Roadmap for EU - Eastern Partnership S&T cooperation

1. EASTERN PARTNERSHIP as a partner of the EU

Latest EaP Summit

The Eastern Partnership (EaP), launched at the Prague Summit of 7 May 2009, is a joint initiative of the EU and 6 Eastern European partner countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova\(^1\) and Ukraine) that aims to bring Eastern European countries closer to the EU.

The EU and partner countries leaders meet every other year in Eastern Partnership Summits. The latest Eastern Partnership Summit Declaration agreed in May 2015 in Riga, reviewed the cooperation and provided the direction for further joint action. Summit participants took stock of the achievements made since the Vilnius summit in 2013 and set out a positive agenda for the future. The summit was the occasion to demonstrate EU’s determination to pursue closer, differentiated relations with its independent and sovereign partners.

Leaders also reaffirmed the importance of the reform agenda in the Eastern Partners and the need to establish strengthened and more transparent institutions. Discussions focused on multilateral cooperation projects aiming at:

- strengthening institutions and good governance;
- enhancing mobility and contacts between people;
- developing market opportunities by improving the business environment and legal certainty in Eastern European partners to SMEs and businesses and focusing on the digital economy field;
- ensuring energy security and improving the interconnections for energy and transport.

Conflict resolution in the region was also high on the agenda of the Summit and it was agreed to pursue efforts aiming at de-escalation and a political solution to the crisis in Ukraine, and the peaceful settlement of other unresolved conflicts in the region.

\(^1\) Hereafter referred to as Moldova.
EaP non-S&T cooperation agreements

At bilateral level, the EU is committed to building strong and mutually beneficial relations with all six partners, irrespective of their individual level of ambition in their relations with the EU. The Association Agreements/Deep and Comprehensive Free Trade Areas (AA/DCFTAs), concluded in 2014, have brought the relations between the EU and Georgia, Moldova and Ukraine to a new level. These agreements aim at strengthened political association and economic integration. They constitute a plan of reforms that will bring the partner countries closer to the EU by aligning their legislation and standards to those of the EU, and improve peoples’ lives in a tangible way.

A more tailored approach to relations with Armenia, Azerbaijan and Belarus will help ensure the inclusive nature of the Eastern Partnership. A new agreement is being negotiated with Armenia, whose political and economic cooperation with the EU will take account of Armenia’s other international commitments. The EU is also considering entering a closer relationship with Azerbaijan, to better reflect our respective interests and values. With Belarus, the EU is deepening its critical engagement in carefully calibrated mutual steps.

Many of the challenges partner countries face are shared ones. Addressing them collectively contributes to the stability and prosperity of the region, promotes cooperation and the exchange of best practice between these countries. Multilateral cooperation enables partner countries to work together on issues across the borders, and four multilateral policy platforms have been set up to deal with the topics of:

- democracy, good governance and stability;
- economic integration and convergence with EU policies;
- energy security;
- contacts between people, covering the fields of education, youth, culture, ICT, research and innovation.

EU-EASTERN PARTNERSHIP S&T cooperation agreements

Among the six EaP countries, Ukraine is the only country having a bilateral S&T Agreement with the EU. Three countries are already associated to H2020: Moldova (association effective since 1st January 2014), Ukraine (association effective since 17 August 2015) and Georgia (association effective as of 1st January 2016). An association agreement has also been signed with Armenia, for an effective association in 2016 (pending ratification of the agreement by the Armenian Parliament).

At regional level, cooperation on research and innovation is addressed in the 4th policy platform (“contacts between people”). In view of addressing the bi-regional cooperation in research and innovation in an ad-hoc format, a dedicated Panel on research and innovation, attached to the 4th platform was launched on 13 November 2013. This new EaP Panel on research and innovation gathers senior officials and experts from Member States and Eastern European partner countries, as well as from the Committee of the Regions and the EaP Civil Society Forum.
**R&I landscape in EASTERN PARTNERSHIP**

All EaP countries have a long tradition of scientific excellence, but have faced a dramatic decrease of their R&D intensity since the early 90s. That led to the shutting down or to the reorientation of many research branches as well as a significant decrease in the number of researchers.

A common characteristic of the EaP countries is also that research is largely funded from the state budget with very limited contributions from the private sector. Research activities are mainly conducted in institutes and centres under the coordination of National Academies, with the exception of Georgia where research institutes have been integrated into the university system following a recently completed reform.

Because of the difficulties they are facing, all countries have launched ambitious national strategies to modernise and boost their research and innovation systems, notably through improving conditions for encouraging business activities and commercialization of R&D outcomes. This resulted in recent years in the emergence of many technology parks and incubators and reforms concerning venture funding and IPRs. It is in this context of on-going policy reforms that new dynamics exist for intensifying the bi-regional cooperation.

The table below illustrates the overall R&D landscape in the Eastern Partnership countries.

Table 1: Eastern Partnership Countries – Overall R&D Landscape

<table>
<thead>
<tr>
<th>Country</th>
<th>Population¹</th>
<th>GDP² (per capita)</th>
<th>GERD³ (as % of GDP)</th>
<th>R&amp;D personnel per million habitants (researchers per million habitants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>2.98</td>
<td>25,000 (8,416)</td>
<td>54.8 (0.24%)</td>
<td>1748 (1293)</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>9.24</td>
<td>94,100 (10,125)</td>
<td>341.3 (0.21%)</td>
<td>2354 (1662)</td>
</tr>
<tr>
<td>Belarus</td>
<td>9.36</td>
<td>145,100 (15,326)</td>
<td>1,125.4 (0.67%)</td>
<td>3047 (1932)</td>
</tr>
<tr>
<td>Georgia</td>
<td>4.34</td>
<td>26,200 (5,805)</td>
<td>42.2 (0.13%)</td>
<td>1363 (677)</td>
</tr>
<tr>
<td>Moldova</td>
<td>3.56</td>
<td>11,200 (3,368)</td>
<td>59.1 (0.35%)</td>
<td>1223 (798)</td>
</tr>
<tr>
<td>Ukraine</td>
<td>45.24</td>
<td>332,700 (7,298)</td>
<td>2,984.9 (0.76%)</td>
<td>2728 (1453)</td>
</tr>
</tbody>
</table>

¹ In millions. 2013: Armenia, Belarus, Georgia, Ukraine; 2012: Moldova; 2011: Azerbaijan
² In billion PPP current international $. Values for 2012.
³ In million current PPP $. Values of 2013

Source: DG Research and Innovation, Dir. C - International Cooperation Data: UNESCO Institute for Statistics
2. State of play of EU-EASTERN PARTNERSHIP S&T cooperation

2.1. On-going FP7 and Horizon 2020 cooperation

Eastern Partnership applicants have submitted 1312 proposals, involving 2284 participations to collaborative actions of FP7, leading to 205 successful projects, involving 423 participations. Eastern Partnership participants have received 39.6 million euros from the European Commission and have contributed with 12.8 million euros.

Figure 1: Eastern Partnership - Participation in Horizon 2020

Notes: - Participations of Eastern Partnership Countries to Horizon 2020. The number on top of the left bars denotes the share of the country’s participations.

Up to October 2016, Eastern Partnership applicants are involved 850 times in 526 eligible proposals to collaborative\(^2\) actions. 56 proposals were mainlisted, leading to a success rate of 10.6% (as compared to 12.7% overall). Eastern Partnership entities have 83 participations in 50 signed grants, receiving 8.7 million euros from EU while 3.4 million euros is the non-EU budget.

2.2. Current framework conditions for EU-EASTERN PARTNERSHIP S&T cooperation

Framework conditions are mostly relevant to bilateral aspects of cooperation with EaP countries rather than at a regional level. Issues such as the protection of intellectual property rights, competition rules or the liberalisation

\(^2\) Here referring to non-bottom-up, internationally open, collaborative actions, i.e. all actions except for ERC, MSCA, actions under the SME Instrument and Access to Risk Finance.
of public procurement are addressed in bilateral association or cooperation agreements the EU has established individually.

It is however to be noted that 4 out of 6 EaP countries are involved with the association to Horizon 2020 (Moldova, Ukraine, Georgia and Armenia). Those associations obviously translate the fact that framework conditions are in place for an alignment of those four countries with the ERA. An assessment of the three Horizon 2020 association criteria had indeed to be performed when those countries requested to be associated, and one of these criteria is notably related to fair and equitable dealing with intellectual property rights.

3. **Priorities for the future in S&T cooperation**

3.1. **Areas of future S&T cooperation agreed at latest Joint Committee/High Level Dialogues**

Two fields of intervention have been identified by the EaP Panel on Research and Innovation as priority areas for cooperation with EaP countries: common societal challenges to focus on, and cross-cutting issues to address in priority in order to improve the cooperation framework conditions. This priority setting was based on contributions received from EU Member States and EaP countries that were consolidated by an expert group mandated by the EaP Panel on Research and Innovation.

Collaborative research and innovation activities should be concentrated on the following priorities:

- Health, demographic change and well-being;
- Climate action and environment;
- Secure, clean and efficient energy;

Although a challenge-based approach is proposed, particular attention should also be given to cooperation activities on key enabling technologies listed in H2020 with a particular focus on ICT and nanotechnologies.

The cross-cutting priorities on which the efforts should be concentrated include:

a. Sharing best practices between EU Member States and EaP countries in research and innovation management and establish a regional evaluation platform;

b. Provide technical assistance and training to support EaP countries in improving their national research and innovation systems;

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3 Cooperation on health research with EaP countries may be supported via the cooperation in multi-lateral initiatives. An excellent example, which has currently 20 members, is the initiative called Global Research Collaboration for Infectious Diseases Preparedness ([www.glopid-r.org](http://www.glopid-r.org)) for the organisation of a network of research funders that may immediately react in case of an outbreak.
c. Promoting researchers mobility and common use of research infrastructures, notably through the creation of a regional network of Centres of Excellence that could potentially be connected to ESFRI (the European Strategic Forum on Research Infrastructures); It is be noted that in that sector, a new initiative (EaPConnect) for the development of a regional EaP Research and Education Network and its interconnection to GEANT was launched in 2015.

d. Promoting the link between state-of-the-art EU initiatives such as research-intensive clusters and technology platforms with similar structures in EaP countries, and enhancing the participation of EaP countries private companies in these structures.

3.2. Potential new areas of future S&T cooperation proposed at latest Joint Committee/High Level Dialogue, through SFIC, or by thematic services

No other area of future cooperation has been proposed to-date by the EaP Panel on Research and Innovation, the priority being at the moment to achieve impact on the priorities identified so far, notably through a better coordination between activities implemented at EU and bilateral levels.

In order to identify more precisely the topics of mutual interests in the three societal challenges prioritised by the EaP Panel, a series of thematic policy stakeholders conferences and brokerage events have been organised (www.inco-eap.net). In parallel a batch of 6 on-going regional projects, funded out of FP7, are currently assessing framework conditions for cooperation in the field of innovation, analysing opportunities and challenges for research-industry partnerships across the two regions (https://ener2i.eu/related_projects/r2i_cluster_east). The status of these projects were presented during the last EaP Panel meeting, and working on the challenges ahead, notably related to technology transfer issues was identified as a priority track for the future.

3.3. Improvements in framework conditions agreed at latest Joint Committee/High Level Dialogue and additional framework conditions to be addressed at future policy dialogue meetings

The associations to Horizon 2020 are major steps forward to the improvement of framework conditions for the cooperation with the EU. As a matter of example, Moldova and Ukraine requested support from the programme Policy Support Facility, in order to review and increase the competitiveness of their national research and innovation system, and make them further compatible with the EU one.