

Thank you very much, Cristina

Good afternoon, ladies and gentlemen

This afternoon, I should like to say a few words about how best to fund and structure research and innovation in Europe. Ensuring *adequate funding* in the economic climate we find ourselves must remain a priority.

Increasing complexity in the field of scientific research requires a rising need for expensive equipment alongside the building up critical mass, something that can only be attained with high levels of investment. It is also the case that if we are to ensure a smooth

passage from research to market - as this includes technological research, pilot and demonstration and early entrance into the market - this is also something that is costly.

To face these challenges, we need to increase the amount of money devoted to research and innovation at European, national and regional levels, whether they be public or private.

This also requires an increase in the share of the EU budget that is devoted to research and innovation. Of course, this supposes simple, efficient and well-funded H2020. In addition, it also means that we devote a higher

percentage of regional funds to research and innovation.

We also require a multi-fund approach and the strengthening of the bridges that link Horizon 2020 and other funds, with the structural funds to the fore. In this respect, we must ensure that as much complementarity as possible between H2020 and the structural funds is built into the system.

Upstream from Horizon 2020, the structural funds can be used for capacity building. Downstream from Horizon 2020, the structural funds can help smooth the passage from conception to market. At the

same time, they can also be used to co-finance a number of different projects.

At this point, let me give you an idea of the type of recommendations that I feel could be usefully put into practice. Let me run through a list of these quickly:

* Increase the interoperability between the instruments: design compatible rules and procedures, coherent application formats and evaluation criteria, synchronised road maps and administrative cycles, common entry points; synchronise the priority setting through smart specialisation and use common cost definitions and other administrative and financial criteria

* Implement simplification measures in the structural funds as is already the case in the Framework Programme (eligible rules, lump sums, etc.);

* Recommend national support to participants in European projects throughout the whole process (preparation of the project, during the project and after the project);

* Use both FP and SF to build or upgrade research infrastructures and to connect them at European level;

* Use the Cohesion Funds for the modernisation of universities and research

organisations (infrastructure, equipment, human resource development);

* The creation of clusters/ critical mass in priority areas of European programs;

* Direct financial support for the preparation of proposals to be submitted to the European R&DI programmes;

* Co-finance national partners participating in European projects up to a maximum allowed by the state aids;

* Increase the financing (scientific equipment, laboratory techniques, informatics, science and technology managers) of research

groups with a good record in international programmes;

* Finance the follow up of European projects (demonstration projects, technological development, valorisation of results, dissemination of results, etc.);

* Use FP and SF for valorising research results, achieving an easy and open access to knowledge and transferring the knowledge produced under FP into economic or societal use;

* Recommend that national and regional funds contribute to the funding of ERC, Marie Curie or collaborative projects that meet the

criteria of excellence but cannot be funded due to lack of European funds; Horizon 2020 would grant a "seal of excellence" status to positively evaluated projects that have not achieved funding because of budgetary limitations

- * Support KIC co-location centres in convergence regions;

- * Recommend that the Commission analyse the possibility of setting up an all-European common fund financed by the structural funds to promote collaborative European research; This could take the form of a common fund inside the Structural Funds that would be used to allocate funds to R&D

cooperation projects - using *juste retour* money
- in different regions.

These are only some of the measures that might be taken. I have selected only those representative recommendations that I feel will give the most immediate impact.

By way of conclusion, let me say a few words about how all of this might actually be put into practice. To achieve all of this will require considerable effort but also extensive cooperation between

* on the one hand, the various rapporteurs involved in H2020 and the different rapporteurs responsible for regional policy. I am gratified to see that this is actually the case and that we are all pulling in the same direction. One of the results of this excellent cooperation should be that the rules of participation for both programmes are synchronised as much as possible.

* *And on the other hand*, achievement of our goals also supposes cooperation between the different DGs inside the Commission. At the beginning of the week, all of us in the Parliament were delighted when the Director General informed us that DG Research and Innovation and DG regio have all already

begun to collaborate on a joint paper. This paper concerns how best to combine the two funds.

The eventual outcome of the whole process should be, I believe, a set of concrete, pragmatically orientated proposals that will be included in the many reports that we are currently preparing.

Thank you very much.