# Why low success rates are not necessarily a bad thing…
## A different look at Horizon 2020

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# Intro

- Personal background
  - Over 20 years in DG RTD
  - Head of Unit
    „Social sciences and humanities" (2000 – 2007)
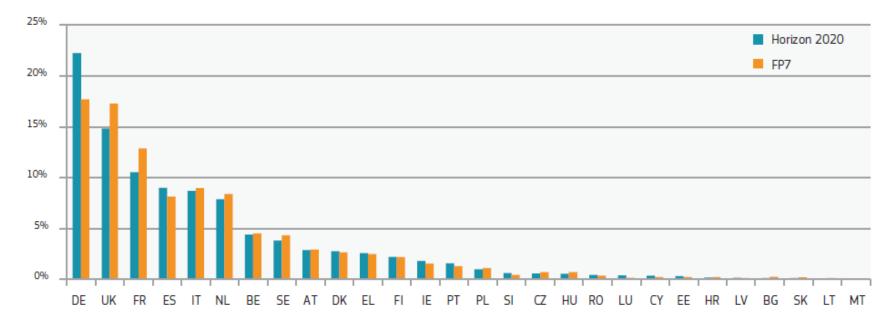    „Evaluation and monitoring" (2007 – 2014)
  - Retired since 2014
  - Publishing analytical comments on **peter-fisch.eu**

- The content of this presentation does not reflect the official opinion of the European Union. Responsibility for the views expressed therein lies entirely with the author …
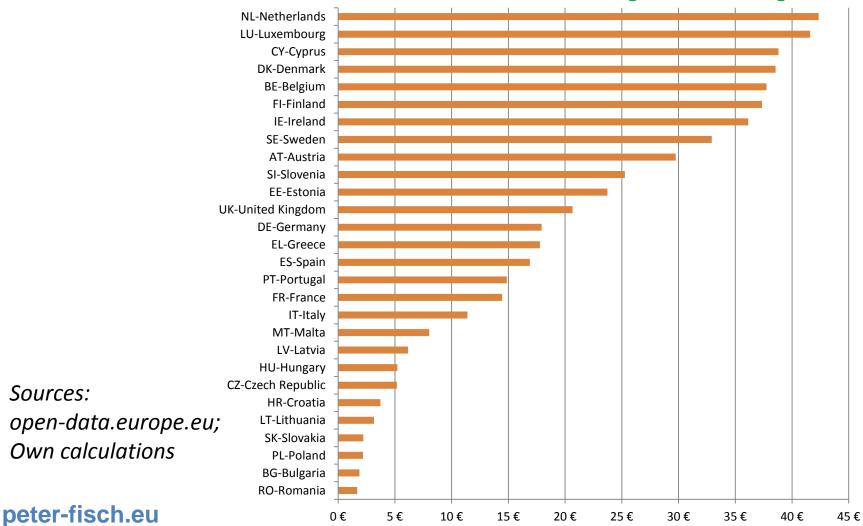
# Overview

**A different look at**

- **Horizon 2020 Statistics**

- **Low Success Rates**

- **FP Governance**

- **Work Programme**

- **Research and Innovation**
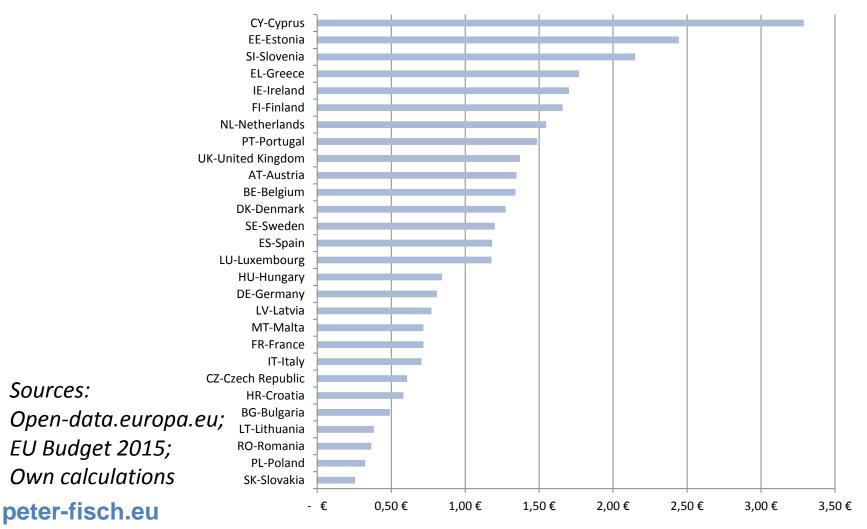
# Horizon 2020 Statistics
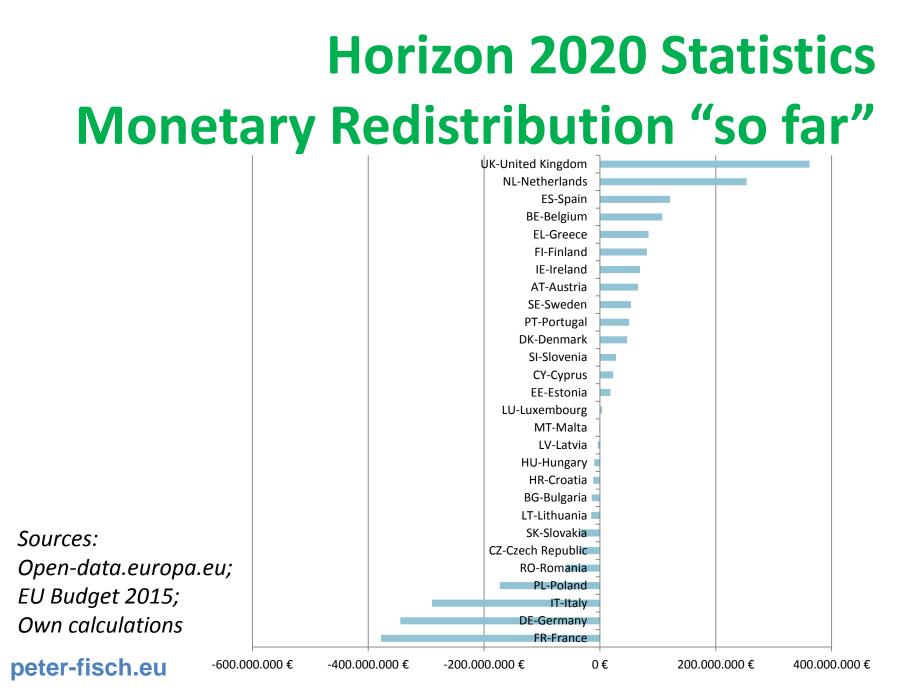# The well known picture



*Source: DG RTD*

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# Horizon 2020 Statistics
# Return per capita

| Country | Return per capita |
|---|---|
| NL-Netherlands | ~42 € |
| LU-Luxembourg | ~41 € |
| CY-Cyprus | ~38 € |
| DK-Denmark | ~38 € |
| BE-Belgium | ~37 € |
| FI-Finland | ~37 € |
| IE-Ireland | ~36 € |
| SE-Sweden | ~33 € |
| AT-Austria | ~30 € |
| SI-Slovenia | ~25 € |
| EE-Estonia | ~24 € |
| UK-United Kingdom | ~21 € |
| DE-Germany | ~18 € |
| EL-Greece | ~18 € |
| ES-Spain | ~17 € |
| PT-Portugal | ~15 € |
| FR-France | ~14 € |
| IT-Italy | ~11 € |
| MT-Malta | ~8 € |
| LV-Latvia | ~6 € |
| HU-Hungary | ~5 € |
| CZ-Czech Republic | ~5 € |
| HR-Croatia | ~4 € |
| LT-Lithuania | ~3 € |
| SK-Slovakia | ~2 € |
| PL-Poland | ~2 € |
| BG-Bulgaria | ~2 € |
| RO-Romania | ~2 € |

*Sources:*
*open-data.europe.eu;*
*Own calculations*

# Horizon 2020 Statistics
# Return per Euro spent



| Country | |
|---|---|
| CY-Cyprus | |
| EE-Estonia | |
| SI-Slovenia | |
| EL-Greece | |
| IE-Ireland | |
| FI-Finland | |
| NL-Netherlands | |
| PT-Portugal | |
| UK-United Kingdom | |
| AT-Austria | |
| BE-Belgium | |
| DK-Denmark | |
| SE-Sweden | |
| ES-Spain | |
| LU-Luxembourg | |
| HU-Hungary | |
| DE-Germany | |
| LV-Latvia | |
| MT-Malta | |
| FR-France | |
| IT-Italy | |
| CZ-Czech Republic | |
| HR-Croatia | |
| BG-Bulgaria | |
| LT-Lithuania | |
| RO-Romania | |
| PL-Poland | |
| SK-Slovakia | |

*Sources:*
*Open-data.europa.eu;*
*EU Budget 2015;*
*Own calculations*

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- €    0,50 €    1,00 €    1,50 €    2,00 €    2,50 €    3,00 €    3,50 €

# Horizon 2020 Statistics
# Monetary Redistribution "so far"



*Sources:*
*Open-data.europa.eu;*
*EU Budget 2015;*
*Own calculations*

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# Horizon 2020 Statistics Illustrating inequalities



Sources:
Open-data.europa.eu;
ERC FP7 Report;
Own calculations

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# Horizon 2020 Statistics
# A different look…

- Not the primary objective of Horizon 2020, but …
  Horizon 2020 leads to  a massive monetary redistribution between Member States

- Winners and losers are not necessarily the usual suspects…

- „Small" countries do relatively better than the „big" ones …

- No indication for a trend towards reduced inequalities …

- Conflicting interests („excellence" vs. „wider participation")

# Low success rates
# The basics

- Average success rate in FP7:                20%

- Average success rate in Horizon 2020:       14%

# Low success rates
# A disaster?

- Applicants do not like low success rates …

But:

- Ultimate objective of Horizon 2020 is not:
  make applicants happy and keep them in their „comfort zone"

- Aim of Horizon 2020 is a positive impact on the development of European society and economy

- Public perception is very much focused on the worries of applicants, rather than on the interests of future generations

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# Low success rates Competition?!

- Lower success rates are an indicator for a higher level of competition …

- … which is positive from the perspective of programme efficiency

- Extreme case: „Calls with named beneficiaries"
Success rate 100% - but no competition

- Success rate of 14% still relatively high compared with other competitive environments …

# Low success rates
# A different look …

- Lower success rates are to a considerable extent the logical consequence of successful simplification…

- Higher success rates can only be reached through
  - Higher budget                 (Forget it!)
  - Even more thematic restrictions     (Please, no!)
  - More bureaucratic hurdles        (Oh my god!)

- Cosmetic measures (two-stages evaluation)are no solution to the mismatch between demand for FP funding and available budget

- Low success rates might actually be the lesser evil…

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# FP Governance Complex structures

- Why is there no „Horizon 2020 organigramme"?
- Horizon 2020 structure is extremely fragmented
  - Several Commission DGs and Agencies involved
  - Steadily growing number of specific organisational set-ups with varying partners and specific rules (PPP, P2P, JTIs, EIT, COST, …)
- Incredible amount of micro-management activities, but who takes care at the macro level in terms of
  - Implementation?
  - Political responsibility?
  - Efficient control?

# FP Governance „Golden" Principles

- Different governance styles in different parts of Horizon 2020

- Anything goes?

- Need for a collective effort to define fundamental principles, e.g.

  – Handling of potential conflicts of interests

  – Guarantee an independent evaluation process

  – Steady renewal of key people in programme management

  – ...

- „Golden" principles could become a benchmark for national programmes in terms of „good governance"

# FP Governance
# Bureaucracy vs. Competition

- FPs are situated at the border line between
  - Bureaucracy to specify funding modalities
  - Competition for the best proposals
- Despite "Simplification", bureaucracy is gaining ground:
  - Selection of topics …
  - Coordination …
  - Minimum requirements (TRLs, …)
  - Ring-fenced budgets (JTIs, PPP, …)
- Growing density of bureaucratic restrictions supported by Member States, Industry, Science organisations …
- Who is still defending open and free competition?

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# FP Governance
# A different look…

- „Simplification" campaign so far narrowly focussed on project applications and project management

- „Simplification" might also be needed in terms of FP structure and governance

- Decentralised structures do not allow for a comprehensive overall management – and an effective control

- Growing part of FP budget reserved for pre-defined activities

- Some flagship activities hide the fact that free competition is losing ground

- And everybody seems to be happy …

# Work Programmes Central Role in Horizon 2020

- Central steering tool for Horizon 2020

- Official objective: Strategic priority setting

- De-facto objective: Stable success rates

- Drafting of Work Programmes is a lengthy and not very transparent process involving a great number of actors

- Horizon 2020 Work Programmes for 2016:  1800 pages (!)

- Final call texts  do not necessarily convince applicants by their clarity and stringency

- Open competition between applications partially replaced by a (hidden) competition to get topics included in the Work Programme

# Work Programmes
# And if we get rid of these?

- "Strategic" top-down steering of topics

  *to be replaced by* bottom-up applications (like for the ERC)

- Ex-ante rationing through a limited number of „open" topics

  *to be replaced by* open competition

- Lower success rates (at least in the short run)

+ "Simplification 2.0"

+ Transparency instead of Lobbying

+ Chance for truly innovative applications

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# Work Programmes
# A different look…

- Serious doubts whether Work Programmes fulfil their role as „strategic" documents …

- Steady trend to shift the „real" competition from the proposal stage towards  the stage of drafting Work Programmes

- If this is the price to pay for stable success rates – is it really worth it?


- And if the next FP would simply

    … support very good research?

    … allow researchers to realise their best ideas?

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# Research and Innovation Different worlds

- Closer links between research and innovation are useful

But:

- Research and Innovation are different – in terms of objectives, governance, major players, selection criteria, time horizons, arguments for public intervention…

- Innovation is a very broad concept – and only a small part of innovation is based on science or engineering …

# Research and Innovation
# The „applicability" mantra

- Horizon 2020 calls for explicit applicability of research findings

- Projects expected to deliver contributions to overcome the current economic crisis and to generate new jobs

But:

- Implementation of research results into innovative products and new processes takes decades rather than years

- A short term impact of Horizon 2020 on growth and employment in Europe is very unlikely

- Focus on product innovation puts the support to basic innovation at risk – but only excellent basic research will safeguard future growth and employment

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# Research and Innovation A different look …

- Innovation discourse is dominating the political debate in Brussels (and probably elsewhere…)

- Research is increasingly perceived as a tool to implement the innovation agenda (TRL…)

- New initiatives for an Innovation policy at EU level (European Innovation Council) will – one way or another – require massive public funding

- Most likely outcome under the current circumstances: More funding for innovation – less funding on research…

- It's time for a wake-up call…

# Outlook

- Basic mechanisms of Framework Programmes are essentially stable since more than 20 years

- 2016 and 2017 are a classic „window of opportunity" for a critical analysis and new ideas

- Negotiations on the next Framework Programme could become a bumpy ride (Budget, Wider Participation, Innovation…)

- If more innovation is wanted:

  - Don't force innovation aspects into every research project

  - Make sure the overall FP process supports innovative ideas

Thanks

? !

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