JRC	Joint Research Centre
LIFE	EU programme supporting environmental and nature conservation projects
MA	Managing Authority
MFF	Multiannual Financial Framework
MINHAP	Spanish Ministry of Finance and Public Administration
NCFF	Natural Capital Financing Facility, a financial instrument under the EU LIFE programme
NCP	National Contact Point
NGO	Non-governmental organisation
OP	Operational Programme
ÖROK	Austrian Conference on Spatial Planning
P2P	Peer to Peer
PA	Partnership Agreement
PF4EE	Private Finance for Energy Efficiency, a financial instrument under the EU LIFE programme
RTDI	Research and technological development
S3	Smart Specialisation,

Seal of Excellence	A label awarded to projects submitted to Horizon 2020 which were deemed to deserve funding but did not receive it due to budget limits.
SME	Small and Medium Sized Enterprises
SMEI	SME Initiative, a joint financial instrument
TO	Thematic Objective
WalEurope	Walloon Department of Structural Funds Coordination (MA ESIF)
YEI	Youth Employment Initiative

## EXECUTIVE SUMMARY

ESIF funding to the Czech Republic is expected to decline after 2020, due e.g. to an EU-level shift towards other budget headings. A key priority is therefore to assess opportunities to increase revenue from other EU funding programmes in future, notably those where projects are selected at EU level on a competitive basis i.e. where the budget allocated to the Czech Republic is not pre-determined. One possible means of increasing receipts from EU funding programmes could be to improve coordination between Czech entities responsible for managing and implementing ESIF and other EU programmes.

This study examines varied approaches to the coordination of ESIF and directly-managed EU funding programmes (COSME, Creative Europe, EaSI, Horizon 2020, and LIFE) in four Member States (Austria, Belgium, Estonia and Spain) and provides recommendations for improving coordination in the Czech Republic. It examines coordination at three levels (strategic planning; OP-level management and implementation; and project level engagement and implementation) and considers different intensities of coordination (active cooperation, consultation and dialogue, exchange of information and experience, and complementarity and coherence).

Coordination may be hindered by political, institutional and cognitive lock-in to existing networks and routines. Development policies (e.g. smart specialisation strategies or place-based approaches) often aim to open up the development process and funding opportunities to a wider range of stakeholders and to stimulate new forms of coordination and cooperation. High-level political commitment and practical incentives are needed to ensure that new ideas and connections are implemented and maintained over time. Boundary spanners and cross-sectoral forums can help to build and nurture connections across sectoral, thematic and organisational boundaries.

In **Austria**, the ESIF PA includes a formal commitment to complementarity between ESIF and other EU programmes, and the Smart Specialisation (S3) process helped to build complementarities and coordination between stakeholders and funding streams. However, different EU funding programmes are managed and implemented separately, and coordination is not strongly prioritised between stakeholders responsible for different EU funding programmes. Instead, coordination is mainly seen in terms of a) relations between the federal and *Länder* levels, b) between the *Länder* and c) between ESIF and domestic strategies. Funds from different programmes may be coordinated in the case of individual projects on a case-by-case basis. However, Austria's success in bidding for EU funding (e.g. under Horizon 2020 and LIFE) is not seen to be due to good coordination but instead to the work of the Austrian Research Promotion Agency.

In **Belgium**, the study focuses mainly on Flanders because ESIF are managed separately by the three regions (Brussels-Capital, Flanders and Wallonia), and there are separate National Contact Points for directly-managed programmes at federal and regional levels. The ESIF PA defines areas of demarcation and coordination between EU Funds by Thematic Objective. The ESIF Managing Authority in Flanders (Flanders Innovation and Entrepreneurship) is responsible for managing links with directly managed EU instruments. Other coordination mechanisms include: a network composed of the ESIF managing authority and the National Contact Points for various other EU funding programmes; an EU Platform under the Flemish Ministry for Economic Affairs, Science & Innovation; an ERDF post-2020

working group; and informal information-sharing. Funding from different EU programmes may be combined or complementary at project-level, e.g. in LIFE Integrated Projects.

In **Estonia**, the ESIF Partnership Agreement was prepared in cooperation with entities responsible for other EU programmes, with a view to ensuring effective demarcation and coordination of different stakeholders and funding streams. The ESIF PA also includes a commitment to the coordination of EU funds e.g. via annual State budget acts; information exchange between implementing bodies; and OP and sectoral committees. Individual agencies have multiple roles in different EU programmes e.g. KredEx is an ESIF second level implementing body and also the National Contact Point for COSME. Funds from different EU and domestic sources are combined in individual projects or via sequential funding for different phases of related activities at project-level. A further example is the Estonian Research Council, which is the National Contact Point for Horizon 2020. The Council also manages ERDF-funded programmes which support opportunities for Estonian R&D institutions and companies to collaborate with transnational research organisations and networks, including through synergy with Horizon 2020 actions. At the same time, the Council implements national funding programmes for research and mobility.

In **Spain**, the ESIF Partnership Agreement identifies complementarities between ESIF and each directly-managed EU programme, and also describes structures that coordinate ESIF with other EU and domestic programmes. The ESIF Coordination Committee coordinates the overall governance of ESIF and other EU programmes. Other mechanisms operate for particular themes/sectors, including a series of Thematic Networks (e.g. RTDI, environmental authorities, gender equality), which coordinate including ESIF and other EU and domestic programmes. In the field of RTDI, the Centre for the Development of Industrial Technology (CDTI) is the National Contact Point for Horizon 2020 and has responsibility for coordinating Horizon 2020 with other EU (including ESIF) and domestic funding and stakeholders, as well as raising awareness, building capacity and providing technical support. The CDTI's Euroingenio Fund finances instruments and structures that stimulate participation in H2020, including creation of a decentralised network of International Innovation Units. Also in the RTDI field, regional S3 processes include Horizon 2020 and COSME stakeholders and aim to ensure coordination across EU programmes. In the field of SME support, the EU's SME Initiative (which can combine funding from the EIB, ESIF and COSME/H2020) is implemented via the national SMEI Initiative OP. At project-level, efforts are made to combine or allocate complementary funding from ESIF and LIFE or Horizon 2020.

Overall, the study suggests the following **recommendations for** improving the coordination of EU funding programmes in the Czech Republic:

**First, ensure high-level commitment for a long-term, strategic approach** to increasing participation in non-ESIF EU funding programmes, including steps to enhance coordination across programmes:

- Translate this high-level commitment into agreement of common goals;
- Take a coordinated approach to the agreement of strategic policy frameworks and packages of instruments, translated into implementation documents and multi-annual financial frameworks;
- Ensure that all relevant stakeholders participate in preparing strategic policy frameworks and in reviewing and assessing progress in achieving common goals.



**Second, assign responsibility to an appropriate governance structure (new or existing) for coordinating bodies responsible for different EU funding programmes and domestic programmes, e.g.:**

- Set up a single coordinating body with responsibility for driving the coordination agenda and for monitoring and evaluating synergies across EU and domestic programmes;
- Establish thematic entities with responsibility for coordinating funding programmes, including information exchange, the timing and design of calls and assessing the results of coordination;
- Ensure that each organisation responsible for managing/implementing an EU funding programme is also tasked with coordinating with other EU funding programmes – and that this task is translated into organisational goals, workplans and budgets.

**Third, build a culture that values and prioritises communication and coordination both within the public administration and between the public administration and other key stakeholders.** As a step in this direction, **set up thematic platforms to stimulate a structured dialogue** between different EU programmes, domestic programmes and other stakeholders

Fourth, consider undertaking an **active process of engagement among public authorities and other stakeholders i.e. an in-depth analysis of the culture of coordination in the Czech policy context, as well as obstacles**, and development of a **tailored plan for building relationships** among all relevant authorities and stakeholders, across a range of EU and domestic funding programmes.

**Fifth, invest in human capacity and training relevant to the implementation of synergies** between EU funding programmes. Ensure that staff in managing authorities and national contact points are able to advise applicants on the eligibility criteria of other EU funding programmes. In addition:

- In order to ensure that formal and informal networking and boundary-spanning activities are valued, they should be included in individual job descriptions.
- Create and foster personal relationships between national staff and staff in EU institutions and in other Member State public administrations, and encourage peer to peer learning and targeted exchanges in order to foster learning.

**Sixth, prioritise coordination throughout the design and implementation of programmes**, notably in the design and marketing of **calls**; in deciding on **project selection criteria**; data collection, **monitoring and evaluation**; and **interlinking websites**. Moreover:

- Focus on coordination at the level of projects, and use ESIF or domestic programmes to compete at higher levels for direct EU funding programmes.
- In addition, consider whether EU-level initiatives (such as the Seal of Excellence) provide useful opportunities for coordinating EU funding at project level.

Seventh, endeavour to **simplify and align domestic regulations**, rules and guidance across EU funding programmes, notably in relation to financial management, control and audit.

Eighth, strive to **influence EU-level regulations and frameworks** during the negotiation phase for 2021-2027, so that there is greater scope for coordination across EU funding programmes on the ground.

## 1. INTRODUCTION

This study analyses the coordination of the European Structural and Investment Funds (ESIF) with five other EU funding programmes (i.e. COSME, Creative Europe, EaSI, Horizon 2020, and LIFE) in selected EU Member States (i.e. Austria, Belgium, Estonia and Spain) and provides recommendations for improving coordination in the Czech Republic.

ESIF funding in the Czech Republic is expected to decline after 2020, due in part to an EU-level shift towards other budget headings, notably the single market, innovation and digital, with the European Commission proposing that 'other' policies would account for almost half of spending in 2021-27 rather than just over one third in 2014-20.<sup>1</sup> The Commission's proposed budget for the ERDF, the Cohesion Fund and the ESF+ in 2021-27 is c. €331 billion, compared with €374 billion for 2014-20. In particular, the Commission is proposing that the Czech Republic would see a reduction of over 20 percent in 2021-27,<sup>2</sup> with a potential allocation of €17.8 billion in 2018 prices (€20.1 billion in current prices).

The Czech Republic is examining opportunities to maximise returns from other sources of EU funding in future. A study for the Ministry of Regional Development has suggested that one potential means of increasing receipts from non-ESIF EU funding programmes is to improve coordination and cooperation between Czech entities responsible for managing and implementing different EU programmes.<sup>3</sup>

This study focuses on those EU programmes where the budget allocated to the Czech Republic is not pre-determined, and where projects are selected at EU level on a competitive basis, namely COSME, Creative Europe, EASI, Horizon 2020, and LIFE. In the case of other EU programmes (e.g. ERASMUS+ and the Youth Employment Initiative [YEI]), the budget for the Czech Republic is pre-determined, and project selection takes place primarily at national level, within that set budget allocation.

The overall aim of this study is to provide detailed information on the **institutional set up and coordination of selected EU funding programmes** outside the Czech Republic. The objective is to help ensure better coordination and synergies between EU funding programmes and other financial resources (particularly ESIF) in the Czech Republic, and to support potential improvement of the existing institutional arrangements. Specifically, the study will identify the following features of the selected EU programmes:

1. **Governance:** which organisations are responsible for managing and implementing the programmes at different levels; what are their various roles, responsibilities and activities.
2. **Success factors and lessons learned:** what reasons for success/failure in the area of EU funding can be identified? This will include collection/identification of good practice in the countries concerned.

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<sup>1</sup> European Commission (2018) *A modern budget for a Union that protects, empowers and defends: The Multiannual Financial Framework for 2021-2027*, Brussels, 2 May 2018, COM(2018) 321.

<sup>2</sup> Bachtler J, Mendez C and Wishlade F (2018) *Proposals for the MFF and Cohesion Policy 2021-27: a preliminary assessment*, EoRPA Paper 18/5, Report to the EoRPA Consortium (not yet public).

<sup>3</sup> Ernst and Young s.r.o (2016) *Analysis of EU programmes in the context of complementarity with ESI Funds*, Report to the Ministry for Regional Development.

3. **Coordination mechanisms:** how is the coordination of EU funding programmes and other complementary programmes (ESIF, national) ensured?

Based on the above research, the study will provide a comparative analysis of the approaches adopted in the case study countries, which will include:

- **A discussion of the success factors and main lessons learned** in the case study countries, with policy implications for the Czech Republic and the potential transferability of lessons;
- **Recommendations** on how to improve the current institutional setting in the Czech Republic to provide for a better coordination of the EU funding programmes and other financial schemes (especially ESIF). This will consider the creation of a central coordinating body set up at national level within the Ministry of Regional Development.

## 2. ANALYTICAL FRAMEWORK

### 2.1 Defining ‘coordination’

Different analytical categories and frameworks can be used for defining and analysing “coordination”<sup>4</sup> or “synergies”.<sup>5</sup> This study focuses on two sets of dimensions that relate to institutional coordination between ESIF and other EU funding programmes. First, we focus on coordination at different stages of the policy-making process (Table 1).

**Table 1: Coordination at different stages of the policy process**

Term	Summary definition
PA/OP-level strategic planning	Process of designing management & implementation structures, legal frameworks, guidance documents, goals/targets/indicators; design of project calls & instruments
OP-level management and implementation	E.g. management & implementation rules & procedures; financial management/control/audit; monitoring & evaluation
Project-level engagement and implementation	Marketing to potential beneficiaries; engagement & assistance of project applicants; guidance & support of beneficiaries

**Source:** EPRC

Second, we explore different intensities of coordination (Table 2).

**Table 2: Intensities of coordination**

Term	Summary definition
Active cooperation	Bodies responsible for different EU funding programmes cooperate closely on shared activities; set joint goals; and co-produce knowledge – or a single body may be responsible for multiple EU programmes.
Consultation & dialogue	Bodies responsible for different EU programmes consult one another on their goals and activities, with the aim of coordination where possible.
Exchange of information & experience	Bodies responsible for different EU programmes inform one another about their goals, activities and experiences.
Complementarity & coherence	EU programmes within a country/region are designed in such a way that they complement one another e.g. via clear demarcation of tasks.

**Source:** EPRC.

<sup>4</sup> See e.g. Davies S, Ribeiro B et al. (2016) Good practice guidelines for stakeholder and citizen participation in bioeconomy strategies. BioSTEP Working Paper 3.3.

<sup>5</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union

Ferry M, Kah S and Bachtler J (2016) *Maximisation of synergies between European Structural and Investment Funds and other EU instruments to attain Europe 2020 goals*, Report to the European Parliament's Committee on Regional Development, Brussels

In addition, where appropriate, we also consider:

- Factors which run counter to coordination e.g. overlaps, gaps, contradictions, silos and failures in demarcation; and
- Other major drivers of policy effectiveness (i.e. other than coordination) e.g. appropriate human and financial resources, sufficient pool of potential project applicants.

## **2.2 Challenges in building coordination**

Efforts to improve coordination and cooperation between stakeholders and government departments typically come up against obstacles in the form of entrenched organisational routines and behaviour. These obstacles may take the form of silo-based thinking and engagement, where each government ministry/department/agency operates within predefined sectoral limits, which are reinforced by formal rules/procedures and informal networks. Stakeholders may coordinate/cooperate with one another but are likely to prioritise existing networks and relationships. Endeavours to coordinate/cooperate with other stakeholders are likely to be hindered by political, institutional and cognitive lock-in to existing networks and routines.

Development policies (e.g. smart specialisation strategies or place-based approaches) often aim to disrupt fixed patterns of interaction and to open up the development process – and funding opportunities – to include a wider range of organisations and individuals, as well as to stimulate new relationships across pre-existing boundaries.

However, such disruptive factors depend on high-level political commitment and practical incentives, in order to ensure that new patterns of behaviour are put into practice and that new ideas and connections are implemented and maintained over time.

Boundary spanners, or organisations and individuals with a formal remit or informal interest in building and nurturing connections across sectoral, thematic and organisational boundaries are particularly valuable, as are forums which bring together stakeholders from a wide range of backgrounds.

## **2.3 EU-level coordination between funding programmes**

In preparing the 2014-20 period, the European Commission and Member States aimed to provide a legal basis and guidance to facilitate coordination between EU funding programmes.

For example, the ESIF Common Provisions Regulation 2014-20 provides a legal basis for coordination between ESIF and other EU programmes in the Partnership Agreements and OPs, stating that Member States and the Commission shall have 'due regard to strengthening coordination, synergies and complementarities' between the ESIF and relevant centrally managed EU funding programmes. Similarly the COSME Regulation calls for close synergies between COSME programme and ESIF's Common Provisions Regulation.<sup>6</sup>

The 2014-20 regulations (CPR 1303/2013, Article 38.1[a]) provide the option to combine ESIF with other EU level funding programmes, including financial instruments (Financial Regulation (title VIII, Art

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<sup>6</sup> Van der Zwet A, Bachtler J, Miller S, Vernon P, Dozhdeva V (2016) *Review of the Role of the EIB group in European Cohesion policy*, Directorate-General for Internal Policies; Policy Department B; Structural and Cohesion Policies, Strasbourg, European Parliament, IP/B/REGI/IC/2015-019.

139-140) managed in/directly by the Commission (e.g. Creative Europe Guarantee Facility, COSME Equity & guarantees; Horizon 2020 equity and risk sharing instruments; EaSI). The European Commission also provided guidance documents for Member State authorities e.g. on the coordination of ESIF and Horizon 2020,<sup>7</sup> as well as guidance for the beneficiaries of EU funding.<sup>8</sup>

In addition, various mechanisms at EU-level facilitate the combination of ESIF and H2020 for international projects<sup>9</sup> e.g. the RIS3 Platform established by the EU's Joint Research Centre; intergovernmental macro-regional strategies; European Partnerships such as P2Ps (ERA-NETs and Article 185s) and PPPs (JUs and cPPPs). Similarly, the Stairway to Excellence (S2E) project, launched by the European Parliament and implemented by the JRC and DG REGIO, includes a focus on identifying how national/regional stakeholders can use different EU and domestic funding programmes in complementary ways.<sup>10</sup>

## 2.4 Selected EU funding instruments

### 2.4.1 Background

This study focuses on selected EU funding programmes where there is most scope for the Czech Republic to attract additional funding, namely those where there is no pre-allocated budget for the Czech Republic, and where projects are selected at EU level on a competitive basis (see Table 3).<sup>11</sup> The programmes selected are: **COSME, Creative Europe, EaSI, Horizon 2020, and LIFE**. Each of these programmes is under direct management i.e. funding is managed at EU level, by European Commission Directorate Generals (DGs) or executive agencies, while some elements are managed by the European Investment Bank (EIB) or European Investment Fund (EIF).

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<sup>7</sup> European Commission (2014) *Enabling synergies between European Structural application: and Investment Funds, Horizon 2020 and other research, innovation and competitiveness-related Union programmes: Guidance for policy-makers and implementing bodies*, Luxembourg: Publications Office of the European Union.

<sup>8</sup> European Commission (2014) *Guidance for beneficiaries of European Structural and Investment Funds and related EU instruments*, Luxembourg: Publications Office of the European Union.

<sup>9</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union

<sup>10</sup> Özbolat, N. and Harrap, N. (2018) *Addressing the innovation gap: Lessons from the Stairway to Excellence (S2E) project*, JRC Technical Reports, Luxembourg: Publications Office of the European Union

<sup>11</sup> Ernst and Young s.r.o (2016) *Analysis of EU programmes in the context of complementarity with ESI Funds*, Report to the Ministry for Regional Development.

**Table 3: Categories of EU funding programmes**

	Projects selected competitively vs EU-wide competition	Projects selected within pre-determined budget
Projects selected at EU level	COSME Creative Europe EaSI Horizon 2020 LIFE	Connecting Europe Facility (CEF)
Projects selected nationally		Asylum, Migration and Integration Fund (AMIF) ERASMUS+ Internal Security Fund (ISF) Fund for European Aid to the Most Deprived (FEAD) YEI (Youth Employment Initiative)

**Source:** Adapted from Ernst and Young s.r.o (2016) Analysis of EU programmes in the context of complementarity with ESI Funds, Report to the Czech Republic's Ministry for Regional Development.

Annex III provides an overview of the objectives and EU funding allocated to COSME, Creative Europe, EaSI, Horizon 2020, and LIFE in 2014-20.

EU-level discussions are currently underway on the EU's Multiannual Financial Framework (MFF) for the period 2021-27. The European Commission's proposals for the new MFF include the continuation of COSME, Creative Europe, EaSI, Horizon 2020, and LIFE – although it is proposed that some of these instruments would in future fall under different budget headings than in 2014-20 (see Table 4).<sup>12</sup>

<sup>12</sup> European Commission (2018) *A modern budget for a Union that protects, empowers and defends: The Multiannual Financial Framework for 2021-2027*, Brussels, 2 May 2018, COM(2018) 321.

**Table 4: EU Multiannual Financial Frameworks (MFF), 2014-20 and 2021-27 (proposed)**

MFF budget headings 2014-20	Funding programmes 2014-20 (selected)	Proposed MFF budget headings 2021-27	Proposed funding programmes 2021-27 (selected)
1a Competitiveness & growth for jobs	Horizon 2020, COSME, EaSI	I Single market, innovation & digital	1. Research & innovation (Horizon Europe) 3. Single market (Single market programme, inc. COSME)
1b Economic, social & territorial cohesion	ERDF CF ESF	II Cohesion & values	4. Regional development & cohesion (ERDF, CF) 7. Investing in people, social cohesion & values (ESF+, inc. EaSI; Creative Europe)
2 Sustainable growth: natural resources	EAFRD LIFE	III Natural resources & environment	8. Agriculture & maritime policy (EAFRD) 9. Environment & climate action (LIFE)
3 Security & citizenship	Creative Europe	IV Migration & border management	
4 Global Europe		V Security & defence	
5 Administration		VI Neighbourhood & the world	
		VII European public administration	
		Instruments outside the MFF ceiling	

**Sources:** (a) European Commission (2018) *Statement of estimates for the financial year 2019*, SEC (2018) 250, Brussels: DG Budget; (b) European Commission (2018) *A modern budget for a Union that protects, empowers and defends: The Multiannual Financial Framework for 2021-2027*, Brussels, 2 May 2018, COM(2018) 321.

## 2.4.2 COSME

### Background

The Programme for the Competitiveness of Small and Medium-Sized Enterprises (COSME) facilitates access to finance for SMEs through two EU-level financial instruments (FIs), and also supports activities relating to SME access to markets, framework conditions for competitiveness, and encouraging entrepreneurship.<sup>13</sup> COSME has a total budget allocation of €2.3 billion for the period 2014-20. COSME

<sup>13</sup> European Parliament and Council of the EU (2013) Regulation (EU) No 1287/2013 of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises



builds on experience under the Competitiveness and Innovation Framework Programme (CIP) in 2007-13. COSME is overseen by DG Internal Market, Industry, Entrepreneurship and SMEs, and most COSME activities are managed by the European Commission's Executive Agency for Small and Medium-Sized Enterprises (EASME), while the EIF is responsible for the implementation of COSME's two FIs, namely the Loan Guarantee Facility (providing loan guarantees and counter-guarantees to financial institutions) and the Equity Facility for Growth (providing risk capital to equity funds investing in SMEs).

### **Best practice synergies with other EU programmes**

Synergies exist between COSME and other EU instruments that aim to support SME competitiveness, including ESIF (TO-3 Enhancing the competitiveness of SMEs). For example, COSME co-finances the Enterprise Europe Network, which aims to help SMEs to innovate and growth internationally and provides support to SMEs at a local/regional level. The Enterprise Europe Network has an 'informal pre-allocation of funds to Member State/regions' that take part.

There are also synergies between COSME and other EU instruments via the SME Initiative, which aims to stimulate financing for SMEs by providing partial risk cover for the loan portfolios of Member States' financial institutions (currently Bulgaria, Finland, Malta, Romania and Spain).<sup>14</sup> The SME Initiative is co-financed by COSME and/or H2020, EIB Group funding (EIB and/or EIF), and ESIF funds (with no national co-financing required). It enables ESIF managing authorities to contribute ERDF and EAFRD resources to EU-level FIs.

### **2.4.3 Creative Europe**

#### **Background**

Creative Europe aims to support Europe's cultural and creative sectors to seize new opportunities, expand their economic potential, reach new audiences and operate Europe-wide.<sup>15</sup> It follows on from the previous Culture Programme and MEDIA Programme. It has a budget of €1.46 billion in 2014-20, with most funding allocated via EU-wide competitive calls, and has three strands: (a) Culture, (b) Media, and (c) Cross-sectoral. Creative Europe is overseen by the DG for Education, Youth, Sport and Culture and managed by the European Commission's Education, Audiovisual and Culture Executive Agency (EACEA). Under the Cross-sectoral strand, the Cultural and Creative Sectors Guarantee Facility (CCS GF) is managed by the EIF, and provides guarantees to financial institutions, with the aim of encouraging increased lending to SMEs in the cultural and creative sectors, including those perceived to involve higher risk.<sup>16</sup>

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(COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC, *Official Journal of the European Union* L347/33, 20 December 2013

<sup>14</sup> [http://www.eif.org/what\\_we\\_do/guarantees/sme\\_initiative/index.htm](http://www.eif.org/what_we_do/guarantees/sme_initiative/index.htm)

<sup>15</sup> European Parliament and Council of the EU (2013) Regulation (EU) No 1295/2013 of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) and repealing Decisions No 1718/2006/EC, No 1855/2006/EC and No 1041/2009/EC, *Official Journal of the European Union* L347/221, 20 December 2013.

<sup>16</sup> [http://www.eif.org/what\\_we\\_do/guarantees/cultural\\_creative\\_sectors\\_guarantee\\_facility/index.htm](http://www.eif.org/what_we_do/guarantees/cultural_creative_sectors_guarantee_facility/index.htm)

## Best practice synergies with other EU programmes

Despite clear complementarities, there do not seem to be strong synergies or coordination between Creative Europe and other EU funding programmes e.g. ESIF, Horizon 2020 or COSME.<sup>17</sup> Complementarities between ESIF and Creative Europe are rooted in the importance of the cultural and creative sectors the socio-economic development of many regions. Similarly, ESIF can fund types of interventions (notably infrastructure) which cannot be funded by Creative Europe but which are potentially complementary to Creative Europe projects.

Synergies may exist at operational level between Creative Europe and ESIF, notably via the European Capitals of Culture, which act as a focus for urban development, citizen engagement and investment. In practice, many of these activities are co-financed by national/regional ESIF OPs.

More systematic coordination could be developed, for example, via shared conferences or networking events between Creative Europe and other EU funding programmes,<sup>18</sup> as well as via joint communication and joint calls, not only with ESIF but also with COSME and Horizon 2020.<sup>19</sup> Further, relevant COSME and Horizon 2020 calls could be publicised via Creative Europe's online platform, and Creative Europe could be connected with COSME and Horizon 2020 via the SME Instrument.<sup>20</sup>

### 2.4.4 EaSI

#### Background

The EU Programme for Employment and Social Innovation (EaSI) aims to promote high quality employment, guarantee social protection, combat social exclusion and poverty, and improve working conditions.<sup>21</sup> EaSI's budget in 2014-20 is €919 million. EaSI has three axes (building on the previous PROGRESS, EURES and Progress Microfinance programmes), namely:<sup>22</sup>

- The PROGRESS axis (61 percent of funds) aims to modernise employment and social policies. It provides funding to national/regional/local authorities and socio-economic partners, including non-governmental organisations (NGOs), to collect and share information and experience; to develop policies and implement EU law; to experiment with social policies; and, in the case of NGOs, to promote social inclusion and poverty reduction.

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<sup>17</sup> European Commission (2018) Staff Working Document: Mid-term evaluation of Creative Europe, [accompanying the document: Report from the Commission to the European Parliament and the Council, Mid-term evaluation of the Creative Europe programme (2014-2020) COM(2018) 248 final], Brussels, 30 April 2018, SWD(2018) 159 final

European Parliament (2018) Research for CULT Committee – Creative Europe: Towards the Next Programme Generation. Brussels: DG for Internal Policies of the Union

<sup>18</sup> European Commission (2018) *op. cit.*

<sup>19</sup> European Parliament (2018) *op. cit.*

<sup>20</sup> As distinct from the COSME/H2020/ESIF SME Initiative which provides financial instruments to SMEs, the *SME Instrument* was piloted in 2017 as part of the Horizon 2020 work programme for 2018-2020. The SME Instrument offers grants and coaching through the Enterprise Europe Network, targeting close to the market activities by SMEs.

<sup>21</sup> European Parliament and Council of the EU (2013) Regulation (EU) No 1296/2013 of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion, *Official Journal of the European Union* L347/238, 20 December 2013.

<sup>22</sup> European Commission (2013) *EaSI: New EU umbrella programme for employment and social policy*, Luxembourg: Publications Office of the European Union.

- The EURES strand (18 percent of funds) supports a European job mobility network, made up of a central portal and 900 advisers in countries/regions, which provides information, advice and recruitment services to employers and citizens, relating to Europe-wide freedom of movement for workers. Funding is largely allocated to national/regional/local authorities, employment services, and socio-economic partners.
- The Micro-finance and Social entrepreneurship (MF/SE) strand (21% of funds) provides funding to microcredit providers with the aim of expanding the availability of microfinance for businesses, and of building the institutional capacity of microcredit providers. It also funds public/private bodies to provide funding to social enterprises.

EaSI is directly managed by the European Commission's DG for Employment, Social Affairs and Inclusion. The European Investment Fund (EIF) manages the two FIs under the MF/SE strand, namely the EaSI Guarantee Instrument (which provides guarantees and counter-guarantees to financial institutions, thus reducing part of the risk of lending to social enterprises and micro-enterprises), and the EaSI Capacity Building Investments Window, which invests in selected financial intermediaries operating in microfinance and social enterprise, with a view to enhancing their institutional and operational capacity.<sup>23</sup>

### **Best practice synergies with other EU programmes**

EaSI aims to complement other EU programmes that support employment, social protection and social inclusion, notably the European Social Fund (ESF), the European Globalisation Fund (EGF), the Youth Employment Initiative (YEI) and the Fund for European Aid to the Most Deprived (FEAD) – all of which are also managed directly by the DG for Employment, Social Affairs and Inclusion. There is also potential for synergies with other EU instruments target e.g. education (ERASMUS), research and innovation (H2020, COSME), and SMEs (COSME).

Spain is the Member State which has so far made most use of the EaSI Guarantee Instrument, whereby an ESIF managing authority allocates a block of ESIF funding to the EaSI Guarantee Instrument, which is managed by the EIF.<sup>24</sup> By early 2018, six transactions had been signed in Spain with four intermediaries, with three transactions in the field of micro-finance and three relating to social enterprise. For example, the Managing Authority for the Madrid ESF OP has allocated €25 million of ESF resources to the EaSI Guarantee Instrument. Similarly, Spain's national ESF OP for Employment, Training and Education has allocated c. €530 million (15 percent of total OP funding) to the EaSI Guarantee Instrument.<sup>25</sup>

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<sup>23</sup> [http://www.eif.org/what\\_we\\_do/microfinance/easi/index.htm](http://www.eif.org/what_we_do/microfinance/easi/index.htm)

<sup>24</sup> de la Mata G (2018) *ESF contribution to EaSI under article 38.1(a): Preliminary thoughts*, Presentation of 8 February 2018, Brussels, European Investment Fund

<sup>25</sup> Wishlade F, Michie R, Robertson P and Vernon P (2017) *Improving the take-up and effectiveness of Financial Instruments*, Glasgow: European Policies Research Centre, Report to the European Commission

## 2.4.5 Horizon 2020

### Background

Horizon 2020 supports R&D and innovation and is seen to have a key role in achieving the Europe 2020 strategy goals relating to smart, sustainable and inclusive growth.<sup>26</sup> Horizon 2020 has funding of c. €87.7 billion in 2014-20, and is divided among three main priorities, namely:

- Excellent science (€27.8 billion), which includes funding for: the European Research Council; Future and Emerging Technologies; Marie Skłodowska-Curie Actions on skills, training and career development; and European research infrastructure;
- Industrial leadership (€20.3 billion), which funds: Leadership in enabling and industrial technologies; Access to risk finance; and Innovation in SMEs;
- Societal challenges (€35.9 billion), which finances: Health, demographic change and wellbeing; Food security, sustainable agriculture, marine and maritime research and the bio- economy; Secure, clean and efficient energy; Smart, green and integrated transport; Climate action, resource efficiency and raw materials; and Inclusive, innovative and secure societies;
- The non-nuclear direct actions of the Joint Research Centre (up to €2.2 billion).

Horizon 2020 is directly managed by the European Commission, notably the DG for Research and Innovation, and the Research Executive Agency (REA).<sup>27</sup> National Contact Points in each Member State (and associated countries) provide (potential) applicants with guidance on choosing topics and types of action; advice on administrative procedures, including contracts; support and training with proposal writing; and assistance in finding partners to participate in proposals.

### Best practice synergies with other EU programmes

Numerous mechanisms aim to facilitate coordination and cooperation between Horizon 2020 and other EU funding programmes, particularly ESIF, both at EU level and within individual Member States and regions (see Box 1 and Box 2).

At EU-level, the requirement on all national/regional authorities to develop and implement Smart Specialisation Strategies (S3) means that a wide range of national/regional stakeholders must come together to agree on and implement shared priorities for R&I-related economic development. This process is seen in a number of Member States and regions as a mechanism for building or enhancing a coordinated approach to R&I, which includes cooperation, complementarity and synergies between stakeholders responsible for different EU funding programmes. The inherently international nature of the Horizon 2020 programme and projects, along with the S3 requirements, have resulted in the programme being the focus of many of the coordination efforts identified in this report.

For example, the Seal of Excellence provides a stamp of excellence to projects that have been submitted to Horizon 2020 but did not receive funding due to budget limits.<sup>28</sup> By validating the quality of the project proposal, it aims to facilitate alternative funding, e.g. via ESIF OPs or national funding

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<sup>26</sup> European Parliament and Council of the EU (2013) Regulation (EU) No 1291/2013 of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC, *Official Journal of European Union* L347/104, 20 December 2013

<sup>27</sup> [https://ec.europa.eu/info/sites/info/files/rea\\_brochure.pdf](https://ec.europa.eu/info/sites/info/files/rea_brochure.pdf)

<sup>28</sup> <https://ec.europa.eu/research/soe/index.cfm?pg=what>

programmes. However, a recent IQ-Net review<sup>29</sup> of smart specialisation activities in 15 Member States (9 of which were covered nationally, while in 6 Member States only certain regions were covered), found that only Slovenia used the Seal of Excellence – namely for projects supported by Horizon 2020's SME Instrument<sup>30</sup> and a 'Teaming Initiative'<sup>31</sup> funded by Horizon 2020 (research part) and ERDF (infrastructures).

In addition, some national/regional authorities have introduced other steps to coordinate Horizon 2020 and ESIF at project-level, e.g. ESIF funding for R&D&I infrastructure and capacities, aimed at facilitating applications for Horizon 2020 funding, or ESIF funding for (e.g. innovation-oriented) projects that build on the results of Horizon 2020 research and innovation projects;

### Box 1: ESIF/H2020 Communication and Consultation in Ireland and Germany

Ireland has taken a long-term approach to improving R&I performance, including effective communication and coordination structures. In particular, the national Programme of Research in Third Level Institutions (PRTL), which was set up in 1998, is funded by a combination of ESIF, national funds and philanthropic funds. PRTL funds infrastructure and human capital, with the aim of supporting Irish institutions to produce world-class research, and has provided the basis for Irish involvement in Framework Programmes/H2020. In addition, the national government's Inter-Departmental Committee for Science and Technology (IDC) has facilitated communication, consultation and coordination between government departments and agencies, and is also responsible for developing national R&I strategies, including S3. The national government's Finance Department (which is a member of the IDC) also facilitates coordination between ESIF, H2020 and national funding because it is responsible for the allocation of all national departments' R&DI budgets, as well as overall policy responsibility for ESIF. There are many examples in Ireland of ESIF projects leading to subsequent H2020 projects and vice versa.

In 2014, Germany launched a formal national/regional dialogue in relation to the coordination of ESIF and H2020. The dialogue is led by the Federal Ministry of Education and Research, and also includes all federal and *Länder* authorities responsible for both ESIF and R&I e.g. ESIF managing authorities; H2020 National Contact Points; advisory bodies, including the Enterprise Europe Network; other key stakeholders; and potential applicants. The dialogue aims to facilitate information flows; support the strategic use of EU funding programmes; and enhance applicant support services. This dialogue is seen to foster the commitment of key stakeholders by concretely addressing societal challenges and the needs of key target groups such as higher education institutions. A 'Synergies Dialogue' Secretariat has been set up to manage a web portal on synergies between ESIF and H2020, to organise thematic workshops and to publish overviews of H2020 calls related to ESIF.

**Source:** European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union

<sup>29</sup> Polverari L and Dozhdeva V (2018) *op. cit.*

<sup>30</sup> <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/sme-instrument>

<sup>31</sup> <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/teaming>

**Box 2: Coordination of EU funding programmes in Wales**

In Wales (United Kingdom), the Welsh Government's Horizon 2020 Unit is co-located with the Structural Funds managing authority (the Welsh European Funding Office (WEFO), part of Welsh Government). Individual staff work on both ESIF and H2020 and therefore:

- can advise applicants on funding opportunities under both ESIF and H2020, and also signpost to the right specialist support;
- are networked with other organisations in both fields and so have access to wider information, experience and know-how.

Coordination across funding programmes in Wales is also facilitated because:

- Wales's ESIF OP documents and domestic regional government policy documents state the aim of coordination across EU (and domestic) funding sources;
- Strategic goals on synergetic working are translated into WEFO job descriptions and staff appraisal criteria – so that tasks and costs related to coordination (e.g. international travel to build consortia or bring back knowledge) are valued and validated;
- WEFO coordinates different EU and domestic schemes in a 'stairway to excellence' approach, targeting different R&I activities from capacity-building to commercialisation i.e. applicants can move up this stairway as they gain experience and get closer to being able to apply for H2020-type funding;
- A Welsh Government scheme (SCoRE CYMRU) offers funding to stimulate participation in EU research and innovation programmes such as Horizon 2020;<sup>32</sup>
- WEFO prioritises building contacts with bodies responsible for other EU funding programmes (e.g. LIFE, Creative Europe), leading to i) joint events for potential applicants, and ii) combined funding for individual projects;
- WEFO also prioritises cooperation with key individuals (e.g. EU funding officers / R&I officers) in different organisations (e.g. Wales's Brussels Office) and cooperation forums on particular themes (e.g. the circular economy, semi-conductors, life sciences, healthcare) or types of organisations (e.g. H2020 experts and evaluators; EU funding officers in universities).

**Sources:** (a) Polverari/Dozhdeva (2018); (b) Smithson T (2018) Delivering smart growth through synergies, Welsh Government presentation at the European Week of Regions and Cities, October 2018; (c) <https://gov.wales/funding/eu-funds/horizon2020/?lang=en>;

**2.4.6 LIFE****Background**

The LIFE Programme was launched in 1992 and funds environmental, nature conservation and climate action projects which have European added value.<sup>33</sup> The budget for 2014-20 is €3.5 billion, divided into work programmes for 2014-17 and 2018-20, and allocated via two sub-programmes for:<sup>34</sup>

<sup>32</sup> <https://gov.wales/funding/eu-funds/horizon2020/score-cymru/?lang=en>

<sup>33</sup> European Parliament and Council of the EU (2013) Regulation (EU) No 1293/2013 of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007, *Official Journal of the European Union* L347/185, 20 December 2013.

<sup>34</sup> <http://ec.europa.eu/environment/life/about/documents/life2014-2020.pdf>

- The Environment (€2.6 billion), focused on the environment and resource efficiency, nature and biodiversity, and governance and information;
- Climate Action (€0.9 billion), targeting climate change adaptation, mitigation and governance and information.

At least 81 percent of funding in 2014-20 must be allocated to traditional, integrated, preparatory or capacity-building projects, while up to 19 percent may take the form of operating grants (e.g. to NGOs) and funding for e.g. studies, conferences and technical assistance. LIFE is managed by DG Environment and DG Climate Action, which have delegated the management of specific components of the programme to EASME. Further, the European Investment Bank manages LIFE's two financial instruments (NCFE and PF4EE), which combine LIFE and EIB financing.

- The Natural Capital Financing Facility (NCFE)<sup>35</sup> funds projects that promote the conservation and management of natural capital for biodiversity, including ecosystem-based solutions to challenges related to land, soil, forestry, agriculture, water and waste.<sup>36</sup> It can provide direct and/or intermediated debt financing and equity investment funds, depending on the project. NCFE's finance facility can provide €215 million per project, while its technical assistance facility can provide a project grant of up to €1 million for project preparation, implementation and monitoring.
- LIFE's Private Finance for Energy Efficiency (PF4EE) instrument provides support to financial intermediaries, which in turn support national energy efficiency programmes.<sup>37</sup> It includes portfolio-based credit risk protection provided via cash-collateral (Risk Sharing Facility); an EIB Loan for Energy Efficiency; and expert support for the financial intermediaries (Expert Support Facility).

### **Best practice synergies with other EU programmes**

A key focus of coordination between LIFE and other EU funding programmes is via the LIFE Integrated Projects, which were introduced in 2014. These projects aim to help EU Member States to implement environmental and climate legislation by combining funds from LIFE and other EU sources (e.g. Common Agricultural Policy, ESIF and Horizon 2020), as well as national and private sector investment (see Box 3:). So far, 25 Integrated Projects have been funded, led by authorities in 14 Member States (and involving actions in 18 countries). The projects have a combined budget of over €460 million, mobilising over €5 billion in complementary funding from other EU and national funds and the private sector.

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<sup>35</sup> [http://ec.europa.eu/environment/life/funding/financial\\_instruments/ncff.htm](http://ec.europa.eu/environment/life/funding/financial_instruments/ncff.htm)

<sup>36</sup> [http://www.eib.org/attachments/documents/ncff\\_terms\\_eligibility\\_en.pdf](http://www.eib.org/attachments/documents/ncff_terms_eligibility_en.pdf)

<sup>37</sup> [http://www.eib.org/attachments/documents/pf4ee\\_announcement\\_en.pdf](http://www.eib.org/attachments/documents/pf4ee_announcement_en.pdf)



### **Box 3: LIFE Integrated Project Małopolska: Coordination between EU funding sources**

An example of a LIFE Integrated Project (IP) which has successfully combined funding from several different sources is the 'Implementation of air quality plan for Małopolska'.

Małopolska province struggles with very poor air quality. Along with Silesia and nearby regions of Slovakia and the Czech Republic, it is one of the most polluted regions in the EU. The project (with a LIFE budget of €16.8 million) supports implementation of the Małopolska Air Quality Plan. Most LIFE IP activities focus on the territory of Małopolska province but the project's approach and results are seen to be directly relevant to all authorities responsible for air quality in the wider region which faces similar problems (southern Poland, northern Czech Republic and Slovakia).

In addition to the IP budget itself, the project coordinates the use of €798 million complementary funding from the EAFRD, the ERDF, the National and Regional Fund for Environmental Protection and Water Management, and other national and private funds. Małopolska region is using ERDF resources to help finance local low-stack emission abatement programmes (€100 million). Air protection tasks are also being financed by national and regional funds for environmental protection, and the ERDF/CF Operational Programme Infrastructure and Environment 2014-20.

**Source:**

[http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n\\_proj\\_id=5440](http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=5440)

## **2.5 Case study areas**

This study focuses on four Member States (i.e. Austria, Belgium, Estonia and Spain) which were identified in the terms of reference of the Call for Tender, and agreed with the Czech authorities during the study's inception meeting.

The Ministry is primarily interested in coordination mechanisms at national level. However, national level coordination may be limited in countries such as Belgium. The research team suggested that, if this was the case, a focus on coordination at sub-national level, for example within Flanders, may provide more interesting evidence. The Ministry stated that they were open to proposals for alternative approaches to the case studies such as this, but they would need to be discussed in advance and clearly evidenced.

Further information on the four case study Member States is provided in Section 3.

## **2.6 Research methodology**

### **2.6.1 Inception meeting and definition phase (Task 1)**

An inception meeting was held with the Ministry of Regional Development on 1 November 2018. It reviewed the objectives and expected outputs of the study, and considered the methodology and work programme, and how the study could optimally contribute to the needs of the Ministry for Regional Development.

As understood by the research team, the Ministry's interest is in the **institutional set-up at national level for coordinating EU funding programmes**, with a view to investigating ways to improve the



coordination of EU programmes in the Czech Republic, potentially attracting more funding from programmes beyond ESIF, and providing greater support for the National Contact Points (NCPs) for the various programmes. The study should search for examples of best practice, investigate how it coordination works in practice in other countries and provide recommendations on how NCPs could be better coordinated.

The inception meeting also finalised the selection of programmes and case study countries to be included in the study (as outlined in Sections 2.2 and 2.3) and agreed a timetable for ongoing continuous feedback and discussion.

Before the inception meeting, the research team launched a brief '**scoping exercise**' to identify where the most interesting and useful material on coordination between EU funding sources was likely to be located. This involved a desk review of existing EPRC information, and contacting relevant European Commission DGs for advice.

### **2.6.2 Case study analysis (Task 2)**

The study is based on desk research augmented by telephone interviews, and focuses on the coordination of ESIF with five key EU funding programmes (i.e. COSME, Creative Europe, EaSI, H2020, and LIFE) in four EU Member States (i.e. Austria, Belgium, Estonia and Spain).

The four national case studies focus on coordination between different EU funding programmes at different stages of the programme process i.e.:

- Coordination of strategic planning;
- Coordination of management;
- Coordination of implementing bodies; and
- Coordination of activities relating to applicants/beneficiaries.

The case studies also seek to identify the depth or extent of coordination i.e. whether coordination takes the form of:

- Active cooperation in terms of decision-making and actions, leading to synergies;
- Mutual consultation and active dialogue, leading to synergies or coordination; or
- Exchange of information and experience, leading to improved coordination.

### **2.6.3 Comparative analysis, conclusions and recommendations (Task 3)**

Task 3 involves the preparation of a comparative analysis of the results, highlighting best practice wherever possible. The report includes:

- a review of **the main lessons learned** in the case study countries, with policy implications for the Czech Republic and the potential transferability of lessons;
- recommendations on **how to improve the current institutional setting in the Czech Republic** to provide for a better coordination of the EU funding programmes and other financial schemes (especially ESIF). This will consider the creation of a central coordinating body set up at national level within the Ministry of Regional Development; and

- recommendations of **how a potential coordinating/central body would work best** on the basis of the findings, with regard to the coordination of EU funding programmes.

### 3. COORDINATION OF EU INSTRUMENTS IN THE CASE STUDY COUNTRIES, 2014-2020

#### 3.1 Austria

The Austrian authorities are currently facing a significant additional workload in the context of the Austrian EU Presidency. Numerous potential interviewees were therefore not available in the timeframe of the study. Further, the Austrian authorities have stated that formal coordination between EU funding instruments is very limited.

Moreover, coordination between ESIF and other EU funding programmes is not prioritised because ERDF and ESF funding is relatively limited and is targeted thematically. For example, ERDF funding in Austria is primarily focused on SMEs and innovation; there is therefore limited scope for coordination with EU funding programmes such as Creative Europe and LIFE.

##### 3.1.1 Background

In Austria, coordination is perceived to be an important issue in principle, but this is done mostly at strategic level and without any major institutions tasked with specifically coordinating selected EU policies. The main focus of coordination mechanisms in Austria does not relate to interactions between different EU funding programmes but instead to a) interactions between the federal level and the *Länder*, and b) interactions among the nine *Länder*. Table 5 sets out the key managing institutions for ESI Funds and other EU funding instruments.

**Table 5: Key managing institutions for ESIF and other EU funding instruments in Austria**

Key managing institution	EU funding programme	Other funding responsibilities
Secretariat of the Austrian Conference on Spatial Planning (ÖROK), tasked by Ministry for Sustainability and Tourism	ERDF	National contact point for Cohesion policy
Federal Ministry of Labour, Social Affairs and Consumer Protection	ESF, EaSI	Domestic labour market policies
Austrian Research Promotion Agency (FFG)	Horizon 2020, COSME	National funding for research
Federal Ministry of Sustainability and Tourism	LIFE, EAFRD, EMFF	Regional policy, incl. Cohesion policy (see ÖROK, above)
Federal Chancellery	Creative Europe (Culture)	Various, including civil service, public administration and management, etc.
Austrian Film Institute	Creative Europe (Media)	National film funding agency

**Source:** EPRC research.

The good success rate of Austria in bidding for competitive funding such as Horizon 2020 and LIFE is not considered to be due to any particular coordination arrangements. For Horizon 2020, interviewees

stated that this is mainly due to the active support provided by the Austrian Research Promotion Agency (*Forschungsförderungsgesellschaft*, FFG), which has offices in all nine Austrian *Länder*.

### 3.1.2 Strategic planning

The main Austrian platform for coordination between policies is the *Bundesländerdialog*. It is a long-established domestic platform for dialogue and coordination between the federal ministries and regional authorities (*Länder*), along with executive agencies and stakeholder organisations. The *Bundesländerdialog* focusses primarily on domestic policies, but it also considers aspects relating to EU policies. It has to be noted that, particularly in the context of the ESI Funds, EU funding only represents a comparatively small share of overall funding.<sup>38</sup>

Looking more at EU policies, the key coordinating bodies are:

- the Secretariat of the Austrian Conference on Spatial Planning (ÖROK);<sup>39</sup> and
- the Contact Point for the Smart Specialisation Strategy (S3).<sup>40</sup>

ÖROK is the national contact point for Cohesion policy and – since 2014 – the managing authority of the ERDF OP (see Section 3.1.3). It was responsible for drafting the Austrian Partnership Agreement “STRAT.AT”<sup>41</sup> and organises the wider partnership process in Cohesion policy. It has been tasked with these duties by the Federal Ministry for Sustainability and Tourism, which is responsible for Austrian regional policy. The Partnership Agreement briefly sets out coordination arrangements, highlighting that, in the Austrian case, particular importance is attached to Horizon 2020, COSME and LIFE. However, it only provides generic statements that ESI Funds will contribute complementary support where possible and describes institutional responsibilities, for instance (see also Table 5):

- The Horizon 2020 NCP is the Austrian Research Promotion Agency (FFG), which has been tasked by the Federal Ministry of Education, Science and Research.
- The COSME contact point is also located within the FFG, in cooperation with Austria Wirtschaftsservice.

The S3 contact point is located in the Federal Ministry of Education, Science and Research. The Austrian approach to smart specialisation is based on an interplay between a federal framework strategy, the Austrian RTI Strategy “Becoming an Innovation Leader” from 2011,<sup>42</sup> and regional innovation and/or economic strategies in all nine *Länder* (see Figure 1). The “Policy Framework for Smart Specialisation”, published by ÖROK in November 2016, presents an Austria-wide perspective on priorities and policies related to smart specialisation.<sup>43</sup>

<sup>38</sup> An exception is the EAFRD OP, which forms the main source of rural development funding and is the by far largest ESIF programme with €3.9 billion (ERDF: €536 million, ESF: €442 million, EMFF €7 million).

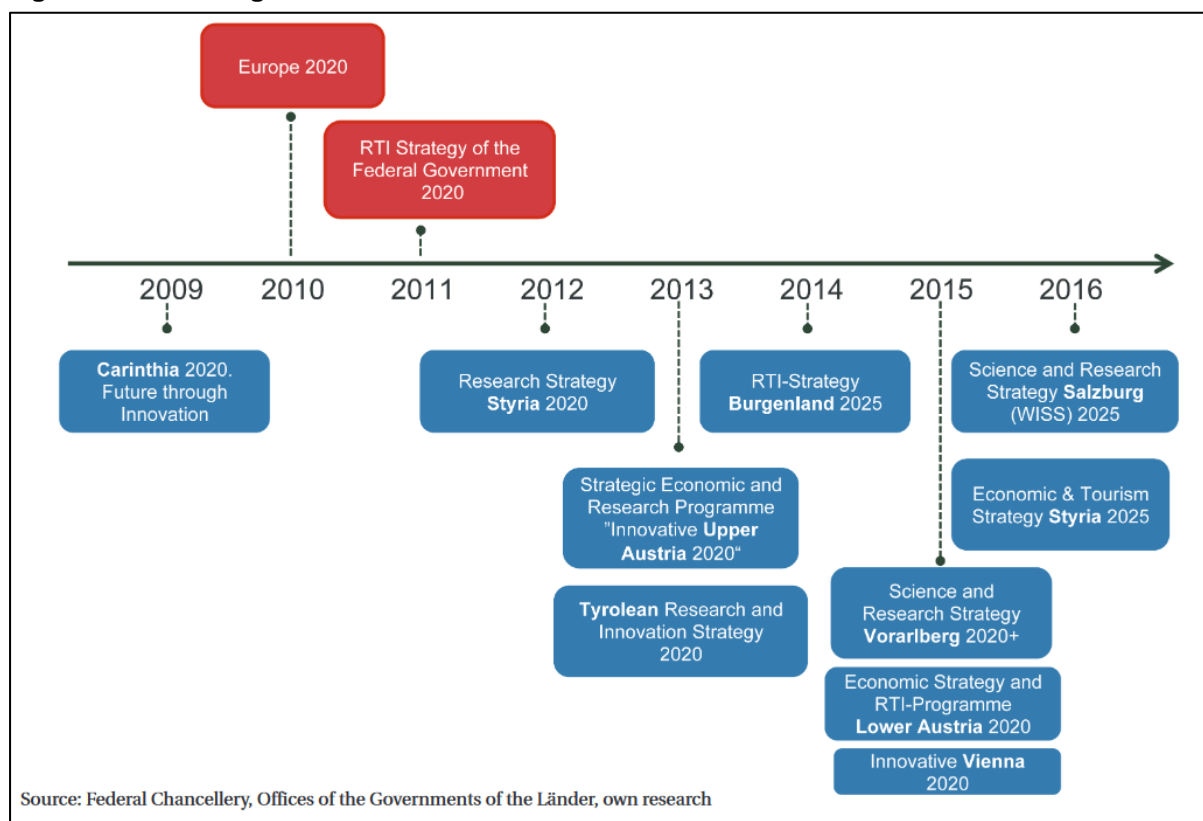
<sup>39</sup> <https://www.oerok.gv.at/english-summary/>

<sup>40</sup> <http://s3platform.jrc.ec.europa.eu/regions/at>

<sup>41</sup> [https://www.oerok.gv.at/fileadmin/Bilder/3.Reiter-Regionalpolitik/2.EU-Kohaesionspolitik\\_2014\\_/Nationale\\_Strategie\\_STRAT.AT2020/STRAT\\_AT\\_2020\\_genehmigte\\_Version\\_3\\_der\\_P V - Teil\\_1\\_und\\_2\\_inkl\\_Anh%C3%A4nge.pdf](https://www.oerok.gv.at/fileadmin/Bilder/3.Reiter-Regionalpolitik/2.EU-Kohaesionspolitik_2014_/Nationale_Strategie_STRAT.AT2020/STRAT_AT_2020_genehmigte_Version_3_der_P V - Teil_1_und_2_inkl_Anh%C3%A4nge.pdf)

<sup>42</sup> FTI Strategie des Bundes, [http://s3platform.jrc.ec.europa.eu/documents/20182/89115/RTI\\_Strategy.pdf/08713cad-6d45-40a8-9e96-16a6f6265087](http://s3platform.jrc.ec.europa.eu/documents/20182/89115/RTI_Strategy.pdf/08713cad-6d45-40a8-9e96-16a6f6265087)

<sup>43</sup> ÖROK (2016) *Policy Framework for Smart Specialisation*, November 2016, <https://www.oerok.gv.at/fileadmin/Bilder/3.Reiter-Regionalpolitik/2.EU->

**Figure 1: RTI strategies in Austria**

Source: ÖROK (2016)

### 3.1.3 OP-level management and implementation

Austria has a single national-level OP for each of the ERDF, ESF, EAFRD and EMFF. However, the federal structure of the country is reflected in the strong roles of the nine *Länder*, particularly in the context of the ERDF, which in each previous programme period since Austria's EU accession in 1995 was implemented via nine separate OPs. For 2014-20, the Secretariat of the Austrian Conference on Spatial Planning (ÖROK) took on the role of managing authority of the single ERDF OP, which is usually referred to as a "joint *Länder* OP" rather than as a national one.

There are 16 Intermediate Bodies (IB) responsible for different parts of the ERDF programme. 12 of these are located at *Land*-level, mostly Government departments of the *Länder* or *Land*-owned enterprise agencies. Only 4 IBs are federal ones: KPC (*Kommunalkredit Public Consulting*), FFG (Austrian Research Promotion Agency), ERP-Fund/AWS (*Austria Wirtschaftsservice*) and ÖHT (*Österreichische Hotel- und Tourismusbank*). Also, the nine former *Land*-level managing authorities in 2007-13 are still involved in strategic programme management, as members in the programme's steering group.

The ESF is managed by the Federal Ministry of Labour, Social Affairs and Consumer Protection, Department VI/INT/P. It makes use of five federal IBs (Public Employment Service; Federal Ministry of Labour, Social Affairs and Consumer Protection; Federal Social Welfare Office; Federal Ministry for Education, the Arts and Culture; Federal Ministry of Science and Research) and several IBs in each

[Kohaesionspolitik 2014 /Nationale Strategie STRAT.AT2020/Policy framework for smart specialisation in Austria OEROK-SR Nr 199 EN web .pdf](#)

*Land* (*Land* governments; *Land*-level offices of federal Ministries; *Land*-level offices of Public Employment Service; Territorial Employment Pacts (TEPs)).

The EAFRD and EMFF OPs are managed by the Federal Ministry for Sustainability and Tourism.

Formal exchanges between ESIF managing authorities and stakeholders responsible for other EU programmes (such as Horizon 2020 and LIFE) mainly take place during the preparatory phases for forthcoming programme periods. For instance, at the time of writing, the National Contact Point for LIFE at the Federal Ministry of Sustainability and Tourism is engaging with ESI Fund actors to find ways of making use of synergies between the different funding streams in 2021-27. Coordination of LIFE with the ERDF is seen as comparatively challenging due to the strong thematic concentration of Austrian ERDF funding on SME support and RTDI. Coordination of LIFE with TO4 (low-carbon) and with EAFRD is somewhat easier but still limited in the light of low levels of funding for LIFE in Austria (in the 28 years since 1992 only €133 million).

### **3.1.4 Project-level engagement and implementation**

Project-level engagement between different funding sources is limited. Following clear definitions and demarcation of responsibilities laid out in strategic documents, the different instruments are implemented separately. Coordination is mainly ensured via the participation of different actors in frameworks laid out above (Cohesion policy partnership, smart specialisation process). Other forms of coordination are ad-hoc and case-specific.

## **3.2 Belgium**

### **3.2.1 Background**

As a federal country, Belgium's ERDF and ESF programmes are managed at the level of the three regions: Flanders, Wallonia and the Brussels-Capital Region. In the case of directly managed instruments, such as Horizon 2020 and LIFE, the Federal Government and the French Community have their own National Contact Points alongside those in the three regions.

The Belgian managing authorities operate within regional ministries, including the Innovation and Entrepreneurship Agency (MA ERDF in Flanders), Work and Social Economy Department (MA ESF in Flanders), Government of the Brussels-Capital Region (MA Brussels-Capital Region), and the Department of Structural Funds Coordination ('WalEurope', MA Wallonia). At the regional level, the MAs have a central coordination secretariat and act as contact points. They organise ERDF information services, direct project calls, and provide overall evaluation of the project proposals. In Flanders, the MA is supported by five provincial and two metropolitan contact points (the cities of Antwerp and Ghent). Their tasks include the support of project proposals (content, institutional access, co-financing), and guidance of approved projects in the respective geographical areas.

Given the absence of a national body for implementing and coordinating ESIF and other European funds, this section examines programme implementation at the regional level (i.e. Flanders, Wallonia, Brussels-Capital Region). Specifically, it focuses on coordination efforts at the Flemish MA level and within the LIFE programme. The Innovation and Entrepreneurship Agency is MA for ERDF in Flanders, while the Agency for Nature & Forests within the Ministry of Environment, Flanders is responsible for LIFE implementation at Flanders level. The federal level contact point is within DG Environment.

### 3.2.2 Strategic planning

The Flemish Government laid the basis for the programme period 2014-2020 in 2012, when the strategic framework with the content of the OPs (ERDF, ESF, ETC, EAFRD, EMFF) was completed. Regarding coordination, it was decided that an annual high-level meeting was to be held between the MAs of the different funds. Examples of coordination strategies outlined in the PA<sup>44</sup> are:

- Strengthening competitiveness of SMEs and stimulating entrepreneurship (ERDF and ESF coordination). ESF focuses on human potential; ERDF on entrepreneurship.
- For thematic objective 9, ERDF funds will target physical, economic and social reorganisation in sustainable urban development, whereas ESF is aimed at improving social inclusion and poverty reduction (ERDF and ESF coordination).

Overall, coordination in the PA makes clear distinctions between the TOs of each Structural Funds programme. The main focus of coordination in the Belgian PA thus seems to be on coordination between the different ESI funds. Coordination between Structural Funds programmes (after this: ERDF only) and national or regional instruments is mainly outlined in terms of overlap with Thematic Objectives (TOs) of programmes such as ERDF. This outline consists of directly formulated links between European and Flemish domestic instruments and the TOs. Coordination of ERDF with such instruments is considered for the following TOs:

- TO1 (RTDI) – project calls in the field of RTDI are coordinated with the existing work of the Flemish Institute for Innovation through Science and Technology ('IWT'), which merged in 2016 into one body with Flanders Innovation and Entrepreneurship (the ESIF MA). Similarly, this agency consults on ERDF project applications. In relation to other European instruments, **ERDF funds are coordinated with H2020, COSME and EIT (European Institute of Innovation and Technology) in such a way that the former three improve research and accompanying infrastructure (knowledge generation), whereas ERDF focuses on knowledge dissemination**, thus avoiding overlap.
- TO3 (Competitiveness SMEs) – **Flanders actively safeguards the synergies and complementarity between domestic and COSME funds**. It does so by representing the Flanders Innovation and Entrepreneurship Agency and the Ministry of Economy, Labour and Revenue at COSME meetings and consultations at the European level.
- TO4 (low carbon), coordination between the Energy Department, LIFE, and Horizon 2020 would lead to integrated projects related to energy efficiency, and new and renewable technologies in the transport sector. Coordination with the TO is to be monitored by the **Technical Working Group**, to which all stakeholders contribute a representative. At present, however, none of the consulted Directors and Project Managers recognised an intensive form of coordination between ERDF and the mentioned programmes. Instead, they report on information sharing and peer review sessions (e.g. about synergies in existing situations rather than ex ante) on a more ad hoc basis.

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<sup>44</sup> Accord de Partenariat pour La Belgique / Partnerschapsakkoord voor België (2014), Programmation / Programmaperiode 2014-2020. Version 8.1 (WalEurope, 2014).

Lastly, the PA assigned the Agency 'Flanders Innovation and Entrepreneurship' (MA of ESI funds) to also manage the links with direct instruments (H2020, LIFE, etc.). It continues the networking and capitalisation initiatives from 2007-13 into the current programme period, for example consisting of the organisation of meetings with the different governmental levels which sometimes overlap in Belgium. The Agency is also involved in, and actively maintains, the network of Flemish and EU bodies and NCPs that exist for the various programmes. It organises knowledge exchange activities and provides access, e.g. through a funding databank<sup>45</sup> that integrates domestic, federal, ESIF and direct instruments for private sector actors to consult.

### **3.2.3 OP-level management and implementation**

Although the consulted Flemish programme representatives did not report concerted coordination at a national or regional level, they emphasised the existence of less intensive and sometimes informal interactions. For example, the Flemish Innovation and Entrepreneurship Agency has a Department for 'Innovation Support', with which the MA occasionally shares information. Another example is the ERDF post-2020 working group within the MA (established October 2018), which aims to identify synergies between ERDF instruments, H2020 and Interreg as input for their 2021-2027 strategy. Lastly, the Flemish Ministry of Economy, Science & Innovation, of which the Innovation and Entrepreneurship Agency is part, has been bringing together stakeholders from the 'quadruple helix' since 2010. In this 'EU-Platform', the MA and the different stakeholders update each other with practical information (calls, project uptake, regulation), as well as Flanders' strategic position. Although this platform is merely oriented at H2020, the Flemish MA regards it as the "effort closest to coordination".

The Flemish LIFE programme provides another example of the ad hoc and sometimes emergent nature of coordination. Normally, coordination between projects in the LIFE OP and other (domestic or European) policy domains does not exist in the implementation stage, and it is exceptional that a project has a scope outside the Nature domain. However, recently awarded Integrated Projects (e.g. Belgian Nature Integrated Project, IP-Belini), which have a duration of up to eight years, open up the possibility to coordinate Nature and Agriculture projects better. Although this does not necessarily reach beyond the scope of LIFE itself, there is an increased flexibility in the implementation phase to find 'complementary actions': Nature organisations, private stakeholders and municipalities can thus apply for the EAFRD subsidies attracted by the Flemish LIFE MA (Agency Nature and Forest). In addition, the resulting identification of research needs and training for LIFE stakeholders provides an incentive to work with H2020 in the future. Such steps are often more productive at the lower level, where finding "the right people at the lower echelons" may be more important than pursuing more formal high-level coordination, as one interviewee stated. For example, a recent cross-border working group has been developed with Wallonia (governance of Nature 2000, as part of BNIP), and knowledge exchange is supported by an annual event that brings LIFE projects from the three Benelux countries together (InterLIFE).

Even though the consulted LIFE and MA representatives did not often explicitly refer to coordination, it is clear that Flanders has both formal and informal activities in which project managers share knowledge and consult one another on how to aim for the best possible results (mainly in light of the ERDF TOs). **These sharing and consultation activities centre on coordinating ESI funds with directly-managed programmes** (LIFE, H2020, COSME), but also with domestic and federal funding, and

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<sup>45</sup> <https://www.vlaio.be/nl/subsidies-financiering/subsidi databank>.



across (regional) borders. The limited focus on coordination between ESIF and directly-managed funding programmes may be the result of the relatively small role of ESI funds in the Flemish context, due to its status as a More Developed EU region, as well as the leading role of domestic policy instruments<sup>46</sup>. An example of a positive coordination result is found in the LIFE complementary actions, in which nature stakeholders can access additional EAFRD subsidies (often co-financed with domestic funding through the Nature and Forest Agency).

### **3.2.4 Project-level engagement and implementation**

At the level of project engagement, Belgium particularly stands out for its participation and success rate in Creative Europe. Of the applications received (data for 2014-2017), 37.3 percent and 45.5 percent of projects were eventually funded (for the Culture and Media sub-programmes respectively). The EU-wide averages were substantially lower at 16 percent and 38 percent respectively.<sup>47</sup> In terms of project quantity, Belgium ranks 7<sup>th</sup> out of the 37 European countries that received Media support, particularly due to a high number of EU direct subsidies invested in Automatic Distribution and Market Access Promotion.<sup>48</sup> An example of successful cultural investment is the European Capital of Culture action of the city of Mons, Wallonia (2015). The consulted representatives do not attribute the success of the overall Belgian Creative Europe programme to coordination, possibly due to its lack of human and financial resources to reach beyond its 'own scope' as established in the 2018 Parliamentary CULT report.<sup>49</sup>

For the case of LIFE in Flanders, project-level coordination is limited to the knowledge exchange set up through InterLIFE (see 3.2.3). However, the role of the Nature and Forest Agency as LIFE MA allows it to oversee where project applications best fit the domestic, ERDF or EAFRD policy frameworks and to advise potential applicants accordingly. As a result, they also seek to group and structure different applications – yet of similar nature – into larger projects, which is a work in progress at the time of interviewing.

## **3.3 Estonia**

### **3.3.1 Background**

EU funding programmes in Estonia are managed through a wide range of government ministries and State-funded agencies. This study focuses primarily on the management and implementation in Estonia of European Structural and Investment Funds (ERDF, ESF and CF), Horizon 2020 and COSME.<sup>50</sup>

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<sup>46</sup> Michie R, Mendez C and Gal F (2018) Results, Review and Reform: Delivering programme objectives while preparing for the post-2020 Cohesion policy, *IQ-Net Review Paper 43(1)*, European Policies Research Centre Delft.

<sup>47</sup> European Parliament (2018), Research for CULT Committee – Creative Europe: Towards the Next Programme Generation. Brussels: DG for Internal Policies of the Union, June 2018.

<sup>48</sup> Creative Europe Media (2017) Belgian results [Belgische resultaten] 2017.

<sup>49</sup> European Parliament (2018) *op. cit.*

<sup>50</sup> NB Other EU funding programmes are also managed by government ministries e.g. the Ministry of the Environment (LIFE) and Ministry of Social Affairs (EaSI).

**Table 6: Key managing institutions for ESIF, Horizon 2020 and COSME in Estonia**

Key managing institution	EU funding programme	Other funding responsibilities
Ministry of Finance (MA for ERDF, ESF, CF)	ESIF	N/A
State Shared Service Centre (MA Tasks)	ESIF	ETC, EEA programmes
KredEx	COSME	ERDF financial instruments, national funds, grants, EFSI
Archimedes Foundation	ERDF for R&D	ESF, ERASMUS+, Nordplus
Estonian Research Council	Horizon 2020	ERDF-funded programmes (e.g. Mobilitas Plus), national funding programmes, Baltic Research Cooperation Programme,

**Source:** authors.

For ESIF programmes, the Ministry of Finance is formally managing authority for the single 2014-20 ESIF OP, which is funded from ERDF, ESF and the Cohesion Fund. Estonia purposely combined the Funds in one OP for the 2014-20 period, with the intention of improving coordination and efficiency and improving results.<sup>51</sup> Since September 2018, MA tasks have been delegated to the State Shared Service Centre. The State Shared Service Centre is an agency operating under the Ministry of Finance which is increasingly involved in the coordination and management of grants and other aid from the EU, the EEA and Norway, as well as the development of legislation and ensuring control and financial correction of the use of subsidies. The Centre now fulfils MA tasks related to ESIF and ETC programmes (as Secretariat for the Estonia-Latvia and Estonia-Russia programmes, and Information Office for the Central Baltic Sea Programme), as well as coordinating the Estonian-Swiss Cooperation Program, and being the National Contact Point of Norway and for the EEA Financial Mechanisms.<sup>52</sup>

Below the level of the managing authority are **eight designated (first-level) implementing authorities**, which are responsible for the implementation of OP Priority Axes and the development of specific measures or support schemes (see Figure 2) .

**Figure 2: ESIF management and implementation hierarchy in Estonia**

MA	Ministry of Finance / State Shared Service Centre (MA tasks)			
First-level implementing authorities	Ministry of Economic Affairs and Communications	Ministry of Education and Research	Ministry of Social Affairs	Ministry of the Environment

<sup>51</sup> Ruttas-Küttim R (2015) Stairway to Excellence: Country Report: Estonia, JRC Science and Policy Report.

<sup>52</sup> In March 2018, responsibility for domestic regional development programmes (and the related Structural Funding) was transferred to the State Shared Service Centre from Enterprise Estonia. This has reportedly resulted in a budget reduction of €254 million of Structural Funds and €10 million of domestic funds being channelled through Enterprise Estonia, as well as a reduction of 45 jobs, see <https://news.err.ee/690102/45-enterprise-estonia-jobs-to-be-cut-due-to-regional-support-system-changes>

	Ministry of Finance (regional field)	Ministry of Finance (priority axis of increased administrative capacity)	Ministry of Culture	Government Office
Second-level implementing bodies	Ministry of Finance (for the Priority Axis of increased administrative capacity and the Priority Axis of developing the infrastructure of health and welfare)	Enterprise Estonia (EAS)	Environmental Investment Centre (EIC)	Innove Foundation
	Information System Authority (RIA)	KredEx Foundation	Archimedes Foundation	Technical Regulatory Authority

**Source:** authors, adapted from <http://www.strukturifondid.ee/eng>

Among the first-level implementing authorities, RTDI policy design is the responsibility of two ministries – the Ministry of Education and Research (MER), is in charge of national research and education policy and the Ministry of Economic Affairs and Communications (MEAC), which oversees technological development and innovation policy.

There are also **eight designated (second-level) implementing bodies**. The second level is directly responsible for the implementation of measures, carrying out calls for proposals, making decisions on granting support, and monitoring beneficiaries. These tend to be experienced agencies which have over time developed working structures and skills to support the absorption of EU funds.<sup>53</sup>

This complex implementation system appears to offer potential for synergies or coordination between different funding programmes, as several agencies play a role in more than one programme. For example, KredEx, one of the second-level implementing bodies for ESIF, is also the National Contact Point for the COSME programme. The Archimedes Foundation implements ERDF measures for R&D, as well as managing the ERASMUS+ programme.

Further agencies are also involved in management and implementation. The Estonian Research Council, for example, is the National Contact Point for Horizon 2020, manages an ERDF-funded programme for popularising STEM fields, manages national funding programmes for research and mobility and can also play a role in ERDF implementation at beneficiary level.

<sup>53</sup> Ruttas-Küttim R (2015) Stairway to Excellence: Country Report: Estonia, JRC Science and Policy Report.

Application levels from Estonia under **Horizon 2020** have been high and comparable to successful neighbouring European countries.<sup>54</sup> Estonia has been successful in coordinating Horizon 2020 projects and has the fourth highest number of coordinated projects after Poland, Hungary and Slovenia. The numbers and quality of applications fell in 2015 and again in 2016 – research has suggested that limited investment in human capital and R&D has had an impact, and that the logic, structure and range of instruments at programme level are not always easy to understand for newcomers to the programmes.

Grants allocated under **Erasmus+** and its predecessors have played a significant role in the development and effectiveness of the Estonian education and youth field.<sup>55</sup> The number and quality of applications is highest in the youth field. The many changes made to the programme over recent years has increased the difficulty for applying and participating. However, in institutional terms, the majority of programmes have been implemented from the start by a single agency (Archimedes Foundation) minimising the institutional adjustments needed to cope with programme-related changes. National and international cooperation in implementation is considered to be good and trust between the Ministry and the Archimedes Foundation is high, with considerable autonomy being given. The Youth Agency within Archimedes in particular is noted as having undertaken a lot of training and outreach to encourage applications. Simplified grants have reduced the administrative burden for recipients, although less so in higher education. Different national and international programmes are found to function in good cooperation with Erasmus+ and support and complement each other (including ESF Development of Youth Worker Training).

### **3.3.2 Strategic planning**

Linking the use of EU instruments to other national and sectoral initiatives has been integrated into the planning process for ESIF at the level of the Partnership Agreement. According to the Partnership Agreement, **coordination of EU funds should take place at a high strategic level**, such as during the drafting of the State Budget Strategy and annual State Budget Acts and during the monitoring of their implementation. In relation to promoting the quality of R&D and higher education, for example, the performance agreements funded from the State budget, participation in Horizon 2020, the European Research Area and ESI Funds will all be considered.

Coordination is also intended at **planning and implementation stages, and in terms of communication and support for applicants**. The Partnership Agreement specifically mentions that ESIF will be coordinated with other EU funds and programmes such as the Connecting Europe Facility, LIFE, the Internal Security Fund (ISF), the Asylum, Migration and Integration Fund (AMIF) and Horizon 2020, to ensure that projects are planned and implemented in an integrated way. Information will be exchanged between the relevant ministries (implementing agencies) and implementing bodies with the aim of achieving greater synergy and avoiding overlap. In addition, potential applicants will be provided with advice concerning different Funds and programmes.

As part of **reporting** on the implementation of the budget, the Estonian Government is regularly provided with overviews of the use of all EU assistance, supporting common discussion of the results, as well as any problems and solutions. Thematic coordination, including combining different sources to

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<sup>54</sup> Ukrainski T, Kanep H, Hirv T, Youjun S, Kirs M and Karo E (2018) *Estonian Potential in Framework Programmes: Analysis and Policy Options*, Estonian Research Council with University of Tartu and Tallinn University of Technology.

<sup>55</sup> KPMG Baltics OU (2017) National Report on the Implementation and Impact of ERASMUS+ in Estonia.

fund a particular sector, is intended to take place through the OP monitoring committees and, if necessary, through subcommittees or sectoral committees set up and managed on the basis of existing national coordination mechanisms, where these exist.

The PA and OPs were **prepared in cooperation** with the institutions dealing with other EU financing instruments (including ETC programmes, CEF, Horizon 2020, LIFE internal affairs and justice programmes) in order to avoid duplication of eligible activities and to promote synergy in sectors financed from several sources. With a view to coordinated planning of the use of national funds and EU central funds (e.g. CEF and activities under Horizon 2020, LIFE etc.), cooperation will be pursued and information will be exchanged between the bodies in charge of the sectors related to these funds to ensure that activities essential to Estonia are carried out and to promote participation in international cooperation networks (e.g. higher education institutions in Erasmus+ cooperation, enterprises and R&D institutions in consortia operating under Horizon 2020, and environmental NGOs in cooperation aimed at achieving the objectives of the LIFE programme).

In pursuing synergies and coordination, there is a **strong emphasis on R&D and internationalisation**. High priority is given to supporting Estonia's participation in the European Research Area, Innovative Union and Horizon 2020 as well as in other partnerships, and the international marketing of research and higher education. According to the Partnership Agreement, the objective of internationalisation is to achieve a synergy between the EU Structural Funds and the measures of Horizon 2020, including the use of the mobility opportunities offered by the COFUND scheme.<sup>56</sup> There is a preference for investments that help to increase the participation and visibility of Estonia and achieve a synergy between the EU Structural Funds and the measures of Horizon 2020, while avoiding possible overlap.

### ***3.3.3 OP-level management and implementation***

According to the PA, cooperation between the institutions administering EU support mechanisms will continue in the development, implementation and monitoring of measures: **all related institutions and major partners will be involved in the process of developing the terms and conditions of measures**, while paying attention to the need to avoid later conflicts of interest. In addition to daily involvement, information exchange and cooperation, coordination during the implementation phase will also be supported by electronic information systems for the administration of support which are interfaced and make information available to all parties.

Implementing bodies play an important role in management and implementation of EU funding. There are eight designated (second-level) implementing bodies responsible for the implementation of ESIF measures, carrying out calls for proposals, making decisions of granting support, and monitoring beneficiaries. Several of these are also responsible for managing other EU programmes, providing potential opportunities for coordination and synergies.

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<sup>56</sup> An action under the EU Horizon 2020 Marie Skłodowska-Curie COFUND scheme which co-funds regional, national and international programmes that finance fellowships involving mobility to or from another country.

(i) *Archimedes Foundation*

The Archimedes Foundation is an independent body established by the Estonian government in 1997 with the objective of coordinating and implementing different international and national programmes and projects in the field of training, education and RTDI.

Around 50% of government spending on research in Estonia is funded from ESIF.<sup>57</sup> Archimedes is the implementing agency for ESIF support in the field of R&D in 2014-20, implementing measures which have been developed by the Ministry for Education and Research (as the first level implementing authority).

The foundation is structured into several departments / agencies, including:

- The Structural Funds Agency, which assesses R&D-related project applications, consults applicants, makes payments and checks the eligibility of costs.
- The Youth Agency, which is the implementing body for the Erasmus+ Programme, EEA/Norway Grants Scholarship programme and the Nordplus Programme, and is responsible for capacity building in the youth field with a special focus on international cooperation.
- The Education Agency, which administers several national and international scholarship schemes for improving mobility and marketing Estonian higher education abroad.

As a second level implementing body, the Structural Funds Agency within Archimedes manages ERDF application rounds in the field of R&D, evaluates applications, makes decisions on projects and performs eligibility checks. As 2018 is a crucial year for the Performance Review, the agency reports monthly to the Supervisory Board on progress (financial and activity). The Supervisory Board consists of representatives from the Ministry of Education and Research, Ministry of Finance and Estonian universities. There are quarterly meetings with the Ministry of Education and research, as well as quarterly meetings with the MA (Ministry of Finance) to discuss how the different priority axes are progressing overall at OP level. Archimedes also participates in the evaluation committees of the Estonian Research Council as an implementing body. The staff of the Structural Funds Agency totals around 25 people (including support staff), while the Archimedes Foundation overall employs c.150 employees.

(ii) *KredEx*

KredEx is an Estonian state-owned credit and export guarantee fund, set up in 2001 by the Ministry of Economic Affairs and Communications (MoEAC) to improve access to finance for enterprises, manage credit risks connected with export, enable people to build or renovate their home and develop energy-efficient approaches. KredEx has been designated as an ESIF second-level implementing body in 2014-20 and is also the contact point for COSME. They work closely with the MoEAC, and have signed agreements with the MoEAC as well as the ESIF MA (Ministry of Finance, and now the State Shared Service Centre). The agency employs around 50 people.

KredEx implements financial instruments, including loan guarantees, export credit insurance, renovation loans and subordinated loans, funded from ERDF and also from the national budget. Guarantees make up 90% of their portfolio, a point of difference between them and most National

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<sup>57</sup> Kattel R and Stamenov B (2018) RIO Country Report 2017: Estonia, JRC Science for Policy Report.

Promotional Banks. As well as ERDF and nationally-funded FIs, they are involved in implementing counter-guarantees under COSME, (nationally-funded) grants to municipalities for house renovation, and the ERDF/EFSI-funded EstFund alongside the EIF.

*(iii) Estonian Research Council*

The Estonian Research Council (ETAg) is a foundation set up by the Ministry of Education and Research in 2012 to support the development of national R&D policy. Cooperation between the Ministry and the foundation is regulated by a cooperation contract under public law.<sup>58</sup> Strategic management and supervision of ETAg is conducted by a Board consisting of seven members appointed by the Minister of Education and Research; the obligations and rights of the Board are specified in the statutes of the foundation.

ETAg has six departments – five for the organisation of its main activities and one for support functions. The main office of the ETAg is located in Tartu, with a branch office in Tallinn. ETAg acts as National Contact Point for Horizon 2020, and is responsible for the coordination and promotion of Estonian participation in Horizon 2020 by providing guidance, practical information and assistance to applicants. The organisation has a staff of around 60 employees, around 17 of which are in the Department of International Research Cooperation which manages Horizon 2020.<sup>59</sup>

ETAg organises and manages the work of the Estonian Liaison Office for EU RTD in Brussels. The Brussels Office was established in March 2012, funded by the ERDF through the research internationalisation, mobility and future researcher funding programme *Mobilitas Plus*. The main aim of the office is to introduce Estonian R&D in Brussels, participate in the activities of the network of other states' RTD liaison offices (Informal Group of RTD Liaison Offices, IGLO), support Estonian research and development institutions in organising events and offer internship opportunities in Brussels.

Recent research has highlighted what are described as “unresolved coordination issues” regarding the roles of specific ministries and ETAg as the central coordinator of research activities.<sup>60</sup> The research asserts that while ETAg acts as the central policy coordinator within the current system, it lacks the thematic expertise to select and prioritise research fields – this expertise can be found in the individual Ministries but with specialists who do not have the policy decision-making power for funding allocations. Identifying discussion and decision-making fora where actors can bring together thematic and policy making expertise is recommended, to increase coordination and targeting of Estonia's participation. There is also greater potential to involve public sector organisations as project leaders, to encourage innovation into this sector, and to support partnerships between R&D institutes and private sector firms, to help tackle what is described as ‘general dissatisfaction’ at research group level with Estonia's participation in many EU programmes with limited funding. Further specific recommendations in the Estonian context included:

- Empowering ministerial level to coordinate participation, especially in joint initiatives via more active engagement in Horizon 2020 advisory bodies, as well as facilitating building stronger feedback mechanisms with stakeholders at national level; and

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<sup>58</sup> Estonian Research Council Development Plan 2020.

<sup>59</sup> Ruttas-Küttim R (2015) *Stairway to Excellence: Country Report: Estonia*, JRC Science and Policy Report.

<sup>60</sup> Ukrainski T, Kanep H, Hirv T, Youjun S, Kirs M and Karo E (2018).

- Supporting the professionalisation of the National Contact Point system at the national level to provide not only information and consultation but also identifying and coordinating actions (especially if involving different stakeholders) with high potential for Estonia.<sup>61</sup>

It is worth noting that management and monitoring of Smart Specialisation was moved from the Estonian Development Fund (since closed) to the Ministry of Economic Affairs and Communications (MoEAC) and the Ministry of Education and Research (MER) in 2016. An inter-ministerial commission monitors progress on Smart Specialisation, with leadership rotating annually between the ministries. MoEAC and MER staff meet regularly to align related day-to-day activities.<sup>62</sup>

### **3.3.4 Project-level engagement and implementation**

For ESIF, interaction with beneficiaries is carried out by the second-level implementing bodies in Estonia. These bodies also engage with beneficiaries under other EU funding programmes.

#### *(i) Archimedes and Estonian Research Council*

The Archimedes Foundation is in direct contact with beneficiaries, following projects closely, and undertaking on the spot checks. They are the link between the final beneficiary and the Ministry of Education. The main beneficiaries dealt with are universities and R&D institutions (hardly any funding goes to other institutions, apart from a small amount to vocational education institutions).

Coordination mainly takes place at the level of the project. As the agency doing the checks, they see a lot of mixing and matching of funding sources. One of the agency's goals is to use ESIF to help enable beneficiaries to compete at higher levels for direct EU funding programmes. It is usual for Estonian researchers to try and fund their projects from many different sources, but most funding is competition-based. One interviewee noted that if a project is successful under one programme, they tend to be successful in attracting many different funds.

Various indicators are used to monitor how well beneficiaries are doing in regards to these issues, for example:

- contacts with enterprises;
- measures of excellence in research;
- external funds attracted per researcher.

The Foundation implements measures which have been designed to make Estonian researchers more competitive on an EU level, with the ultimate aim of attracting more research funding to Estonia. This includes using ESIF to support researchers on Estonian Research Council grants, and providing additional support to Horizon 2020 project partners/lead partners who participate in ERA NET.<sup>63</sup> ESIF is being used for this purpose in a 'mix and match' way, supporting costs which are not eligible under Horizon 2020. It should be noted, however, that this activity is marginal to Archimedes' main budget which provides support to research institutions.

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<sup>61</sup> Ukrainski T, Kanep H, Hirv T, Youjun S, Kirs M and Karo E (2018) p90.

<sup>62</sup> Kattel R and Stamenov B (2018).

<sup>63</sup> The ERA-NET instrument under Horizon 2020 is designed to support public-public partnerships in their preparation, establishment of networking structures, design, implementation and coordination of joint activities as well as topping up of single joint calls and of transnational actions.



An interviewee described the fund management structure as bureaucratic (top down - from Ministry to Archimedes to the Estonian Research Council).

As the NCP for Horizon 2020, the Estonian Research Council also directly work with beneficiaries (researchers). For example, if they obtain information that an Estonian project has been approved for ERA NET, they contact the project and advise them that they can apply for additional funding from ESIF/Archimedes.

The Research Council implements several ERDF-funded programmes in which there is a degree of coordination or synergy between funding sources, for example:

- **Mobilitas Plus:** Grants provided under the programme for the 'Internationalisation of research and support for mobility and the next generation' (Mobilitas Plus) aim to:
  - improve the international visibility of Estonian research, business and higher education and Estonia's attractiveness as a destination country for study and research;
  - strengthen the international competitiveness of Estonian researchers and research performing organisations, including companies;
  - support opportunities for Estonian R&D institutions and companies to collaborate with transnational research organisations and networks, including through synergy with Horizon 2020 actions;
  - expand international collaboration and professional development opportunities for the state, R&D institutions, higher education institutions, companies, students and academic staff by improving intersectoral and international mobility and cooperation (opportunities).
- **NUTIKAS:** The support aims to contribute to growth in the research-intensity of the Estonian economy, supporting collaboration between R&D institutions and companies. The funding supports companies in commissioning necessary applied research or product development projects from universities or research institutions. Funding is applied for through open calls for proposals organised by the Archimedes Foundation. The Estonian Research Council is assisted by a steering committee that evaluates applications and oversees the support measure overall.

*(i) KredEx*

Under the financial instruments managed by KredEx, final beneficiaries mostly approach the associated banks with their applications. The banks then submit the information to KredEx. Within KredEx, a committee makes decisions on grant/loan applications on a case-by-case basis. Client managers within KredEx's Enterprise Division prepare reports which are used by the committee to help with decision-making. This report includes a checklist to identify whether a COSME or ERDF funding stream can be used for the project. Guarantees behind the loans to final recipients may be funded from national funds, ESIF or COSME – the final recipient does not need to know this when they approach the bank. Applications are decided on a case-by-case basis as there is no portfolio guarantee product in place (as is the case in Lithuania, for example). The funding stream is chosen depending on the final recipient and project. It has only been possible to use ESIF resources for 38% of their portfolio, as the ESIF Regulations are found to be a barrier in terms of eligibility.

Implementation of the COSME counter-guarantee has been very successful, and the COSME allocation has already been spent. A new follow-on agreement is currently being negotiated. The process was found to be quite straightforward compared to Structural Funds financial instruments – one agreement was concluded with the EIF and they were found to be quite receptive to answering questions and quick to respond. There were early plans to combine Structural Funds with COSME, but this was not successful. Instead, COSME has been used for a very specific type of project (subordinated guarantee for banks and leasing companies, ineligible under Structural Funds). A combination between ESIF/COSME may be pursued again under the next COSME agreement.

KredEx have also been involved in combining ESIF with the European Fund for Strategic Investment (EFSI) in the EstFund. EstFund is a €60 million Fund of Funds initiative launched in March 2016 in cooperation with the Ministry of Economic Affairs and Communications and the EIF. EstFund is the first Fund of Funds into which the EIF invested combining resources from ESIF and EFSI. Five investments have been made so far. EstFund is intended to work in a complementary way to the already existing Baltic Innovation Fund, which was set up using national funding.<sup>64</sup> The interviewee noted that the Baltic innovation Fund took a couple of years to set up, while EstFund took four years.

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<sup>64</sup> The Baltic Innovation Fund is a Fund of Funds created by Estonia, Latvia and Lithuania and the EIF to increase equity investments into the enterprises of the Baltic States. The EIF is investing €52 million alongside investments of €26 million each from the national agencies of Estonia (KredEx), Latvia (ALTUM) and Lithuania (Invega).

## 3.4 Spain

### 3.4.1 Background

The body responsible for the management and coordination of national regional policy and EU Cohesion policy in Spain is the Ministry of Finance and Public Administration (MINHAP), although the policy is delivered jointly by national and regional governments. At **central level**, the Secretariat General for ERDF Management, DG for EU Funds (MINHAP) is the ERDF MA, and the ESF Management Unit (Ministry of Employment and Social Security) is the ESF MA, although in practice the management tasks of regional OPs are shared with regional governments. At **regional level**, the policy is implemented by departments with economic development responsibilities within the regional authorities and their agencies.

Apart from annual reviews and monitoring committees, a regional policy conference (*Foro de Economía y Política Regional*) is organised twice a year by the DG EU Funds with the regions to discuss Cohesion policy developments. Furthermore, there are regular meetings of thematic networks.

**Table 7: Overview of programme management structure in Spain**

Programme management	Responsible body	Notes
<b>Central level</b>		
<b>Managing Authority</b>	Secretariat General for ERDF Management, DG EU Funds ESF Management Unit, Ministry of Employment and Social Security	The SG for ERDF Management is the MA for all ERDF OPs. However in practice the management tasks of regional OPs are shared with regional governments.
<b>Coordination</b>	DG for EU Funds, Ministry of Finance and Public Administration (MINHAP) Secretariat General for Rural Development, Ministry of Agriculture, Food and Environment Monitoring Committees Thematic Networks	
<b>Intermediate Bodies</b>	Every Multi-Regional programme has a selection of targeted intermediate bodies	A reduction in the number of national intermediate bodies is planned.
<b>Regional level</b>		
<b>Intermediate Bodies</b>	More than 100 intermediate bodies	Regional governments are designated as intermediate bodies although they are responsible for managing their own strands of the regional OPs.

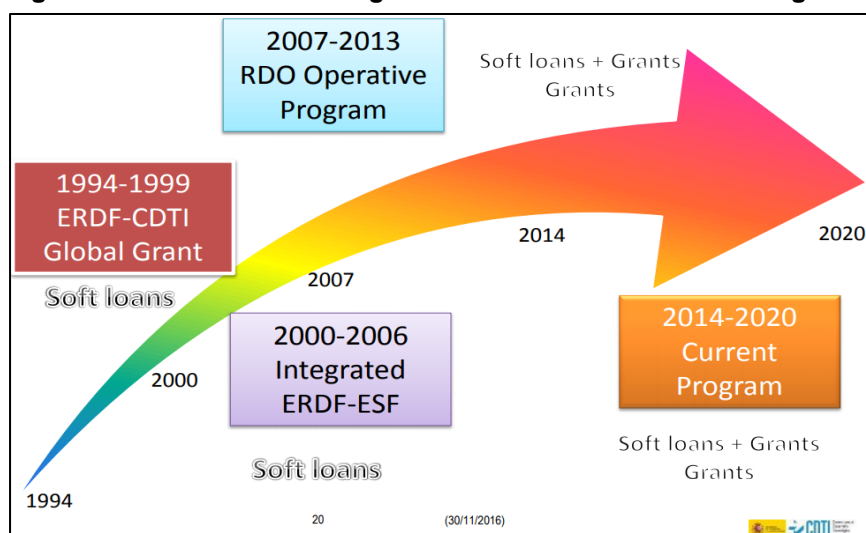
**Source:** Mendez C (2018) *Spain: Cohesion policy fiche*, Report to the EoRPA European Regional Policy Research Consortium, European Policies Research Centre, Glasgow.

In 2014-20, Spain manages 22 ERDF OPs (one for each of the 19 regions plus 3 multi-regional programmes for 'smart growth', 'sustainable growth' and the 'SME Initiative') and 23 ESF OPs (one for each of the 19 regions plus 4 multi-regional programmes). These programmes are managed by a selection of intermediate bodies, mostly separate departments under the different ministries (e.g. 'Export and Investments' under the Ministry of Economy and Enterprise), or independent bodies (e.g. chamber of commerce).

The **Centre for the Development of Industrial Technology (CDTI)** is a public enterprise (answerable to the Ministry of Science, Innovation and Universities), which supports businesses' R&D and innovation. It is also the Spanish representation in international programmes including Horizon 2020. One of its objectives is to increase Spain's participation in and economic return from Horizon 2020 (originally, the Framework Programme), equivalent to the country's economic weight within the EU. The CDTI carries out the following activities: 1) Financial and economic-technical assessment of R&D projects; 2) Managing Spanish participation in international technological cooperation programmes; 3) Fostering international business technology transfer and support services for technological innovation; 4) Supporting the set up and consolidation of technology-oriented companies.

The CDTI has had expertise in ERDF management for business RD&I funding since 1994 (Figure 3). In the 2014-2020 programme period, the CDTI adopts a triple role: (i) as RD&I funding agency; (ii) as ERDF manager; and (iii) as H2020 representative and NCP. In the latter function, it coordinates between Horizon 2020 NCPs, national managers of international R&D programmes, and regional actors promoting and financing R&D and Innovation.<sup>65 66</sup>

**Figure 3: CDTI's ERDF management for business RD&I funding<sup>67</sup>**



### 3.4.2 Strategic planning

The Spanish Partnership Agreement<sup>68</sup> (PA) contains a dedicated section on 'Measures to ensure the coordination of ESI Funds and other national or EU instruments'. One sub-section is dedicated specifically to 'Coordination Structures' in Spain for the current period – structures 'aiming to exploit synergies and maximise the overall impact of the ESI funds and achieve effective coordination with

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[http://s3platform.jrc.ec.europa.eu/documents/20182/114990/JRC92829\\_Synergies\\_EU\\_R%26I\\_Funding\\_Progs.pdf/2300a545-5902-46a9-b5e6-8cd286020fb9](http://s3platform.jrc.ec.europa.eu/documents/20182/114990/JRC92829_Synergies_EU_R%26I_Funding_Progs.pdf/2300a545-5902-46a9-b5e6-8cd286020fb9)

<sup>66</sup> García Serrano J (2016) *An approach to stimulate participation in Framework Programs and International Cooperation Programmes*, Presentation in Warsaw, 27 April 2016.

<sup>67</sup> García Serrano J (2016) *CDTI's Support to the participation in European projects*, Presentation in Paris, November 2016, Available via: [http://www.ncpacademy.eu/wp-content/uploads/2016/12/20161129\\_ME\\_CDTI%C2%B4S-support-to-the-participation-in-European-projects.pdf](http://www.ncpacademy.eu/wp-content/uploads/2016/12/20161129_ME_CDTI%C2%B4S-support-to-the-participation-in-European-projects.pdf)

<sup>68</sup> Acuerdo de Asociación de España 2014-2020 (MINHAP, 2014), covering four ESIF (ERDF, ESF, EAFRD and EMFF); focuses on priorities targeting: (i) labour productivity, education, training and social inclusion; (ii) SME competitiveness; (iii) innovation-friendly business environment and R&D&I system; (iv) efficient use of natural resources.

relevant national and European policies, reinforcing the existing coordination mechanisms in 2007-13'; among them the Coordination Committee of the ESIF, Evaluation Committee, Programme Monitoring Committees, Communication Networks and Thematic Networks (see below). In addition, the PA mentions that the compatibility of Territorial Cooperation Programmes with other EU instruments has been evident, and that this maximises their outreach through exploitation and coordination of their 'complementarity potential'. One interviewee noted the significance of a strong coordination focus at the outset of the programme period, on which the different OPs could build their strategic planning. The coordination policy for Spanish ESI Funds in the 2014-20 period identified the following synergies (Table 8):

**Table 8: Synergies between the financing instruments of the MFF and ESI Funds**

Areas of coordination	ERDF	ESF	EAFRD	EMMF
<b>Smart and inclusive growth</b>				
<b>1a. Competitiveness for growth and jobs</b>				
Horizon 2020				
Erasmus for all				
COSME				
Social Agenda				
<b>Connecting Europe Facility</b>				
<b>1b. Economic, social and territorial cohesion</b>				
ERDF				
ESF				
ETC				
YEI				
<b>2. Sustainable growth: natural resources</b>				
CAP				
EAFRD				
EMMF				
LIFE				

Source: Table 19, Spanish PA.

### Coordination structures in 2014-20

In order to take advantage of synergies, maximise the joint impact of the ESI Funds, and achieve effective coordination with relevant national and European policies, the 2007-2013 coordination mechanisms were reinforced and adapted in 2014-2020, in terms of their structure, scope and operation and in response to the requirements of the 2014-20 period. The following structures are responsible for coordination:

1. The **Committee for the Coordination of ESI Funds** began as a group to coordinate ESIF programming and subsequently to monitor the PA and relevant evaluations. Composed of representatives from each of the ESI Funds and the National Administration, the ESIF Coordination Committee is the coordinating body for policies supported by the ESI Funds, as well as for coordinating the ESI Funds with other EU policies and instruments.
2. The **Evaluation Committee** gives continuity to the Strategic Monitoring and Continuous Evaluation Committee of the ERDF and ESF, with the aim of advancing the monitoring and evaluation of the OPs supported by these Funds, the development of methodologies and the dissemination of the evaluations carried out. It has a fundamental role in relation to the system

of indicators and performance framework of the OPs. The committee comprises (permanently) the bodies responsible for the management of the ERDF and ESF in the National Administration, the Autonomous Communities and the European Commission.

3. The **Programme Monitoring Committees** provide joint and coordinated monitoring, with the aim of avoiding overlaps and duplications at different levels of administration.
4. **Communication Networks** are made up of individuals/bodies responsible for information and publicity in the regional administrations and those designated by the MAs of the different Funds. Communication Networks are, for example, formed between the National Administration (AGE) and the regions, as well as between the ERDF MAs within the AGE and local entities (e.g. municipalities).
5. Six **Thematic Networks** are maintained in 2014-20, based on the experience and good results of previous periods.

The Thematic Networks play an important role in the Spanish coordination context, as they support the management of Cohesion policy funds, eliminate duplication between the different actors and instruments, and encourage integrated approaches and synergies between Funds.<sup>69</sup> They also analyse the contribution of the ESI Funds to the development of the sectors and their coordination with other EU and national policies, facilitate exchange of experiences and good practice, and analyse technical problems caused by the application of EU and national legislation in the ESIF co-financed areas. Following the definition of 2014-20 themes, the six thematic networks are as follows: RTDI Policy Network; Network of Urban Initiatives; Network of Environmental Authorities; Network of Equality Policies; Social Inclusion Network; National Rural Network; and the Spanish Network of Fishery Groups.

The Thematic Networks reinforce their essential role in coordinating the ESI Funds and programmes under other MFF headings. For instance, the RTDI Network has the role of coordinating this theme among the various ESIF and **Horizon 2020**. Box 3 describes how the joint role of RD&I agency and H2020 NCP **enables coordination and synergy at the strategic and management levels**. Further, the Network of Environmental Authorities aims at promoting integrated **LIFE** projects with ESI Funds. The Urban Initiatives Network aims at promoting integrated urban strategies and the articulation of the participation of administrations and Funds (including ESF) in these strategies (see Table 9 for a full overview). Each network develops its own mechanisms of coordination and articulation. The European Commission participates in these networks. The DG EU Funds participates actively in the networks, ensuring the necessary coordination between them.

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<sup>69</sup> Position of the Commission Services on the development of PA and programmes in Spain for the period 2014-20, [http://ec.europa.eu/regional\\_policy/archive/what/future/pdf/partnership/es\\_position\\_paper.pdf](http://ec.europa.eu/regional_policy/archive/what/future/pdf/partnership/es_position_paper.pdf)

**Table 9: Overview and scope of Spanish coordination structures and thematic networks**

Coordination structures	Scope / policies at national level	Scope / policies at European level	ESIF	Horizontal principles and transversal objectives
Committee for the Coordination of ESI Funds	PA CSRs NRP	Common Strategic Framework Atlantic Strategy Growth and jobs objective European Territorial Cooperation objective	ERDF, ERDF-ETC, ESF, EAFRD, EMFF	Governance
RTDI Policy Network	PA Spanish Strategy for Science, Technology and Innovation (EECTI) RIS3	Europe 2020 Strategy: Innovation Union Horizon 2020 COSME	ERDF	Partnership and multilevel governance
Network of Urban Initiatives	PA OPs	Urban Development Network European Platform of cities	ERDF, ESF	(Integrated) Sustainable Urban Development
Network of Environmental Authorities	PA Environmental Regulations OPs' Strategic Environmental Evaluation OPs Rural Development Programmes	Europe 2020: resource-efficient Europe flagship initiative Directive on the assessment of the effects of defined plans and programmes on the environment (SEA) Climate change tracking LIFE Programme	ERDF, ESF, EAFRD, EMFF	Sustainable development Fight against change climate
Network of Equality Policies	PA OPs	Strategy for Equality between women and men	ERDF, ESF, EAFRD, EMFF	Partnership and multilevel governance Gender equality
Social Inclusion Network	PA OPs	Social Agenda Europe 2020: European platform against poverty and social exclusion	ESF	Partnership and multilevel governance Accessibility Attention to groups at risk of social exclusion Equality of treatment and non-discrimination
National Rural Network	PA National framework for rural development 2014-20 Rural Development Programmes	Europe 2020: resource-efficient Europe CAP	EAFRD	Partnership and multilevel governance
Spanish Network of Fishery Groups	PA OPs	Europe 2020: resource-efficient Europe	EMFF	Partnership and multilevel governance

**Source:** Authors' adaption from Partnership Agreement.

**Box 3: The RDTI Thematic Network and H2020 coordination**

The Centre for the Development of Industrial Technology (CDTI) has a triple function in the 2014-2020 period:

1. RD&I funding agency: the CDTI receives over €1 billion of domestic funding dedicated to RD&I (I+D+I) in Spanish enterprises;
2. ERDF manager: the CDTI receives around €900 million in support of TO1;
3. H2020 NCP: the CDTI manages communication with and advises regional actors, enterprises and universities; the NCP also participates in the thematic RD&I network.

In this triple role, CDTI is the intermediate coordinating office between European and domestic funding bodies, and regional actors and enterprises. With an RD&I focus, CDTI coordinates actions in the OP with directly managed instruments such as H2020, to ensure Spanish universities and enterprises can easily access H2020 funding. The Operational Programme is designed so that it is directly oriented towards the H2020 guidelines. The Centre can thus advise on the preparation of H2020 proposals. In addition, the following activities show the coordinated way in which ERDF funding is spent:

- The more developed regions (Autonomous Communities such as Navarra, Basque Country, Catalonia) have less ERDF funding to spend; therefore CDTI supports projects that are expected to create an impulse for follow-on H2020 participation (e.g. in consortia);
- Whereas the two RD&I-related OPs of Smart Growth and Sustainable Growth were separated in earlier programme periods, they are joined in the current programme period into a 'Multi-Regional OP'<sup>70</sup> for 2014-20. This removes their overlap (programmes that fit both objectives, e.g. in marine energy, renewable sources), especially when CDTI also manages domestic programmes in these areas;
- Cross-sectoral programmes can lead into H2020 initiatives. An example of this is the Atlantic Strategy ('ITI Blue') in which ERDF, EMFF and H2020 are used to improve the Atlantic Ocean and coastal regions. CDTI for instance connects regional actors, enterprises and Spanish universities to international consortia around this theme;
- ERDF-funded research training catalyses future H2020 participation, e.g. around thematic priorities.

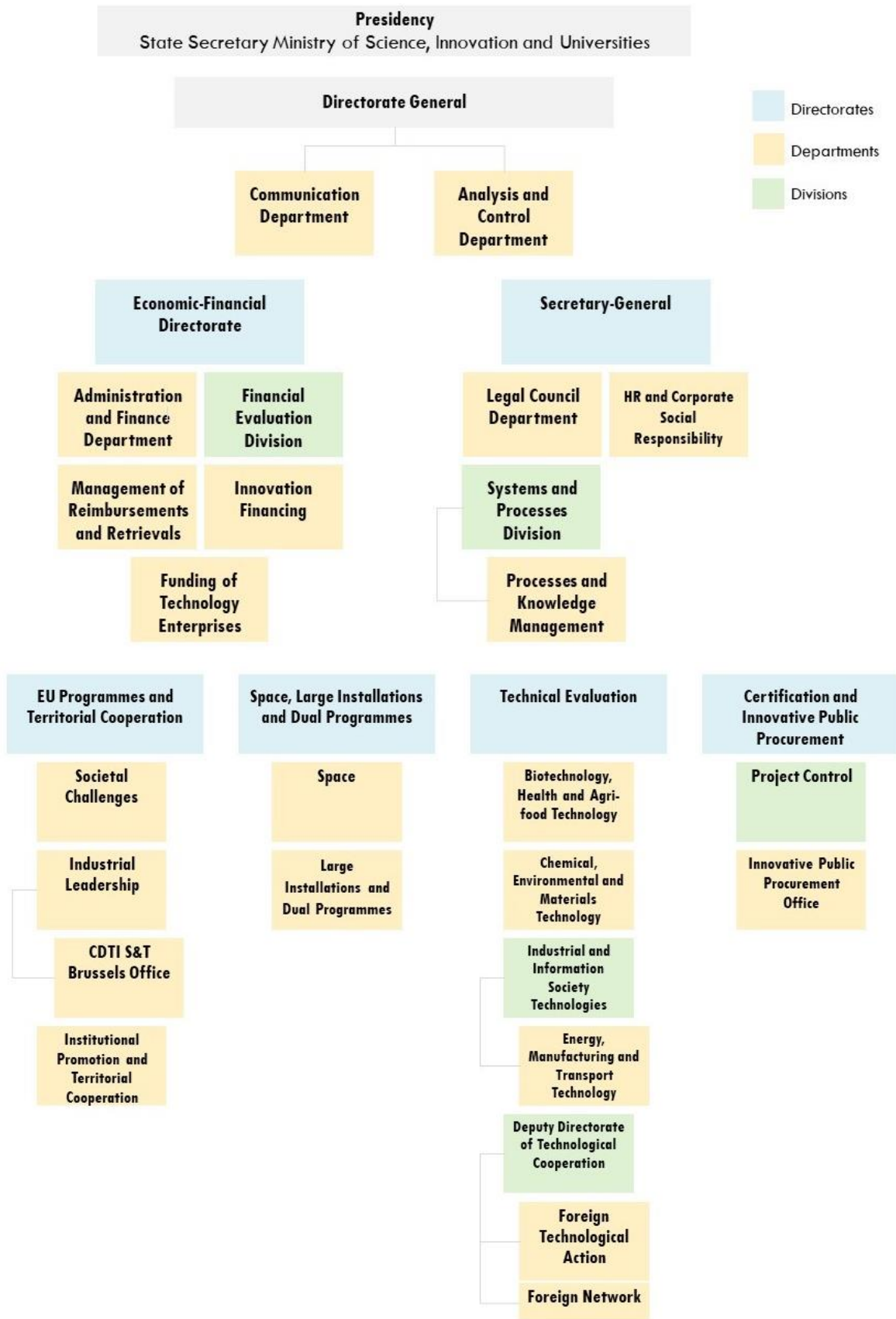
Figure 4 displays the organisational structure of CDTI under the Ministry of Science, Innovation and Universities, including its thematic departments and capacity for RD&I expertise, project control and H2020 consultation. Overall, 320 people work within CDTI, 50 of which are tasked with ex-post project evaluation in the different sectors of specialisation (industrial and naval engineering, space technology, medicine, manufacturing, etc.).

Source: Spanish interviewee, desk research

<sup>70</sup> Programa Operativo Plurirregional de España 2014-2020 (2014) Multi-regional Operational Programme of Spain 2014-2020, ERDF – Spain.



Figure 4: Organigram CDTI<sup>71</sup>



<sup>71</sup> CDTI (2018) <https://www.cdti.es/index.asp?MP=6&MS=797&MN=3>; authors' elaboration.

### 3.4.3 OP-level management and implementation

Desk research and case study analysis on the management and implementation of coordination in Spain focuses on ESIF-COSME synergies, ESIF-H2020, and more briefly considers LIFE and Creative Europe.

#### ESIF-COSME synergies

Two potential synergies exist at the level of two ESIF OPs: the national SME Initiative<sup>72</sup> (SMEI) OP, ERDF (*Iniciativa PYMEs FEDER 2014-20*)<sup>73</sup>, and the national Smart Growth OP, ERDF (*Crecimiento Inteligente FEDER 2014-20*).<sup>74</sup> The SMEI is dedicated to enhancing SMEs' competitiveness (TO 3); the Smart Growth OP focuses on three main priorities (TOs 1-3). Clear focus of both on SME support suggest complementarities with COSME as an SME-specific support programme.

**Congruence of objectives:** COSME and OPs share a common strategic orientation towards the Europe 2020 strategic goals. General objectives relating to strengthening the competitiveness and sustainability of SMEs and promoting SME growth are largely consistent (although specific objectives are more diverse):

- One common specific objective pursued by both OPs and COSME – to improve SMEs' access to finance;
- Both OPs and COSME aim to improve SMEs capacity to function in different types of markets;
- Both COSME and the Smart Growth OP aim to promote entrepreneurship and entrepreneurial culture/spirit.

**Forms of assistance used:** One of the 'synergetic points' is the scope to combine support (COSME and ESIF are able to finance complementary types of action and support different types of beneficiaries); the use of FIs for SME support by both OPs and under COSME is of relevance.<sup>75</sup> In addition, **Smart Specialisation Strategies (S3)** facilitate synergies between COSME and ESIF, since the thematic networks (e.g. of RD&I) ensure that ERDF or ESF funded projects are in line with COSME objectives. The RTDI Network (3.4.2) contributes the evaluation and monitoring of Smart Specialisation Strategies. S3 foresees an 'entrepreneurial discovery process', which involves collaborative work

<sup>72</sup> From the Partnership Agreement: "Participation of Spain in the SME Initiative: Spain will participate in the centralised financial management instrument SME Initiative with a significant contribution of the ERDF by the General State Administration and of the Autonomous Communities, to which the contributions of **Horizon 2020** and the **EIB** must be added, which guarantees the achievement of important synergies".

<sup>73</sup> [http://www.dgfc.sggp.meh.es/sitios/dgfc/es-ES/ipr/fcp1420/p/Prog\\_Op\\_Plurirregionales/Documents/PO\\_Iniciativa\\_PYMEs\\_DEC\\_AI\\_All.pdf](http://www.dgfc.sggp.meh.es/sitios/dgfc/es-ES/ipr/fcp1420/p/Prog_Op_Plurirregionales/Documents/PO_Iniciativa_PYMEs_DEC_AI_All.pdf)

<sup>74</sup> [http://www.dgfc.sggp.meh.es/sitios/dgfc/es-ES/ipr/fcp1420/p/Prog\\_Op\\_Plurirregionales/Documents/PO\\_Crec\\_Int\\_Dec\\_Anex1\\_Anex2.pdf](http://www.dgfc.sggp.meh.es/sitios/dgfc/es-ES/ipr/fcp1420/p/Prog_Op_Plurirregionales/Documents/PO_Crec_Int_Dec_Anex1_Anex2.pdf)

<sup>75</sup> In terms of general complementarities between ESIF FI and the SMEI:

- Off-the-shelf instruments comprise risk sharing loans and capped guarantees which shall support increased financing offered to SMEs (such as loans, lease, guarantees, etc.), but do not foresee any uncapped guarantees and securitisation instruments. Therefore, uncapped guarantees and securitisation envisaged under the SMEI appear to complement well the products offered under off-the-shelf instruments for support of SMEs in 2014-20.
- The SMEI and the off-the-shelf instruments shall be complementary as the latter addresses the SMEs' needs at a given regional level.

among the different authorities involved in designing SME and industry policy and R&I policies (including e.g. H2020 actors and COSME supported entities). The 5th Work Plan of the RTDI Network also notes that the implementation of regional S3 seeks to make progress in terms of coordination and synergies with H2020 and COSME, and for this purpose representatives of the relevant working groups and the national contact point should be represented in the Network. Similarly, synergies may be found in terms of S3 **financing** (some Spanish regional strategies<sup>76</sup> mention both ESIF and other instruments among funding sources).

### **Best practices in H2020 management**

The alignment of the Multi-Regional OP with both domestic STI-objectives and H2020 results in a number of good practices at management level. These include: capacity building and facilitation of a 'stairway to excellence'; improvement of the technical knowledge base; and consolidation of and access to the necessary research infrastructure. As established in the PA, co-financing projects is dependent on the following conditions: inclusion in the specialisation scope of national or regional S3 strategies; serving as a stairway to excellence; developing competitive advantages; and providing a positive socio-economic effect in the state or region. This alignment ensures that ESIF and national RD&I funding is also used to strengthen scientific-technical capabilities, i.e. the knowledge base.

As outlined in 3.4.1, the CDTI coordinates Spain's management of H2020, being one of the NCPs, with national and international RD&I programmes. It provides industrial leadership with businesses, but also assists with technical support for all kind of participants.<sup>77</sup> Spain has seen a growing return from their efforts to attract H2020 funding since 2014. For 2020, it is estimated that 10 percent of the EU H2020 budget is allocated to Spain.<sup>78</sup> This high percentage is partly attributed to the 'EuroIngenio effect', named after the competitive fund (*Fondo EuroIngenio*) set up between 2007 and 2009 with €30 million from Regional OPs, aiming to fund complementary instruments and structures that stimulate participation of regional stakeholders in (the then) Framework Programme and other international R&D programmes.

At the time (2007-09), the challenges for Spanish innovation and R&D were threefold: more (new) participants were needed, as well as larger projects and a higher coordination rate. In particular, "the lack of coordination in this issue between State and Regions was a barrier to reaching all participants effectively".<sup>79</sup> It seems that the CDTI was ideally placed, given its RD&I history and position as ERDF manager, to develop a strategy to bring H2020 to the attention of a broader set of stakeholders (from businesses to innovation agencies, universities, research groups, etc.) and maintain a more international project focus. This strategy had four main aspects:

- Raising awareness – Annual conference on the Framework Programme, national and regional 'info-days', seminars, etc.
- Building capacities and skills – Training of specialists in international R&D projects, e.g. through specialisation courses or short-term stays in Brussels, aimed at regional and national Project Managers, and experienced personnel of organisations with H2020 interest.

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<sup>76</sup> E.g., RIS3 Andalucía, RIS3 Extremadura, RIS3 Castilla y León, etc.

<sup>77</sup> García Serrano J (2018) *Sharing best practices in Horizon 2020: Spain's road to success*. Presentation in Madrid, 6 November 2018.

<sup>78</sup> CDTI (2018) *Participación española en Horizonte 2020: Resultados provisionales (2014-2017)*.

<sup>79</sup> García Serrano J (2018) *op. cit.*

- Looking for newcomers and giving support to the proposers – Short- and mid-term measures, including grants to cover proposal preparation expenses and incentives to reward network creation of different agents (consultancies, universities, RTOs).
- Creating structures – long-term measures, including the set-up of an International Innovation Units Programme and formal involvement of the regional administrations (the Spanish Autonomous Communities).

The establishment of the EuroIngenio fund is an example of a long-term structure created to increase the involvement of the regions, leading to a sharp increase in the number of participations per year, and the number of newcomers (compared to the EU average). This required strong political commitment at national and regional levels, which resulted in the long-term nature of funds such as EuroIngenio, the existence of the CDTI itself, but also (investment in) other RD&I offices that have operated under regional and national governments since the mid-2000s.

### **ESIF – EaSI**

The Spanish Partnership Agreement (2014-2020) outlines the basis of a cooperative structure between stakeholders and management units to coordinate EaSI and ESF instruments. Specifically, it emphasises the need for cooperation under the priority axes of PROGRESS and Microfinancing and Social Entrepreneurship. To this end, the Spanish regions (Autonomous Communities) earmarked an amount in the ESF-OP to respond to the social issues arising from e.g. the financial and economic crisis. The regional MAs for ESF funds may provide a financial contribution to EU-level instruments such as EaSI in the following ways: i) financial instruments set up at EU level, through an entrusted body; or ii) financial instruments set up at national, regional, transnational and cross-border level, under MA responsibility. The EaSI Guarantee Instrument (currently piloted) is an example of a scheme at the EU level. As outlined in 2.4.4, Spain is the Member State that has made most use of the Guarantee Instrument, whereby an ESIF managing authority allocates a block of ESIF funding. By early 2018, six transactions had been signed in Spain with four intermediaries, with three transactions in the field of micro-finance and three relating to social enterprise. For example, Spain's national ESF-OP for Employment, Training and Education has allocated c. €530 million (15 percent of total OP funding) to the EaSI Guarantee Instrument.

The implementation of the Guarantee financial instrument in Spain, through which ESF and EaSI contributions are combined, led to a number of lessons to other EU Member States at the OP-level:<sup>80</sup>

- Active responsibility of MA, adhering to the rules for payments and reporting; the OP needs to foresee this contribution and control for the eligibility of recipients in line with the OP. EaSI eligibility criteria need to be replicated at the level of the regional MAs;
- Create shared interests for MAs, banks and SMEs: successful implementation relies on each party finding their own interest (e.g. risk coverage reduces bank's exposure, leading to lower costs than for normal loans);
- Coordination of ESF and EaSI funds may lead to complementarity with other actions, e.g. subsidies and financing options, with EaSI and with other national and regional interventions.

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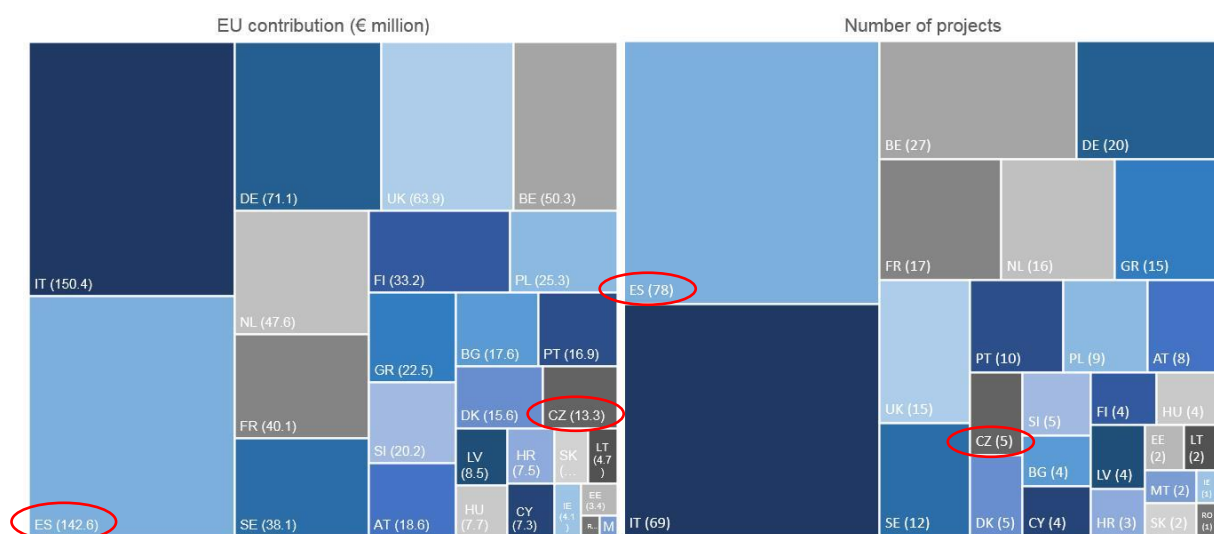
<sup>80</sup> de la Mata G (2018) *ESF contribution to EaSI under article 38.1(a): Preliminary thoughts*, Presentation of 8 February 2018, Brussels, European Investment Fund

## ESIF – LIFE

In addition to coordination between the ESI Funds, the ESF OPs will encourage and ensure complementarity and coordination with the LIFE Programme, in particular, with integrated LIFE projects in the areas of nature and biodiversity, water, waste, air, climate change mitigation and adaptation. Coordination is carried out through measures such as promoting the financing of activities, which complement the LIFE integrated projects, as well as promoting the use of solutions, methods and approaches validated within the framework of LIFE (such as investments in ecological infrastructure, energy efficiency, ecological innovation, solutions based on ecosystems and the adoption of innovative technologies in these areas).

The corresponding sectoral plans, programmes or strategies (including priority action frameworks, river basin management plans, waste management plans, climate change reduction plans or climate change adaptation strategies) serve as a **coordination framework**.<sup>81</sup> The network of environmental authorities (*Red de Autoridades Ambientales*) is responsible for the implementation of the LIFE programme (Table 9), and its embedding in domestic policy areas appears to give maximum accessibility for environmental organisations to apply to LIFE and ESIF finances. This is reflected by the high success rates and percentage of the total number of projects (Figure 5).

**Figure 5: EU28 overview of LIFE expenditure and number of projects (2014-16)**



Source: European Commission (2018) Staff Working Document, *Impact Assessment LIFE*. Brussels, 01/06/2018. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=SWD%3A2018%3A292%3AFIN>.

## ESIF – Creative Europe

In contrast to the intentions mentioned in the PA, the territorial programmes are not found to be compatible with Creative Europe. One interviewee emphasised that they work in a centralised, top down structure with direct accountability to the European Commission. The direct management by the Creative Europe 'Coordination Body' (*Órgano de Coordinación*) only operates within Creative Europe itself and does not have a direct relationship with shared management programmes (ERDF, ESF, etc.).

<sup>81</sup> As described in the Partnership Agreement (MINHAP, 2014).

In the case of Creative Europe, coordination is thus understood as consultation and interaction by the managing office with the regional level, rather than with other (territorial) programmes.

With respect to the new financial instruments employed in the cultural sector,<sup>82</sup> Creative Europe Spain has implemented the Guarantee Facility as one of the five countries that have done so since 2016 (one of the other countries is the Czech Republic via Komerční banka). The prevalence of small and micro-businesses in the cultural and audiovisual sector has made this instrument particularly popular in Spain, taking up 82.7 percent of the loans requested in the guarantee scheme (as of November 2017).<sup>83</sup>

#### **3.4.4 Project-level engagement and implementation**

Following clear definitions and demarcation of responsibilities laid out in strategic documents and between the different networks, the instruments are implemented separately at the project level. In the case of CDTI, coordinating H2020 and ESI funds, one interviewee emphasised that, for auditing reasons ('separation in accounts'), only one EU instrument can be part of a project's funding. Technically speaking, a project could fit in the H2020 or ESIF priorities, yet only one funding programme will be the funding body. However, projects that are complementary to earlier projects in the RD&I domain of CDTI are often funded through additional EU funding instruments such as H2020. For example, the 'Atlantic Strategy' initiative (see Table 9) contains projects financed by ERDF and EMFF funding, but also resulted in follow-up H2020 projects focused on research and international knowledge exchange.

Coordination at the implementation level is mainly ensured through the different actors that participate in the strategic frameworks mentioned earlier (thematic networks, coordination structures). Other forms of coordination at the project level were not mentioned, but could arguably occur at an ad hoc or informal basis.

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<sup>82</sup> European Parliament (2018) *Research for CULT Committee – Creative Europe: Towards the Next Programme Generation*. Brussels: DG for Internal Policies of the Union, June 2018.

<sup>83</sup> European Parliament (2018) *op. cit.*

## 4. DISCUSSION AND RECOMMENDATIONS

### 4.1 Best practices and benefits of coordination

Our desk-based review of best practices in the coordination of ESIF and other EU funding programmes, as well as the four case studies examined in this study, provide a number of lessons in terms of effective practices for building and enhancing communication, consultation and coordination. At the end of this section, Table 10 provides a summary of the case studies in terms of their governance and coordination mechanisms.

#### 4.1.1 *Ensure high-level political commitment to coordination*

Because of the difficulties involved in establishing new forms of coordination (e.g. institutional lock-in, silo-based thinking, and fixed interests), strong political commitment at a high-level is necessary to ensure the success of efforts to improve coordination between EU funding programmes.<sup>84</sup>

A clear example is seen in Spain in the run-up the 2014-20 period, when the Spanish national and regional authorities attached a strong political priority to the goal of increasing Spain's success in obtaining non-ESIF EU funding.<sup>85</sup> This political commitment provided the basis for the range of actions undertaken, including improving coordination but also investing in new structures and capacities to support project applicants and in new marketing approaches to potential applicants.

#### 4.1.2 *Take a long-term strategic approach*

A long-term strategic approach to facilitating coordination is necessary if political, cultural and organisational changes are to be successful. Scope for practical coordination during implementation is shaped by the extent to which coordination mechanisms are established during the strategic planning phase. Stakeholders need to come together to agree on core strategic frameworks, which can then be translated into goals, indicators, funding allocations, instruments and working methods.

Steps are needed to ensure that the different macro-goals of different EU funding programmes can be aligned at national and regional levels (e.g. the ESIF goal of national/regional development and the Horizon 2020 goal of high-impact international research). Without such alignment, stakeholders may regard it as more efficient to use separate instruments (with different management/implementation systems) to address different goals.<sup>86</sup>

Similarly, where efforts at coordination are not reflected in formal goals, indicators and targets, it is likely that management and implementation bodies will downplay coordination activities, in favour of actions which are stated and measured formally (see Box 4).

In addition, the inclusion of cross-cutting goals/targets related to Horizon 2020 (e.g. R&D/innovation, and international links) in ESIF OP documents could allow managing authorities to take a more

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<sup>84</sup> Bachtler J, Vironen H and Michie R (2007) *Scotland Europa: EU funding programmes 2007-2013: A comparative analysis of EU funding and policy support structures*, Final Report to Scotland Europa (Scottish Enterprise), European Policies Research Centre, Glasgow.

<sup>85</sup> García Serrano J (2016) *An approach to stimulate participation in Framework Programs and International Cooperation Programs*, Presentation in Warsaw, 27 April 2016.

<sup>86</sup> Polverari L and Dozhdeva V (2018) *From Smart Growth to Smarter Europe: Learning from Smart Specialisation Delivery*, IQ-Net Thematic Paper 43(2), European Policies Research Centre Delft.

systematic approach to identifying potential to fund RTDI and international activity under other priority axes (e.g. relating to transport, and energy efficiency) than the R&I priority axis.

**Box 4: ESIF indicators in Satakunta, West Finland**

In the ERDF OP for West Finland in 2014-20, the sub-region of Satakunta initially decided to allocate funding to projects specifically to prepare project applications for Horizon 2020 calls. However, the OP at a macro-regional level (West Finland) does not include indicators relating to Horizon 2020 applications. Because of this, the sub-region of Satakunta in the end decided to discontinue the funding to prepare Horizon 2020 applications and to focus instead on projects which did contribute to OP-level indicators.

**Source:** Polverari & Dozhdeva (2016).

### **4.1.3 Build or enhance governance structures that prioritise coordination**

Despite efforts to improve coordination, silo-based management and implementation remain common, with different Member State ministries/agencies responsible for different EU funding programmes and for engaging with different DGs in the European Commission.<sup>87</sup>

One approach to improving coordination across EU funding programmes is to create a single entity responsible for all/multiple programmes – or responsible for driving the goal of enhancing strategic coordination across programmes. In Ireland, for example, the national government's Finance Department facilitates coordination between ESIF, H2020 and national funding as it is responsible for the allocation of all national departments' R&DI budgets, as well as overall policy responsibility for ESIF.

Similarly, entities with wide thematic remits and responsibility for communication and dissemination of information can help to build linkages between stakeholders and funding programmes. National/regional offices in Brussels often play important roles in terms of boundary spanning across a range of policy fields and stakeholders at EU, national and regional levels. They can gather information and know-how across a range of EU policies and funding programmes, and disseminate widely. They can also act as a hub that connects multiple domestic organisations and individuals via thematic/sectoral events and interpersonal networking/referral.

Another approach is to allocate individual members of staff tasks relating to more than one EU programme. In Wales (United Kingdom), for example, the Welsh Government's Horizon 2020 Unit is co-located with the Structural Funds managing authority (the Welsh European Funding Office, WEFO).<sup>88</sup> Individual staff work on both ESIF and H2020 and therefore can advise applicants on funding opportunities under both ESIF and H2020, and also signpost to the right specialist support. Individual staff are also networked with other organisations in both fields and so have access to wider information, experience and know-how. Strategic goals relating to coordination are also translated into WEFO job descriptions and staff appraisal criteria – so that tasks and costs related to coordination are recognised.

<sup>87</sup> Ferry M, Kah S and Bachtler J (2016) *op. cit.*

<sup>88</sup> Polverari/Dozhdeva (2018); Smithson T (2018) Delivering smart growth through synergies, Welsh Government presentation at the European Week of Regions and Cities, October 2018; <https://gov.wales/funding/eu-funds/horizon2020/?lang=en>



Formal coordination structures (e.g. committees or working groups) also play an important role in coordination, and particularly in ensuring continuity of linkages across instruments over time, and mitigate the risk of a loss of tacit knowledge and personal linkages when individuals change jobs or retire.<sup>89</sup> Two examples are seen in Ireland and Germany:<sup>90</sup>

- In Ireland, the national government's Inter-Departmental Committee for Science and Technology (IDC) has played a key role in facilitating communication, consultation and coordination between government departments and agencies, and is also responsible for developing national R&I strategies, including S3.
- In Germany there is a formal national/regional dialogue process relating to the coordination of ESIF and H2020, which is led by the Federal Ministry of Education and Research, with participants from all federal and *Länder* authorities responsible for both ESIF and R&I, as well as other key stakeholders. The dialogue aims to facilitate information flows; support the strategic use of EU funding programmes; and enhance applicant support services.

Informal networking between individuals in different organisations can be facilitated by e.g. proximity of workplaces, and joint seminars/workshops.

#### **4.1.4 Start cultural change by mobilising a wide range of stakeholders**

Effective coordination often requires cultural change and a move away from silo-based thinking and interacting – and cultural change takes time and effort.

ESIF regulations require Member State and regional authorities to consult a wide range of stakeholders (potentially including organisations responsible for other EU funding programmes) during the preparation of Partnership Agreements, Operational Programmes and Smart Specialisation Strategies, and also to ensure that diverse stakeholders are represented on ESIF monitoring committees. In practice, these requirements may take the form of formal consultations – or may involve more active cooperation and coordination.

In Spain, enhanced coordination has built in part on recognition of the need to mobilise all available capacities to work together.<sup>91</sup> This has led to formal cooperation agreements on international R&D between the State and regional administrations. In addition, there have been efforts to ensure the active participation of a wide range of stakeholders during the planning phase (business, universities, research institutes, innovation agencies etc.).

In Estonia, the centralisation of policy coordination tasks in ETAg has led to the criticism that the thematic expertise of other ministries and stakeholders is underutilised.<sup>92</sup> There is seen to be a need to make better use of stakeholders' expertise, especially given the need to focus limited domestic resources on a smaller number of research priorities. One proposal is that thematic seminars could be

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<sup>89</sup> Ferry, Kah, Bachtler (2016) *op. cit.*

<sup>90</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union

<sup>91</sup> García Serrano J (2016) *op. cit.*

<sup>92</sup> Ukrainski T, Kanep H, Hirv T, Youjun S, Kirs M and Karo E (2018) *Estonian Potential in Framework Programmes: Analysis and Policy Options*, Estonian Research Council with University of Tartu and Tallinn University of Technology.

held with leading researchers and businesses to discuss the priorities for national participation in EU funding programmes.

#### **4.1.5 *Prioritise coordination through all programming stages***

Coordination needs to be prioritised at all stages of programming/implementation and not only in the preparation of the strategy. For example, steps can be taken to consult on and coordinate calls for proposals and to disseminate information on calls under other EU funding programmes, with interlinked websites. Project selection criteria can be aligned and informed across programmes. Data collection, monitoring and evaluation systems can be integrated or coordinated for mutual benefit. Conferences, workshops and events can be organised jointly across funding programmes.

Further, interviewees in Estonia emphasised that projects that involve funding from multiple EU programmes require extensive and ongoing communication between all stakeholders, and particularly between the implementing bodies responsible for different EU programmes, in order to facilitate troubleshooting to address any potential overlaps or practical difficulties.

In Wales, effective coordination and cooperation between managing/implementing authorities responsible for different EU and domestic programmes have facilitated the allocation of different blocks of funding to particular (groups of) entities for consecutive and cumulative activities (see Box 5).

**Box 5: Integrating different funding sources at project level in Wales**

Bangor University's BioComposites Centre<sup>93</sup> provides an example of the 'Stairway to Excellence' effect. The Centre (established in 1989) undertakes collaborative research on sustainable biobased technologies that minimise environmental impacts. It is a key partner in the BEACON project<sup>94</sup> (c. £8 million **ERDF in 2007-13**) and used ERDF funds to strengthen the Centre's R&I capacity, including infrastructure and equipment in pilot scale processing and to increase R&I collaboration between academia and industry. In 2014 the BEACON project won the **RegioStars Award** in the "Sustainable growth: Green growth and jobs through Bio-economy" category.<sup>95</sup>

Improvements in R&I capacities via BEACON have acted as a stepping stone to **leverage further funding** from Welsh Government, InnovateUK, UK Research Councils, and other EU-funded schemes, including the ERDF-funded SMART Expertise programme<sup>96</sup> administered by the Welsh Government.

The BioComposite Centre's expertise has also led to **engagement in European networks and increased international cooperation**, including: as part of COST (European Cooperation in Science & Technology); the Vanguard Initiative; as well as being registered on the list of EU Key Enabling Technology Centres<sup>97</sup> and a European database of pilot scale facilities (Pilots4U).<sup>98</sup> The Centre has actively explored opportunities to secure additional **Horizon 2020** funding and has collaborated on a number of applications to the Bio-Based Industries Joint Undertaking (BBI JU),<sup>99</sup> supported by awards from the Welsh Government's scheme SCoRE Cymru.<sup>100</sup> In December 2017 the BioComposites Centre's secured BBI JU funding via participation in the **PRO-ENRICH**<sup>101</sup> project.

**A further £8 million of ERDF funding in 2014-20** has been awarded to BEACON Plus for further R&D collaboration with Welsh businesses to translate research excellence into commercial products.

**Source:** Polverari L and Dozhdeva V (2018) *op. cit.*

**4.1.6 Build capacity in order to ensure coordination**

Coordination depends on ensuring that stakeholders and individual members of staff have sufficient resources and capacity to pursue the goal of enhancing communication, coordination and synergies, and to provide high-quality guidance to project applicants on a range of funding options.<sup>102</sup>

<sup>93</sup> <http://www.bc.bangor.ac.uk/>

<sup>94</sup> <http://beaconwales.org/en/>

<sup>95</sup> <http://beaconwales.org/en/what-is-beacon/regio-stars-2014/>

<sup>96</sup> <https://businesswales.gov.wales/expertisewales/smartexpertise>

<sup>97</sup> <https://ec.europa.eu/growth/tools-databases/kets-tools/infrastructure/biocomposites-centre>

<sup>98</sup> <https://www.biopilots4u.eu/node/400>

<sup>99</sup> <https://www.bbi-europe.eu/>

<sup>100</sup> <https://gov.wales/funding/eu-funds/horizon2020/score-cymru/?lang=en>

<sup>101</sup> <https://www.bbi-europe.eu/news/bbi-ju-launches-17-new-projects-will-validate-potential-biomass-europe>

<sup>102</sup> García Serrano J (2016) *op. cit.*

In Spain, alongside political commitment and the creation of formal coordination mechanisms, the key elements of the strategy for accessing EU funding included:<sup>103</sup>

- The creation of international offices in technological platforms and business associations, with professional staff skilled in preparing funding applications and supporting applicants with advice on planning, legal issues, financial issues and project management;
- Establishment of a competitive fund (*Fondo Euroingenio*), with €30 million in 2007-09 from Regional ESIF OPs, that financed instruments and structures that aimed to stimulate the participation of regional stakeholders in FP7 and other international R&D programmes.

#### **4.1.7 Consider EU mechanisms that aim to support coordination**

A number of EU-level mechanisms aim to stimulate project-level coordination and complementarity across EU funding programmes (see Section 2), although their use varies.

Slovenia has made particular use of the Seal of Excellence – namely for projects supported by Horizon 2020's SME Instrument<sup>104</sup> and a 'Teaming Initiative'<sup>105</sup> funded by Horizon 2020 (research part) and ERDF (infrastructures).<sup>106</sup>

#### **4.1.8 Where possible, simplify and align rules across EU funding programmes**

Coordination at both management/implementation and project levels is facilitated by the alignment and simplification of implementation rules. A key barrier to synergies between EU funding programmes is variation in accounting and auditing practices.<sup>107</sup>

Some stakeholders in Estonia suggest that simplified costs would be the best way to promote coordination and encourage investment in collaborative ESIF/H2020 projects in the R&D&I field. Domestic rules relating to the ERDF in Estonia do not currently allow the use of simplified costs. For example, the ERDF OP funds international researchers to spend time in Estonia, building up research teams and training post-doctoral researchers. At present, the beneficiary must provide invoices for all general/non-staff costs but it would be simpler if they could instead claim for a fixed overhead.

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<sup>103</sup> García Serrano J (2016) *op. cit.*

<sup>104</sup> <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/sme-instrument>

<sup>105</sup> <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/teaming>

<sup>106</sup> Polverari and Dozhdeva (2018) *op. cit.*

<sup>107</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union.

**Table 10: Summary of case studies – Governance and coordination mechanisms across EU funding programmes**

State	Governance <sup>1</sup>	Coordination mechanism <sup>2</sup>	Details/notes
Austria	<p>ERDF: Secretariat of the Austrian Conference on Spatial Planning (ÖROK), tasked by Ministry for Sustainability and Tourism</p> <p>ESF, EaSI: Federal Ministry of Labour, Social Affairs and Consumer Protection</p> <p>Horizon 2020, COSME: Austrian Research Promotion Agency (FFG)</p> <p>LIFE, EAFRD, EMFF: Federal Ministry of Sustainability and Tourism</p> <p>Creative Europe: Federal Chancellery and Austrian Film Institute</p>	<p>Strategic planning:</p> <p>a) The ESIF PA includes a formal commitment to complementarity between ESIF and other EU programmes.</p> <p>b) S3 process helped to build complementarities &amp; coordination.</p> <p>OP-level:</p> <p>The different EU funding programmes are managed and implemented separately.</p> <p>Project-level:</p> <p>Coordination is case specific.</p>	<p>Coordination is not strongly prioritised between stakeholders responsible for different EU funding programmes. Instead, coordination is mainly seen in terms of a) relations between the federal and <i>Länder</i> levels, b) between the <i>Länder</i> and c) between ESIF and domestic strategies.</p> <p>Austrian authorities state that success in bidding for funding under Horizon 2020 is not due to good coordination but instead to the work of the Austrian Research Promotion Agency.</p>
Belgium	<p><u>Flanders</u></p> <p>ERDF: Innovation and Entrepreneurship Agency &amp; 7 contact points in regions and cities; ESF: Work and Social Economy Department</p> <p>Horizon 2020: Innovation and Entrepreneurship Agency</p> <p>COSME: Innovation and Entrepreneurship Agency</p> <p>LIFE: Agency for Nature &amp; Forests, Ministry of Environment</p> <p>EaSI: Federal Public Service Social Security</p> <p><u>Wallonia</u></p> <p>ERDF &amp; ESF: Department of Structural Funds Coordination (WalEurope)</p> <p>Horizon 2020: Union Wallonne des Entreprises / NCP Wallonia</p> <p>COSME: Economie Wallonie</p> <p>LIFE: Wallonia Government</p> <p>Creative Europe: Desk Europe Créative Wallonie-Bruxelles</p>	<p>Strategic planning:</p> <p>The ESIF PA defines areas of demarcation and coordination between EU Funds by Thematic Objective.</p> <p>OP-level:</p> <p>a) The ESIF MA in Flanders (Flanders Innovation and Entrepreneurship) is responsible for managing links with directly managed EU instruments.</p> <p>b) Network of ESIF MA and NCPs for various programmes.</p> <p>c) ERDF post-2020 working group in the ESIF MA.</p> <p>d) EU Platform under the Flemish Ministry for Economic Affairs, Science &amp; Innovation.</p> <p>e) Informal information-sharing and consultation.</p> <p>Project-level:</p> <p>LIFE Integrated Projects</p>	<p>ESIF are managed separately by the three regions (Brussels-Capital, Flanders and Wallonia).</p> <p>In the case of Horizon 2020, COSME and LIFE, the Federal Government and the French Community have their own National Contact Points alongside those in the three regions.</p> <p>There are separate National Contact Points for Creative Europe and EaSI.</p>

	<p>EaSI: Federal Public Service Social Security</p> <p><u>Brussels-Capital Region</u>                  ERDF &amp; ESF: Government of the Brussels-Capital Region                  Horizon 2020: Brussels Enterprise Agency                  COSME: NCP Brussels                  Creative Europe:                  Desk Europe Créative Wallonie-Bruxelles                  EaSI: Federal Public Service Social Security</p>		
Estonia	<p>ESIF: Ministry of Finance &amp; State Shared Service Centre</p> <p>Horizon 2020: Estonian Research Council</p> <p>COSME: KredEx</p> <p>LIFE: Ministry of the Environment</p> <p>Creative Europe: NGO Creative Estonia &amp; Estonian Film Institute</p> <p>EaSI: Ministry of Social Affairs</p>	<p>Strategic planning:</p> <p>a) The ESIF PA was prepared in cooperation with entities responsible for other EU programmes, with a view to demarcation &amp; coordination.</p> <p>b) The ESIF PA includes a commitment to the coordination of EU funds e.g. via annual State budget acts; information exchange between implementing bodies; and OP and sectoral committees.</p> <p>OP-level:                  Individual agencies have multiple roles in different EU programmes.</p> <p>Project-level:                  Funds from different EU and domestic sources are combined in individual projects or via sequential funding</p>	<p>ESIF implementation is managed through a hierarchy of implementing authorities, implementing bodies and other associated agencies in Estonia – some of which also manage other EU programmes.</p> <p>Examples of multiple roles at OP level include:</p> <p>a) KredEx is an ESIF 2<sup>nd</sup> level implementing body and National Contact Point for COSME.</p> <p>b) the Estonian Research Council manages ERDF-funded programmes which support opportunities for Estonian R&amp;D institutions and companies to collaborate with transnational research organisations and networks, including through synergy with Horizon 2020. At the same time, the Council implements national funding programmes for research and mobility</p>
Spain	<p>ESIF: Ministry of Finance and Public Administration (MINHAP)</p> <p>Horizon 2020: Ministry of Science, Innovation and Universities</p> <p>COSME: PYMEs &amp; Innovation</p>	<p>Strategic planning:</p> <p>a) The ESIF PA identifies complementarities between each ESIF &amp; each directly-managed EU programme.</p> <p>b) The ESIF PA describes in detail the structures that coordinate ESIF with other EU &amp; domestic programmes.</p>	<p>A range of different national committees and thematic networks also contribute to the coordination, oversight and management of ESI Funds, and include national entities and also stakeholders from the regions (Autonomous Communities).</p>

	<p>LIFE: Ministry of Environment</p> <p>Creative Europe: Ministry of Culture and Sport</p> <p>EaSI: Ministry of Labour, Migrations and Social Security</p>	<p>OP-level:</p> <p>a) ESIF Coordination Committee coordinates overall governance of ESIF &amp; other EU programmes.</p> <p>b) Thematic Networks (e.g. RTDI, Environmental...) coordinate policies including ESIF &amp; other EU programmes.</p> <p>c) The Centre for the Development of Industrial Technology (CDTI) is H2020 NCP, and also manages ERDF &amp; domestic R&amp;I funding. It coordinates H2020 with other EU (inc. ESIF) &amp; national &amp; regional R&amp;D&amp;I funding &amp; stakeholders, as well as raising awareness, building capacity &amp; providing technical support.</p> <p>d) CDTI's Euroingenio Fund finances instruments/structures that stimulate participation in H2020, e.g. creation of a decentralised network of International Innovation Units.</p> <p>e) The EU's SME Initiative (EIB/ESIF/COSME/H2020) via the national SMEI Initiative OP.</p> <p>f) Regional S3 processes include H2020 &amp; COSME stakeholders and aim at synergies across EU programmes.</p> <p>Project-level</p> <p>a) Complementary funding from ESIF and LIFE/H2020.</p> <p>b) Funding from H2020 and e.g. ERDF may be combined when there is thematic compatibility.</p> <p>c) ERDF and domestic funding are used to catalyse H2020 project participation at regional level (in the case of RTDI).</p>	<p>Current structures build on experience gained from earlier programme periods.</p>
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<sup>1</sup> Which organisations are responsible for managing and implementing the programmes at different levels; what are their various roles, responsibilities and activities?

<sup>2</sup> How is the coordination of EU funding programmes and other complementary programmes (ESIF, national) ensured?

## 4.2 Recommendations for the Czech institutional setting

While lessons can be drawn from other comparator Member States, any recommendations for policy changes need to be tailored to the Czech institutional setting. This study has not included a specific analysis of the Czech context and so instead draws on existing research on coordination challenges in the Czech Republic. In particular, a recent study from the EU's Stairway to Excellence project suggested that the Czech Republic, along with other EU-13 Member States, faces specific challenges relating to the governance of R&I,<sup>108</sup> including coordination problems such as:

- Multiple agencies are responsible for implementing policies from different ministries and this leads to uncoordinated agendas and a fragmented research system without a strategic focus and duplication of effort;
- Coordination between public bodies is voluntary with many *ad hoc* committees and/or there is a lack of coordination mechanisms;
- Lack of capacity, information and expertise to coordinate policies and programmes;
- Lack of coordination of policies under ESIF with the priorities of other EU programmes;
- Lack of information and data sharing among the authorities in charge of ESIF programmes and those authorities in charge of EU-level programmes.

We suggest the following recommendations for improving the coordination of EU funding programmes in the Czech Republic:

### 4.2.1 *Ensure a high-level strategic commitment to coordination*

**Ensure high-level commitment among leading stakeholders for a coherent, long-term, strategic approach** to increasing Czech participation in non-ESIF EU funding programmes, including steps to enhance coordination and cooperation across programmes.

This high-level commitment should be translated, first, into agreement of common goals. This should be followed by **prioritisation of a coordinated approach to the agreement of strategic policy frameworks (including indicators), the allocation of domestic funding, and the design of coherent packages of instruments**, clearly translated into implementation documents and a budget plan – across a range of EU and domestic funding programmes.<sup>109</sup> Multiannual financial frameworks for domestic programmes would enable better conditions for coordination.

**Ensure also that all relevant stakeholders participate in the preparation of strategic policy frameworks and ensure that stakeholders review and assess progress in achieving common goals on a regular basis.**

### 4.2.2 *Entrust governance structures with prioritising coordination*

**Clearly assign responsibility to an appropriate governance structure (new or existing) for the specific prioritisation of communication and coordination between bodies responsible for**

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<sup>108</sup> Özbolat and Harrap (2018) *op. cit.* pp.36-37. The authors also consider other issues relating to governance, as well as capacity building for research excellence, and innovation and commercialisation.

<sup>109</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union.



**different EU funding programmes and domestic programmes. The aim should be to reduce barriers between administrative silos.**<sup>110</sup>

One option would be to set up a **coordinating body with responsibility for driving forward the coordination agenda and for monitoring and evaluating synergies across EU funding programmes and domestic programmes.**<sup>111</sup> This body could either have oversight over all EU and national programmes and/or have the remit of stimulating coordination.

Another option would be to set up **thematic groups or entities** with a clearly specified responsibility for coordination of relevant funding programmes. Their key task would be the exchange of information but they could also influence the timing and design of calls for proposals and assess the results of coordination in each specific area.

**Each organisation responsible for managing/implementing an EU funding programme** (e.g. ESIF managing authorities, National Contact Points) **should also have the task of coordinating with other EU funding programmes** (boundary-spanning functions). This task should be clearly translated into organisational goals, workplans and budgets in order to ensure that formal and informal coordination and networking activities are valued.

#### ***4.2.3 Develop a culture of coordination and communication***

**Build a culture that values and prioritises communication and coordination (including between authorities responsible for different EU funding programmes), both (i) within the public administration and (ii) between the public administration and other key stakeholders** (including all entities involved in different EU programmes, as well as business representatives, higher education and research, wider public agencies, and civil society and non-governmental organisations).

As a step in this direction, **set up platforms and processes that stimulate and maintain a structured dialogue** between stakeholders.<sup>112</sup> Such platforms could have a thematic focus and involve representatives of different EU programmes and domestic programmes. A culture of cooperation should be supported in order to encourage participants to collaborate within the thematic area. It might also be helpful to invite EU level representatives (for the non-ESIF programmes) to participate and provide information.

#### ***4.2.4 Undertake a tailored study and programme of coordination-building***

Consider undertaking an **active process of engagement among a range of public authorities and other stakeholders**. This would involve, first **an in-depth analysis of the existing culture of cooperation/coordination in the Czech policy context, as well as obstacles to cooperation/coordination**, and develop **a tailored plan for building relationships** among all relevant authorities and stakeholders, across a range of EU and domestic funding programmes.

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<sup>110</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union.

<sup>111</sup> Özbolat and Harrap (2018) *op. cit.*

<sup>112</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union.

#### **4.2.5 Invest in human capacities**

**Invest in human capabilities and staff training relevant to the implementation of synergies**<sup>113</sup> between EU funding programmes. Ensure that staff in managing authorities and national contact points are also able to advise applicants on the eligibility criteria of other EU funding programmes.<sup>114</sup>

In order to ensure that formal and informal networking and boundary-spanning activities are valued as important, they should be **included in individual job descriptions**.

**Create and foster personal relationships between national staff and staff in EU institutions and in other Member State public administrations.** Peer to peer learning and targeted exchanges could be very useful in this regard. These would offer Czech staff from national contact points or other coordinating entities the opportunity to experience 'functional coordination' through study visits in EU institutions and other EU Member States or regions. These personal relationships could also be useful in endeavouring to influence EU-level rules to support greater coordination (see section 4.2.7).

#### **4.2.6 Prioritise coordination at every step of the way**

**Prioritise coordination throughout the design and implementation of programmes**, notably in the design and marketing of **calls for proposals**; in deciding on **project selection criteria**; data collection, **monitoring and evaluation**; and **interlinking websites**. Focus on coordination at the level of projects, and use **ESIF or domestic programmes to compete at higher levels for direct EU funding programmes**.

In addition, **consider whether EU-level initiatives** (such as the Seal of Excellence) **provide useful opportunities** for coordinating EU funding at project level.

#### **4.2.7 If possible, simplify and align rules**

Endeavour to **simplify and align domestic regulations**, rules and guidance across EU funding programmes, notably in relation to financial management, control and audit.

Support applicants and beneficiaries to be successful in applying for EU funding, as this is a shared goal.

#### **4.2.8 Try to influence EU-level rules towards coordination**

Strive to **influence EU-level regulations and frameworks** during the negotiation phase for 2021-2027, so that there is greater scope for coordination across EU funding programmes on the ground.

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<sup>113</sup> European Commission (2018) *Mutual Learning Exercise: Widening Participation and Strengthening Synergies: Summary Report*, Luxembourg: Publications Office of the European Union.

<sup>114</sup> Özbolat and Harrap (2018) *op. cit.*

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## **ANNEX I: CHECKLIST FOR CASE STUDIES**

The interview aims to find out about coordination/synergies between ESIF and COSME / Creative Europe / EaSI / Horizon 2020 / LIFE at the levels of a) strategic planning/management (e.g. MA, ministries); and b) implementation (i.e. intermediate/ implementing bodies / national contact points). Please collect as much detail and examples as possible. If interviewees also mention coordination/synergies with domestic programmes, please also seek detail and examples.

### **1. INTRODUCTION**

1. Which entities are responsible for a) managing and b) implementing a) ESIF and b) COSME, Creative Europe, EaSI, H2020 and LIFE?
2. Are there particularly good examples of coordination/synergies between ESIF and COSME / Creative Europe / EaSI / H2020 / LIFE in your country?

### **2. COORDINATION IN PLANNING & MANAGEMENT**

#### **2.1 Coordination of strategic planning**

3. Was the preparation phase of the ESIF PA/OP 2014-20 used to identify synergies and/or build coordination with other EU instruments?
4. How did you do this (e.g. joint working groups, inter-ministerial consultations...)?
5. What were the main outcomes in terms of increased coordination e.g.:
  - Coordination of strategic decision-making,
  - Coordination of management structures/processes,
  - Coordination of implementation structures/processes,
  - Coordination of the choice/targeting of the priorities/calls of ESIF and other EU instruments?

#### **2.2 Coordination of management**

6. Are there mechanisms for shared strategic decision-making and actions? E.g.
  - One central body in charge of all/selected EU funds/instruments,
  - A central coordinating body which coordinates all/selected EU funds/instruments,
  - Joint committees / working groups at management level,
  - An overarching/shared strategy (e.g. S3 or a domestic strategy)?
7. Are there mechanisms for mutual consultation in relation to strategic decisions and actions? E.g.
  - Participation of MA in each other's core committees (e.g. ESIF Monitoring Committees),
  - Formal consultations on one another's programmes/priorities/calls?

8. Are there formal/informal mechanisms for exchanging information/experience in relation to strategic decisions and actions?

### **3. COORDINATION OF IMPLEMENTATION**

#### **3.1 Coordination of implementing bodies across EU instruments**

9. Are there coordination mechanisms at the level of implementing bodies / national contact points responsible for different EU instruments? E.g.

- Joint decision-making committees / working groups,
- Mutual consultation on the implementation of programmes/priorities/calls,
- Joint training courses (or training in one another's instruments),
- Organisations whose task it is to act as bridges between programmes ("boundary spanners"),
- Formal / informal procedures for exchanging information/experience about implementation?

#### **3.2 Coordination of activities related to applicants/beneficiaries**

10. Are implementing bodies coordinated in relation to project application/selection e.g.

- Joint publicity/communication activities (e.g. about funding opportunities),
- Joint training for applicants/beneficiaries (e.g. on application/selection procedures),
- Interlinking websites to provide information on ESIF funding opportunities,
- Joint calls for projects,
- Mutual consultation on each other's calls for projects,
- Aligned project selection methods/criteria,
- Information exchange e.g. seeking areas with potential for project generation.

11. Is there coordination related to project implementation e.g.

- Combination of funding from different EU instruments (e.g. ESIF and H2020),
- Complementary funding (e.g. ESIF funding for the provision of advice on H2020 calls, for the preparation of H2020 applications, or for follow-on from H2020 projects),
- ESIF funding for high-quality but unfunded H2020 applications ("seal of excellence").

12. Is there coordination relating to outcomes/results e.g.

- Joint monitoring systems and/or evaluation processes,
- Joint dissemination or exchange of experience on results.

### **4. ASSESSMENT**

13. Does coordination work best in relation to specific themes/priorities or types of project?

14. Are there any EU-level/domestic factors that support or hinder coordination/synergies?

15. Can you identify any lessons from your experience?

## ANNEX II: INTERVIEWS AND INTERACTIONS

Austria	Programme	Interaction
Andreas Maier, ÖROK	ESIF	Telephone interview 9 November 2018
Marcus Bidmon, FFG	COSME	Written response 8 November 2018
Florian Eywo, Federal Ministry of Sustainability and Tourism	LIFE	Telephone interview 4 December 2018
Armin Mahr, Ministry of Education	Smart Specialisation	Written responses 8 and 9 November 2018
Ernst Holzinger, Federal Chancellery		Written response 28 November 2018
<b>Belgium</b>		
Els Martens, Agency for Nature and Forests	LIFE	Written response 11 November 2018
Stephanie Hugelier, DG Environment	LIFE	Written responses 9 and 15 November 2018
Tom Andries, Project Coordinator Agency for Nature and Forests	LIFE	Telephone interview 20 November 2018
Stevie Swenne, Head International Cooperation	LIFE	Written response 28 November 2018
Gudrun Heymans, Culture Desk	Creative Europe	Written response 7 November 2018
David Grzegorzewski, Flanders Innovation and Entrepreneurship	H2020, Interreg	Email conversation (13-18 Nov)
Heidi Minner, Flanders Innovation and Entrepreneurship	ERDF	Written response 19 November 2018
<b>Estonia</b>		
Helen Tamm, KredEx	COSME, ERDF	Telephone interview 26 November 2018
Maria Alajõe, Estonian Research Council, Brussels Liaison Office	H2020	Telephone interview to be confirmed w/b 26 November 2018
Alice Liblik, Archimedes Foundation	ERDF	Telephone interview held 20 November 2018
Silver Lätt, Estonian Research Council	H2020	Telephone interview arranged 23 November 2018
<b>Spain</b>		
Manuel García, Directorate of Cultural Cooperation with the Autonomous Communities	Creative Europe	Written response 11 November 2018
Sabina Pérez Robles, CDTI	ERDF, H2020	Written responses 21, 28 November; 5 December 2018 Telephone interview 3 December 2018
Santiago Santillán, Ministry of Agriculture, Fishery and Alimentation (LIFE NCP)	LIFE	Written response 11 December 2018
<b>Others</b>		
Laszlo Bacsy, European Commission, DG Environment	LIFE	Telephone interview held 16 November 2018
Baudewijn Morgan, Welsh Government, Welsh European Funding Office	ERDF, H2020	Email communication 5 November, 12 November and 13 November



## ANNEX III: GENERAL AND SPECIFIC OBJECTIVES OF COSME, CREATIVE EUROPE, EASI, HORIZON 2020 AND LIFE

Programme	EU funding	General objectives	Specific objectives
COSME	€2.3 billion	<p>General objectives</p> <p>(a) strengthening the competitiveness and sustainability of the Union's enterprises, particularly SMEs;</p> <p>(b) encouraging entrepreneurial culture and promoting the creation and growth of SMEs</p>	<p>(a) to improve access to finance for SMEs in the form of equity and debt;</p> <p>(b) to improve access to markets, particularly inside the Union but also at global level;</p> <p>(c) to improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector;</p> <p>(d) to promote entrepreneurship and entrepreneurial culture.</p>
Creative Europe	€1.46 billion	<p>(a) to safeguard, develop &amp; promote European cultural &amp; linguistic diversity &amp; to promote Europe's cultural heritage;</p> <p>(b) to strengthen the competitiveness of the European cultural &amp; creative sectors, in particular of the audiovisual sector, with a view to promoting smart, sustainable &amp; inclusive growth.</p>	<p>(a) to support the capacity of the European cultural and creative sectors to operate transnationally and internationally;</p> <p>(b) to promote the transnational circulation of cultural and creative works and transnational mobility of cultural and creative players, in particular artists, as well as to reach new and enlarged audiences and improve access to cultural and creative works in the Union and beyond, with a particular focus on children, young people, people with disabilities and under-represented groups;</p> <p>(c) to strengthen the financial capacity of SMEs and micro, small and medium-sized organisations in the cultural and creative sectors in a sustainable way, while endeavouring to ensure a balanced geographical coverage and sector representation;</p> <p>(d) to foster policy development, innovation, creativity, audience development and new business and management models through support for transnational policy cooperation.</p>
EaSI	€0.92 billion	<p>(a) strengthen ownership among policy-makers at all levels, and produce concrete, coordinated and innovative actions at both Union and Member State level, in respect of the Union objectives in the fields referred to in Article 1, in close collaboration with the social partners, as well as civil society organisations and public and private bodies;</p> <p>(b) support the development of adequate, accessible and efficient social protection systems and labour markets and facilitate</p>	

		<p>policy reform, in the fields referred to in Article 1, notably by promoting decent work and working conditions, a prevention culture for health and safety at work, a healthier balance between professional and private life and good governance for social objectives, including convergence, as well as mutual learning and social innovation;</p> <p>(c) ensure that Union law on matters relating to the fields referred to in Article 1 is effectively applied, and, where necessary, contribute to modernising Union law, in line with decent work principles and taking into account the Smart Regulation principles;</p> <p>(d) promote workers' voluntary geographical mobility on a fair basis and boost employment opportunities by developing high-quality and inclusive Union labour markets that are open and accessible to all, while respecting workers' rights throughout the Union, including freedom of movement;</p> <p>(e) promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable people who wish to start up a micro-enterprise as well as for existing micro-enterprises, and by increasing access to finance for social enterprises.</p>	
<p>Horizon 2020</p>	<p>€80 billion</p>	<p>to contribute to building a society and an economy based on knowledge and innovation across the Union by leveraging additional research, development and innovation funding and by contributing to attaining research and development targets, including the target of 3 % of GDP for research and development across the Union by 2020. It shall thereby support the implementation of the Europe 2020 strategy and other Union policies, as well as the</p>	<p>Part I (Excellent science) aims to reinforce and extend the excellence of the Union's science base and to consolidate the ERA in order to make the Union's research and innovation system more competitive on a global scale.</p> <p>(a) "The European Research Council (ERC)" shall provide attractive and flexible funding to enable talented and creative individual researchers and their teams to pursue the most promising avenues at the frontier of science, on the basis of Union-wide competition.</p> <p>(b) "Future and emerging technologies (FET)" shall support collaborative research in order to extend Europe's capacity for advanced and paradigm-changing innovation. It shall foster scientific collaboration across disciplines on radically new, high-risk ideas and accelerate development of the most</p>

		<p>achievement and functioning of the European Research Area (ERA).</p>	<p>promising emerging areas of science and technology as well as the Union-wide structuring of the corresponding scientific communities.</p> <p>(c) "Marie Skłodowska-Curie actions" shall provide excellent and innovative research training as well as attractive career and knowledge-exchange opportunities through cross-border and cross-sector mobility of researchers to best prepare them to face current and future societal challenges.</p> <p>(d) "Research infrastructures" shall develop and support excellent European research infrastructures and assist them to contribute to the ERA by fostering their innovation potential, attracting world-level researchers and training human capital, and complement this with the related Union policy and international cooperation.</p> <p>Part II (Industrial leadership) aims to speed up development of the technologies and innovations that will underpin tomorrow's businesses and help innovative European SMEs to grow into world-leading companies.</p> <p>(a) "Leadership in enabling and industrial technologies" shall provide dedicated support for research, development and demonstration and, where appropriate, for standardisation and certification, on information and communications technology (ICT), nanotechnology, advanced materials, biotechnology, advanced manufacturing and processing and space. Emphasis will be placed on interactions and convergence across and between the different technologies and their relations to societal challenges. User needs shall be taken into account in all these fields.</p> <p>(b) "Access to risk finance" shall aim to overcome deficits in the availability of debt and equity finance for R&amp;D and innovation-driven companies and projects at all stages of development. Together with the equity instrument of the Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014-20) it shall support the development of Union-level venture capital.</p> <p>(c) "Innovation in SMEs" shall provide SME-tailored support to stimulate all forms of innovation in SMEs, targeting those with the potential to grow and internationalise across the single market and beyond.</p> <p>Part III (Societal challenges) responds directly to the policy priorities and societal challenges that are identified in the Europe 2020 strategy and that aim to stimulate the critical mass of research and innovation efforts needed to achieve the Union's policy goals. Funding shall be focused on the following specific objectives:</p> <p>(a) Health, demographic change and well-being;</p>
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			<ul style="list-style-type: none"> <li>(b) Food security, sustainable agriculture and forestry, marine, maritime and inland water research, and the bioeconomy;</li> <li>(c) Secure, clean and efficient energy;</li> <li>(d) Smart, green and integrated transport;</li> <li>(e) Climate action, environment, resource efficiency and raw materials;</li> <li>(f) Europe in a changing world - Inclusive, innovative and reflective societies;</li> <li>(g) Secure societies - Protecting freedom and security of Europe and its citizens</li> </ul>
LIFE	€3.5 billion	<ul style="list-style-type: none"> <li>(a) to contribute to the shift towards a resource-efficient, low carbon and climate-resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems;</li> <li>(b) to improve the development, implementation and enforcement of Union environmental and climate policy and legislation, and to act as a catalyst for, and promote, the integration and mainstreaming of environmental and climate objectives into other Union policies and public and private sector practice, including by increasing the public and private sector's capacity;</li> <li>(c) to support better environmental and climate governance at all levels, including better involvement of civil society, NGOs and local actors;</li> <li>(d) to support the implementation of the 7th Environment Action Programme</li> </ul>	

Source: Official Journal of European Union L347/104, 20 December 2013.