



Cover note for the WHEB paper to be presented to the European and External Affairs Committee, National Assembly for Wales

In April 2010, WHEB gave a presentation to the HEFCW Research Innovation and Engagement Committee (RIEC) on current key policy developments in Brussels relating to the European Research Area and the European Higher Education Area. The presentation outlined the key themes relating to the current and future Framework Programmes and identified opportunities and challenges for the sector in Brussels and beyond.

The current operating context in Brussels is both challenging and complex. There are a number of key policy developments that will significantly affect the extent to which Welsh HE will benefit from Brussels in future and remain competitive. These include the debates on the EU2020 Strategy; Innovation; the future of the European Research Area (ERA), including the future of Framework Programme (FP8); Regional funding post 2013; the European Higher Education Area (EHEA) and the Bologna Process.

These areas are addressed in the paper (attached).

The general conclusions in the unconfirmed note of the RIEC meeting state:

'This presentation was extremely well received and provoked a great deal of questions and debate, which identified the following key issues:

- A lack of overarching strategic direction and support to enable Wales in general to maximise opportunities arising from European engagement;
- A corresponding need to develop a *Team Wales* approach to European (and wider international) engagement in which Welsh HE and the Welsh business sector should be key contributors alongside relevant representatives from the Assembly Government and Local Government in Wales;
- A need to move quickly on the above two fronts because of the timeframe to which Brussels is currently working – eg White paper on budget review to be published by July 2010; Research & Innovation Plan to be drawn up by September 2010 and proposals for Framework Programme 8 to be published by end of 2011'.

Specific conclusions from the note are also given on page 13.

Note on Welsh Higher Education Brussels:

Welsh Higher Education Brussels (WHEB) is located in Wales House, Brussels, and was launched in March 2006. WHEB is a partnership organisation, representing the universities in Wales and is supported by Higher Education Wales (HEW) and the Higher Education Funding Council for Wales (HEFCW).

Opportunities and Challenges for Welsh HE in Brussels

Welsh Higher Education Brussels (WHEB) gave a presentation on the opportunities and challenges facing the Welsh HE sector in Brussels, the European Higher Education and Research Areas (EHEA & ERA) at the recent HEFCW Research Innovation and Engagement Committee. This paper outlines the main issues presented to that meeting.

Key policies as well as funding developments in Brussels directly affect the international competitiveness of Welsh HE which is a clear objective of 'For Our Future', the new WAG strategy for HE. The presentation examined how WHEB, together with its partners (HEW, HEFCW, WAG etc), could help the sector to position itself to best exploit the opportunities and mitigate some of the challenges.

1. Current key policy developments

EU research, innovation and HE funding is determined by the political priorities of the EU.

1.1 Europe2020

The conclusions of the Spring Council on 26 March 2010 outline the agreement by Member States of the Europe 2020 strategy before its formal adoption in June. WHEB submitted a response to the consultation document in January. The Council has agreed on some of the proposed headline targets included in the strategy.

Next steps:

Member States, in dialogue with the Commission, will need to set their own national targets taking account of their relative starting positions and national circumstances. The results of this dialogue will be examined by the Council by June. **Following on from the WHEB consultation response, the sector should consider how the Welsh HE community will engage with this process.**

The targets need to be submitted in time so that they are taken into account while Member States draw up their National Reform Programmes which in turn need to be submitted by autumn 2010.

The Commission will present by October 2010 the actions required at EU level to implement the new strategy, notably through the flagship initiatives. The initiatives of particular relevance for HE include:

- 'Innovation Union' to improve framework conditions and access to finance for research
- 'Youth on the Move' to enhance the performance of education systems
- 'An agenda for new skills and jobs' to modernise labour markets and update skills through lifelong learning

In June the Council will approve the detailed parameters of the strategy, including the integrated guidelines and national targets.

In October 2010 the European Council will discuss research and development, in particular looking at how to boost Europe's innovation potential. In early 2011 the Council will debate energy policy.

1.2 Innovation

Innovation is now part of the portfolio of the Research Commissioner. She will have overall responsibility for the cross cutting policy which will involve other commissioners in particular Industry and Digital Agenda. Her first task will be to draw up a new Research and Innovation Plan by September in advance of the autumn European Council which will be dedicated to research and innovation. The plan will focus on 'grand societal challenges': climate change, energy security, food security, health and an ageing population. It will also take a broad approach to innovation based on science research but also including other forms of innovation such as business models, design and services innovation. WHEB coordinated a sector response to the Commission consultation on design in summer 2009. The future Plan will address financial issues, such as fostering public risk capital, demand-driven innovation which includes innovative public procurement, and internationalisation through innovation.

In addition, the Plan will propose an indicator to track innovation as specified in the EU2020 strategy. It will also outline a policy framework for:

- Developing European Research and Innovation Partnerships
- Developing underpinning technologies
- Optimising framework conditions for research and innovation
- Strengthening, simplifying and further developing the scope of EU instruments to support research and innovation including eco-innovation.

1.3 ERA

Completing the ERA is a key objective for the new Research Commissioner. This involves the 5 key initiatives:

- Research careers
- Joint programming
- Infrastructure
- Knowledge transfer
- International cooperation

The *research careers* initiative aims to support researcher mobility and career development. It will aim to accelerate progress in key areas including social security, competition based trans-national recruitment and portability of funding, employment and working conditions and training and skills. Wales has been successful in securing funding for individual researchers e.g. through European Research Council (ERC) grants, Marie Curie Fellowships, and Erasmus Mundus.

Joint programming is a structured and strategic process whereby Member States agree, through a voluntary and à la carte process, common visions and strategic research agendas to addressing major societal challenges. The aim is to foster a structuring effect so as to increase the efficiency and impact of public research funding. A pilot joint programme initiative was set up last year on combating neurodegenerative diseases, in particular Alzheimer's. Twenty Member States including the UK (Medical Research Council) will collaborate to define a common Strategic Research Agenda during 2010. A management board of political appointees with the power to commit national financing is now meeting regularly. **Joint programming could be a route in for Wales to access more UK Research Council funding.** The Member States will have to decide upon the structure to implement the Strategic Research Agenda, depending on whether FP7 funding will be requested to create common funding calls. Future areas identified for Joint Programming include:

- Agriculture, food security and climate change
- Health, food and prevention of diet-related diseases
- Cultural heritage, climate change and security

Possible future topics include 'Water Challenges', 'Living with Climate Change' and 'Future of Cities/Transport'

The experiences gained through the ERA-NET (Networking the European Research Area) scheme have provided a useful base for joint programming. Member States have used the input from ERA-NETs to identify possible JP themes.

The UK HE sector is lobbying to ensure that Joint Programming develops over a long (10-20 year) trajectory and it is likely to only participate in areas where the UK Research Councils already have established funding streams, since it is thought that the majority of funding for Joint Programming activities will not come from EU funding streams.

(see:

http://www.europeunit.ac.uk/sites/europe_unit2/resources/UKPositionEuropeanResearch_EN.pdf).

The Welsh HE community might consider how to position itself in order to take advantage of the increased funding opportunities which might follow from the joint programming priorities.

An expert group was set up by the Commission to re-examine the role of *research infrastructures* within the ERA. It published a report in January which provided recommendations for developments and improvements in key areas. These areas included the role of infrastructures in addressing global challenges and internationalisation, in strengthening research capacity within the ERA, e-infrastructure and access as well as the legal framework, decision making, governance and evaluation procedures.

The Scientific and Technical Research Committee (CREST) set up a working group last year to monitor and evaluate the take up and impact of the 2008 Commission Recommendation and Code of Practice for universities and public research organisations for the management of intellectual property in *knowledge transfer* activities. During the first two years, the working group will focus on identifying indicators for measuring progress in implementing the Recommendation and Code of Practice. In addition it will report on initiatives taken at national levels and identify specific issues related to international knowledge transfer.

International science and technology cooperation aims to respond to the increasing globalisation of R&D. Cooperation based on mutual benefit with third countries is regarded as crucial to the EU's scientific, political and economic objectives. This initiative will coordinate the efforts of the Member States and the Commission in order to avoid duplication of activities by agreeing on and implementing a common policy framework for international S&T cooperation. The recent Welsh high level HE delegation visit to Delhi highlighted several significant opportunities for Welsh HE to collaborate with India on research and innovation activities through EU initiatives.

One of the key messages from the visit was that the Commission is keen to support Indian partners in the Framework Programme, and that this is matched by funding from Indian authorities. WHEB is helping the sector to take forward a number of these opportunities. The delegation visit to Delhi was also reported on separately at the same RIEC meeting. **The Welsh HE sector could examine how to establish closer links with HEIs and businesses in India, especially in terms of FP, and potentially UK Research Council, collaboration. WHEB has since learned that the UK government will be supporting bilateral initiatives with India rather than funding the EU pilot initiative with India.**

1.4 Bologna/EHEA

The Bologna Process reached the 2010 mark by which time the European Higher Education Area was meant to have been created. The Trends reports of the ten year period and the 2009 Europe Unit Bologna Survey show significant progress has been achieved but that there is still some way to go. **Wales has performed very well compared to the UK average in a number of areas including the use of credit, the percentage of staff and student mobility, the adoption of institutional strategies. The sector could consider how it might build upon this success.**

- 7 HEIs in Wales produce diploma supplements
- 80% of HEIs use European Credit Transfer System (ECTS) for credit transfer cf. 78% in Scotland and 50% in England/NI
- 80% of HEIs have measures to support staff mobility cf. 67% in Scotland and 73% in England/NI
- At least 3 HEIs have issued joint/multiple/dual degrees. This is in line with the UK average (Wales is also keen to further develop its strengths in joint PhD provision, including Erasmus Mundus)
- 90% of HEIs have institutional strategies cf. 82% in the UK as a whole while 70% have assigned a member of staff/committee/group responsibility for Bologna issues. According to the report: 'This compares well with the UK national average of 58%, 55% in England and NI, and 71% in Scotland. This is clear reflection of the growing importance of the Bologna Process agenda in Wales and the wider UK'

Further details can be found at:

https://admin.hero.ac.uk/sites/europe_unit2/resources/E-2010-01EuropeUnitSurveyResultsUK.pdf

1.5 Cohesion Policy, Structural Funds post 2013 and budget

WHEB and Higher Education Wales gave evidence to the European and External Affairs Committee on the future of Cohesion Policy in September 2009.

The cohesion policy debate is framed by the Europe2020 strategy. Emerging trends include the need to focus on core priorities and new challenges such as climate change as well as the need to strengthen the territorial dimension of the policy including greater support for territorial cooperation. The debate on the future of structural funds after 2013 has begun with Wales aiming to secure at least transitional funding for the next financial perspective. However, recent GDP figures indicate that Wales might be in line to receive full Convergence funding again. The 2007 reference year shows that West Wales and the Valleys are at 73.4% of average EU GDP. The HE sector in Wales will need to define its objectives for future funding and the case it will want to argue over the next 12 months. The European Commission white paper on the budget review will be published in July 2010. **Furthermore, WHEB has been informed that the ESF will not only be based on the EU2020 priorities in future but might also be managed directly from**

Brussels or through Member State governments rather than through regional authorities.

Welsh MEPs sit on the Regional Policy and Budget Committees at the European Parliament. **The Welsh HE community could consider how to develop a dialogue with them specifically to ensure that the views of the sector are fed into these influential committees.**

The potential for synergies between the Structural Funds and the Framework Programme has been a key topic under the current Spanish Presidency. Both the recent conference in Granada, the 'Week of Innovative Regions in Europe', and the draft report by Lambert van Nistelrooij MEP from the Regional Policy Committee at the European Parliament highlight the need for regions to define and prioritise their research strengths in what they call smart, green specialisation.

The European Research Funding Officer at Aberystwyth University attended the conference in Granada. Key messages from the conference included the importance of innovation for exiting the economic crisis. However, it was stressed at the conference that innovation is broader than research. Synergies between certain Structural Funds and certain strands of the Framework Programme are possible and desirable. In the session on Research Potential, the Portuguese territories of the Azores and Madeira were performing very well in GDP comparison due to greater synergy with and support from governmental agencies. In order to maximise its competitive advantage the Welsh HE community will need to consider how its existing research strengths and consortia (including e.g. the reconfiguration and collaboration funded initiatives and potentially centres and subjects of excellence identified through the RAE) might respond to and benefit from this agenda. **Moving forward, the Welsh HE community could consider focusing its collective efforts and strategy on these specific areas of existing capacity/strength.** (This point is also pertinent to the discussion on Framework Programme below).

1.6 Additional Information

The Education, Youth and Culture Council which met on 11 May 2010 adopted the Council Conclusions on the internationalisation of higher education. The Conclusions recommend that Member States:

- Foster a truly international culture within their HEIs
- Increase the international attractiveness of their HEIs
- Promote the global dimension and awareness of the social responsibility of HEIs

In addition, the Commission is asked to:

- Develop, in collaboration with Member States, an EU international HE strategy which is aimed at improving the coherence and

complementarity between existing international cooperation initiatives at both EU and national level

- Ensure that learning and research mobility between the EU and the wider world forms part of the strategy
- Continue to support international higher education partnerships, international academic cooperation and capacity-building actions, and to facilitate policy dialogue in HE with interested third countries
- Promote the exchange of experience and good practice in this field

2. Framework Programme

Figures obtained from UK Research Office (UKRO) show that there is a slight increase in Wales in both participation and funding percentage from FP6 to FP7 even though the sector has an ambition to increase its share of FP funding.

A key challenge for the Welsh sector is to increase its participation and funding level both in absolute terms and as a proportion of UK involvement. A key role for WHEB (and its partners) is to support the sector to improve its capacity to participate in transnational funding programmes. A high level of competition for EU research, innovation and HE funding means that approved projects are highly regarded internationally, such as the European Research Council (ERC) Starting and Advanced grants – 3 from Wales currently – all in loosely health-related subjects. This has been hugely competitive and Wales has performed well.

Most of the meetings with European officials and networks that WHEB organises for sector staff build capacity for current and forthcoming funding calls. In 2008-9 the value of this early preparation was shown by an FP7 funding topic on ethics emerging twelve months after WHEB had assisted a researcher from Swansea University to lobby for it, following meetings in Brussels. Intelligence passed to the sector includes:

- Advanced information on the FP7 call for proposals on marine science four months before its publication
- A meeting set up by WHEB for the WILOs with the European Commission on the new FP7 Marie Curie Co-funding of Regional, National and International Programmes (COFUND) gave specific advice six months before the publication of the call.

An early steer on the potential success of an application reduces the risk of wasting resources. If the meetings concern research, in several cases staff have obtained a contribution to travel costs from the Enterprise Network Wales (WAG) European Collaboration Fund. **Could this fund be made more flexible in future to support participation in a wider range of programme bids and seminars, including those to support policy development?**

2.1 Increasing engagement with FP7

During the HEFCW Research, Innovation and Engagement Committee meeting in October 2009, Dr. Louise Bright, who was seconded from University of Glamorgan to DCELLS, outlined the findings of her research into UK Research Council funding for Welsh HEIs. WHEB subsequently asked her to present a paper to the WHEB Board in January 2010 on whether these recommendations would apply to improving Wales' share of FP7 income. Her findings showed that the most successful FP7 applications were in the Health and ICT sector and that over 86% of all FP7 funding went to HEIs compared with over 65% in the rest of the UK. In summary, her recommendations included:

- HEIs should further improve the internal peer review processes for FP7 applications to ensure those applications are of the highest standard
- Wales should consider submitting a greater number of FP7 bids in order to increase the % share of FP7 income in Wales
- Consideration should be given to strategic investment in priority areas to lever in FP7 income into specific discipline areas
- HEIs and businesses should continue to make use of Enterprise Europe Network Wales

The CORDIS website has a section on 'Go Local' to outline the research profile of Member States. Flanders has used this opportunity to promote itself as a leading region in research and development.

http://cordis.europa.eu/flanders/rd_en.html

There might be opportunities for Wales to exploit the same opportunity within the UK pages.

2.2 Other examples of gaining privileged information on the Framework Programme include:

European Technology Platforms can provide a framework for stakeholders, led by industry, to define research and development priorities, which can translate into new calls at a later stage. Increasing the number of academics from Wales as members of the various platforms would provide the sector with an opportunity to influence future research agendas. Prof Phil Bowen at the School of Engineering at Cardiff University, for example, sits on the Steering Committee of the European Biofuels Technology Platform.

Academics who become FP7 *programme evaluators* gain an insight into the procedures and processes of the programme which can be of immense value when putting together an application. The Commission will be reviewing the list of evaluators in the autumn.

There are *key contacts* which the sector should consider approaching in order to levy some influence. These include the FP Management team at the Department of Business Innovation and Skills (BIS), the UK representative on the relevant FP7 Programme Committee and FP7 National Contact Points including the UK Research Office.

Through its membership of European Regions for Research and Innovation Network (ERRIN), WHEB can gain access to the *draft FP7 work programmes* for 2011. In addition the Commission produces a 'road map' for future calls in some areas such as the Social Sciences and Humanities. These road maps give an indication of the topics which the Commission wishes to fund in future years.

2.3 Influencing the Framework Programme and lobbying MEPs

The final report on the interim evaluation of FP7 will appear in October 2010 and will focus on areas such as the achievement of FP7 objectives, its contribution to the creation of the ERA, efficiency of the new strands such as the capacities programme, impact on societal challenges and effectiveness of the process to simplify the programme.

BIS is currently undertaking an informal consultation with UK stakeholders on the future of Framework Programme 8. A formal BIS consultation will take place in the summer leading to the formal UK position in the autumn. BIS is holding a seminar on the future of the Framework Programme on 28 May. Academics from Welsh HEIs are invited to attend. However, this consultation might change under the new UK government.

A UK HE sector position paper on the future of the ERA was produced by the UK HE Europe Unit, and made public at the end of March, translated into 4 languages and circulated widely in Europe:
(http://www.europeunit.ac.uk/sites/europe_unit2/resources/UKPositionEuropeanResearch_EN.pdf).

This strongly supports the need to maintain excellence as the primary criteria for awarding research funding. A number of key points raised by the Welsh HE community were reflected in the position paper including:

- Though excellence should remain the guiding principle for funding in FP, better use should be made of structural funds to support broad-based research capacity
- Evidence exists to support the argument that mobility can have a positive impact on research
- There is a need to ensure that the focus on grand societal challenges does not put smaller research groups at a disadvantage cf. large consortia
- More flexibility in the rules of different funding streams would allow for synergies to develop between them. One such example would be

linking research funding under the FP with the support given through the structural funds.

WHEB has already forged a positive relationship with the new MEPs for Wales. The WHEB Board hosted a meeting for all four MEPs in January and they were keen to support the sector where possible. Though there is no MEP from Wales who is a member of the most relevant Committee (Industry, Transport, Research and Energy) at the European Parliament, they have colleagues from their political groupings who do.

The Low Carbon Research Institute wishes to hold an event in Brussels in autumn 2010. WHEB will also be in contact with Jill Evans MEP who sits on the Environment Committee who has expressed an interest in supporting the institute.

WHEB has provided the Welsh MEPs with a copy of the UK HE sector's position on the future of the ERA, and highlighted the Welsh priorities. **Moving forward, it will be important to ensure that key Welsh sector priorities for FP8 are kept at the top of the Brussels agenda.**

2.4 New scenarios for FP8?

In a 2009 report on priority setting for Framework Programmes, Dan Andree from VINNOVA, Swedish Governmental Agency for Innovation Systems outlined at least three possible scenarios for future thematic structure and content of FP:

1. Focus on the Grand Challenges which could be expressed in general terms or problem-solving
2. Technology/thematic approach expressed by a combination of enabling and/or converging technologies such as nanotech, biotech
3. Competitiveness-driven research such as new medicines, manufacturing technologies building on European Technology Platforms (ETPs) and Joint Technology Initiatives (JTIs) and complemented by policy-driven research such as public health, climate change etc

A number of key questions have emerged from the debate on the future of the Framework Programme including:

- How will Joint Programming impact on the FP? Will this be more complicated if the Commission has to take into consideration all national research programmes when preparing FP8. How will this complement the expectations of the European Technology Platforms and Joint Technology Initiatives?
- To what extent will the focus on grand challenges affect the structure of the FP and the way the sector engages with and prepares itself for FP8?

- What approach would be favoured by the sector regarding the scenarios identified?
- How will FP8 be simplified? Would it be possible to change the Financial Regulation?

2.5 Timetable for developing FP8

During the first quarter of 2011, the Commission will publish its Communication on FP8 and in the final quarter of the year it will publish its formal proposal. In the past the proposal put forward by the Commission is almost completely accepted by the Council and EP. These institutions tend to make additions rather than amendments to the programme during the legislative process.

The indicative timeline is:

Summer 2010 – UK public consultation

Late 2010 – Formal UK position on FP8 which will coincide with the mid-term evaluation of FP7 and the autumn European Council dedicated to research and innovation

Early 2011 – Commission's Communication on FP8

Late 2011 – Commission Proposal for FP8

Early 2012 to late 2013 – Legislative process through co-decision (EP and Council)

Early 2014 – start of FP8

Therefore, **the UK/ Welsh sector will seek to put forward its response to the Communication at the earliest opportunity.**

3. WHEB's future priorities

During 2010-12 Higher Education Wales and HEFCW have asked WHEB to prioritise its work in two key areas:

- Deepening the sector's new relationships with those behind European HE policy into sustained and visible collaboration, which enhances the international reputation of Welsh HE
- Creating opportunities for Welsh HEIs to build new strategic partnerships with high-level representatives of other HEIs and governments, with spin-offs in terms of joint degrees/research

These priorities should promote the specific international objectives of each HEI with the aim of increasing the:

- Recruitment of overseas research students
- Number of joint academic programmes with European HEIs
- Number of research collaborations

As part of Europe wide networks in Brussels such as the European Regions for Research and Innovation Network (ERRIN) and the Brussels informal Network

for Education and Training, WHEB is well placed to develop long term partnerships with key colleagues in other regional offices. Through participation in these networks, WHEB can also access key decision makers in the Commission.

In addition to regional offices, WHEB has established relationships with UKRO and the European Universities Association (EUA) as well as other Europe wide networks such as UNICA, the network of universities in capital cities.

The universities in Wales work with WHEB to take advantage of these contacts and to identify through their own international strategies key areas for developing European partners.

The WHEB Board meets three times a year and includes members from the universities and the representative sector bodies (including HEW and HEFCW). The Board advises WHEB on the priorities for its work programme. **The outcomes of the discussion at the RIE Committee meeting on 19 April will be tabled for the WHEB Board meeting on 7 June.**

Conclusions from the Research Innovation and Engagement Committee on 19 April 2010

In addition to the general conclusions outlined in the unconfirmed cover note of the RIEC meeting, specific conclusions on the issues presented include:

'Whilst recognising that addressing these issues was outside the remit of this Committee alone, members nevertheless identified a number of actions that could be taken by RIEC Members, HEFCW and HE institutions in Wales. These were:

- HEFCW, together with Welsh Assembly Government officers represented on the RIEC, to raise these issues at forthcoming meetings of the Assembly's newly constituted R & D Panel and in the context of the Assembly Government's Economic Renewal Programme (as discussed at the RIEC meeting of 19/4/10);
- Incorporate further statistical work on Welsh engagement with the Framework programme relative to the proportion of funding available into work already in hand on behalf of the aforementioned R & D Panel;
- HEIs to be encouraged to expand their links with large R & D active companies in Wales;
- HEIs to be encouraged to increase their attendance at relevant EU seminars and other events;
- HEIs to be encouraged and supported to nominate Welsh representatives for EC committees, expert panels, reviewing bodies etc;
- WAG (Department of Economy and Transport) to promote to HEIs its *Wales Collaboration Fund* for the support of FP bids and possibly broaden its scope to cover mobility programmes, facilitate attendance at seminars and other events etc.;
- Simon Bradley to share with RIEC recent EADS research into Framework Programmes and their uptake'.

HEFCW officers are now investigating ways of advancing these matters, seeking where possible to engage key WAG officials, HEIs and appropriate RIEC members themselves. Responsibility for some of these areas, however, does not rest with HEFCW.