



IncoNet CA/SC Policy Stakeholder Conference on

***"EU-SC/CA STI cooperation in addressing societal challenges:
Priorities, modalities and synergies of policies and instruments"***

Tbilisi, Georgia, 14-15 November 2012

Introduction

The Policy Stakeholders' Conference (PSC) that took place in Tbilisi on 14-15 November 2012 was the last in a series of six similar forums for policy dialogue between stakeholders organised in the framework of the *IncoNET EECA* and *IncoNET CASC* FP7 projects (www.inco-casc.net). The focus of the event was on the *EU-SC/CA STI cooperation in addressing societal challenges: Priorities, modalities and synergies of policies and instruments*.

Aiming at bridging past activities and future objectives to provide a measure of continuity and the basis for coherence between different EU and national policies and instruments, the PSC comprised two parts:

A: The PSC tried to focus on societal challenges important for the region and relevant for H2020 (i.e. climate change, energy and health), building on the results of a respective Workshop organised under the *IncoNet* EECA project in June 2012.

In that respect, the main goal of the PSC was to present the state-of-the art and trends on the three selected societal challenges (*climate change, energy and health*) and to investigate how the EU MS and the Eastern Partnership (EaP) and Central Asian (CA) countries address them through their national ('sectoral') policies and what role Science, Technology and Innovation (STI) plays in this process.

B: It was anticipated to create synergies with other EU policies and instruments and in particular with ENPI/DCI, building on the results of the *IncoNET* EECA project on that field. Here, the goal of the PSC was to:

- identify regional initiatives, common objectives and operational instruments (programmes) through which research addressing the three societal challenges is supported;
- present ENPI/DCI and good practice examples that will open perspectives for the exploitation of these instruments to support STI capacity building activities in the three societal challenges; and
- define how the EU instruments identified can better support the policies targeting the three societal challenges.

Furthermore, the PSC aimed at contributing to the prioritisation and implementation of the Recommendations of the White Paper for the EU-EECA cooperation, a key deliverable of the *IncoNet EECA* project.

The PSC involved relevant actors and stakeholders active in the field of the three societal challenges health, energy and climate change, as well as those dealing with cooperation Instruments (ENPI, DCI, UNDP, etc.).

About 100 policy makers and representatives from 3 sectors from 11 countries (Easter Partnership and Central Asia) and 6 EU MS and AC, representatives of the EU Delegation to Georgia, as well as international organisations (i.e. UNDP, WHO, UNESCO, ISTC, STCU, etc.) attended the conference to investigate ways to enhance the bi-regional cooperation and to optimise the use of support instruments in addressing societal challenges¹.

A: EU-EaP/CA STI cooperation in Societal Challenges: Targets, potentials and needed actions

The focus of the first conference day was on the topics of climate change, health, energy – the societal challenges that were defined as common denominators for EaP / CA countries. Participants of the conference stressed that societal challenges are complex topics that require comprehensive solutions requiring trans-disciplinary approaches and involvement of a number of actors including the research community, private sector, civil society, policy makers, as well as sectoral ministries. Within this context, STI is to be understood as a transversal discipline that helps to understand different connections between environmental, technological and social factors which frame societal challenges. S&T helps to create innovative solutions which then can be tested, evaluated and ideally, scaled up.

In the discussions the EaP / CA countries voiced that they do not have sufficient expertise and research capacity to tackle the societal challenge on their own. Societal challenges, even though anchored at local level, require joint solutions at international, if not global level. To this end, international cooperation is seen as a tool for making use of international complementarities that can help to solve bottlenecks at national level.

Good practice examples and lessons learnt

A number of good practice examples in both EU and EaP / CA countries have been highlighted with regards to selected societal challenges and their funding mechanisms.

The selected best practice examples from EaP / CA countries have demonstrated that necessary laws tackling different societal challenges have been approved and countries are currently in the process of implementing their national strategies and programmes (e.g. in Uzbekistan and Kyrgyzstan or Armenian Renewable Energy Roadmap). Opening up the national programmes for international participation is also on the agenda in some of the countries (i.e. Kazakhstan).

¹ The presentations of the conference are available to all the participants at: http://www.grdf.ge/english/?page_id=1865

The participants found the evaluation phase at the beginning of the strategy setting process of particular importance. In order to define a strategy and action plan for tackling the societal challenges, the countries should evaluate their national situation in STI with regards to the relevant societal challenge (i.e. strengths, weaknesses, capacities and needs in RTDI, future scenarios). This step should include the assessment of available and needed capacities in relevant infrastructures and RTDI organisations, the availability of coherent set of funding programmes addressing challenges, as well as the availability of national information sources e.g. databases.

Best practice examples in this regard are evaluation exercises that have been performed under IncoNET EECA:

- national S&T policy mix peer reviews evaluating the performance of the STI policies at national level by assessing Human resources in STI, the public science base, business R&D and innovation and economic and market development, and other aspects;
- benchmarking of research-performing organisations in specific RTDI fields.

It has been emphasized that the national agenda setting should be based on an inclusive dialogue between policy stakeholders, the research community including national academies of sciences and sectoral agencies dealing with the topic, universities, the private sector, and civil society.

In addition, researcher and PhD mobility is of crucial importance to ensure that countries have well-educated scientists which need incentives to work in their own countries. International mobility should thus be encouraged and accompanied by suitable measures, i.e. integrated career development schemes, IPR regulations and competitive salaries.

Efforts at the national level are often complemented by international partners such as UN agencies (e.g. UNESCO, Central Asian Glacier Research Centre, Disaster preparedness project, etc.), World Bank, EU or other international organisations. It was accentuated that active engagement of policy actors is needed and countries should make full use of the opportunities and instruments offered by these international organisations.

Recommendations for a stronger EU-EaP/CA Cooperation in the field of Societal Challenges

Despite the fact that there are a number of initiatives dealing with societal challenges at national level, the participants agreed that the cooperation in the field of societal challenges can be further enhanced, for instance in the format of regional platforms for joint agenda setting in the field of the societal challenges. The regional platform would be mandated to identify priority areas of research collaboration that are of political and development interest to all countries, and to develop roadmaps for the implementation of the priority fields at the regional level.

The roadmap could include the following elements:

- organisation of joint activities in selected priority fields;
- initiation of joint calls with joint evaluation standards which ideally build on already existing frameworks such as Black Sea ERA.NET;

- development of joint technological programmes stimulating the innovation environment;
- creation of stable frameworks for joint research infrastructures (possibly launched as a regional ESFRI model);
- joint funding of data collection based on international standards, storage and ownership of big research data needs to be integrated;
- joint trainings for the participation in Horizon2020;
- fostering international cooperation between research and business – crucial actors for the delivery of innovative solutions.

B: Instruments for collaboration with the EaP and the CA region

The European Neighbourhood and Partnership Instrument (ENPI), and also the Development Cooperation Instrument (DCI) are financial instruments of the EU supporting the Eastern Partnership and Central Asian countries respectively, through a wide range of activities, which however only partially can address STI needs. Since the implementation of these instruments in 2007, the countries in the two regions have benefited substantially from the respective cooperation programmes at both national and regional levels.

Potential of EU instruments for the two regions

The ENPI financing instrument consist of a *geographic* part where the EU negotiates national programmes with the respective governments, while the *thematic* cooperation programmes complement and foster cooperation through thematic calls for proposals.

In particular the geographic part has shown to increase the countries' ownership of the ENPI instrument, as well as the coherence to EU sector policy support programmes. This is due to the fact that together with the EU Delegations the governments play the main role for the formulation of the programmes and projects under the geographic programmes and funds are directly channelled to the state budget.

There are thus two points of entry for funding STI cooperation under this instrument:

- Via state bodies through the geographic programmes;
- Directly from the civil society and local communities though the thematic programmes. In particular at the regional level, the ENPI provides a wide range of cooperation programmes that can be regarded relevant for STI cooperation.

Best practice examples: Current ENPI experiences

The presented ENPI good practice examples showed possibilities to support STI capacity building activities in the three societal challenges.

TAIEX is an important instrument for policy setting and identifying common (STI) visions of national goals for the future. As the instrument is not oriented along the national strategy, it is sufficiently flexible and demand-driven. Applications are easy if partners have been identified beforehand, and projects can be implemented on relatively short

notice (e.g. two months for approval). Target participants are the public administration, governmental agencies, semi-private sector, etc. Workshops, expert missions and study visits also with focus on STI can be funded, e.g. coherence for statistical data on innovation indicators, venture fund activities or technology transfer procedures. The Republic of Moldova made well use of it to support their STI policy development, e.g. by using the TAIEX missions for looking at the financial and economic effects of a potential association to FP7 or SME opportunities in FP7. As a result of a 2012 TAIEX mission, the internationalisation strategy is now part of a wider Moldova Strategy 2020.

In comparison to the Twinning programme, however, TAIEX is a short-term instrument. As precondition for the Twinning programme, there should be a national agreement, a stated interest from different ministries, and the topic should be a national priority in the national strategy. Despite these prerequisites, all EaP countries have benefited substantially from Twinning programmes related to capacity building, e.g. Armenia, Azerbaijan, Georgia, Moldova and Ukraine are formal signatories to the Bologna Declaration. The EaP countries have made progress on quality assurance and on the adaptation of higher education to the three-cycle system (see for example the Twinning CEIBAL project in Georgia – “Capacity Enhancement for the Bologna Action Lines in Georgia”). Also, some Twinning projects were related to R&D, e.g. the project “Support to the Implementation and Enforcement of Intellectual Property Rights in the Republic of Moldova”.

Aside the TAIEX and Twinning programmes under ENPI, there is also a possibility to engage in S&T-related capacity building in the ENPI Multi-country Cooperation Programme projects. The good experiences of the Project “Trans-Boundary River Management for the Kura River basin – Armenia, Georgia, Azerbaijan” showed that S&T activities can easily be integrated in ENPI-funded projects. For example, the project supports development of a common approach to water quality monitoring and assessment based on the EU Water Framework Directive (WFD) methodologies; and enhances technical capacities of environmental authorities and monitoring establishments to enable them to change their policies and practices in accordance with WFD.

Experiences with implementing the ENPI technical assistance project “Support to the Implementation of the Comprehensive Energy Strategy for the Republic of Belarus” with the objective, among others, to support the involvement of Belarusian scientists in the EU research programs, showed that generally there is a potential that technical assistance projects can be used for STI advancement. By providing fora for dialogue amongst different stakeholders (policy makers, implementing agencies), the current agenda of (energy-related) science could be communicated to the policy makers. Nevertheless, the proposal writing and implementation of such projects is very demanding as they are intensively evaluated by the EU; the ToR cannot be changed during implementation, however the situation changes; and beneficiaries are not allowed to financially benefit from the project, so Belarusian experts could not be hired. Therefore, it was concluded that using this instrument more widely, constitutes a challenge. For both thematic examples, the cooperation at the level of the scientists worked generally well. However, the success of the cooperation strongly depended on the interest and commitment of the policy makers.

Joint learning: Improvement and needs for certain instruments and Recommendations for a stronger EU-EaP and EU-CA Cooperation using ENPI/DCI respectively

Given the above-mentioned potential and good practice experiences, the ENPI provides a wide range of cooperation programmes that can be regarded relevant for STI cooperation. The instruments available under the ENPI policy framework could be used to strengthen national research capacities and infrastructure, and to foster the participation in the EU Programmes open for the region.

Yet, the analyses conducted in the frame of the IncoNET EECA and CASC projects showed that the current focus on cooperation activities that are linked to S&T are rather weak for both ENPI and DCI. Although STI policy is included in all Partnership and Cooperation Agreements of the EaP countries, in order to foster cooperation in civil scientific research and technological development, the Country Strategy Papers and the National Indicative Programmes, address STI mostly as sub-priorities in the field of tertiary education, energy and the environment. Furthermore, STI is mostly supported at the legislative and administrative management level.

Thus, the recommendations collected in the conference can be useful for further EU policies targeting the EaP and CA regions. Furthermore, looking at the relevance of ENPI and/or DCI goals for the STI landscape in the two regions, there is room for closer bi-regional cooperation.

In this respect, it is the countries' Annual Action Plans that shape the annual activities and EU cooperation, rooted into the Country Strategy Papers and line out and reflect the realistic actions in the target country. STI should therefore be reflected in the Country Strategy Papers and Annual Action Plans, then in the National Indicative Programmes which comprise the precise actions for the respective country.

Although DCI and ENPI do not include as main target support to STI, they could be used to improve the STI system, i.e. capacity building could be an option (e.g. via infrastructure and human potential development). The *White Paper* prepared under the IncoNET EECA project already includes a large number of priorities for actions in the field of capacity building that could possibly be supported by ENPI/DCI (e.g. via the TAIEX and Twinning instruments), for example:

- Training activities
 - In national and international policy making (R7/R14);
 - In managing research institutions (R19);
- Setting up/improving procedures
 - For STI statistics (R1);
 - In addressing societal challenges (R10)

In addition to the Technical Assistance, activities could be accompanied by studies on impact, needs and feasibility that could help improve the informed decision-making on the side of the national authorities.

Nonetheless, **barriers exist** in using ENPI/DCI for addressing STI-related needs: Firstly, strong competition will occur with other national priorities, e.g. infrastructure development for transport, energy or health, since there are many national needs in these

or other fields; and, secondly, the lack of experience in setting up capacity building actions addressing STI related needs is also an issue. Addressing societal challenges and stronger international cooperation could diminish these barriers:

- A. Addressing societal challenges requires a more comprehensive, multi-disciplinary and multi-sectoral approach, with Research as an integral part. Such approaches reduce the 'isolation' of the research world, while simultaneously enhancing the links with other ministries/authorities. **Accordingly, there is an opportunity to "upgrade" the role of STI within the national priorities and consequently in defining ENPI Strategy Papers and Action Plans, e.g. under the theme "innovation".**
- B. **Joint EU- EaP and EU-CA activities such as IncoNET and BILAT projects can act as facilitators in setting up capacity building actions under the ENPI/DCI:** The policy dialogue supported by these types of projects can contribute to the inclusion of STI related activities in the national priorities to be supported by ENPI/DCI (mainly capacity building actions); In addition and moreover, these type of projects can mobilise the necessary expertise for setting up eligible ENPI/DCI actions.

Also, the current budgetary framework 2007-2013 for ENPI is coming to an end. At present, the EU is in the process outlining the future phase of ENPI programming 2014-2020. In this context, the EU is currently visiting the EaP countries to seek dialogue with the national authorities and shaping the strategy papers for the next years. Similarly, the DCI instrument is currently being re-defined, so the role of STI in the future instrument is unclear. Furthermore, Kazakhstan will no longer be a target country under this instrument, but fall under the Industrialised Countries Instrument (ICI+)

If STI is to be incorporated in the country strategies for the future ENPI/DCI phase, action should be taken now, since at present the national governments are asked to define their national priorities.

It was recommended from the representatives from decision-making structures, to prepare written requests to national authorities to include STI related actions (e.g. capacity building) in the Country Strategy Papers and Annual Action Plans as part of the national priority towards Innovation (e.g. strengthening the whole STI chain).

Further discussion points for closer synergies between ENPI/DCI and STI:

- There is the need to increase awareness about ENPI/DCI goals among STI institutions.
- As many projects under the ENPI and DCI instruments are delivering training to different actors (mainly policy makers), the impact of the seven years of ENPI and DCI instruments should be evaluated with respect to training of scientists and policy makers. In particular, it needs to be looked at which programs were the best for training the young scientists and, consequently, which programmes should be reinforced.
- It should further be investigated how the NCP system could be supported through the ENPI/DCI mechanism.
- ENPI/DCI could contribute to STI infrastructure improvement.

- Innovation could be used as entry point for STI in National Strategies as it is closely linked to STI.
- In the Annual Action Plans, capacity building activities in the field of innovation could be included, e.g. training measures for managers of incubators and entrepreneur trainings (i.e. supporters of research, not only researchers), support in setting-up an educational program for technology transfer or integrating courses for technology transfer into existing courses (Twinning activities could be the most suitable approach).
- EU projects are rather large, while in some cases bilateral cooperation projects may be more tangible and the output more concrete. Therefore, ways to use ENPI for improving the bilateral research cooperation should be further explored.
- A regional roadmap for infrastructure could be helpful, for connecting leading research infrastructure in the region in order to help alleviate brain drain; here political commitment is crucial.

C: The Way forward – Synergies between policies and instruments

Addressing the societal challenges necessitates an integrated approach that will bring together stakeholders beyond the STI sector, such as the national sectoral ministries, the civil society, and also a strong international cooperation component.

The EU MS & A/C and the EaP/CA countries have already worked together in paving the way for such joint actions with emphasis on the three selected challenges, i.e. Climate Change, Energy and Health in the context of the INCONET type activities. These efforts should be strengthened and expanded in particular in preparation of the H2020.

Furthermore, the Conference showed good practice examples on the use of the ENP/ DCI instruments in supporting Research-related activities. Opportunities for expanding such synergies between the two instruments and STI exist, in particular for the capacity building activities, and especially when addressing the societal challenges an integrated approach is necessary.

In order to develop such synergies, there is a need for awareness campaigns amongst policy makers in the respective beneficiary countries, but also at the level of the instruments' officials: Such campaigns need immediate attention in view of the current planning for the future programming of the two instruments. In that respect, the Conclusions of the Conference need to be forwarded to all relevant national stakeholders, as well as to the EC.

Given their experience and success in the past, the INCONET type activities could be a facilitating instrument in enhancing synergies by bringing together the relevant stakeholders and by providing the capacity to mobilise the necessary expertise for setting up adequate projects.