

Introduction

Dear Colleagues,

Ladies and gentlemen,

In this speech, I should like to supply an outline of the main outcomes of the trilogue concerning Horizon 2020. Horizon 2020 will be the third largest EU programme and the largest in the world supporting research and innovation. After 6 months of negotiations and 9 meetings between the European Parliament, Council and Commission, we have finally reached an agreement regarding the new framework programme.

The process was long and arduous but I believe that the outcomes are very positive.

I have divided my outline into three parts. To begin with, I shall briefly outline the main characteristics of H2020 before briefly discussing the pertinent outcomes for each of the three pillars with regard to the Specific Programme implementing Horizon 2020. I shall

finish by running over some general issues.

Brief Outline of Main Characteristics

Horizon 2020 – the framework programme for Research and Innovation over the period from 2014-2020 – aims to couple research with innovation by turning scientific breakthroughs into innovative products. At the same time it aims to overcome the challenges posed by globalisation (e.g. climate change, energy security and the ageing of the population). H2020 also sets out to meet the needs of companies, universities and institutes in terms of rapid and simplified access to financial support whilst identifying three priorities: excellent science, industrial leadership and societal challenges.

Its most outstanding features are:

- A new emphasis on societal challenges and competitiveness,
- Improved integration of and support for research and innovation,
- Greater stress on the need for simplification
- and a Drive to enhance opportunities for new entrants and young,

promising scientists.

The Three Pillars

The First Pillar

Turning now to the three pillars, with regard to the first pillar – excellent science:

This pillar aims to support the EU's position as a world leader in the fields of science, innovation and research. The pillar has four sub-programmes: the European Research Council, Future and Emerging Technologies, Marie Skłodowska Curie actions and Research Infrastructures. In so far as the main developments following the negotiations are concerned, there is one main development and this is the creation of Return Grants within the Marie Skłodowska Curie Actions. The goal here is to foster the reintegration of researchers after international experience, mainly with regard to less innovation performing regions.

The Second Pillar

As for the second pillar: this pillar is devoted to helping secure industrial leadership in innovation, key technologies and to facilitating access to capital and support for SMEs. This pillar is divided into three sub-programmes: Enabling and Industrial Technologies, Financial instruments and, thirdly, specific support for SMEs. With regard to the main developments, these are:

~ Firstly, SMEs will benefit from at least 20% of the combined budget for Leadership in Enabling and Industrial Technologies and Societal challenges.

~ Secondly, the Parliament has insisted on and achieved a dedicated budget and a single management structure for the SME instrument. The SME instrument will be allocated 7% of the *combined budget* for leadership in Enabling and Industrial Technologies – part of pillar II – on the one hand, and Societal challenges – a part of pillar III – on the other hand.

~ Finally concerning the second pillar, a simple and rapid scheme

of “Innovation Vouchers” will fund research and innovation activities within Phase 2 of the SME instrument. This will promote the creation of start-ups and enhance research and innovation activities in existing SMEs.

The Third Pillar

The third pillar involves the major societal challenges that all Europeans are currently confronted with. There are six themes:

- Health, demographic change and well-being;
- 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.

Let me give you the main developments following the negotiations in list form:

- Firstly, a new activity line for Marine and Maritime cross-cutting issues.
- Secondly, a new activity line to study “cultural heritage and European identity”.
- Thirdly, “Social Sciences and Humanities” and “Security” have been separated out to become two distinct Societal Challenges.
- In the fourth place, regarding the “Health” Societal Challenge, more focus has been given to diseases amongst children and the elderly and to neurodegenerative, musculoskeletal and chronic diseases alongside; poverty related diseases. Particular attention has also been given to the ageing process and to questions of life long well-being and personalised medicine.
- In the fifth place, there has been an increase in the Energy Budget – from 7.2% to 7.7% of the Horizon 2020 budget.
- Point six is that 70% of the Energy budget has also been earmarked for renewable energy and for questions of energy efficiency, smart grid and storage and an additional 15% has been devoted to activities related to the market uptake of existing renewable energy and energy efficiency technologies (this is the former Intelligent

Energy Europe Programme).

- Point seven is that the role of gas has been given greater predominance with more focus on energy security and new technologies with disruptive effects alongside greater emphasis on smart grids and technologies, energy storage, back-up and balancing technologies and CCU.
- Finally, the eighth novelty is increased emphasis on research into fossil fuels, both in terms of electricity production and grid flexibility alongside the search for greater efficiency with regard to the integration of renewables.

General Considerations

I should now like to turn to four general issues. These involve:

~ Firstly, the setting up of an independent activity line for “widening participation” and will receive a dedicated budget of 1.06% of the total H2020 budget. This activity includes a number of actions that were already included in the Commission proposal under Societal Challenge 6 but also includes new activities such as teaming and

twinning actions between research institutions.

~ Secondly, Science with and for Society is the object of an independent activity line and will receive a dedicated budget or 0.6% of the total H2020 budget.

~ Thirdly, an effort has been made to promote synergies between Horizon 2020 and other funding instruments such as the Structural Funds and the European Development Fund. A specific measure that has been floated is to attribute a Seal of Excellence to excellent projects that had hitherto failed to find funding as a result of budgetary constraints. It is expected that the Seal of Excellence will enable consortia to find other sources of public or private funds with more ease.

Finally, in this section, the setting up of a number of Scientific Panels has been foreseen. These panels will firstly be implemented in the Health sector but, with time, will contribute science-lead input to the societal challenges in general. The panels will actively help define research and innovation priorities. The goal is also to encourage EU-

wide scientific participation.

Conclusion

By way of conclusion, let me make a brief remark concerning the institutional process that lies ahead. This agreement will now be submitted for validation to the ITRE committee on the 26th of September and to the COREPER and the EP plenary during the second October plenary.

Thank you very much.