KEY HIGHLIGHTS

Cyprus has a small but growing R&I ecosystem that plays a limited but slowly expanding role in economic growth. With an R&D expenditure of 0.74% of GDP in 2019, international cooperation has long been identified as a key ingredient for development. Participation in H2020 partnerships has been satisfactory but the small budget allocated and its fragmentation over a number of partnerships has limited the potential impact on Cyprus’ R&I community. Participation in new European R&I partnerships will be more strategic in order to best serve the needs of the R&I community and at the same time address national priorities.

25 H2020 public partnerships (*)
Or 25.25% of total (99 partnerships)

25 H2020 public partnerships (*)
Or 1.16% of total participations

0 H2020 public partnerships (*)
Or 0% of total coordinations

Source: ERA-LEARN database (cut-off date June 2021), H2020 period (2014-2020) excluding EIT-KICs, EuroHPC and ECSEL

(*) Horizon 2020 public-public partnerships include ERA-NET Cofund, EJPs, Art 185 initiatives and JPIs. Partnership participations: number of partnerships a specific country takes part as participant – for certain countries more than one national organisation may take part. Thus the participations may be more than the number of partnerships a country is part of. Total partnership participations: number of partners from a specific country participating with any role (i.e. coordinator, participant, observer, other) in partnerships. Partnership coordinations: number of partnerships a specific country coordinates.

€6.42 million
in actual national contributions in public partnerships during H2020 (2014-2020)
Or 0.30% of total

€6 110
per researcher FTE (average between 2014-2019 based on EUROSTAT data)


Actual national contributions is the funding given by each country to cover the participation of national science and technology groups in the funded projects of the joint transnational calls launched by the public partnerships. Actual contributions for each researcher are the total actual contributions by a country divided by the number of researchers in the country estimated in full-time equivalents (FTE) average between 2014-2019 based on EUROSTAT data.

KEY AREAS ADDRESSED

According to the Smart Specialisation Strategy for Cyprus (S3Cy 2015), tourism and energy were identified as the major priority sectors for future investment. From the primary sector, construction, transport and health emerged as secondary priority sectors. The environment as well as ICT were defined as important horizontal sectors.

In line with this, Cyprus has so far committed to participating in four partnerships under Horizon Europe, focusing on the clean energy transition, the blue economy, key digital technologies and SME support.
TABLE 1: Distribution of funding under the different H2020 instruments (P2Ps, JUs, cPPPs and other H2020 projects, i.e. CSAs, RIAs, IAs, etc.) across thematic priorities

<table>
<thead>
<tr>
<th>THEMATIC PRIORITIES</th>
<th>P2Ps PROJECTS</th>
<th>JUs PROJECTS</th>
<th>cPPPs PROJECTS</th>
<th>OTHER H2020 PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nanotechnologies, Advanced Materials, Advanced Manufacturing and Processing, Biotechnology</td>
<td>11.62%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>7.80%</td>
</tr>
<tr>
<td>Climate action, environment, resource efficiency and raw materials</td>
<td>23.31%</td>
<td>0.00%</td>
<td>2.40%</td>
<td>5.60%</td>
</tr>
<tr>
<td>Europe in a changing world - inclusive, innovative and reflective Societies</td>
<td>12.57%</td>
<td></td>
<td>20.19%</td>
<td>19.37%</td>
</tr>
<tr>
<td>Food security, sustainable agriculture and forestry, marine and maritime and inland water research</td>
<td>21.38%</td>
<td>35.83%</td>
<td></td>
<td>4.24%</td>
</tr>
<tr>
<td>Future and Emerging Technologies</td>
<td>0.00%</td>
<td></td>
<td>0.00%</td>
<td>5.06%</td>
</tr>
<tr>
<td>Health, demographic change and wellbeing</td>
<td>25.49%</td>
<td>0.00%</td>
<td></td>
<td>9.66%</td>
</tr>
<tr>
<td>Information and Communication Technologies</td>
<td></td>
<td>54.74%</td>
<td>73.79%</td>
<td>24.19%</td>
</tr>
<tr>
<td>Secure, clean and efficient energy</td>
<td>1.87%</td>
<td>0.00%</td>
<td>3.61%</td>
<td>13.51%</td>
</tr>
<tr>
<td>Smart, green and integrated transport</td>
<td>3.76%</td>
<td>9.43%</td>
<td></td>
<td>10.56%</td>
</tr>
<tr>
<td></td>
<td>100,00%</td>
<td>100,00%</td>
<td>100,00%</td>
<td>100,00%</td>
</tr>
</tbody>
</table>

Source: ERA-LEARN database (cut-off date June 2021) based on actual national contributions for P2Ps; eCORDA based on net EU contribution; values are calculated as the share of investments of the specific instrument in the specific theme in the total investments under the specific instrument.

FIGURE 1: Eligible proposals, projects and success rates

Source: ERA-LEARN database for P2Ps (cut-off date June 2021); eCORDA for EIT-KAVA, JUs, cPPPs, other H2020 projects (RIAs, CSAs, etc.)

No proposal data for P2Ps; EIT-KICs (Figure 1): EIT-KAVA: KIC Added Value Activities; HES: higher education; OTH: other; PRC: private for-profit companies; PUB: public bodies; REC: research organisations (Figure 2)
COMPLEMENTARY AND CUMULATIVE FUNDING

Cyprus had not used ESIF/ERDF funds for supporting participation in European collaborations in the past. However, ESIF 2021–2027 co-funding will be used to support participation in the four partnerships selected under Horizon Europe, as mentioned above (and any others to be selected during the course of the programming period).

ADDITIONAL INVESTMENTS TRIGGERED

Cyprus has been quite successful in H2020. This was the result of the ecosystem’s quality and pursuit of internationalisation, assisted by an active national NCP-system as well as various national schemes supporting and motivating participation in H2020. Furthermore, a Seal of Excellence support scheme (2nd opportunity) was put in place in order to help implement excellent ideas not funded by the Commission.

FIGURE 3: Top collaborators of Cypriot researchers under Horizon 2020 projects (including JUs, cPPPs, P2Ps and other H2020 projects)

Source: eCorda; Showing top-10 collaborator-countries
**SUCCESS STORIES**

✚ H2020 funded the development of six Centres of Excellence in Cyprus through the TEAMING scheme. These are expected to become R&I technology hubs for Cyprus and beyond while making significant contributions to relevant partnerships.

✚ A National Strategy for R&I is under preparation by the newly-formed Deputy Ministry for Research Innovation and Digital Policy (DMRID). This will address/promote the priorities of the government in R&I and the needs and challenges of the national R&I ecosystem. A review of Cyprus’ Smart Specialisation Strategy will complement the National Strategy. When these strategies are adopted the selection of new participating partnerships will be based on their alignment with national priorities.

✚ Collaboration between DMIRID and RIF for the selection and coordination of participation in Horizon Europe partnerships has enhanced the national R&I governance structure.

✚ In a national study amongst R&I stakeholders it was indicated that access to funding was a main driver for participation in H2020. Next to the typical drivers for international research that were common to all (development of knowledge and capabilities, development of international networks and partnerships etc.) there was a strong emphasis on the sharing of costs and risks in the creation of IPR and innovation in general among start-ups and SMEs, while the universities (especially the private ones) highlighted the need for funding ‘seed’ research. On the matter of partnerships, stakeholders highlighted the opportunity provided to network at the European level, implement cutting-edge research and increase prospects for sustainable and successful collaborations in key thematic areas.