



Press Release

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Closing the EU's innovation gap: Member States must get more involved

To close the EU's persistent gap in research and innovation (R&I) and unlock excellence in countries lagging behind, the European Commission is applying special measures (known as 'widening' measures) to give those countries better access to key EU funding. In a report published today, however, the European Court of Auditors finds that a real shift depends largely on national governments, which must make R&I a priority in order to ramp up investment and reforms. Widening measures can only kick-start these countries' progress, but on their own lack enough power to create the changes needed in national R&I ecosystems.

Participation in the EU's multi-year R&I programmes is based on excellence, meaning only the best proposals are selected. As a result, researchers and innovators from low-performing countries – with less developed R&I ecosystems – face difficulties in competing with their peers from better-performing countries and succeed less often in winning places on the programmes, which in turn limits their countries' potential to overcome their R&I shortcomings. The EU addressed this vicious circle by introducing measures to widen participation in the Horizon 2020 funding programme for the 2014-2020 period. These measures targeted the 13 countries that have joined the EU since 2004, plus Luxembourg and Portugal.

“To tap the EU's potential and close the gap between innovation leaders and modest innovators, researchers from all across the EU should be able to benefit from its funding programmes,” said Ivana Maletić, the ECA member in charge of the report. *“The Commission helps the underperforming countries catch up, but its support is not a miracle pill and can only act as a catalyst. To break the vicious circle, the Member States must play their full part.”*

The auditors concluded that widening measures were fit for purpose in that they addressed the reasons why certain EU countries suffer from low R&I performance and limited participation in successive EU programmes. However, the auditors criticise the fact that widening projects were concentrated in just a few countries. This risks perpetuating the vicious circle, as some targeted countries once again benefitted significantly less from widening measures. The auditors call on the Commission to avoid giving out the bulk of projects to just a few countries, and take steps to achieve wider participation if continuous stark imbalances emerge.

However, the crucial factor determining a country's performance is its national R&I investment levels and reforms. In 2020, the average investment in R&I in the EU was 2.3 % of GDP — below the 3 % target. Of the 15 widening countries, only Slovenia and Czechia invested more than 2 %.

The purpose of this press release is to convey the main messages of the European Court of Auditors' special report. The full report is available at eca.europa.eu.

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Moreover, not all countries made use of the Policy Support Facility (PSF), one of a series of policy instruments that the Commission has provided to help them foster national reforms. Countries were free to decide whether and how to take forward the Commission's recommendations in the context of the PSF, meaning it had little power to induce change. Nevertheless, the Commission used the knowledge gained from PSF activities for its R&I country assessments as part of the annual coordination of economic and fiscal policies (known as the 'European Semester').

Most of the widening projects are ongoing, so their full impact will only emerge in the years to come. Still, the auditors found that the projects were starting to show promising initial results, for example in terms of the number of scientific publications, networking and access to more grant funding. However, the projects also faced issues as they struggled to secure the necessary complementary funding in good time, recruit international researchers and, most importantly, generate their own income in order to sustain themselves. The auditors analysed two measures aimed at creating long-lasting effects for beneficiaries: Teaming (support for centres of excellence) and ERA Chairs (bringing outstanding academics to research institutions). They found that beneficiaries of these measures had only limited power to exploit their research results.

Background information

Since 1984, the EU has provided support for R&I through successive framework programmes such as Horizon 2020 (covering the 2014-2020 period with a budget of €76.4 billion) and Horizon Europe (2021-2027, €95.5 billion). The reasons for certain countries' low performance and limited participation in Horizon 2020 include inadequate R&I ecosystems (e.g. fragmented governance, limited investments), deficits in human capital (brain drain) and limited internationalisation of R&I institutions. The aim of the widening measures was to boost the capacity of low-performing countries' research institutions by helping them to network, partner with leading institutions and attract highly skilled staff. The budget for these measures for 2014-2020 was €935 million under Horizon 2020 and €2.95 billion for 2021-2027 under Horizon Europe. All Member States classed as widening countries under Horizon 2020 retained this status under Horizon Europe, with the exception of Luxembourg, which has been replaced by Greece.

Special report 15/2022, "Measures to widen participation in Horizon 2020 were well designed but sustainable change will mostly depend on efforts by national authorities", is available on the ECA website (eca.europa.eu). Later this year, the ECA will publish a special report on synergies between Horizon 2020 and European Structural and Investment Funds.

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