



Annual Policy brief on issues highly relevant to the EaP-EU collaboration

Project	STI International Cooperation Network for Eastern Partnership Countries – PLUS
Project Acronym	EaP PLUS
Project Number	692471
Deliverable Number:	D1.1
Submission Date	4/01/2018
Responsible author(s):	CeRISS, DLR, ICBSS, UKRTECHINFORM, IPPT-PAN

Short abstract (max. 500 characters):

The EaP PLUS project actively supports the EU-EaP policy dialogue in STI with an emphasis on the Association to H2020 process. Consequently it aims to contribute to policy dialogue activities in various fora (e.g. EU-EaP Panel on R&I, SFIC, BSEC, ESFRI, etc.) and with certain stakeholders (EC DGs, Thematic Directorates of DG RTD; EaP countries and EU MS/AC; etc.). In this context, the present Brief provides an overview of the findings from policy dialogue and evidence collection activities, and offers conclusions concerning particular policy fields.



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 692471.

Document Control Sheet

Work package Number	WP1
Work package Title	Policy Dialogue & Strategic Priority Setting
Task Number	T1.1
Task Title	Supporting the EU-EaP STI Policy Dialogue
Deliverable Number	D1.1
Deliverable Title	Annual Policy brief on issues highly relevant to the EaP-EU collaboration
File Name	D1.1_2016-2017
Number of pages	18
Dissemination level	Public
Main author	George Bonas, Serkan Karas
Contributors	Olena Koval (UKRTECHINFORM), Jörn Grünewald (DLR), Georgia Chantzi (ICBSS), Olga Zyrina (IPPT- PAN)
Quality Assurance (if applicable)	Piotr Swiatek

Versioning and Contribution History

Version	Date	Author/Editor	Contributors	Description/Comments
_v01	29/9/2017	Serkan Karas	Olena Koval (UKRTECHINFORM), Jörn Grünewald (DLR), Georgia Chantzi (ICBSS), Olga Zyrina (IPPT- PAN)	
_v02	24/10/2017	George Bonas		
_v03	11/11/2017	Serkan Karas, George Bonas		
_v04	15/11/2017	Serkan Karas, George Bonas		
_v05	17/11/2017	George Bonas		
_v06	04/01/2017	Serkan Karas	Piotr Swiatek	Remarks from Quality Control incorporated

Content

Content.....	4
<i>List of Figures</i>	5
Figure 1. Importance of research cooperation in the next 3 years per EaP countries.....10....	5
<i>List of Abbreviations</i>	5
Executive Summary	6
Introduction.....	8
1 Methodology	8
2 Policy Dialogue activities	9
2.1 EU4Innovation initiative.....	9
2.2 EU-EaP Panel on Research and Innovation	9
2.2.1 SPIRE Meeting and SPIRE CALLS in Work Programme 2018-2020	10
2.2.2 Conference “FROM INNOVATIVE IDEAS TO SUCCESSFUL BUSINESSES: promoting the national systems of early stage financing of innovative companies in Eastern Partnership countries”	11
2.2.3 ERC Week.....	12
2.3 Black Sea Cooperation Programme (BSCP)	12
2.4 Black Sea Economic Cooperation (BSEC).....	12
2.5 European Investment Bank (EIB).....	13
3 Challenges in H2020	13
3.1 Participation in H2020.....	13
3.2 Association to H2020.....	15
4 Innovation	17
4.1 Clusters.....	17
4.2 ETPs	18
Conclusions.....	18
Annex I: Draft Minutes of 4 th EU-EaP Panel on Research and Innovation	20
Annex II: EaP Participation Figures in FP7 and H2020.....	22
Annex III: EU-EaP Panel on R&I Agenda 2016.....	23
Annex IV: EU-EaP Panel on R&I Draft Agenda 2017	25

List of Figures

Figure 1. Importance of research cooperation in the next 3 years per EaP countries.....10

List of Abbreviations

BSCP	Black Sea Cooperation Programme
BSEC	Black Sea Economic Cooperation
DCFTA	Deep and Comprehensive Free Trade Agreement
DG	Directorate General
DG RTD	Directorate General for Research and Innovation
DCFTA	Deep and Comprehensive Free Trade Area Initiative East
	Guarantee Facility
EaP	Eastern Partnership
EaP PLUS	STI International Cooperation Network for Eastern Partnership Countries – PLUS
EC	European Commission
EIB	European Investment Bank
ERC	European Research Council
ERCEA	European Research Council Executive Agency
EU	European Union
JRC	Joint Research Centre
MS	Member States
NCP	National Contact Point
PC	Programme Committee
SPIRE	Sustainable Process Industry through Resource and Energy Efficiency
RDI	Research, Development and Innovation
WP	Work Programme

Executive Summary

One of the main objectives of the EaP PLUS project is to actively support the policy dialogue in STI between the EU and the EaP countries with a particular emphasis on the Association to H2020 process and dedicated actions to maximize the benefits from it. To this end the project has several tasks dedicated to two-way communication and support activities mainly with the EU-EaP Panel on R&I but also with SFIC, ESFRI, EC DG RTD Thematic Directorates and other General Directorates such as JRC, DEVCO, etc.

The current *Annual Policy Brief* brings together all the findings of the policy dialogue and evidence collection concerning policy developments in EU-EaP STI cooperation and EaP participation in H2020. It aims to serve as an input towards the preparations of the recommendations to the policy dialogue fora for future strategy developments and actions. The Brief has resulted from desk research, surveys, communication with different stakeholders, monitoring and evidence collection activities as well as conclusions from events organized by the project. All the input has been grouped in three main chapters, namely *policy dialogue activities, participation in H2020 and Innovation*.

In terms of policy dialogue, the launching of the EU4Innovation initiative end of 2016, constitutes a major step forward since it will allow a better coordination of all stakeholders and instruments in support of the bi-regional EU – EaP research and innovation cooperation. The EU – EaP Panel on R&I as permanent policy dialogue forum will play a key role in the implementation of the EU4Innovation initiative. On its side, BSEC under the chairmanship of Ukraine set as a priority the increase of the collaboration between the region and the EU on technical and policy levels.

In parallel, the EU- Black Sea Cooperation Programme in Science, Technology and Innovation - (BSCP), which has been recently developed, presents a new opportunity at multiple levels for the international STI cooperation in the region.

On its side, the EIB initiated the ‘Deep and Comprehensive Free Trade Agreement (DCFTA) Initiative East’ that will bring financial and technical support to innovative SMEs in Georgia, Moldova and Ukraine.

In terms of participation in H2020 the figures are rather alarming with both the number of proposals and the success rates dropping. Based on best practices and existing evidence, there are several measures that can contribute to an increased participation of the EaP countries’ researchers in H2020. Networking and mobility have shown to be crucial for creating synergies and concrete collaborations. Therefore, participation in events such as Brokerage Events, Conferences, proposal preparation meetings, Info Days etc. must be encouraged and promoted. To this end participation in Marie Curie-Sklodowska Actions and COST Actions must constitute high priority instruments for the all relevant stakeholders. In parallel, strong,

active and up-to-date NCP structures constitute a great facilitator for H2020 participation. Additionally, the implementation in EaP countries of smart incentive systems for H2020 proposal preparation, which have been applied successfully in Turkey, can bring positive results.

The negative trend in H2020 participation is also true for the Associated to H2020 EaP countries, which moreover seem not doing all the necessary for getting benefit from the association, starting from typical procedures (e.g. nomination of Programme Committee delegates and experts) to more challenging structural changes in their STI systems. Georgia presents a positive example by envisaging an action plan including incentives for boosting participation in H2020.

In the field of Innovation, considerable weaknesses exist in the EaP countries ranging from financial instruments towards innovative SMEs to clustering and research – industry cooperation.

On its side, *the EaP PLUS H2020 project* which is dedicated to the strengthening of the EU-EaP STI cooperation is implementing a coherent and multi-level set of activities aiming to:

- Support the policy dialogue by providing analytical evidence to the relevant fora and by contributing to the implementation of their decisions;
- Increase the participation in H2020 through: grants for networking in view of H2020 applications; info days and trainings specific to H2020 calls; call-dependent webinars; high-level training seminars for policy makers; training workshop for nominated PC delegates and experts;
- Strengthen innovation in the EaP countries through the promotion of clusters and their link to similar ones in EU, the promotion of the concept of Technology Platforms and of the links with similar ones in EU; RDI related webinars, etc.

The strong interest in the promotion of the EU-EaP STI cooperation expressed by policy makers, researchers and innovators in all the EaP countries constitutes a solid ground for the implementation of joint activities with high potential in all the aforementioned fields and for the development of a mutually beneficial and coherent EU-EaP STI partnership.

Introduction

As a major objective, EaP PLUS actively supports the policy dialogue in STI between the EU and the EaP countries with a particular emphasis on the Association to H2020 process and dedicated actions to maximize the benefits from it. Consequently the project aims to contribute to policy dialogue activities in various fora (e.g. EU-EaP Panel on R&I, SFIC, BSEC, ESFRI, etc.) and with a wide variety of stakeholders (EC DGs, Thematic Directorates of DG R&I; EaP countries and EU MS/AC; etc.). The project is also engaged in a two-way communication with Thematic Directorates of the EC and aforementioned policy fora in order to disseminate information of interest for the EaP countries and to provide information about the project's achievements seeking also future synergetic activities. In this framework several activities are being implemented:

- Annual Policy Briefs based on findings from policy dialogue and evidence collection with recommendations for future strategy-making and actions concerning the relevant policy fora and stakeholders;
- Implementation and/or support ad hoc events recommended by the of EU-EaP Panel on R&I;
- Systematic contacts with EC Thematic Directorates, JRC, ESFRI, SFIC and other policy dialogue fora and certain General Directorates;
- Fact-finding missions to complement Mixed-Peer-Reviews in Armenia, Georgia and Moldova; to review the STI landscape and identify priorities for international STI collaboration and cooperation between EU, Azerbaijan, Belarus and Ukraine;
- Training for Programme Committee delegates and experts from Associated EaP countries.

As an additional objective, the project has also organised the “Sharing Experiences from the Association to H2020” Conference which targeted to exchange views and share experiences with non EU MS Associated countries that addressed similar challenges on the national level. Above activities, and other activities of the project, will be synthesised for the drafting - one of the main deliverables- STI policy recommendations ‘*EU-EaP beyond 2020*’.

The current *Annual Policy Brief* is the first of three briefs which will be drafted during the implementation of the project. The Brief brings together all the findings of the policy dialogue and evidence collection concerning policy developments in EU-EaP STI cooperation and EaP participation in H2020. It aims to serve as an input towards the preparations of the recommendations to the policy dialogue fora for future strategy developments and actions.

1 Methodology

The findings in the Brief resulted from desk research (e.g. eCorda for the EaP participation in H2020) and surveys (e.g. STI collaboration information based on online survey conducted

during the first half of 2017), communication with different stakeholders, monitoring and evidence collection activities as well as conclusions from events organized by the project.

All the input has been grouped in three main chapters, namely Policy Dialogue activities, Participation in H2020 and Innovation.

2 Policy Dialogue activities

2.1 EU4Innovation initiative

On 17 November 2016 Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Carlos Moedas, EU Commissioner for Research, Science and Innovation and Jean-Christophe Belliard, Deputy Secretary General of the European External Action Service, together with the Eastern Partnership launched in Yerevan the *EU4Innovation initiative* countries.

The launch took place during the eighth Eastern Partnership Informal Dialogue which brought together Ministers and high level officials of the Eastern Partnership countries in order to materialise a high-level exchange of opinions on the future developments concerning the Eastern Partnership and key areas of cooperation. In this framework, the new EU initiative, *EU4Innovation*, is expected to combine all EU activities that support the development of Eastern Partnership countries (EaP) innovation capacities, notably those funded under the Horizon 2020 programme and the European Neighbourhood Instrument.

2.2 EU-EaP Panel on Research and Innovation

On 14 December 2016, the 4th meeting of the Eastern Partnership Panel on Research and Innovation took place in Brussels, chaired by DG Research and Innovation (See Annex III for the Agenda). The Panel, which is part of the Eastern Partnership Platform 4 on people to people contacts, gathered more than 60 research and innovation experts representing the six Eastern Partnership countries, several Member States, EU services, as well as EU organisations facilitating the cooperation between the EU and its neighbouring countries. The Panel's meeting, which constitutes the higher regular policy dialogue activity between EU and the EaP countries, focused in particular on:

- *EU4Innovation initiative*. As the initiative was just launched, It was decided to conduct a mapping of EU4Innovation-related instruments and activities which were on-going and/or planned by the January 2017.
- *Synergies with EaP Platform 3 on energy efficiency*. To this end each EaP country nominated a national expert to address issues relevant to the SPIRE PPP.
- *ERC grants*. EaP countries would be involved in ERC promotion activities, in particular the ERC Info-day in April 2017 and the ERC NCPs meeting 2017. Having no ERC NCP, Belarus was invited to nominate ERC NCP.

- NCP networks. Widening NCPs from EaP countries (especially those of the 4 countries associated to H2020) were invited to liaise with the recommended European NCP Networks Coordinators in order to secure their involvement in information and training activities.
- COST Actions. It was decided to disseminate and promote COST Actions to EaP S&T community. It was advised that parties interested in joining a particular COST Action to contact directly the corresponding Chair of the Action's Management Committee. Interested EaP countries were also encouraged to contact the COST Association for organising local info-days
- EaP PLUS. EaP countries were invited to pay attention to the training seminar for STI policy-makers to be implemented by the project. EaP PLUS was invited to explore the possibility of providing online training during those events (on top of the webinars already planned)
- E@Pconnect: The project presented its activities towards establishing a high-capacity broadband internet network for research and education across EaP countries.

The Panel decided to involve two discussion sessions on Open Science and Smart Specialisation/JRC in the 5th EaP Panel. (See the draft conclusions in Annex I).

The 5th Meeting of Eastern Partnership Panel on Research and Innovation will take place on December 14th 2017 in Brussels. The tentative agenda reflects a focus in the participation of EaP into certain themes of H2020 like Widening and SPIRE Calls, and Marie-Sklodowska Curie Actions. On the other hand, the panel keeps continuity with the previous year in undertaking subjects of Smart Specialisation Strategy (JRC), participation in COST Actions and cooperation on e-infrastructures and the implementation of EU4Innovation. (See the tentative agenda in Annex IV).

2.2.1 SPIRE Meeting and SPIRE CALLS in Work Programme 2018-2020

it was decided during the 4th Meeting of the EaP Panel on Research and Innovation to create synergies with EaP Platform 3 on energy efficiency. Following the panel recommendation each EaP country appointed a national expert to address issues relevant to SPIRE PPP (see <https://www.spire2030.eu/>). The EaP PLUS project and the European Commission co-organised a first meeting on April 7th 2017 in Brussels bringing together SPIRE representatives and the appointed national experts of the EaP countries.

An interesting development on this initiative is the recommendation in the SPIRE calls (Work Programme 2018-2020) to encourage proposals with participation from Eastern Partnership countries¹.

¹ (see page 62 in https://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/h2020-leit-nmbp-2018-2020_pre-publ.pdf).

This development led the EaP PLUS consortium to adapt its activities and to draft an Action Plan with specific actions dedicated to the promotion and dissemination of the calls in order to achieve a high participation rate from the EaP countries.

2.2.2 Conference “FROM INNOVATIVE IDEAS TO SUCCESSFUL BUSINESSES: promoting the national systems of early stage financing of innovative companies in Eastern Partnership countries”

The Conference “FROM INNOVATIVE IDEAS TO SUCCESSFUL BUSINESSES” took place in the framework of the annual events of the ‘Eastern Partnership Panel on Research and Innovation’ on 21st September 2017 in Minsk, Belarus. This year, the Panel’s event focused on early stage financing of innovative start-ups, which is considered one of the weakest components of the national innovation systems in the EaP countries. The conference “FROM INNOVATIVE IDEAS TO SUCCESSFUL BUSINESSES” was organised around three objectives:

- to share best practices of EU Member States in supporting innovative SMEs,
- to demonstrate the role the EC instruments play in supporting innovative SMEs and to raise awareness among EaP stakeholders about their availability,
- to discuss possible joint activities of the EaP countries, EU Member States, the European Commission and other international donors to assist EaP countries in addressing the identified challenges.

The presentations and discussions on pressing needs and weaknesses faced by the EaP countries concerning the funding of innovative ideas and, particularly, start-ups identified the following bottlenecks and challenges in the national innovation systems:

- Weak response of the private sector in taking share of early stage financing;
- Lack of know-how in knowledge transfer from university to start-up;
- Complex and time-consuming procedures in finding crucial kick-off financing (“seed money”);
- Difficulty of benchmarking SME performance and behaviour due to non-standardised data produced by public bodies.

Emphasis was given in the importance of immediate action in satisfying the following needs:

- Access of policy-makers to international best practices on early stage financing of innovative companies;
- Prevent discouragement of entrepreneurs relying solely on public funding and promote private venture;
- Upgrading of the management capacities of innovative SMEs in technology transfer;
- Efficient and wider use of EU tools and assistance i.e. SME Instrument, EU4Innovation, implementation of peer reviews, coaching of SMEs and Cluster Management Training.

2.2.3 *ERC Week*

One of the EaP Panel's recommendations had been also the promotion of the European Research Council activities (ERC). In particular, the Panel recommended the involvement of the EaP countries in the ERC Info-days in April 2017. Consequently, the European Research Council Executive Agency (ERCEA) and the Shota Rustaveli National Science Foundation (SRNSF) co-organized regional celebratory event dedicated to the ERC's 10th anniversary (April 20-21 2017). The event aimed to strengthen participation in ERC calls from researchers based in the region and included an ERC information day for potential applicants. EaP PLUS presented project's activities regarding the exploitation of the scientific diaspora for strengthening EaP participation in H2020.

2.3 **Black Sea Cooperation Programme (BSCP)**

The Black Sea Horizon (BSH) project² developed the "EU- Black Sea Cooperation Programme in Science, Technology and Innovation - (BSCP)" in close cooperation with major STI stakeholders in the Black Sea Region and EU Member States. BSCP is envisaged as an international programme promoting the intra-regional multilateral STI cooperation with the overall aim of addressing current socio-economic and environmental challenges of the Black Sea (BS) region. BSCP has set as objectives to:

- Enhance regional STI cooperation within the BS Region by employing experiences from ongoing coordination processes or previous STI initiatives, using a "variable geometry" approach according to national interests;
- Contribute to an EU-BS bi-regional STI dialogue by enhancing the information exchange and enabling the identification of tailor-made cooperation instruments and defining the processes for implementing such measures;
- Encourage BS participation in ERA instruments including Horizon 2020 and seeking coordination with the programming bodies of the current EU STI cooperation programs;
- Encourage BS synergies with programmes which indirectly facilitate STI cooperation or could potentially contribute to a knowledge-based society in the region.

A major instrument of the programme will be the implementation of multilateral joint research calls. These calls will both increase opportunities for applied and fundamental research, and increase the visibility of the region in the EU.

2.4 **Black Sea Economic Cooperation (BSEC)**

The EaP PLUS project sustains systematic contacts and a two-way exchange of information with this regional cooperation organization through project partners attending to BSEC official meetings.

Ukraine which is currently holding the Chairmanship of BSEC (July-December 2017) has announced that it will pay a special attention to contacts with the EU on the expert and

² H2020 project dedicated to the STI cooperation between EU and the Black Sea countries (AM, AZ, GE, MD, RU, UA).

political levels in accordance with the principles of complementarity in implementing pragmatic objectives.

2.5 European Investment Bank (EIB)

EIB and EC have launched a new scheme to support private sector in countries that have signed an Association Agreement with the Union, namely Georgia, the Republic of Moldova and Ukraine. The goal of this initiative, Deep and Comprehensive Free Trade Agreement (DCFTA) Initiative East, is to strengthen the economic development in the target countries by providing financial and technical support to SMEs.

The EIB Group has joined forces with the EU's Neighbourhood Investment Facility (NIF) to provide a comprehensive package of instruments designed to help companies in Ukraine, Moldova and Georgia in order to make the most of the opportunities arising from the implementation of the free trade agreements with the EU. These agreements involve the progressive removal of barriers in trade and the alignment of standards with those of EU.

The EU contribution forms part of the European Commission's wider *EU4Business initiative*, which brings together EU-funded programmes supporting SME development and improving the business environment in the Eastern Partnership region. The EU bank helps private clients' access to finance via financial intermediaries by offering improved lending terms and conditions. Furthermore, the initiative will enable local banks to take on more risk to reach out to underserved segments of the economy through risk-sharing instruments and advisory services.

3 Challenges in H2020

3.1 Participation in H2020

Participation in H2020 still remains a major challenge for all third countries. Statistical data shows that by the completion of H2020, if the current trends continue, the total *number of participations* will be lower than the FP7 levels (See Annex II). In addition, competitiveness in H2020 has proven to be a further challenge to EaP countries according to current data that clearly show a sharp fall in *success rates* compared to FP7³.

The EaP PLUS project implemented several activities in order to acquire quantitative and qualitative evidence concerning the participation to H2020, in order to support evidence-based policy making. Among these activities, EaP PLUS conducted a review of the EaP countries participation in 358 H2020 calls that were concluded by May 2017. The major findings can be summarized as follows:

³ H2020 vs. FP7 success rates for EaP countries: Armenia 12.90% vs 17.83%; Azerbaijan 7.32% vs 16.89%; Belarus 7.18% vs 15.85%; Georgia 10.43% vs 19.49%; Moldova; 11.19% vs 19.51%; Ukraine 8.28% vs 14.59%
The data for H2020 cover calls concluded until 31st May 2017.

- During the period of 2014- May 2017, the total number of EaP participation in H2020 projects is 161 out of 1787 (average success rate 9,01 %).
- Armenia stood first with a success rate of 12.90% while Belarus scored lowest with 7.18%.
- Among the 161 projects involving EaP participants, 11 had EaP coordinators (with a total budget of 2.372.626 €).
- The total EC financial contribution to EaP participants is 17,769,017.93 € with three countries receiving most of the sum: Ukraine (10,963,583.96 €), Belarus (2,475,144.41 €) and Moldova (2,271,706.82 €).
- The three thematic areas with the most EaP participation are Infrastructures, Societal Challenges, and Marie Skłodowska Curie Actions.

In addition to producing statistical data, EaP PLUS periodically implements a STI Cooperation Barometer - a tool to measure the 'attitude towards EU-EaP STI cooperation' over time. This Barometer is based on surveys among policymakers and researchers. Thus, it presents an insight about the behaviours and perceptions towards participation in H2020 and cooperation with EU partners⁴. The researchers participating in the survey reported difficulties in preparing proposals and implementing projects arising mostly from communication problems between partners; unclear conditions of the application and implementation; as well as incomprehensible and overregulated legal rules. In terms of tools that are most helpful in facilitating participation in H2020 the following has been reported: participation in scientific conferences (67%); participation in brokerage events (55%); participation in H2020 proposal writing trainings (54%); mobility schemes to research institutions abroad for joint H2020 proposals preparations (54%). It is important to note that a dedicated NCP system was considered to be an important tool for H2020 participation by only 30% of the respondents.

⁴ <https://www.eap-plus.eu/object/news/90>

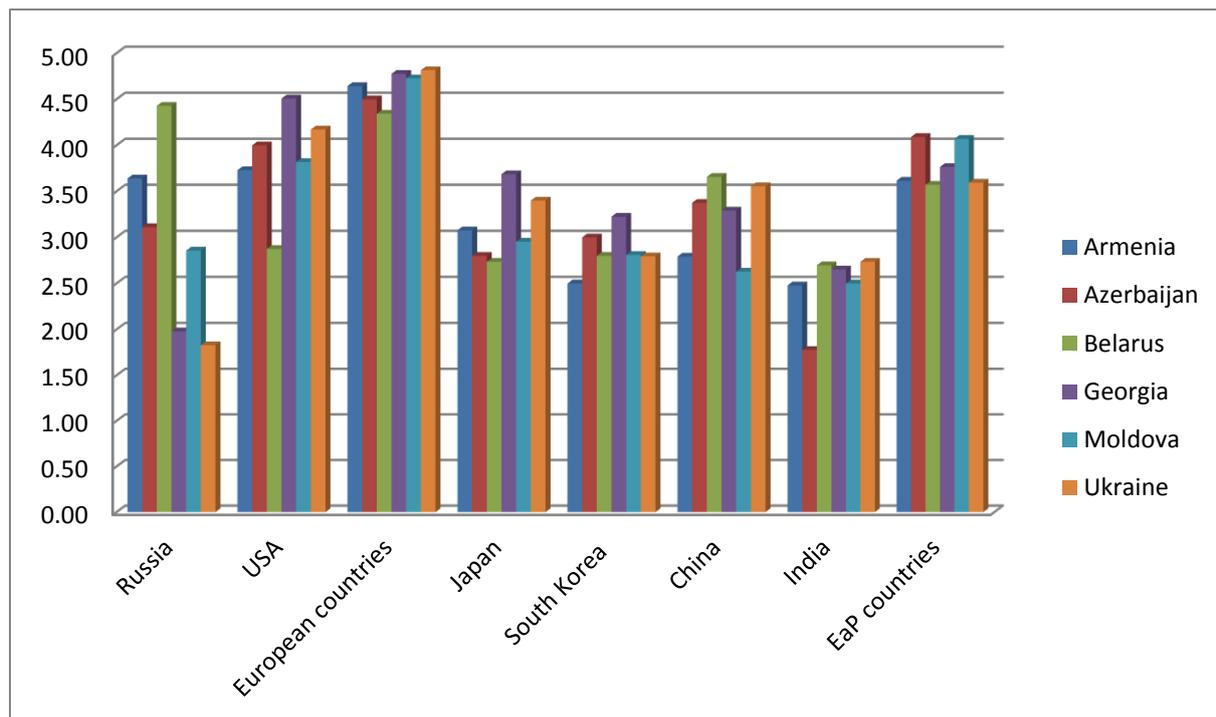


Figure 1. Importance of research cooperation in the next 3 years per EaP countries

As far as the international cooperation in H2020 concerned, EaP participants co-operated mainly with project consortium co-ordinators from Greece, Germany, France, Italy and United Kingdom. In terms of future cooperation expectations (next 3 years), European countries appear as the strongest candidate for all the EaP countries.

3.2 Association to H2020

The association to H2020 is another matter that is being handled in a contradictory manner. While substantial human effort and financial resources have been devoted for the association to H2020, it seems that this effort has not been accompanied with the expected measures by the policy-makers in the four associated countries. The current situation with the Programme Committee (PC) member nominations is highly indicative: While the nomination of the Programme Committee members (PC) must have been one of the first and basic steps following the association, Ukraine and Georgia have not yet nominated experts in PCs. In addition, in Armenia and Georgia, there are also important financial and procedural problems concerning the travel expenses of the PC members. Here, It is important to highlight the crucial dual role of the PC members: they should not only be experts in the respective field but also service providers towards the scientific community of their country by organizing internal consultations and by conveying the information from the PC meetings in Brussels to their country and vice-versa. In the case of Moldova, threats are arising to the already achieved integration by the recent radical institutional and structural reforms which are being applied on the public research bodies and the changes in the legislation concerning education, research and innovation. A prolonged transition phase can considerably harm the participation of Moldova in the last phase of H2020 (Work Programme 2018 – 2020).

On the other hand, Georgia is planning to approach the subject of participation in H2020 in a more strategic and structured manner. In this end, a Package of Incentives/Action Plan is being designed which will aim to boost the participation with various instruments and incentives. Such an approach has been implemented in other countries like Turkey which proved to bear positive results. Georgia is also in the phase of consultations for a possible association to COST which constitutes an extremely important way for networking and, ultimately, preparing H2020 proposals. It must be noted that, despite the importance of COST, the participation of the Associated EaP countries in COST Actions is rather limited and certainly not proportional to the national effort to become Associated to H2020.

To sum up, the general impression is not positive towards the exploitation of maximum benefits from the Association to H2020. There is still neither rapid, nor strong mobilisation which would secure optimum framework conditions and culture of participation in research proposals and projects.

The EaP PLUS project has implemented and will implement activities that are aiming to support EU-EaP research and innovation collaboration and boost EaP participation in H2020. The project has already undertaken in 2017 the organisation of:

- A Conference on '*Sharing experiences from the Association to H2020*' to exchange views and share experiences in the way national authorities are organizing themselves in order to take full advantage of the Association, i.e. maximizing the benefits from the committed national funds (May).
- Diaspora Workshops in Armenia (September) and Ukraine (May) to use and exploit the potential of scientific Diasporas in Europe in order to promote joint applications to H2020.
- Info Days in Armenia (October) and Ukraine (April) on H2020 call-specific themes.
- 3 webinars in Innovation (2) and H2020 (1) (June-December).
- Networking Grants for participation in Brokerage Events and H2020 proposal Preparatory Meetings (1st round till July).
- High-level Research and Innovation Policy Seminars in Vienna and Athens to train high-level policy-makers/stakeholders at national agencies and relevant public bodies (October-November).

The project will also implement:

- Info Days in Azerbaijan, Belarus, Georgia and Moldova with emphasis on SPIRE and WIDENING calls to maximise the EaP participation.
- Webinars targeting H2020-calls of the WP 2018-2020 with emphasis on SPIRE and WIDENING calls.
- Scientific Diaspora Workshops in Azerbaijan, Belarus and Moldova.
- NCP network trainings in all EaP countries.
- 2nd round of Networking Grants for H2020 proposal preparation.
- A training workshop for Programme Committee Members.

4 Innovation

Innovation remains a major issue for all EaP countries despite the fact that it is a major factor for a successful participation in H2020. The applications to the SME Instrument (open only to the Associated countries) are particularly low while the level of competition further pressures the increase of application numbers. In that respect, Innovation issues had attracted the attention of the EU- EaP Panel on R&I in its 2016 meeting. The funding of innovative companies at early stage has been identified as a major obstacle and therefore, following a Panel's decision, the Conference "From Innovative Ideas To Successful Businesses" was organised to acquire experiences of EU MS and EaP countries and discuss on policy instruments to address the needs (See above 3.2.2).

4.1 Clusters

The concepts of 'cluster' and 'clustering' have been very crucial in fostering ecosystems of innovation and research in many regions of Europe. In face of this development, EaP PLUS has envisaged several activities to promote the development of clusters in the EaP countries.

As a first step, the project published a comprehensive study on the state of development of clusters in the EaP countries. The study provides a review of existing clusters or emerging cluster initiatives identifying their strengths and weaknesses considering also the current cluster policies in the countries. Moreover the review identifies the needs of the existing and emerging clusters in EaP countries, and provides general recommendations for the development of clusters and cluster-emerging initiatives⁵.

The study shows that the cluster policies are in their initial stages in most of the EaP countries. Although the laws and strategic documents in these countries often recognize the concept of "clusters" and acknowledge its importance, specific cluster development programmes are not yet implemented. The study strongly recommends to the EaP policy stakeholders to engage in exchanges of good practices with EU policy-makers and governmental institutions. EaP policy makers can benefit from the EU Members states' already existing experience in terms of cluster policy design and implementation to encourage the development and excellence of clusters in their respective countries.

As a second step in cluster related activities, EaP PLUS had successfully launched a *cluster grant scheme* with the ambition to enhance the EU-EaP cluster and cluster-like organisation cooperation. The scheme aimed at transferring the EU's – and, when relevant, the EaP countries' - good practices, and facilitating sustainable inter-cluster cooperation between the EU and EaP countries' existing or emerging clusters. The applications to the scheme were very promising both in terms of number and of quality, proving the interest and potential in clustering in the EaP countries.

⁵ <https://www.eap-plus.eu/object/document/53/attach/D3-3-v04.pdf>

As a final activity, the project will organise a workshop with the beneficiaries of the Grant scheme in order to further promote the cluster concept but, most importantly, bring forward the experiences, challenges and opportunities in EU-EaP cluster collaboration.

As regards to cluster development, EaP PLUS had also a success story in Georgia in 2017. EaP PLUS activities had been crucial in raising the initial awareness for the establishment of the “Georgian Clusters National Platform” (GCNP), which was founded by 4 independent organizations: the Agency of Strategic Initiatives, the Golden Fleece Capital, the City Institute Georgia and the International Centre for Advancement of Research, Technology and Innovation (ICARTI).

4.2 ETPs

The European Technology Platforms (ETPs) constitute an EU initiative/concept with a key role in the EU’s innovation policies and landscape. In a similar methodology with cluster activities, the EaP PLUS project aims to promote and strengthen the ETPs concept by transferring EU experience and creating links between the Ukrainian platforms and the ETPs, and expanding this approach to other EaP countries. The project is currently implementing a review of the state-of-affairs of the Ukrainian technology platforms (UTPs) and of other EaP countries to identify the stakeholders and the most promising fields for national platform establishment. The ETP activities of EaP PLUS will be completed with a Workshop (in Kiev, April 2018) to create new and reinforce the already established links between ETPs and similar structures in EaP countries.

Conclusions

A strong mutual interest exists and a broad spectrum of activities is under implementation for the promotion of the EU – EaP STI cooperation. The activities include policy dialogue, efforts to increase participation in H2020 and efforts to strengthen innovation in the EaP countries and the cooperation with EU in that field.

In terms of policy dialogue, the launching of the EU4Innovation initiative end of 2016, constitutes a major step forward since it will allow a better coordination of all stakeholders and instruments in support of the bi-regional research and innovation cooperation. On its side, the EU – EaP Panel on R&I as permanent policy dialogue forum will play a key role in the implementation of the EU4Innovation initiative. The Panel in its last meeting (December 2016) already devoted a particular attention to innovation (e.g. organizing a conference dedicated to innovation financing). In parallel, the preparation of the EU- Black Sea Cooperation Programme in Science, Technology and Innovation - (BSCP) presents a new development and opportunity for cooperation on precise objectives for the countries in the Black Sea region. On

its side, the EIB-initiated 'Deep and Comprehensive Free Trade Agreement (DCFTA) Initiative East' is aiming to strengthen SMEs in Georgia, Moldova and Ukraine by providing financial and technical support.

In terms of participation in H2020 the figures are rather alarming with both the number of proposals and the success rates dropping (as it is however the case for all the so called 'third countries'). In that context, urgent measures are needed for increasing the participation of EaP researchers in H2020, such as networking and mobility by exploiting the Marie Skłodowska Curie and the COST Actions; strengthening the NCP systems; providing incentives to researchers for proposal preparation; etc.

The same negative trend in H2020 participation is also true for the Associated countries, which moreover seem not doing all the necessary for getting benefit from their association. These countries should urgently nominate (if not done already) delegates and experts and raise awareness about their role as H2020 Programme Committee members, as well as implement structural changes in their STI systems in order to better address the competitive environment of H2020. A positive example in that sense is the finalization of an Action Plan including incentives for H2020 proposals preparation in Georgia.

In the field of Innovation, considerable weaknesses exist in the EaP countries particularly the lack of financial instruments supporting innovative SMEs, absence of clustering policy and weak research – industry cooperation.

On its side, the currently under implementation EaP PLUS H2020 project, which is dedicated to the strengthening of the EU-EaP STI cooperation, is implementing a coherent set of activities aiming to:

- Support the policy dialogue by providing analytical evidence to the relevant fora and by contributing to the implementation of their decisions;
- Increase the participation in H2020 through: grants for networking in view of H2020 applications; info days and trainings specific to H2020 calls; call-dependent webinars; high-level training seminars for policy makers; training workshop for nominated PC members; etc.;
- Strengthen innovation in the EaP countries through the promotion of clusters and their link to similar ones in EU; the promotion of the concept of Technology Platforms and of the links with similar ones in EU; RDI related webinars; etc.

The strong interest in the promotion of the EU-EaP STI cooperation expressed by policy makers, researchers and innovators in all the EaP countries constitutes a solid ground for the implementation of joint activities with high potential in all the aforementioned fields and for the development of a mutually beneficial and coherent EU-EaP STI partnership.



Annex I: Draft Minutes of 4th EU-EaP Panel on Research and Innovation

EASTERN PARTNERSHIP PANEL ON RESEARCH & INNOVATION

(EaP Panel on R&I)

4th MEETING

Brussels, 14 December 2016

DRAFT MINUTES

The fourth meeting of the Eastern Partnership Panel on Research and Innovation (EaP Panel on R&I) was held on 14 December 2016 at the Silken Berlaymont Hotel in Brussels. The list of participants as well as the meeting agenda is attached in Annex. The meeting was chaired by Andrea Carignani, on behalf of the European Commission (EC), DG Research and Innovation (DG RTD).

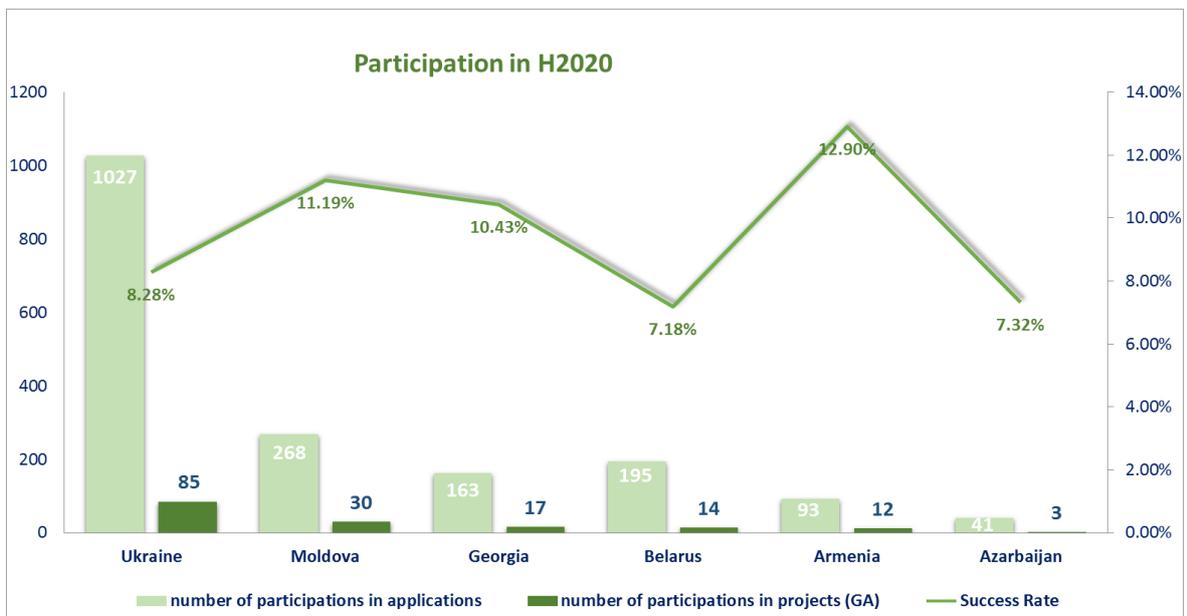
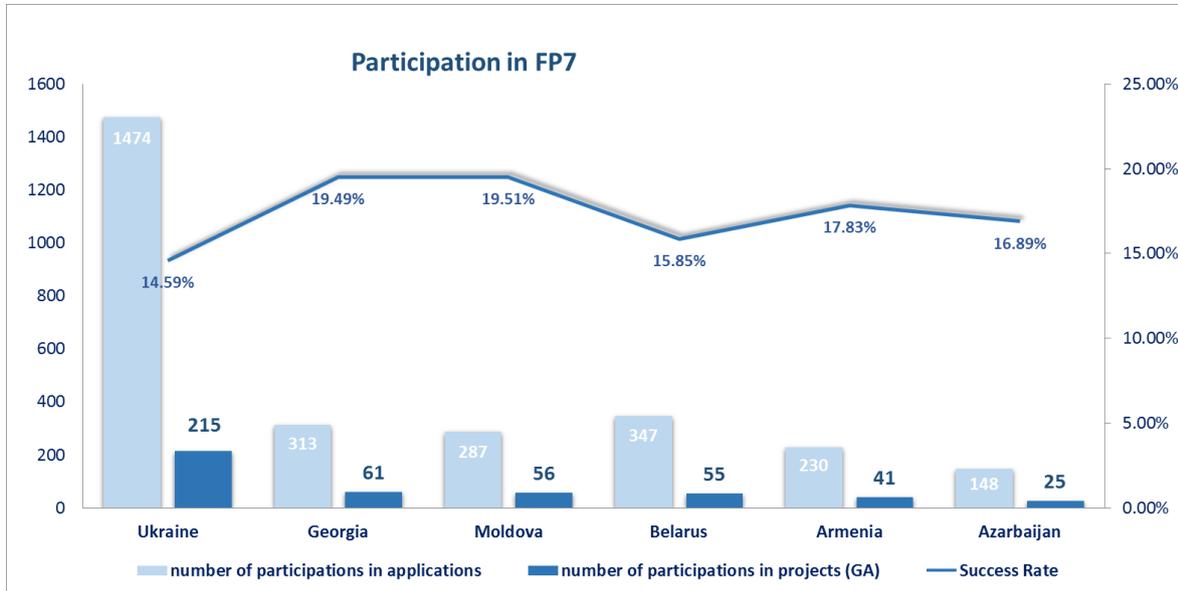
Operational conclusions from the different agenda items and related discussions:

- 1) **ERC grants:** EaP countries to be involved in ERC promotion activities, in particular the next ERC Info-day in April 2017 and the next ERC NCPs meeting (contact: Boris Kragelj, Boris.KRAGELJ@ec.europa.eu). Belarus is the only EaP country not having nominated an ERC NCP yet, and is invited to do so;
- 2) **Open Science:** a discussion session on open science will be included in the agenda of the next Panel meeting;
- 3) **Synergies with EaP Platform 3** on energy efficiency: each EaP country to nominate a national expert to address issues relevant to the SPIRE PPP (<https://www.spire2030.eu/>), send contact details via the Panel functional mailbox (RTD-INCO-EAP-PANEL-R-I@ec.europa.eu) by 17 January 2017; a meeting between SPIRE and this EaP group of experts will be organised in Brussels with the support of the EaP Plus platform (target= mid-February);
- 4) **COST:** EaP countries to disseminate information about COST actions (http://www.cost.eu/COST_Actions) to their S&T community, stakeholders interested in

joining a particular COST action should contact directly the corresponding Chair of the action management committee (contact details available through the COST web site); interested EaP countries should invite the COST Association for organising local info-days (contact katalin.alfodi@cost.eu)

- 5) **Resource Materials:** Ukraine to send its concept paper via the Panel functional mailbox, so that it can be circulated to all panel delegates (deadline 21/12/2016). DG RTD to circulate info on materials modelling by 21/12/2016.
- 6) **NCPs:** Widening NCPs from EaP countries (especially those of the 4 countries associated to H2020) are invited to liaise with Dr Zygmunt Krazinski (zygmunt.krasinski@kpk.gov.pl), the Polish NCP coordinator to make sure they are involved in information and training activities
- 7) **Smart specialization/JRC support:** a session on smart specialization will be included in the agenda of the next panel meeting. EaP countries interested to join the support and training provided by the JRC should address corresponding requests to Liliana Pasecinic (Liliana.PASECINIC@ec.europa.eu), cc the functional mailbox of the panel
- 8) **EaP Plus:** EaP countries to pay attention to the next regional training events organised by the EaP Plus platform, notably the training for STI policy-makers to be held in Vienna in April 2017. EaP plus to check the possibility of providing online training during those events (on top of the webinars already planned)
- 9) **EU4Innovation:** the mapping of EU4Innovation-related instruments and on-going and planned activities will be circulated to Panel delegates (by end of January 2017)
- 10) **2017 Panel event:** Belarus volunteered hosting the 2017 Panel event. The focus will be on funding for innovative companies and the event will be held in Minsk ideally end of June 2017. Belarus to send DG RTD a max 2 pages concept paper on the event (deadline by 17/01/2017)

Annex II: EaP Participation Figures in FP7 and H2020
 (calls concluded by 31 May 2017)



Annex III: EU-EaP Panel on R&I Agenda 2016

EASTERN PARTNERSHIP PANEL ON RESEARCH & INNOVATION (EaP Panel on R&I)

4th MEETING

Brussels, Wednesday 14 December 2016

SILKEN BERLAYMONT HOTEL

11 Boulevard Charlemagne
BRUSSELS, Belgium

AGENDA

09.30 - 10.00	Registrations, welcome coffee
10.00 - 10.10	<i>Opening by the EaP Panel on R&I Chair, Cristina Russo, Director International Cooperation, DG Research and Innovation, European Commission</i> <i>Adoption of the Agenda</i> <i>Adoption of the minutes of the 3rd Panel meeting</i>
10.10 – 10.20	<i>EaP recent developments/ Preparation of the next EaP Summit, Nils Jansons, EEAS; Diana Jablonska, DG NEAR</i>
10.20 – 11.00	<i>EaP cooperation roadmap on research and innovation: progress since the last Panel meeting</i> <ul style="list-style-type: none"> - <i>Overview of cooperation developments: associations to H2020, H2020 participation, peer-reviews of national STI systems and other support actions, Thierry Devars, DG RTD</i> - <i>EaP Informal Partnership Dialogue on research and innovation, EU4Innovation, Thierry Devars, DG RTD</i> - <i>EaP participation in H2020 Marie Skłodowska-Curie Actions, Nathalie Pasquier, DG EAC</i> - <i>Tour de table</i>
11.00- 11.10	<i>Cooperation on e-infrastructures: E@PConnect (Eastern Partnership Inter-Connect) status, Enrique Gomez, DG Connect</i>
11.10 – 11.25	<i>Report from INCONET EaP, Launch of the EaP Plus Platform George Bonas, Centre for Regional and International STI Studies and Support</i>
11.25 – 11.40	<i>Presentation of the Joint Research Centre (JRC) cooperation activities with EaP countries; support in the smart specialization domain, Liliana Pasecinic, JRC</i>
11.50 – 12.45	<i>Research and innovation cooperation perspectives in the energy efficiency domain</i> <ul style="list-style-type: none"> - <i>Synergies with EaP Platform 3 "Energy security", Marion Schiller Probst, DG ENER</i> - <i>SPIRE Public Private Partnership, Soren Bowadt, DG RTD</i> - <i>Discussion</i>
12.45 – 13.00	<i>PPP on Resources Material (Proposal from Ukraine), Prof. Andrey V. Ragulya, Vice-Director of IPMS NAS of Ukraine</i>

13.00– 14.00 *Lunch Break*

14.00 – 14.15	EaP countries participation in COST , <i>Ronald de Bruin, Director COST Association</i> Discussion
14.15 – 15.30	Discussion on "EaP research and innovation cooperation roadmap: Progress and Challenges" , <i>all partner countries are expected to contribute to the discussion</i> <ul style="list-style-type: none"> - <i>how to further increase participation in H2020?</i> - <i>how to strengthen cooperation in the innovation domain through the EU4Innovation initiative?</i> - <i>which contributions from bilateral/multilateral cooperation programmes to the roadmap priorities ?</i>
15.30 – 15.45	Coffee break
15.45 – 16.10	Discussion follow-up
16.10 – 16.20	Panel Work Programme 2014-2017 <ul style="list-style-type: none"> - Debrief from the Panel 2016 annual event on EaP NCP training - Preparation 2017 event, scope and location
16.20 – 16.30	Next steps and Conclusions by the Chair
16.30	End of meeting

Annex IV: EU-EaP Panel on R&I Draft Agenda 2017

EASTERN PARTNERSHIP PANEL ON RESEARCH & INNOVATION (EaP Panel on R&I)

5th MEETING

Brussels, Thursday 14 December 2017

AGENDA

09.30 - 10.00	Registrations, welcome coffee
10.00 - 10.10	<i>Opening by the Chair / Progress since the last meeting (DG RTD)</i> <i>Adoption of the Agenda / Adoption of the minutes of the 4th Panel meeting</i>
10.10 – 10.20	EaP recent developments/ Outcome of the 5th EaP Summit (EEAS/DG NEAR)
10.20 – 12.00	<i>Supporting the reinforcement of EaP countries innovation capacities: EU4Innovation Implementation (DG RTD/DG NEAR)</i> - <i>Discussion</i>
12.00- 13.00	Cooperation status in Horizon 2020 / Perspectives under the Work Programme 2018-2020 (DG RTD) - Strengthening Excellence and Widening Participation (SEWP) - SPIRE Calls - Marie-Sklodowska Curie Actions (DG EAC) - Discussion

13.00– 14.00 *Lunch Break*

14.00 – 14.15	Report from the EaP Plus Platform/Upcoming activities
14.15 – 14:45	Cooperation on e-infrastructures: E@PConnect (Eastern Partnership Inter-Connect) status (DG NEAR/GEANT) - Discussion
14:45– 15.00	EaP countries participation in COST (COST Association)
15.00 – 15.30	Smart Specialization (JRC) - Discussion
15.30 – 15.40	Coffee Break
15.40 – 16.10	Open Science (DG RTD) - Discussion
16.10-16.20	Panel Work Programme 2018-2020 - Debrief from the Panel 2017 annual event on support to innovative SMEs - Preparation 2018 event, scope and location
16.20 – 16.30	Next steps and Conclusions by the Chair
16.30	End of meeting