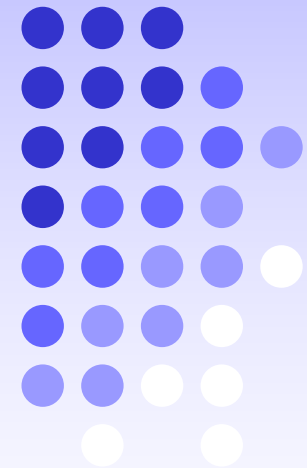


JTI Sherpas' Group Report:

Designing together the 'ideal house' for public-private partnerships in European research

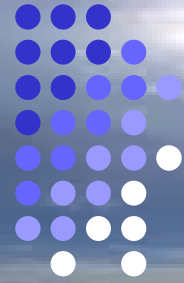


ETP 2010 Conference, Brussels, 11-12 May 2010

Outline

- The starting point
- JTI Sherpas' Group Mandate
- The basis of the discussion
- Conclusions
- Recommendations

The starting point



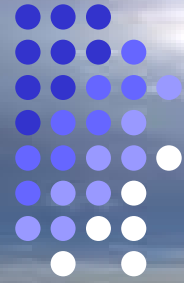
- Initiative of Commissioners Potočnik and Reding
- Specific issues posed for discussion
 - considering the increasing trend of PPPs in research;
 - addressing the nature of challenges requiring a European PPP-based approach;
 - calling for lessons learnt from implementing JTIs as well as other PPP experiences;
 - examining implementation effectiveness and impact assessment aspects, and
 - addressing the long-term sustainability of such endeavours.

JTI Sherpas' Group Mandate



- Take stock of first experiences
- Complement by other available evidence
- Capitalise on existing knowledge & experiences
- Draw lessons and
- Develop recommendations in relation to the "ideal house" for future JTIs / research PPPs

The basis of the discussion



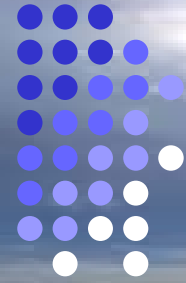
- Five JTIs: innovative medicines (IMI), aeronautics (Clean Sky), embedded computing systems (ARTEMIS), nanoelectronics (ENIAC) and fuel cells and hydrogen (FCH).
- Three European Economic Recovery Plan PPPs: Factories of the Future, Energy Efficient Buildings and Green Cars.
- Future Internet Technologies PPP.
- Examples of national experiences reviewed: Leading Technological Institutes and 'Innovation Programmes' (NL), Competitiveness Centres (AU) (FR), Strategic Centres for STI - SHOKs (FI), Competence Centres (A).

Conclusions



- Research PPPs as a powerful instrument for addressing critical issues that impact on Europe's competitiveness and responding effectively to major socio-economic challenges
- JTIs: the first experience (challenging and resource-intensive, thus extremely valuable) with setting up research PPPs at European level
- Imperative need to capitalise on experience and guide development of future JTIs / research PPPs

Recommendations: overall



A genuine public-private partnership based on mutual trust and confidence underpinned by key principles in four areas:

1. Legal structure and governance
2. Operational modalities
3. Funding and
4. Member States' participation (where applicable)

Recommendations: Legal status & governance (1/2)



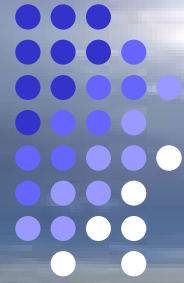
Key principles:

- A risk-tolerant and trust-based approach
- Flexibility to adapt to the specific needs of the different sectors and challenges

Certain legal status types examined:

- Private law legal entity
- Contractual partnerships
- Community body under the current Financial Regulation
- Recognition of the PPP as a special body under the revised Financial Regulation

Recommendations: Legal status & governance (2/2)



Recommendations:

- Recognition of PPPs as special bodies under the revised Framework Financial Regulation (FR)
- Seize the opportunity of the current FR Triennial Review
- Move towards a more risk-tolerant and trust-based approach in line with Dec 2009 Competitiveness Council
- Continue and strengthen cooperation with the European Economic Recovery Plan PPPs

Recommendations: Operational modalities



Key principles - recommendations:

- Clear roles and responsibilities
 - private partner: operational management based on principles of openness, transparency and sound financ. management;
 - public partner: oversight and protection of the public interest and long-term stability of the programme;
 - objectives and strategy a shared area.
- A transparent and flexible recruitment process
- Simple reporting procedures with proportionate audits
- A transparent and sound proposal evaluation system
- Access to investment in high performance IT tools
- Effective engagement of the SME community

Recommendations: Funding



Key principles - recommendations:

- Long-term commitment and critical mass of funds – ensure suitable framework of Community funding to increase leverage of private investment and national funding
- Competitive funding rates, comparable to FP
- Balanced public-private funds matching and sustainability of running costs

Recommendations: Member States' participation



Key principles:

- Bringing added value and honouring commitments
- Accommodation of national interests
- Harmonisation of national procedures
- Clear collaboration with Eureka initiatives

Recommendations:

- Invitation to participate based on added value
- Set the necessary rules to consider interests of all partners, allowing them to live up to their commitments
- Harmonisation of time-to-contract periods and timing of funding

Last but not least...



- The Sherpas emphasise that recommendations should be implemented as a whole in order to provide a comprehensive blueprint for designing the "ideal house" for future JTIs, as well as guidance for the mid-term reorientation of existing JTIs.
- To make their recommendations as specific as possible, the Sherpas will provide input to the Commission on issues such as the revision of the Financial Regulation.

Thank you for your attention!