

**National Assembly for Wales**  
Enterprise and Business Committee

## Horizon 2020: Stage 2 Report

May 2013



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

An electronic copy of this report can be found on the National Assembly's website:  
**[www.assemblywales.org](http://www.assemblywales.org)**

Copies of this report can also be obtained in accessible formats including Braille, large print; audio or hard copy from:

Enterprise and Business Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

Tel: 029 2089 8153

Fax: 029 2089 8021

Email: [Enterprise.BusinessCommittee@wales.gov.uk](mailto:Enterprise.BusinessCommittee@wales.gov.uk)

© National Assembly for Wales Commission Copyright 2013

The text of this document may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading or derogatory context. The material must be acknowledged as copyright of the National Assembly for Wales Commission and the title of the document specified.

**National Assembly for Wales**  
Enterprise and Business Committee

## Horizon 2020: Stage 2 Report

May 2013



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

## Enterprise and Business Committee

The Committee was established on 22 June 2011 with a remit to examine legislation and hold the Welsh Government to account by scrutinising its expenditure, administration and policy, encompassing economic development; transport and infrastructure; employment; higher education and skills; and research and development, including technology and science.

### Current Committee membership



**Nick Ramsay (Chair)**  
Welsh Conservatives  
Monmouth



**Mick Antoniw (from 24.04.13)**  
Welsh Labour  
Pontypridd



**Byron Davies**  
Welsh Conservatives  
South Wales West



**Keith Davies**  
Welsh Labour  
Llanelli



**Dafydd Elis-Thomas**  
Plaid Cymru  
Dwyfor Meirionnydd



**Julie James**  
Welsh Labour  
Swansea West



**Alun Ffred Jones**  
Plaid Cymru  
Arfon



**Eluned Parrott**  
Welsh Liberal Democrats  
South Wales Central



**David Rees**  
Welsh Labour  
Aberavon



**Ken Skates (until 24.04.13)**  
Welsh Labour  
Clwyd South



**Joyce Watson**  
Welsh Labour  
Mid and West Wales

# Contents

---

<b>The Committee's Recommendations</b> .....	5
<b>Foreword</b> .....	8
<b>Introduction</b> .....	9
Stage 1 of the Committee's inquiry into Horizon 2020 .....	9
Stage 2 of the Committee's inquiry .....	11
<b>Comparisons with other countries</b> .....	12
Ireland.....	13
Scotland .....	16
UK Department for Business, Innovation and Skills .....	17
Strengthening support within Wales .....	19
The role of the Welsh European Funding Office .....	19
Wider strategic framework for research and innovation .....	22
<b>Specific Opportunities under Horizon 2020</b> .....	25
Knowledge Innovation Communities .....	25
Marie Curie Actions .....	26
Working on the inside.....	28
<b>Annex A: Visit to Cardiff University</b> .....	31
<b>Annex B: Comparative data on participation in FP6 and FP7</b> .....	36
<b>Contributors to the inquiry</b> .....	38



## The Committee's Recommendations

---

**Recommendation 1.** Include with its response to our stage 2 report, an update on progress made against all 16 recommendations of our stage 1 report. (Page 10)

**Recommendation 2.** Examine and assess the role of Ireland's National Support Network for FP7, the lessons learned and the good practice that could be applied in a Welsh context to facilitate engagement with the Horizon 2020 framework. (Page 15)

**Recommendation 3.** Examine and assess the impact of Scotland's Steering Group for Research and Innovation and its new Support Framework for Horizon 2020 and draw out any lessons to inform the development of a more strategic approach to providing support mechanisms in Wales. (Page 17)

**Recommendation 4.** Consider the effectiveness of the current National Contact Point network in supporting participation from Wales in FP7, and how the new Horizon 2020 unit in WEFO fits within that review. (Page 19)

**Recommendation 5.** Charge the new Horizon 2020 unit in WEFO with raising the profile of Wales in Europe, including pooling the use of people and resources in Brussels to maximise impact. (Page 21)

**Recommendation 6.** Ensure staff within the new WEFO unit have the necessary mix of technical, scientific and business skills and expertise, which have proved so successful in Scotland, Ireland, Aragon and Catalonia. (Page 21)

**Recommendation 7.** Evaluate the legacy of projects funded by FP7 projects and consider how the economic and social benefits of activity supported under Horizon 2020 can be sustained more broadly. (Page 22)

**Recommendation 8.** Charge the new WEFO unit with cascading and encouraging exploitation and application of the outcomes of EU research projects. (Page 22)

**Recommendation 9.** Encourage the higher education sector to be more focused and disciplined in deciding on its strongest

specialisations and in building on those priorities moving forward.  
(Page 23)

**Recommendation 10.** Clarify the role of the new National Research Networks in driving forward participation in Horizon 2020, and how this will be complemented by the new unit in WEFO. (Page 23)

**Recommendation 11.** Ensure an integrated approach to EU funding streams will continue under the new cabinet portfolios announced in March 2013, and that WEFO will have a key role in promoting collaboration and integration on the ground. (Page 24)

**Recommendation 12.** Actively support a more strategic partnership - a Welsh version of the successful approaches in Ireland and Scotland - between higher education and businesses in Wales, in respect of the opportunities presented by Horizon 2020. This should include hosting an annual Horizon 2020 conference or science week in Wales to raise the profile of EU funded research, to broker ideas and to showcase successful projects. (Page 24)

**Recommendation 13.** Start building the strategic capacity for Welsh partners to engage with the anticipated Knowledge Innovation Communities (KICs) programme in 2018 in areas that build upon Welsh strengths and expertise. This should include consideration of using EU Structural Funds to kick-start activity in this area. (Page 26)

**Recommendation 14.** Consider hosting a conference, in partnership with the higher education sector, to raise awareness of the opportunities for Welsh institutions and businesses offered by the new wave of KICs. (Page 26)

**Recommendation 15.** Explore how Welsh businesses can participate more fully in the Marie Curie Actions under Horizon 2020, and how the initiative can be used for the professional development of academic staff to keep them based in Wales. (Page 27)

**Recommendation 16.** In collaboration with the higher education sector, pursue the opportunities of the CoFund under Horizon 2020 in the context of delivering the Science for Wales strategy. (Page 28)

**Recommendation 17.** As part of its review of the Welsh European Fund, consider the benefits of the Irish experience of managing



flexible support schemes that encourage mobility and engagement at an EU level. (Page 30)

## Foreword

---

1. In this report we explore what could be done to strengthen and encourage Wales's profile and participation in Horizon 2020, the European Union's proposed research and innovation funding programme from 2014.
2. We are grateful to all the individuals and organisations who spoke to us during the inquiry. We were particularly struck with the focus and energy of the witnesses from Ireland and Scotland and the high degree of organisation with which those two countries are preparing for the opportunities presented by Horizon 2020. We were also impressed with witnesses from Cardiff University who gave us valuable insight into the importance of Wales working "on the inside" in Europe.
3. This report has been produced while the negotiations on the draft legislative proposals for Horizon 2020 continue, and we are mindful that the final picture will not be clear until those discussions have been concluded. We shall therefore keep a watching brief on progress.
4. However, we do know that Horizon 2020 will be a very different programme from its predecessor programme FP7 – in the scale of funding it receives (which is set to be substantially greater), in the stronger emphasis it will have on multi-disciplinary research, and in the greater priority it will give to innovation and commercialisation of research outcomes.
5. Future engagement from Wales must therefore embrace those differences if it is to be successful, and preparations for that engagement need to start now.
6. We therefore hope that our recommendations will help the Welsh Government develop its priorities for gearing up to the new funding framework. In particular we have made several suggestions for establishing a distinct, strategic role for the new Horizon 2020 unit in the Welsh European Funding Office (WEFO).

## Introduction

---

### Stage 1 of the Committee's inquiry into Horizon 2020

7. The Enterprise and Business Committee of the National Assembly for Wales published its report on the European Commission's legislative proposals for Horizon 2020 in July 2012.

8. Horizon 2020 is the European Union's (EU's) research and innovation programme, which will succeed the current Framework Seven Research Programme (FP7). The final legislation will provide the framework into which Welsh universities, research centres and businesses will have to bid to secure EU research funding from 2014-2020. We understand that the Irish EU Presidency has set a target of reaching agreement in the trilogue negotiations between the Council, European Parliament and European Commission by the end of June 2013.

9. It remains to be seen whether this target will be achieved as negotiations on the Horizon 2020 package are contingent on agreement first being reached on the EU budgetary framework for 2014-2020, the so-called Multi-annual Financial Framework. The discussions between the Council and European Parliament on this are on-going, and at the time of writing there is every prospect that agreement on the budget could be delayed until the autumn, with knock-on effects to the timeframe for Horizon 2020.

10. In our 2012 report, we assessed the opportunities and challenges for Wales from the draft proposals, particularly the importance of close synergies between Horizon 2020 projects and future EU Structural Funds programmes. We also considered the extent to which the Welsh Government's Science for Wales and other strategies focused on encouraging and supporting participation in the EU programmes.

11. Our key recommendations requested the following action by the Welsh Government:

- publish a statement that sets out the Welsh Government's position on the Horizon 2020 proposals (and advocate this position to the UK Government and European Parliament in the negotiations);

- articulate how the Horizon 2020 and EU Structural Funds will be aligned to achieve synergies for improving Wales's performance in securing research, development and innovation funding and in commercialising that activity;
- drive forward a smart specialisation strategy, in consultation with key stakeholders, to create a real culture of innovation throughout academia and industry in Wales;
- seek an amendment to the proposed allocation to the Marie Curie Actions budget to ensure the 2014 funding is at least the same as for 2013;
- explore the potential, in discussion with the Welsh higher education sector, for developing a CoFund Initiative under Horizon 2020 for continuous professional development of academic staff;
- establish mechanisms, as part of the Welsh Government's review of the management arrangements for EU programmes, to encourage and support academics and companies in Wales in bidding for EU research and innovation funding, including support for the travel and transnational networking and partnership costs associated with developing successful consortia;
- consider a wide range of innovation methods to promote awareness of EU funding opportunities to engage small and medium-sized enterprises (SMEs) more effectively;
- seek clarity on how research in social sciences, arts and humanities will be supported by the EU proposals and how they sit within Horizon 2020 in particular.

12. The Welsh Government responded positively to our report and accepted all 16 of our recommendations, either in full or in principle.

**Recommendation 1: the Welsh Government should:**

**Include with its response to our stage 2 report, an update on progress made against all 16 recommendations of our stage 1 report.**

## Stage 2 of the Committee's inquiry

13. In this report, which summarises stage 2 of our inquiry into Horizon 2020, we explore whether more could be done to strengthen and encourage Wales's profile and participation in Horizon 2020. In our short inquiry we focused on the following:

- face-to-face meetings in November 2012 with Welsh Members of the European Parliament and with officials from the European Commission as part of a wider fact-finding visit to Brussels to discuss our reports on Horizon 2020, EU Structural Funds post-2014, and the modernisation of EU Procurement Policy;
- a visit to Cardiff University in January to discuss with Pro Vice-Chancellors the University's involvement in current rounds of EU funding (FP7) and the potential opportunities offered by Horizon 2020. The visit included practical demonstrations of several projects that have been successful in winning funding. See Annex A for a note of this visit;
- evidence sessions via video conference with witnesses in Dublin, Brussels and London to find out about structures in other European Regions and Member States (Ireland, Scotland, UK) that support participation in FP7 and its successor scheme;
- an evidence session in the Senedd with Dr Adrian Healy and Professor Phil Bowen from Cardiff University. Dr Healy is an adviser to the European Commission on innovation policy and actively involved in the Smart Specialisation Platform established by the European Commission to support the development of regional innovation strategies for 2014-2020. Professor Bowen has been involved in a number of FP7 projects and is a member of the Steering Group of the industry-led and EU-wide Biofuels Technology Platform, which was established to help shape and inform the research and innovation agenda at EU level within this field.

14. We were disappointed that it was not possible to take evidence from WEFO's Horizon 2020 unit (see paragraph 60 below). However, we welcome the written correspondence from the Minister for Finance on the remit of the new unit, and look forward to scrutinising its work in the future.

## Comparisons with other countries

---

15. During our visit to Brussels we heard about some of the support structures and mechanisms that are in place in other Member States to encourage engagement in FP7 and Horizon 2020. There appears to be a wide variety of models, ranging from centralised structures, to “hub and spoke” systems, to whole networks of support.

16. We decided to focus on comparisons with Ireland and Scotland, mainly because they provide a useful basis for benchmarking engagement from Wales, and because both countries had to work from a low level of engagement in FP7. Ireland also provides a Member State comparison and is notable for its formal mechanisms such as National Contact Points as well as its Irish specific support structures. Scotland, as a fellow nation within the same Member State, is a good comparator given that its recent performance in EU research programmes has been held up as a model of success.

17. We also spoke to the European Regions for Research and Innovation Network (ERRIN), which is a network of 95 EU Regions, because it is undertaking work to strengthen engagement and participation in EU research programmes as well as to support greater synergies with EU Structural Funds and other EU funding streams. The Welsh Higher Education Brussels is an active member of ERRIN.

18. We did consider looking at other EU Regions such as Catalonia in Spain and Flanders in Belgium, but we felt that their well above average performance in EU research funding programmes did not provide a “like for like” comparison with Wales.

19. However, we did receive background information on the performance of Catalonia and Flanders, as well as Aragon in Spain, which was highlighted by ERRIN as an example of a region that had improved its performance under FP7. See Annex B for details.

20. Latest available comparative data from the UK Government reveal that Wales has secured 309 participations in FP7 (2.26 per cent of the UK total) to a value of €107 million of EU funding (2.22 per cent of the UK total). This compares with 9.62 per cent of participations in Scotland (9.93 per cent of the funding), although the share by private companies (16 per cent of participations and 9 per cent of funding) is lower than in Wales (22 per cent and 14 per cent respectively).

21. This is a marked increase in performance compared with the predecessor programme FP6, as the table below shows. The table also includes comparator regions/nations to set the Welsh performance in a broader context:

**Table 1: Participations and EU Funding by region/nation under FP6 (2002-2006) and FP7 to date (2007 to March 2013)**

	Participations		Increase %	EU funding (€m)		Increase %
	FP6	FP7		FP6	FP7	
<b>Wales</b>	231	337	46%	48.9	107.7	120%
Scotland	685	1,234	80%	189.1	483.6	156%
N Ireland	161	200	24%	33.5	55.7	66%
Aragon	100	164	64%	19.1	42.8	125%
Catalonia	1,230	2,037	66%	225.0	664.0	195%
Flanders	1,164	1,905	64%	315.1	729.7	132%

Source: UK Government – information provided from European Commission database

22. A recent [report](#) by Professor Robin Williams, former Vice Chancellor of the University of Swansea and currently council member of the Higher Education Funding Council for Wales, has challenged the view that Wales underperforms in the research field by arguing that the quality of research in Welsh universities ranks highly by national and international standards, and that it outperforms many others in terms of the impact of its research, including the formation of spinout companies and business start-ups.

23. This point was reinforced by Professor Bowen when he advised us to be “a little careful with the numbers”, and to “separate quality and critical mass.”

## **Ireland**

24. As a Member State, Ireland participates directly in the Council of Ministers in the discussion on the Horizon 2020 proposals. Its officials are involved in the technical committee and other fora that oversee implementation of the various programmes. Ireland also has very much an inside route for Horizon 2020 through Máire Geoghegan-Quinn, the EU Commissioner responsible for Research, Innovation and Science and the political lead for the Horizon 2020 proposals and the

implementation of FP7. Informal and formal routes of influence are enhanced through the six-month secondment of a member of staff from the Irish FP7 support structure within the Commissioner's Cabinet.

25. In 2006 the Irish Government established the National Support Network for FP7 with the aim of increasing Ireland's participation in the EU research programme. The Network brings together 33 members from 10 organisations. Known as National Contact Points, they represent public, academic and business interests. At the outset of FP7 the Irish Government set a range of targets for participation by Irish organisations, including a headline indicator of securing €400m in EU funding. That figure has been achieved and has since been increased to a new target of €600m.

26. The National Support Network ("the Network") is organised around a hub and spoke model. The "hub" comprises a core team of 15 full-time experts employed by Enterprise Ireland, the state development agency focused on transforming Irish industry. One member of staff is also based in Brussels, which is seen as "critically important." The "spokes" of the model comprise 15 part-time experts located across Ireland at major research institutes. As a whole, the Network provides a range of services to organisations in Ireland and also Northern Ireland seeking to participate in FP7, such as general FP7 training, theme-specific information days, client-specific activities, showcasing events in Brussels, providing meeting room facilities in Brussels, and marketing of FP7 in Ireland and internationally.

27. The Network also provides financial support for Irish companies, higher education, and research organisations towards the costs of preparing proposals and travelling to EU events. The level of support tends to be targeted at the individual academic, from meeting the cost of a flight, to as much as funding the leaders of proposals. This might include buying out his or her time in the university to prepare a proposal, the costs of travelling, hosting meetings, or buying in the use of consultants to review proposals in their latter stages.

28. From our conversation with Dr Healy and Professor Bowen from Cardiff University we heard that this range of support is not available in Wales.



29. Ireland's Network also monitors the performance of Irish institutions across the FP7 programme, highlighting areas of perceived underperformance and recommending corrective action where necessary.

30. More than 60 per cent of the FP7 programme in Ireland is carried out by university academics. Latest data show that although the higher education share secured under FP7 has dropped compared with its predecessor FP6, the level of funding has roughly doubled.

31. In contrast, there has been a fourfold increase in the EU funding that companies have secured under FP7, which takes the Irish average for company participations above the overall UK figure and is considered a major success story for Ireland. The success rate is currently 23.1 per cent, which is above the EU average of about 22 per cent and on a par with the performance of countries such as Finland, Denmark and Austria.

32. Dr Imelda Lambkin, National Director of Ireland's National Support Network, told us that the staff within the National Contact Points have expert knowledge of their subject and of their client base: typically, they come from academic environments, multinational corporations or from SMEs. Yet the staff also have a detailed understanding of the national and EU funding environments, which enables them to match their clients with the right funding packages.

33. Similarly in Aragon and Catalonia, the specialist support for engagement with FP7 is provided by staff with a mixture of technical, scientific and business backgrounds and expertise.

34. We heard from Dr Lambkin that a review is currently underway to consider the future support arrangements needed for Horizon 2020 to take into account changes to the structures and scale of the new proposals, such as the move towards multi-disciplinary research projects and the stronger emphasis on innovation.

35. We were impressed with how highly organised and focused Ireland's systems are for participating in FP7 and how prepared it appears to engage with the new framework under Horizon 2020.

**Recommendation 2: the Welsh Government should:**

**Examine and assess the role of Ireland's National Support Network for FP7, the lessons learned and the good practice that could be**

## **applied in a Welsh context to facilitate engagement with the Horizon 2020 framework.**

### **Scotland**

36. Scotland Europa is a partnership organisation based with Scottish Enterprise (Scotland's business and enterprise support agency) in Glasgow, and with a presence in Brussels. Made up of a team of five experts, its role is to support and facilitate the participation of its members in European activities such as FP7, including awareness raising, networking and lobbying. Scottish Enterprise also houses the Enterprise Europe Scotland team, which delivers advice and information on engaging in EU research and innovation programmes.

37. Scotland has one of the UK's National Contact Points - for nanomaterials and production - although it engages with all the National Contact Points across the UK.

38. The support provided in Scotland to encourage participation in EU research programmes has evolved over the years. Scotland embarked on a more structured approach for FP7 to overcome a perceived fragmentation and uneven level of support, particularly for engaging Scottish businesses in EU research and development funding. Latest data reveal that the number of companies involved is growing so the shift in approach has provided some positive outcomes, although an evaluation is still underway.

39. A still more strategic approach is being prepared for Horizon 2020, with more tailored support for companies. A Scottish Steering Group for Research and Innovation was established in 2009 by the Scottish Group to bring together the key players in supporting engagement in research and innovation under a "Team Scotland" approach. From its beginnings as an informal initiative, the Group has become more formalised and in 2012 it agreed an action plan to prepare for the implementation phase of Horizon 2020.

40. The Horizon 2020 Scottish Support Framework is expected to be published imminently, and is likely to place a much stronger emphasis on involving SMEs in collaborations with Scottish higher education institutions. We were told by Luca Polizzi, Senior EU Policy and Funding Executive with Scotland Europa, that there will be two phases of the new framework - supporting understanding of the programme and supporting engagement. The supporting understanding phase will

consist of awareness-raising sessions for companies. The second phase will be divided into three main activities: exploratory activities through innovation vouchers that fund universities to work with companies; the strategic development of projects; and activity around commercialisation (taking products to the market) under the leadership of Enterprise Europe Scotland.

41. As in Ireland, Scotland Europa aims to achieve a mix of expertise among its staff – policy expertise within specialist areas such as energy, environment, smart specialisation and regional policy, as well as general policy-making experience at the European level to provide support across different areas and sectors. Moving into Horizon 2020, there is currently a review to match staff expertise to the requirements of the new proposals.

42. It was also interesting to hear that Scotland is evaluating the impacts of Scotland taking the lead in research projects as opposed to being partners. We were told that, according to European Commission evidence, a leading role can lead to an increase of 20 per cent in economic growth. Scotland was therefore keen to better understand those two roles and to target its resources for the greatest impact.

**Recommendation 3: the Welsh Government should:**

**Examine and assess the impact of Scotland’s Steering Group for Research and Innovation and its new Support Framework for Horizon 2020 and draw out any lessons to inform the development of a more strategic approach to providing support mechanisms in Wales.**

**UK Department for Business, Innovation and Skills**

43. The UK Department for Business, Innovation and Skills (BIS) leads the UK’s negotiation on the new Horizon 2020 programme. The International Knowledge and Innovation Unit within BIS is responsible for developing the UK’s network of National Contact Points. There is a network of National Contact Points across the EU to facilitate the effective implementation of FP7, but each Member State is responsible for developing its own National Contact Point network. We were therefore keen to speak to officials within the Unit to gain a better understanding of how the National Contact Points operate.

44. The National Contact Points are made up of a range of different public and private organisations, including government departments,

research councils and private consultancies. A recent review of the support structure for FP7 identified some weaknesses with the service provided by the National Contact Points, mainly the fact that they are staffed only part-time.

45. BIS is therefore working with the Technology Strategy Board (the Government's adviser on driving innovation) to implement a series of enhancements to increase the resources and proactivity of the National Contact Points network and to strengthen its links with the knowledge transfer networks, the Enterprise Europe Network (which has a particular responsibility towards SMEs), and the regional contacts of the devolved administrations. There will also be an expectation for better links between the National Contact Points and those people engaged in organising and managing Structural Funds opportunities.

46. Officials told us that these changes will provide the additional resource needed to support the size and cross-cutting nature of Horizon 2020 as well as opening up the expertise of Technology Strategy Board technologists to the National Contact Points. We understand that the aim is to have the key components of a new support structure for Horizon 2020 in place by the end of July 2013.

47. While we were interested to hear about the planned improvements to the National Contact Points, we were concerned to hear that there has been no monitoring or evaluation of their effectiveness, such as whether there is any correlation between their proactivity and the success of a research bid. However, we were told that BIS will be considering with the Technology Strategy Board a more rigorous monitoring system for National Contact Points including the key performance indicators they will be expected to achieve in the future.

48. Wales does not currently host any of the 31 existing National Contact Points in the UK. There is a regional coordinator based in the Welsh European Funding Office (WEFO) as part of the National Contact Points network. We understood from BIS that it would be for the Welsh Government to decide whether Wales could host and fund an additional National Contact Point. BIS said it would gladly discuss the focus of any National Contact Point that might best benefit Wales or the network as a whole.

49. We were interested to hear the positive comments from Scotland Europa and Cardiff University on how they engage with and use the network of National Contact points in the UK. Dr Adrian Healy noted:

“We are bidding for an FP7 project at the moment and have been involved with a National Contact Point. The project is in the social sciences and humanities field. From our experience so far the National Contact Point has been very helpful...it is quite a reactive service. We have approached it at times when we needed help, assistance and advice.”

50. We believe the Welsh Government should consider how the new unit within WEFO functions in relation to the National Contact Point network in serving individuals and organisations in Wales seeking funding under the Horizon 2020 framework, so that there is no duplication of effort.

**Recommendation 4: the Welsh Government should:**

**Consider the effectiveness of the current National Contact Point network in supporting participation from Wales in FP7, and how the new Horizon 2020 unit in WEFO fits within that review.**

**Strengthening support within Wales**

***The role of the Welsh European Funding Office***

51. We believe that in addition to the support provided within Welsh higher education institutions, the experience of Ireland and Scotland suggests there are grounds for providing external support to encourage and help academics to develop and consolidate links with industry, businesses and other research bodies to penetrate networks and initiatives at the EU level. There is also the need for expert advice in steering applicants through the complexity of EU funding programmes; and also to meet the costs and inputs required both to prepare applications and subsequently run successful projects.

52. In our Horizon 2020 report we recommended that the Welsh Government should, in its review of WEFO, set out how more effective and more accessible support will be made available in the future to develop the expertise and capacity of Welsh higher education institutions and businesses in preparing applications under Horizon 2020.

53. Since we published that report in July 2012, the Welsh Government has established a new Horizon 2020 unit within WEFO. This decision was taken independently of the [review](#) by Dr Grahame Guilford of the future management arrangements for the Structural Funds programmes, which was published in March 2013.

54. When we met Jill Evans MEP in Brussels she suggested that the role of WEFO was key to providing support and advice for SMEs to engage in EU research funding processes. She referred to Ireland's approach to exploiting the potential for applications under Horizon 2020 and other pots of EU funding, as explained in paragraph 16 above.

55. It was interesting to hear from Richard Tuffs, Director of ERRIN, that he perceived Wales has an important job to do in raising its profile in Europe and in making sure that Wales is known as being active in a particular field. He cited Scotland as a very good example of that, not least because of the amount of meetings organised at Scotland House in Brussels. He also cited examples in his evidence of the active involvement of the Welsh Higher Education Brussels Office in the ERRIN network.

56. ERRIN's recipe for operating more effectively at a European level was "speed and flexibility", including:

- joined up industry, SMEs, universities and regional government with clear strategies of where resources should be concentrated;
- an active and effective Brussels office, with quick and easy access to key contacts;
- talented staff who are able to spot opportunities, network and build partnerships.

57. When questioned about the preferred role and responsibilities of the new unit in WEFO, Dr Healy told us that he would be very worried if the unit duplicated activities and advice provided elsewhere.

58. He stated that currently it was "serendipity" rather than strategy as to whether research and innovation communities came together. Individual universities might be good at bringing this about (such as Swansea University in the field of marine energy), but he felt this should not be the responsibility of individuals.

59. He therefore suggested that the WEFO unit could potentially have a different and wider role surrounding research, innovation and economic exploitation, such as providing strategic guidance; acting as a facilitator or broker for activity by the Higher Education Funding Council for Wales, universities and other stakeholders; developing an overview and making links between different programmes such as Structural Funds, Horizon 2020 and the Technology Strategy Board; and creating mechanisms for taking that knowledge out into Wales to build capacity and help facilitate its future exploitation. He saw the unit as having a communication rather than a development role.

60. We did invite WEFO to participate in our evidence session on 14 March to provide an overview of the role of the new Horizon 2020 unit. However, the then Minister for Business, Enterprise, Technology and Science said this discussion was not possible without her presence, and she was unfortunately unable to attend on that day. Following the Cabinet reshuffle, also on 14 March, we wrote to the Minister for Finance, whose new portfolio includes responsibility for WEFO, to ask for a written statement on the role of the new unit.

61. In her response dated 16 April, the Minister explained the progress of the new unit to date and its role, which is “to provide a central contact point (one-stop-shop) of integrated, consistent and targeted advice and support to Welsh organisations on accessing the most appropriate R&D and innovation funding from the EU.”

**Recommendations 5 and 6: the Welsh Government should:**

**Charge the new Horizon 2020 unit in WEFO with raising the profile of Wales in Europe, including pooling the use of people and resources in Brussels to maximise impact.**

**Ensure staff within the new WEFO unit have the necessary mix of technical, scientific and business skills and expertise, which have proved so successful in Scotland, Ireland, Aragon and Catalonia.**

62. Dr Healy perceived another role, both for the Welsh Government and the higher education sector as a whole, in considering the outputs and outcomes of FP7 projects, such as their contribution to developing skills, capacity and long-term collaborative networks and their impacts in terms of economic benefits:

“I think that we are failing as a sector, in that sense, to generate longer term and sustainable value out of the various projects that are taken forward. It is not just the Welsh Government in that instance.”

**Recommendations 7 and 8: the Welsh Government should:**

**Evaluate the legacy of projects funded by FP7 projects and consider how the economic and social benefits of activity supported under Horizon 2020 can be sustained more broadly.**

**Charge the new WEFO unit with cascading and encouraging exploitation and application of the outcomes of EU research projects.**

***Wider strategic framework for research and innovation***

63. The Welsh Government has set out its strategic ambition for future research in the ‘Science for Wales’ strategy, and this will be complemented by a new innovation strategy, which is currently being peer-reviewed before being published later this year.

64. During our visit to Brussels in November 2012 we heard from European Commission officials that the Welsh higher education sector was making great strides to engage with the Commission and to contribute to regional growth through smart specialisation. The advice that came from the Commission officials chimed with that of the Welsh Government’s own consultation on the development of an innovation strategy for Wales: for maximum impact, Wales needs to build on its existing strengths, rather than seek funding for the creation of new clusters of expertise, and particularly in the current economic climate.

65. The Welsh Government has published a summary of the responses it received to its consultation. It has also issued its [response](#) to the call for evidence which sets out progress towards developing the new innovation strategy. Some of the key themes to emerge include improving collaboration, promoting a culture of innovation (not simply entrepreneurship) and prioritising innovation and critical mass in a very small number of areas where Wales has existing strength and significant opportunity.

66. The evidence from Scotland and Ireland, as well as the additional background the Committee considered from Catalonia in particular,



underline the importance of developing a broader strategic approach to engagement with the research and innovation agenda. It is vital, therefore, that there is coherence between the support structures established in Wales, both by the Welsh Government and by the higher education and business sectors, and the agreed strategic priorities and goals of 'Science for Wales' and the planned innovation strategy.

67. During our evidence session with Cardiff University, Dr Healy told us:

“One of the hardest things to ask a university is, ‘What are you best at?’ Most universities will tell you dozens of things. That is a challenge for the university at that stage, but it is a challenge that perhaps universities should be helped to meet.”

68. We were interested in whether the Welsh Government’s Sêr Cymru initiative could fulfil this role. Dr Healy thought that focusing on “star” academics was not sufficient on its own; those people also needed the capacity built around them. We understand this is the role of the National Research Networks, which are to be established in each of the three Grand Challenge research areas identified in the 'Science for Wales' strategy, and which will provide support to the Sêr Cymru academics.

69. We believe there needs to be clarity regarding whether Wales has the right, coherent partnerships and leadership in place to drive forward the 'Science for Wales' and innovation strategies with engagement in Horizon 2020.

**Recommendations 9 and 10: the Welsh Government should:**

**Encourage the higher education sector to be more focused and disciplined in deciding on its strongest specialisations and in building on those priorities moving forward.**

**Clarify the role of the new National Research Networks in driving forward participation in Horizon 2020, and how this will be complemented by the new unit in WEFO.**

70. We heard from European Commission officials how important it was for the business sector to be closely involved in Wales’s smart specialisation strategy, and that the Commission would be looking for Wales to coordinate funding between Horizon 2020 (to stimulate

ideas) and research and Structural Funds (to bring innovation to market).

71. It was encouraging to hear from Commission officials that Wales was perceived to have a good track record on delivery of Structural Funds. They also welcomed the fact that all European funding in this area was integrated under one Welsh Minister - although this situation has since changed following the Welsh Cabinet reshuffle in March 2013.

72. The Welsh Government has identified strengthening synergies between various EU funding streams on the ground in Wales as an important priority for the 2014-20 programmes. Integration also features as a theme in the independent review undertaken by Dr Grahame Guilford (see paragraph 53 above).

**Recommendation 11: the Welsh Government should:**

**Ensure an integrated approach to EU funding streams will continue under the new cabinet portfolios announced in March 2013, and that WEFO will have a key role in promoting collaboration and integration on the ground.**

73. Finally, we perceive the need for the new unit in WEFO to raise the profile of the opportunities for Wales presented by Horizon 2020 and to strengthen communication across the higher education and business sectors.

**Recommendation 12: the Welsh Government should:**

**Actively support a more strategic partnership - a Welsh version of the successful approaches in Ireland and Scotland - between higher education and businesses in Wales, in respect of the opportunities presented by Horizon 2020. This should include hosting an annual Horizon 2020 conference or science week in Wales to raise the profile of EU funded research, to broker ideas and to showcase successful projects.**

## Specific Opportunities under Horizon 2020

---

### Knowledge Innovation Communities

74. In addition to its three strategic objectives of Excellent Science, Industrial Leadership and Societal Challenges, Horizon 2020 will also provide financial support to the European Institute of Technology.

75. The European Institute of Technology has its headquarters in Budapest and uses the Knowledge Innovation Communities (KICs)<sup>1</sup> as its main mechanism for delivering actions on the ground. KICs have been created to overcome fragmentation in knowledge and innovation transfer across the EU by establishing long-term integrated transnational partnerships (bringing together “world class” partners) around the knowledge triangle of higher education, research and business.

76. Each KIC is currently set up for a minimum of seven years and is funded by the European Institute of Technology (up to 25 per cent) and other sources, both public and private. Each KIC consists of five to six world class “innovation hotspots”, although there is no one-size-fits all model to how they operate.

77. From our discussions with European Commission officials, it appeared to us that the three existing KICs are highly organised and that it is probably too late for Wales to begin to participate in them at this stage of their development. However, the officials acknowledged that the European Institute of Technology could do more to reach out to areas not currently represented through the KICs and to promote good practice models in new fields. This is likely to be a priority in the coming years.

78. Horizon 2020 includes plans to support the creation of a number of new KICs. The European Commission has proposed that this should take place in two waves: the first wave from 2014 (Innovation for healthy living and active ageing; Food4Future; and Raw materials) and the second wave from 2018 (Urban mobility; Added value manufacturing; and Secure societies). These proposals are subject to

---

<sup>1</sup> KICs are essentially cross-border public-private partnerships and are one of the primary delivery tools of the EIT (based in Budapest). Three KICs were established as pilots in 2010, one of which is the Climate-KIC involving Aberystwyth University

agreement with the Council and European Parliament, and the final shape will not be clear until negotiations are resolved.

79. We were interested to learn that the Irish Government has allocated €100,000 through a system of open tendering for coordinated activities aimed at targeting participation in the 2014 wave of KICs. We were told that “internationally, it was important for us to put the word out that, this time around, Ireland is serious about the pitfalls and will not make the same mistakes that we made last time.”

80. The scale of Ireland’s investment in targeting participation confirmed the feedback we received from European Commission officials during our visit about the high costs and challenges of engaging in new networks for the KIC calls.

81. We heard from Jill Evans MEP that there could be a greater role for the Welsh Government in increasing awareness of the KICs programmes and the opportunities they offer for Wales. We also heard that Wales could seek to use EU structural funding to support and encourage activity in this area.

82. We believe that at this stage, the primary focus for Wales’s strategic intervention should be on the proposed second call for new KICs (from 2018).

**Recommendations 13 and 14: the Welsh Government should:**

**Start building the strategic capacity for Welsh partners to engage with the anticipated Knowledge Innovation Communities (KICs) programme in 2018 in areas that build upon Welsh strengths and expertise. This should include consideration of using EU Structural Funds to kick-start activity in this area.**

**Consider hosting a conference, in partnership with the higher education sector, to raise awareness of the opportunities for Welsh institutions and businesses offered by the new wave of KICs.**

**Marie Curie Actions**

83. Marie Curie Actions is a set of mobility research grant schemes under FP7 that supports researcher training, and cross-border and cross-sector mobility. Under the Horizon 2020 framework, the Marie

Curie Actions will fall under “Excellent Science”, one of the three strategic objectives of the programme.

84. We heard in our first stage inquiry how Wales has traditionally performed well under Marie Curie. The latest available figures show that Marie Curie accounted for around 20 per cent of participations from Wales and around 17 per cent of the EU funding drawn down in Wales. This compares with an EU-wide average of around 12 per cent and 8 per cent respectively. The Wales figures are also close to the UK averages of 21 per cent of participations and 15 per cent of EU funding.

85. During our visit to Brussels we heard from European Commission officials that engagement in the Marie Curie Actions was not so good from the business sector, and that this is a particular failing among small and medium-sized enterprises (SMEs) in Wales. It was felt that the reasons for this included SMEs lacking awareness of the programme; SMEs lacking the IT to enable them to engage at a European level; and also an inability among the sector to see the opportunities, as opposed to the obstacles, for engaging in European research funding programmes. We were told there was a need to “debunk the myths” associated with operating within an EU framework.

**Recommendation 15: the Welsh Government should:**

**Explore how Welsh businesses can participate more fully in the Marie Curie Actions under Horizon 2020, and how the initiative can be used for the professional development of academic staff to keep them based in Wales.**

86. During the first stage of our Horizon 2020 inquiry, we looked at the potential opportunities for participation from Wales in the Marie Curie CoFund Initiative under FP7, which supports regional and national fellowship programmes for research training and career development across all research disciplines, not only science. One of the key aims of the CoFund Initiative is to retain researchers within an institution or a Region, and to use that pool of expertise to drive growth within that area.

87. We discussed the CoFund during our visit to Brussels, and Commission officials confirmed the availability of EU funding of up to €10 million (at a maximum of 40 per cent of eligible costs) to support internationalisation of research programmes, which appears to us to

be particularly relevant to the Welsh Government's Sêr Cymru scheme and the proposed National Research Networks.

88. We were therefore disappointed to learn that the Welsh Government did not make a submission under the final call of FP7, which closed in December 2012. We note that there are plans under Horizon 2020 to continue the CoFund Initiative, so we would like to reiterate the importance of this funding for supporting current and future plans to deliver 'Science for Wales' and particularly Sêr Cymru.

**Recommendation 16: the Welsh Government should:**

**In collaboration with the higher education sector, pursue the opportunities of the CoFund under Horizon 2020 in the context of delivering the Science for Wales strategy.**

**Working on the inside**

89. During our inquiry it was impressed on us that EU research programmes can be complex, competitive and centrally managed from Brussels. It was therefore valuable to gain the insight of Dr Healy and Professor Bowen from Cardiff University, both of whom have worked "on the inside", regarding what they saw as the key ingredients for Wales's successful participation in EU research programmes.

90. Dr Healy and Professor Bowen have been involved in the European Technology Platforms, one of the range of formal networks that bring together players from across Europe. Although the Platforms are not directly funded from the EU Framework Programmes, they have a significant influence in shaping funding call priority topics and the themes of EU research and innovation programmes.

91. Dr Healy and Professor Bowen wanted to see greater engagement by individual academics and the higher education sector in driving collaboration at a European level. Professor Bowen thought that feeding directly into the strategies that decide where research funding is allocated, was the way to gain early notification:

"[We] need to operate at a higher level on the strategic front. So, one action would be to get more engagement with some of the deep-rooted activities in Europe, for example, Technology Platforms. I have been involved in those, and I see the benefits of those. Then there are research infrastructures, which Adrian mentioned earlier - I think that Wales is seriously missing out

on that front. If we have facilities that stand on the international stage, then we need to make more of them. Also, collectively, we could promote ourselves better. Again, this is a point that we referred to earlier - that is, pulling out the strengths, propagating them and selling them better, either at an institutional level or a Welsh level, and then pulling through the other academics to get them engaged, because of the benefits.”

92. Dr Healy advised that in order to bid successfully into FP7 or Horizon 2020, applicants needed to be already involved in partnerships with other countries. There was therefore the need to support the mobility of individuals. He referred to existing good practice in Wales in terms of encouraging the mobility of academics and bringing in young researchers from outside Wales, but he questioned how sustainable those practices were:

“What [do] we do with that afterwards, when they leave and go back to their other universities? Are we maintaining those networks? Are we building on those networks? I do not think that collaboration is an issue for most Welsh and UK academics...The biggest one is to ensure a sustained collaboration through which you can develop certain real valuable outputs over a long period of time as well.”

93. Dr Healy suggested that in addition to collaboration grants and mobility funds, the Welsh Government could therefore consider providing early-stage research grants - possibly quite small sums of money - to develop initial networks of researchers around a project.

94. We welcome the comment from the Minister for Finance in her correspondence to the Committee that a review of the Welsh European Fund is underway, aimed at providing more appropriate packages of support for participants seeking to develop networks and relationships across the EU. This will strengthen applications into FP7 and Horizon 2020.

95. We underline the importance of continuing to provide financial support to academics and business in the form of travel grants to help them to network in Europe. Such schemes need to operate flexibly and not be overly bureaucratic.

**Recommendation 17: the Welsh Government should:**

**As part of its review of the Welsh European Fund, consider the benefits of the Irish experience of managing flexible support schemes that encourage mobility and engagement at an EU level.**



## **Annex A: Visit to Cardiff University**

---

13 January 2013

### **Introduction and welcome**

Professor Hywel Thomas, Pro Vice-Chancellor, International Engagement, welcomed Members of the Enterprise and Business Committee to Cardiff University and introduced:

- Professor Dylan Jones, Pro Vice-Chancellor, College of Biomedical and Life Sciences
- Professor Karen Holford, Pro Vice-Chancellor, College of Physical Sciences
- Professor Patricia Price, Pro Vice-Chancellor, Student Experience and Academic Standards
- Nick Bodycombe, European Office Manager, Research and Commercial Development Division
- Rhys Thomas, Head of Vice-Chancellor's Office
- Lowri Jones, Public Affairs Manager, Communications & International Relations Division

### *Recent changes to the structure of Cardiff University*

In his introduction, Professor Thomas explained that the University structure has been re-organised following the appointment of a new President and Vice-Chancellor, Professor Colin Riordan.

The University has established three Colleges containing the 27 schools from the previous structure. The new Colleges are the College of Arts, Humanities, and Social Sciences; the College of Biomedical and Life Sciences; and the College of Physical Sciences.

Another development is the University's commitment to increase its investment in a Research and Innovation Campus at Maindy Road.

### *Examples of EU success*

Professor Hywel Thomas described some examples of Cardiff University projects that had been awarded EU funding:

- The Gas Turbine Research Centre, Margam;
- QUAFETY, Cardiff School of Biosciences, a collaborative project looking at the safety and quality of international food distribution;
- PCATDES, Photo-catalytic materials for the destruction of organic industrial waste, Cardiff School of Chemistry;
- EE-ASI, Cardiff School of Medicine, Beta cell preservation via antigen-specific immunotherapy for type 1 diabetes.

### **Experience with EU funding programmes to date, including FP7 and Structural Funds**

During Professor Hywel Thomas's presentation and subsequent discussion with Members the following points were made:

- Cardiff University received 50 per cent of research income attracted by the Welsh higher education sector in 2010/11;
- over 20 per cent of its research funding is from Research Councils; Rhys Thomas subsequently provided a breakdown of research funding for Committee Members;
- the number of applications by Cardiff University for European FP7 funding has increased significantly in 2011-2012. Its average success rate has been 15-20 per cent; Cardiff University currently has 129 projects (approximately 60 per cent of the value of FP7 awards to Welsh higher education institutions);
- the UK has secured more than £3.1 billion of funding from FP7 to date, with 2.7 per cent of FP7 money coming to Wales. In response to a Member's question about responsibility for FP7 projects within Cardiff University, Professor Hywel Thomas replied that his portfolio included engagement with Europe and Horizon 2020, but that all the Pro Vice-Chancellors are in the process of building up a stronger infrastructure within their colleges;
- Cardiff University has 9 projects (worth £9.4 million) benefitting from funding from the European Research Centre and 5 ERDF

(applied research) projects which have a total grant of £23.8 million.

*Efforts to improve Welsh HE participation in FP7 (and beyond)*

Cardiff University agreed that Welsh Universities have not had sufficient involvement at European level. Historically there was a widespread perception within the Welsh higher education sector that applications for FP7 were too bureaucratic and “paperwork heavy”.

Professor Hywel Thomas said that Cardiff University and other Welsh universities had not always been properly engaged with European structures and that this is essential to gain advance notice of projects. Welsh universities “need to be on the inside”, although Cardiff University’s links and contacts, as part of the Russell Group of UK research-led universities, are useful in this respect.

Professor Hywel Thomas agreed with Professor Harries, Chief Scientific Officer, that there are not enough people from Welsh Universities on the Research Councils, and that Cardiff University needs a better presence in Brussels. The new Vice-Chancellor, Professor Colin Riordan, is keen to promote better contacts.

Cardiff University staff are involved in the new National Research Networks, and see them as providing a positive opportunity, enabling the University to look at its areas of strength and identify areas that can be complemented by other academics.

In response to a question from a Member of the Committee, Professor Hywel Thomas said that Welsh Government can support the higher education sector’s ambitions by:

- protecting Quality Research funding;
- supporting higher level skills training (Masters and Doctoral training);
- an alignment of Government policy and resources around consistent themes e.g. Sêr Cymru and the new Innovation Strategy;
- supporting entrepreneurship and enterprise education; and
- technology transfer support.

## **Collaboration (including Knowledge Innovation Communities)**

One Member asked (a) whether support is given to Knowledge Innovation Communities (KICs) and (b) whether the low levels of Welsh representation on Research Councils is a problem.

Professor Hywel Thomas confirmed that Cardiff University is enthusiastic about KICs, particularly the climate change KIC, but also recognises that there are some issues to be addressed.

Other points that came up during discussion included:

- levels of collaboration between Cardiff and other university departments is definitely increasing; Cardiff University is willing both to lead and to be led on suitable collaborative projects;
- a virtual infrastructure to support collaboration is in place;
- the flow of information about European opportunities to individual departments within Cardiff University is improving;
- Glasgow and Edinburgh University's collaborative performance is a good model to follow;
- the restructuring of Cardiff University into colleges should provide a sound structure to support an investment strategy;
- collaboration to create a "critical mass" is demonstrated by the Great Western Four (GW4) programme which was formally announced at the end of January. Cardiff, Bath, Bristol and Exeter universities will seek to work across all academic activity opening up more opportunities to collaborate in common areas of research and research infrastructure, resources and funding, joint capital investment, doctoral training and joint staff appointments;
- one Member asked whether there is a drive to see what partnerships could be achieved in countries that have recently joined the EU, (such as the Czech Republic and Poland), and in Eastern Europe, such as Bulgaria and Romania. Cardiff University staff responded that it is not as straight forward to work with new joiners compared with some other Western Europe countries. Higher Education Wales is leading some initiatives.

## **Collaboration between HEIs and Businesses**

One Member asked about the challenges of working with companies that are not based in Wales, for example Rolls Royce. Cardiff University responded that it is not a specific challenge, as it has an international reputation; however there is a shortage of suitable jobs for graduates who wish to remain in Wales.

One Member asked about the University's involvement with SMEs. Cardiff University said that it has been able to help some smaller businesses, and has found that they are good companies to work with.

The Chair of the Committee thanked Professor Hywel Thomas, the other Pro Vice- Chancellors and the Cardiff University staff for a very informative and useful discussion.

## **Informal visit to Cardiff University School of Engineering**

Following the end of the official meeting, some Assembly Members went on an informal visit to Cardiff University's School of Engineering. Professor Phil Bowen, Director of the School, and his colleagues provided information and practical demonstrations of several projects that have been awarded European funding including:

- SEREN – which looks at the use of carbon capture and storage to provide innovative energy solutions;
- The Gas Turbine Research Centre in Margam;
- haptic simulation – to improve surgical techniques training; and
- assisted living – a robotic system to assist independent living.

## Annex B: Comparative data on participation in FP6 and FP7

---

This Annex provides data to compare Welsh performance under FP6 and FP7 with the performance of a number of nations/regions within the EU.

The data are taken from information provided by the FP7 National Co-ordinator in the UK Government's Department of Business, Innovation and Skills, and originate from the European Commission's database on participation in the framework programmes.

The information for FP6 is final data, covering the whole programme period from 2002-2006. The information for FP7 is the latest data available, up to 1 March 2013.

The following sections provide some analysis of the data for each of the nations/regions.

*Increasing performance for all four nations/regions:*

Table B1 below shows the percentage increase in participations and funding for the four nations/regions under FP7 compared with their performance under FP6:

Table B1: comparison of participations/EU funding secured FP6/FP7

	Participations		%	EU funding (€m)		%
	FP6	FP7	increase	FP6	FP7	increase
<b>Wales</b>	231	337	46%	48.9	107.7	120%
Scotland	685	1,234	80%	189.1	483.6	156%
N Ireland	161	200	24%	33.5	55.7	66%
Aragon	100	164	64%	19.1	42.8	125%
Catalonia	1,230	2,037	66%	225.0	664.0	195%
Flanders	1,164	1,905	64%	315.1	729.7	132%

Scotland has the highest percentage increase in number of participations, whilst Catalonia has the highest increase in EU funding secured. Wales shows an increase in performance in both participations (46%) and EU funding secured (120%).

Tables B2 and B3 (next page) provide details on the participations and funding secured by organisation type, comparing Wales with Aragon, Catalonia and Flanders.

Flanders comes top for the private/commercial sectors share of total participations (31% of the Flemish total) and EU funding secured (21% of the Flemish total) from FP7. Catalonia comes next with private commercial taking 27% of its participation) and 17% of the EU funding secured by Catalonia under FP7. The share in Wales is 22% (participations) and 17% (EU funding), similar to the private sector share of Welsh involvement in FP6. In each of the regions/nations the private sector consistently takes a lower share of EU funding than its share of participations.

Table B2: FP7 participation performance data for Wales, Aragon, Catalonia and Flanders (as at 1 March 2013)

FP7 up to 1 Mawrth 2013																
Source: EC, FP7 Project and Participants database, version 13.0, released 1 Mawrth 2013	Wales (UKL)				Aragon (E S24)				Catalonia (E S51)				Flanders (BE 2)			
	Participations		EC Funding (€m)		Participations		EC Funding (€m)		Participations		EC Funding (€m)		Participations		EC Funding (€m)	
Higher Education	243	2%	89.0	83%	72	44%	20.8	49%	605	30%	198.0	30%	803	42%	345.5	47%
Research Organisation	3	1%	0.4	0%	42	26%	12.1	28%	744	37%	320.2	48%	465	24%	214.3	29%
Private Commercial	75	22%	15.5	14%	31	19%	4.8	11%	543	27%	114.9	17%	588	31%	155.9	21%
Public Body	8	2%	1.4	1%	8	5%	1.3	3%	91	4%	22.8	3%	9	0%	4.3	1%
Other	8	2%	1.4	1%	11	7%	3.8	9%	54	3%	8.1	1%	40	2%	9.9	1%
<b>Total</b>	<b>337</b>	<b>100%</b>	<b>107.7</b>	<b>100%</b>	<b>164</b>	<b>100%</b>	<b>42.8</b>	<b>100%</b>	<b>2,037</b>	<b>100%</b>	<b>664.0</b>	<b>100%</b>	<b>1,095</b>	<b>100%</b>	<b>729.5</b>	<b>100%</b>

Table B3: FP6 (final for 2002-2006) participation performance data for Wales, Aragon, Catalonia and Flanders

FP6 2002-2006																
Source: EC, FP6 Project and Participants database, final version, June 2008	Wales (UKL)				Aragon (E S24)				Catalonia (E S51)				Flanders (BE 2)			
	Participations		EC Funding (€m)		Participations		EC Funding (€m)		Participations		EC Funding (€m)		Participations		EC Funding (€m)	
Higher Education	161	70%	39.9	82%	42	42%	10.	56%	448	36%	97.7	43%	489	42%	123.6	39%
Research Organisation	8	3%	2.2	4%	17	17%	2.	15%	343	28%	64.4	29%	292	25%	107.5	34%
Industry	56	24%	5.4	11%	19	19%	1.3	7%	211	17%	27.3	12%	224	19%	49.3	16%
Other	6	3%	1.	3%	18	18%	4.2	22%	212	17%	33.8	15%	151	13%	33.6	11%
N/A	-	0%	-	0%	4	4%	0.2	1%	16	1%	1.8	1%	8	1%	1.2	0%
<b>Total</b>	<b>231</b>	<b>100%</b>	<b>48.9</b>	<b>100%</b>	<b>100</b>	<b>100%</b>	<b>19.1</b>	<b>100%</b>	<b>1,230</b>	<b>100%</b>	<b>225.0</b>	<b>100%</b>	<b>1,164</b>	<b>100%</b>	<b>315.1</b>	<b>100%</b>

## Contributors to the inquiry

---

We wish to thank the following people who spoke to us during our Horizon 2020 stage 2 inquiry:

### Brussels Visit

Jill Evans	Member of the European Parliament
Waldemar Kütt	Member of Cabinet EU Commissioner Maire Geoghegan-Quinn
Gudrun Maass	Unit C2 Directorate-General Education and Culture
Mike Rogers	Unit C3 People programme, Marie Curie Actions, Directorate-General Education and Culture
Kate Swinburne	Member of the European Parliament
Derek Vaughan	Member of the European Parliament
Stefan Zotti	Member of Cabinet, EU Commissioner for Regional Policy Johannes Hahn

### Cardiff University Visit

Professor Hywel Thomas	Pro Vice-Chancellor, International Engagement
Professor Dylan Jones	Pro Vice-Chancellor, College of Biomedical and Life Sciences
Professor Karen Holford	Pro Vice-Chancellor, College of Physical Sciences
Professor Patricia Price	Pro Vice-Chancellor, Student Experience and Academic Standards
Nick Bodycombe	European Office Manager, Research and Commercial Development Division
Rhys Thomas	Head of Vice-Chancellor's Office
Lowri Jones	Public Affairs Manager, Communications & International Relations Division
Professor Phil Bowen and his team	Director, School of Engineering



### **Evidence session 14 March (am)**

Dr Imelda Lambkin	National Director of Ireland's National Support Network for FP7, Enterprise Ireland
Luca Polizzi	Senior EU Policy and Funding Executive, Scotland Europa
Richard Tuffs	Director of European Regions for Research and Innovation Network (ERRIN)

### **Evidence session 14 March (pm)**

Steve Ringer	Head of Framework Programme Management Team, International Knowledge and Innovation Unit, UK Department of Business, Innovation and Skills
Genevra Kirby	National Coordinator of FP7, International Knowledge and Innovation Unit, UK Department of Business, Innovation and Skills
Dr Adrian Healy	Research Associate, Centre for Advanced Studies in Social Sciences, School of City and Regional Planning, Cardiff University
Professor Phil Bowen	Director, School of Engineering, Cardiff University

The formal evidence sessions on 14 March can be viewed [on the Assembly website](#).