

# **Questions & Answers**

# Partnership on Research and Innovation in the Mediterranean Area (PRIMA)



## What is PRIMA and why is it needed?

PRIMA, the Partnership for Research and Innovation in the Mediterranean Area between 19 countries (both EU and non-EU), supports the sustainable management of water and agro-food systems in the Mediterranean Area. It is the first R&I partnership of its kind in the Mediterranean Area to develop muchneeded novel solutions for sustainable water management and food production.

Climate change and unsustainable resource management have brought severe water stress to the Mediterranean area. The agricultural sector is suffering from serious water shortages, which in turn result in decreasing crop yields and failure to provide clean water and affordable food. Today, 180 million people in the Mediterranean basin are considered "water poor", facing negative effects on their nutrition, health, living standards and well-being. This social and economic stress is a major cause of instability. To date, few innovative solutions easily transferable across the region have been identified.

By pooling know-how and financial resources in a strategic research partnership between the EU and Participating States, PRIMA strives to develop a wide range of innovative solutions, by supporting all types of research and innovation activities, including research, development and innovation projects, innovative demonstrators and pilot plants, capacity building, training, awareness-raising and dissemination actions, as well as researcher mobility. It will address various Technology Readiness Levels and ensure an appropriate balance between small and large projects. This approach should help make the water and food supply in the region more efficient, cost-effective and sustainable, and solve related problems in the fields of health, well-being, unemployment, environment and migration.

#### How will PRIMA assist in addressing migration in the Mediterranean region?

Climate change, unsustainable resource management, political instability, and a rapidly growing population are among the factors that contribute to migration. Consequently, numerous families living in rural areas are forced



to move to cities while parts of the population are driven to leave the country altogether to migrate to Europe, in particular, looking for better living conditions. PRIMA therefore strives to complement last year's Communication from the Commission on establishing a new Partnership Framework with third countries under the European Agenda on Migration, (COM(2016)385). The partnership framework approach seeks short-term solutions to immediate migration pressure, as well as deeper investment to address the root causes of migration and forced displacement by combining external dimensions of EU policies including education, research, development aid, trade, energy, environment, agriculture, etc.

#### How will PRIMA leverage private investments?

A long-term common strategic research and innovation agenda in the field of water provision and agro-food systems will ensure more predictability and stability for the countries concerned. Public investment through PRIMA will foster scientific and diplomatic links among participants and reinforce bilateral science & technology agreements between the EU and individual countries. Such improved conditions will, in turn, attract higher private investment. The PRIMA model of partnership based on an equal footing among Participating States has the potential to increase a third country's buy-in of public and private stakeholders, scale up the deployment of the potential of innovative solutions, thus expanding and integrating R&I investments. It further advocates new development cooperation models involving the private sector, innovative financing mechanisms and investments in SMEs and sustainable infrastructures.

#### How will PRIMA contribute to addressing unemployment issues in the Mediterranean region?

Developing innovative solutions for water provision and agro-food systems in the Mediterranean could also help address unemployment. The implementation of innovations, e.g. in food products, can contribute to job opportunities. Product innovation in food SMEs is positively linked to employment, and process innovations do not necessarily reduce employment in the food industry. Additional market opportunities will be created for agricultural producers of raw materials for traditional food products. Overall, enhanced investment in R&I is likely to have a broad economic indirect impact as the effects of a more sustainable management of water provision and agro-food systems would be beneficial also to other sectors, e.g. more availability of water in urban area and non-food industrial sector.

#### Why is it necessary for the EU to take action?

The objective of this partnership is to strengthen the integration and alignment of research and innovation systems and activities in the Mediterranean countries in the fields of water provision and agro-food systems. The scale of the research and innovation necessary to address the challenges in the Mediterranean area is immense due to the systemic character of the major bottlenecks. The scope of research and innovation is complex, multidisciplinary and requires a multi-actor and cross-border approach. A collaborative approach with a wide set of Participating States can help to increase the required scale and scope, by pooling financial and intellectual resources. Since the objective can therefore be better achieved at Union level by integrating national efforts into a consistent Union approach, by bringing together compartmentalised national research

programmes, by helping design common research and funding strategies across national borders, and by achieving the critical mass of actors and investments required, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Decision does not go beyond what is necessary in order to achieve those objectives.

### Which is the legal basis for the PRIMA initiative?

The legal basis for PRIMA is Article 185 TFEU. This article enables the EU to participate in research and development programmes undertaken by several Member States, including in the structures created for the execution of those programmes. Article 26 of the Horizon 2020 Framework Programme Regulation specifies the conditions and criteria for identifying and proposing an initiative pursuant to Article 185 TFEU.

#### Who is eligible for funding and how will the projects under PRIMA be chosen?

The Horizon 2020 rules apply. In general, the initiative is open to legal entities from all EU member states and countries associated to Horizon 2020 in order to deploy the best capacities to address the Mediterranean challenges. However, certain conditions apply. Non-participating countries need to commit to contributing to the financing of PRIMA and to take legislative, regulatory, administrative and other measures necessary for protecting the Union's financial interests in order to participate in PRIMA calls and receive funding.

A Coordination and Support Action ("CSA 4PRIMA"), which started in May 2016, is currently developing a Strategic Research and Innovation Agenda that will outline the conceptual framework for future calls for proposal. Future topics and mechanisms of implementation (funding instruments) will be based on this agenda, taking into account the range of Technology Readiness Levels as well as other specificities. Subsequently, the first Annual Work Plan will be elaborated to outline the scope and details of the project calls. Participants can then apply for funding for their projects through these calls. Finally, the evaluation procedure will be launched, following the Horizon 2020 rules for project selection.

#### Which countries participate in PRIMA?

There are currently 19 Participating States. 11 are EU Member States: Cyprus, France, Germany, Greece, Italy, Luxembourg, Malta, Portugal, Spain, Croatia and Slovenia. Three are Horizon 2020 Associated Third Countries: Israel, Tunisia and Turkey. Five are Third Countries not associated to Horizon 2020: Egypt, Lebanon, Morocco, Jordan and Algeria. The participation of the latter countries will be subject to international agreements with the EU.

**How can non-EU Member States join the partnership?** 

In line with the objectives of Horizon 2020, any other EU member state and third country associated to Horizon 2020 are entitled to participate in PRIMA if they commit to contributing to the financing of PRIMA. The participation of any other third country not associated to Horizon 2020, in particular Southern Mediterranean countries, is equally possible, on the condition that they, too, participate in the financing of PRIMA, and that the PRIMA Implementation Structure (PRIMA-IS) approves their participation.

To ensure participation of the third countries not associated to Horizon 2020 in PRIMA, international agreements between the Union and these third countries are required in order to extend to them the legal regime established by this Decision.

#### What is the initiative's budget?

So far, the Participating States have committed €269 million, matched by a contribution of €220 million from the Union through its current research framework programme Horizon 2020, amounting to a total of €489 million. Participating States can support the initiative by contributions in cash and/or in kind. The contributions by the Union and the Participating States are managed by the PRIMA-IS and the national funding bodies respectively. The contributions centrally managed by the PRIMA-IS are implemented in accordance with Horizon 2020 rules. For activities funded without Union contribution, financial and/or in-kind contributions by Participating States can be managed at either centrally or at national level.

The Union's contribution is funded entirely from the Horizon 2020 budget, from the Societal Challenge 2 ("Improving food security, developing sustainable agriculture, marine and maritime research and the bio-economy") from DG Research and Innovation, as well as from the corresponding budget line in DG Agriculture (Societal Challenge 2, "Securing sufficient supplies of safe and high quality food and other bio-based products"). Further means will be taken from DG RTD's Societal Challenge 5 ("Achieving a resource-efficient climate change resilient economy and a sustainable supply of raw materials") and from "Leadership in nanotechnologies, advanced materials, biotechnology and advanced manufacturing and processing").

#### How will the initiative be managed?

The initiative will be based on a comprehensive strategic research and innovation agenda, which will be implemented through multiple transnational calls for proposals, undertaken by a minimum of three legal entities from different Participating States, both from the Northern and the Southern Mediterranean. The implementation will be managed by a funding body, the PRIMA-IS. Ex-ante checks, financial reporting, and expost verification will ensure a sound financial management and protect the financial interests of the European Union.

#### When will the initiative be operational?

The initiative is set to start in 2018 and will run for 10 years.

#### What are the next steps?

As the European Parliament adopted the legislative proposal for PRIMA on 13 June 2017, the Council must formally endorse it before the partnership is set up. For this purpose, it will be presented to the Transport, Telecoms and Energy Council meeting of 26 June 2017.

As soon as the proposal has been formally adopted, the Commission will start the implementation of the partnership by finalising technical details. Finally, the first Annual Work Plan will be elaborated to outline the scope and details of the project calls. Subsequently, the evaluation procedure will be launched, following the Horizon 2020 rules for project selection.

At the same time, international agreements with countries not associated to Horizon 2020 are being negotiated. Currently, the countries concerned are Morocco, Lebanon, Jordan, Egypt and Algeria.

#### How can non-EU non-associated countries participate in PRIMA?

Israel, Tunisia and Turkey have acquired the right to participate in PRIMA as any EU Member State by way of their association to Horizon 2020 and following their formal financial commitments to participate in PRIMA. However Algeria, Egypt, Lebanon, Jordan and Morocco each require international bilateral agreements with the European Union to regulate their participation to PRIMA.

A series of identical international agreements is envisaged, i.e. one per country concerned. The agreement will refer to terms and conditions for participation, established in the PRIMA Basic Act. The Agreements will remain identical in so far as terms and conditions of participation are concerned to ensure equal treatment of all relevant States (and equal treatment with EU Member States participating to the initiative).

Formal negotiations can only commence upon the adoption of the PRIMA Basic Act foreseen on 26 June 2017. As foreseen under the Treaty (Art.218TFEU) the Agreements will require involvement of the Council for their signature and the Council and the European Parliament for their conclusion (ratification), which is necessary for entry into force of the agreements.