Supporting the Improvement of International Relations through the Evaluation of Support Schemes Facilitating Hungary's Participation in FP7

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Summary

The participation of Hungary in the community-level RDI programmes of the EU for the 2007-2013 programming period (in the 7th Framework Programme of the European Community for Research, Technological Development and Demonstration Activities - FP 7) and in the new instruments (the joint initiatives of the member states and the European Commission) is – like in the case of the other EU13 countries – substantially lower than the EU average, especially with regards to the amount of support awarded. Among the new member states, Hungary is second behind Poland, both with regards to the number of winning proposals and the amount of support awarded, which places it in the mid-range of the list of all EU member states**.**

I.) The General Aspects of Evaluation

The overall goal of this evaluation was to make recommendations that contribute to Hungary's successful participation in various H2020 programmes and to the planning of H2020 national auxiliary calls for proposals financed from the funds of the Research and Technological Innovation Fund (KTIA), the Economic Development and Innovation Operational Programme (GINOP), and the Competitive Central Hungary Operational Programme (VEKOP) in the 2014-2020 programming period of the EU, thus promoting the realisation of the commitments of the National RDI Strategy 2020[1].

The specific objectives of the evaluation were: the analysis of the efficiency of the FP7 auxiliary schemes published so far; the identification of problematic and well functioning elements; formulating recommendations; the fine-tuning of Hungary's system of calls for proposals and inspection; adjusting them to the operational mechanisms of the new EU programmes; the identification of areas where the auxiliary support of Hungarian applicants are most needed.

The methodology of evaluation was based on the analysis of different databases[2] and documents as well as on the combined application of online surveys and interviews (individual in-depth interviews and focus group interviews). The evaluation was prepared by the professional working group delegated by the Directories of External Relations, Strategy and RDI Observatory of the National Innovation Office (NIH). The members of this working group are typically colleagues who have already dealt with the FP7 programme, related auxiliary calls for proposals and the evaluation of RDI programmes, and thus have relevant experience.

This evaluation, among others, gives a short description of the international context of the practice of the national auxiliary programmes that promote the participation of the EU member states in FP7[3]. The structure of auxiliary programmes partly corresponds to the thematic areas specified by the framework programme, and it also includes schemes that support general project preparation activities. Besides supporting the specified target groups (e.g.: SMEs) through calls for proposals, participation in the framework programme and the flow of information are incentivised by various services. The wide dissemination of the work

1 The Government accepted the document "Investment in the Future: National RDI Strategy 2020" in June 2013 on the basis of Government Decree 1414/2013 (VII/4).

2 Two databases served as basis for the evaluation: PKR and E-CORDA. PKR is a call for proposals registration system used by NFÜ (National Development Agency) and MAG Zrt., and previously by NKTH (National Office for Research and Technology). The system contains all data of the calls for proposals financed from the funds of the Research and Technological Innovation Fund, and, thus, the data of the auxiliary FP7 schemes as well. E-CORDA is the European Commission's database, which contains the information on the calls for proposals within the 7th Framework Programme.

3 The international overview does not cover the totality of the EU member states; it only defines the different types of auxiliary models..

of the National Contact Points (NCPs) of the member states, the further development of the NCP system and the indispensable continuous professional training of contact persons are features of the above.

II.) Examined call for proposals schemes

The evaluation examined eight call for proposals schemes. The national types of FP7 auxiliary calls for proposals can be divided into three groups based on their characteristics. Based on the specific characteristics, there are two types in the category of scheme A, five in scheme B and one in scheme C.

Calls for proposals - scheme "A" Calls for proposals to facilitate the involvement in Framework Programmes established in the EU 2007-2013 programming period (FP7, CIP) and in "other joint EU initiatives", and calls for proposals aimed at providing additional funds thereto, which helped the preparation of proposals or the process of signing the contract, as well as supplementing own contributions in case of winning proposals. These BONUS and Consortia Building calls for proposals were open from December 2008 until the end of 2010, then from May 2012 until June 2013.

- *The objective of the EUKONZ_07 and EU_KP_12 calls for proposals was to facilitate the involvement of Hungarian participants in the 7th Framework Programme of the European Union for Research, Technological Development and Demonstration Activities, in the Competitiveness and Innovation Framework Programme and in other joint EU initiatives. They incentivised Hungarian applicants to take on the coordination of framework programme projects and – as project partners – to get the highest possible share in the budgets of projects receiving EU funds. In order to achieve the objectives of the call for proposals, the National Office for Research and Technology (NKTH) provided 500 million HUF for the 2007-2010 period, while the National Development Agency (NFÜ) provided 200 million HUF for successful applicants in 2012, both from the Research and Technological Innovation Fund (KTI Fund).*
- *The objective of the BONUS_08 and EU_BONUS_12 programmes was to provide additional support to higher education institutions, publicly funded research institutes and small and medium sized enterprises for their R+D project budgets funded from the budget of the framework programme. Within this programme the only costs that could be reimbursed were the ones that were not reimbursed by the European Commission and that were related to the execution of research and development or demonstration activities. A framework amount of 3.6 million HUF was available for the objectives of the calls for proposals in the 2008-2013 period, provided from the KTI Fund. The framework amount was 200 million HUF in 2012.*

Calls for proposals - scheme "B": Hungary financed the Hungarian members of winning international consortia of international programmes. These programmes covered many different schemes.

- *The goal of the EUROSTARS HU 07 programme was to incentivise Hungarian participation in the EUROSTARS programme facilitating market oriented research and development projects through the active participation of small and medium sized enterprises specialised in research and development, in international cooperation, by way of supporting the Hungarian members of EUROSTARS projects. A framework amount of 3 million EUR (750 million HUF) was available for the objectives of the calls for proposals in the 2008-2013 period, provided from the KTI Fund.*

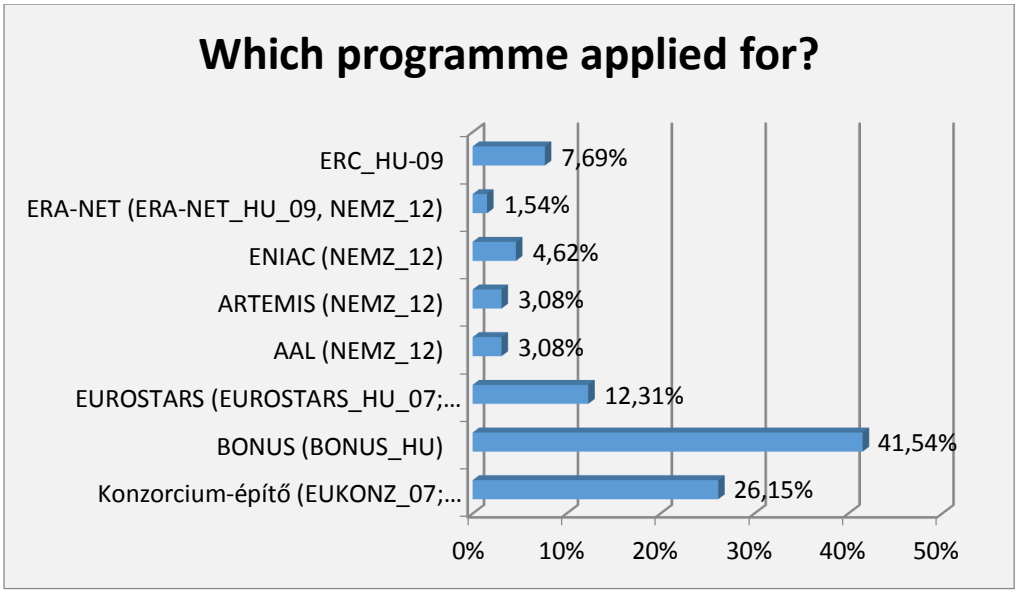
- *The objective of the ERANET HU 09 was to strengthen strategic cooperation between international organisations participating in projects supported within the ERA-NET frameworks and to Hungarian participants of these supported projects to gain experience in the field of international R+D cooperation, which can contribute to the strengthening of Hungarian participation in the framework programme in the concerned fields of technology. The NKTH provided from the Fund a framework amount of 800 million HUF for the objectives of the call for proposals in the 2009-2013 period.*
- *AThe funding objective of the ARTEMIS-2008-1 and ARTEMIS-2009-1 was to support innovative international projects that were based on the cooperation of member states. This was designed to be done within the existing systems. An amount of 1.98 million EUR was available for the objectives of the call for proposals for 2008 and 2009, provided from the KTI Fund.*
- *The objective of the ENIAC-2008-1 and ENIAC-2009-1 programmes was to support innovative international projects in the field of nano-electronics that were based on the cooperation of member states. An amount of 1.32 million EUR was available for the objectives of the call for proposals for 2008 and 2009, provided from the KTI Fund.*
- *The objective of the AAL programme was to support innovative international projects that were based on the cooperation of member states, under the name of "Prevention and Treatment of Chronic Diseases of the Elderly based on ICT solutions". An amount of 2.5-2.5 million EUR was available for the objectives of the call for proposals for 2008 and 2009. The available amount for 2010 and 2013 was 500,000 EUR each. In all cases, the amount was provided from the KTI Fund.*

Calls for proposal - scheme "C": This construction supported those applicants who did not win in the related calls for proposals of the FP7 yet who represented high-quality professional expertise.

- *The objective of the call for proposal of ERC HU 09 was to support researchers who submitted their application for the "Starting Grant" of the European Research Council offered to young researchers, who by the international jury were found to represent high quality and were admitted to the second round, however, were not awarded; it was to support the implementation of their project idea (in the field specified in their proposal submitted to the European Research Council (ERC), in the national institutions specified in their proposal).*

The scheme was open between March 2009 and February 2010. In order to achieve its objectives it provided a framework amount of 4,600 million HUF for the NKTH 2009-2010 period from the KTI Fund. The available amount for 2009 was 1,800 million HUF .

The proportion of applicant institutions in different schemes in the period between 2007 and 2013 is illustrated by the figure below:



III.) Results, proposals

During the evaluation the respondents were active in sharing their opinion in their responses, based on their knowledge of the procedures well, hoping to make a change for the better. It is evident that they show increased interest in the H2020 programmes and would like to adapt to the renewing calls for proposals and to European norms. It is our common interest to have more and more successful Hungarian participants in the coming EU calls for proposals.

The structured evaluation of the responses of applicants and their opinion, prepared with regards to scheme groups, can be found in the body of the material. The evaluation contains interesting results concerning – among others – the objectives of participation in international calls for proposals, the motivation of participating in auxiliary calls for proposals, the utilisation of calls for proposals, networking and the further improvement of calls for proposals.

Generally speaking, on the basis of the responses of those involved it can be deduced that there will be a demand for the planning and operation of national auxiliary programme schemes for H2020 in order to secure Hungary's successful participation for the period of 2014-2020.

As evidenced by their opinions, applicants ***were satisfied*** (in the case of schemes "A" and "B") with the inspection system following implementation, the efficiency of on-site inspection, the manoeuvrability of the IT system and the length of the period available for the submission of proposals.

Applicants indicated the following deficiencies: in their opinion, the customer service is difficult to reach, is not applicant friendly and it does not facilitate resolving problems as it should, and they find the administrative burdens (request for data) surrounding the process of signing the contract to be inadequate.

The applicants participating in the evaluation made the following ***important comments and recommendations***:

Recommendations for the administrative management of calls for proposals:

- *Predictable intermediate bodies and rules are necessary.*
- *In case of schemes similar to the Hungarian ERC call for proposals, accepting the EU evaluation would bring automatism into the system, the implementation of the high-quality international evaluation would reduce the risks of the funding entity and would accelerate the process as well as reduce the volume of administration. These schemes need, however, a stronger professional supervision.*
- *Hungary's scheduling of signing the contracts and submitting the reports needs to be adjusted to the schedules of the EU calls for proposals.*
- *In case of professional reports, the English version of the documentation should be accepted.*
- *In case of financial settlements, the Hungarian funding should not be expected to be broken down in detail for every cost of the EU project.*
- *Introduction of on-line administration.*
- *The intermediate body should appoint a Project Partner for each specific project. This Partner would support the applicant with regard administrative issues (in the preparation and filing of reports and financial settlements).*
- *The definition of mandatory commitments and indicators should adapt to the expectations of EU calls for proposals.*
- *A more flexible regulatory environment and a trust-based approach (characteristic of the EU system of calls for proposals) should be developed.*

Recommendations for further improvement (other schemes; auxiliary mechanisms):

- *Financial support can be given by Hungary to projects that are similar to the ERC_HU call for proposals and received high scores during evaluation by the EU for those H2020 proposals where the applicant is a natural person or an institution (besides the ERC, the new SME instrument and the Marie Curie scholarships may be available).*
- *Creating synergy with the corporate sector: the institution with the winning proposal should be able to give financial support from the predefined fund to the SME to cover its costs.*
- *The strengthening of calls for proposals designed specifically to facilitate the protection of industrial property rights and the acquisition of intellectual property rights, as well as the organisation of relevant trainings.*
- *The support of activities aimed at the facilitation of the utilisation of project results (to find industrial partners); the support of dissemination activities; providing professional help.*
- *The provision of untied funds available to the specific institution based on national/EU statistics on calls for proposals.*
- *The organisation of trainings and professional workshops, where evaluators and experienced applicants share their professional experience.*

Despite the above recommendations, it is to be noted that the stakeholders found the Hungarian support programmes aimed at facilitating the FP7 participation to be important, useful and successful. The Hungarian auxiliary programmes were successful and fulfilled their most important purpose (the basic and most important reason for which they were launched): they incentivised and facilitated the more successful participation of those involved in the FP7 calls for proposals.

Taking the opinions into consideration and based on the experience gathered so far, when planning KTIA, GINOP and VEKOP it is advised to further improve those areas that worked well in the basic concepts and with regard to which the participants of the evaluation expressed their satisfaction. Nonetheless – and while taking into consideration the new characteristics of the H2020 programme structure –, it is important that the specific parts that showed identical results from different aspects of the evaluation be variable, because these would greatly facilitate the process of submitting proposals.