

Kick off of WP 5

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A. GREECE'S POLICY IN THE BALKANS REGION

- The strategic goal of the European Union, and naturally of Greece, in the Balkans is to create the preconditions for stability, functioning democratic processes and institutions, cooperation, development and prosperity, as well as fulfilment of the political criteria, which will allow all the Balkan countries without exception to become members of the EU.
- In the last years, the policy implemented by the European Union in the Balkans was extremely well coordinated and effective, replacing its weak policy of the early 90s. The combination of goals and means (mainly through financial aid and the Association and Stabilisation Process), in conjunction with the election of democratic governments in all Balkan countries without exception, permit a more optimistic outlook as regards the effectiveness of EU policies.
- From Greece's point of view, both the enlargement of NATO towards the Balkans (Bulgaria, Romania, Slovenia) and the enlargement of the European Union in the same geographic area (Slovenia became a member state on 1.5.2004, Romania and Bulgaria will accede in 2007, whilst accession negotiations with Croatia are commenced) mean that for the first time since becoming a member of NATO and the European Union, Greece is directly connected to the unified Euro Atlantic geographic area. The future accession of the remaining Balkan states to the European Union and NATO broadens and reinforces the perimeter of the stability zone in our region. As a result, these countries are attracting an increasing amount of direct investment, regional infrastructure projects (transports, energy) are being implemented at a faster pace, and living conditions are improving.

A1. European Council and Thessaloniki Summit on the Western Balkans (20-21 June 2003)

- The Thessaloniki Summit was a milestone in the EU's exceptional and privileged relations with the countries of the Western Balkans. The jointly adopted Thessaloniki Declaration highlighted both the European Unions unreserved intention of supporting the European prospects of the states in the region as potential candidates for accession, and the commitment of the Western Balkan states to intensify their efforts at reforms, bringing them closer to the lengthy process of EU accession in the future.

- In recent years, EU policies have contributed greatly to the progress achieved throughout the region, promoting stability and the rapprochement between these states and the Union.
 - In order to join the EU these states must adopt those principles and values commonly accepted in the European family, which comprise the foundations of the EU: democracy, rule of law, respect for human and minority rights, solidarity and market economy, respect of international law, inviolability of international borders, peaceful resolution of conflicts and regional cooperation.
 - In this regard we consider that respecting and fully implementing the Agreements (Dayton, Ohrid, Belgrade) and the UN Security Council Resolutions settling the problems in the region (1244/99 for Kosovo and 1345/2001 for FYROM and Kosovo) constitutes the sine qua non condition for stability and peace in the region.
 - The texts adopted in Thessaloniki (Thessaloniki Agenda: moving towards European Integration for the Western Balkan States, as well as the Thessaloniki Declaration) constitute the most comprehensive texts on European Union strategy as regards the Balkans.
 - The set of measures adopted, implementation of which commenced during the Italian Presidency, comprise tangible proof that the Western Balkans constitute a region of vital importance in European Union policies. The latest enlargement certainly encourages the countries of the region to intensify their efforts in this direction. If and when they succeed now depends on their own efforts and political will.

A2. Regional Cooperation in the Balkans

Fostering regional cooperation is a key element in Greek and EU policy for the Western Balkans as, firstly, it opens the way for regional stability and prosperity. Secondly, it acts as a vehicle for rapprochement and, in the long term, for the integration of these countries into Euro-Atlantic institutions.

The regional initiative schemes operating in the region, in conjunction with the institutional mechanism of the EU Stability and Association Process, and the S.E. Europe Stability Pact, are best equipped for acting as catalysts to reinforce regional cohesion.

The principal inter-state regional cooperation initiatives in the area of South-Eastern Europe are:

- the South East European Cooperation Process - SEECP

The South East European Cooperation Process (SEECP) constitutes the only indigenous cooperation format that stems exclusively from the countries of S.E. Europe. Albania, FYROM, FRY, Bulgaria, Romania, Turkey, Bosnia-Herzegovina, Croatia and Greece, all participate in the SEECP.

- the Stability Pact, SE Europe (SPSEE)

The Stability Pact was established in Cologne in June 1999, and adopted by the Heads of State and Government in Sarajevo on 30 July 1999. The pact stemmed from an older French proposal, which at the end of the Kosovo war was once more put forward by Germany, with the support of the US. The participating countries are divided into **beneficiaries** or **recipients** (Albania, FYROM, Bulgaria, Romania, Bosnia & Herzegovina and, since 2001, Moldova) and **facilitators** or **donors**.

- the South East Europe Cooperation Initiative (SECI)

SECI comprises a consultation framework for addressing economic and environmental problems with a regional dimension. The role of SECI is to complement and strengthen existing regional initiatives and actions for transferring know-how, realising private investment and harmonising the trade legislation and policies of the countries in the region. The SECI Initiative cooperates closely with the UN Economic Commission for Europe (UNECE) and the Organisation for Security and Cooperation in Europe (OSCE). **The following states are SECI members:** Greece, Albania, FYROM, Serbia and Montenegro, Bulgaria, Romania, Turkey, Bosnia - Herzegovina, Croatia, Slovenia, Hungary and Moldova. **The following countries are SECI partners:** US, Italy, Austria, Switzerland, Liechtenstein and the Czech Republic.

- Adriatic - Ionian Initiative (All)

The All comprises a forum for debate and cooperation between its member states (Greece, Italy, Albania, Croatia, Bosnia Herzegovina, Serbia & Montenegro) in the following sectors:

- economy and tourism
- sustainable development and environmental protection
- education and culture
- combating organised crime

- SEEREN project extends pan-European research network to Balkans

The pan-European high-speed research network GEANT has been extended to the Balkan countries with the completion of the "South Eastern European research and education networking" (SEEREN) project. The project was charged with not only connecting the research communities in South East Europe to one another, but also linking them to the existing European network.

The new network improve on-line access for researchers and this is vital for enabling the full participation and integration of the Balkan research community in the European Research Area (ERA)".

Indeed, the SEEREN project has provided more than just technical connectivity. Bridging the digital divide that still separates the Balkans from the rest of Europe was one of the key aims of the project, and the consortium have been active in encouraging European Union Member States to work together with researchers from South East Europe.

- The Steering Platform

The European Commission and the Austrian EU Council Presidency have jointly launched a 'steering platform' for strengthening research cooperation between the Western Balkan countries and the EU within the framework of the European Research Area (ERA).

The platform will intensify work already underway to increase the networking of national programmes and promote cooperation between researchers from individual countries within the EU with researchers from countries in the south-east of Europe.

The European Commissioner for Science and Research Janez Potocnik referred to the 2003 EU-Balkans Action Plan on Science and Technology (S&T), which, he noted was a big success: 'it allowed to give visibility to the Western Balkans and to stress the importance of research. This is important because indeed, let me say very clearly, research is a key tool to facilitate integration.'

As regards the 'steering' part of the platform, Mr Potocnik pointed to the role it could play in creating general awareness regarding research policy and its links with other policies such as the Lisbon strategy. The platform should also serve as a forum to create synergies between FP7 and the pre-accession funds (IPA).

B. GREECE' S RESEARCH POLICY

B1. Greece's Research System

The Greek target within the frame of the 3%-2/3 Barcelona objective has been set to approach 1,5% GERD/GDP by the end of 2010 while the level of business funding should reach at least 40% of total RTD investment.

This target is intended primarily to boost industry-financed R&D, since the main problem of the Greek S&T system, apart from the low level of the R&D expenditure, is the persistence of an unbalanced structure of the research budget in terms of contribution made by the business and the state sector to funding and performing R&D. Another important feature of the Greek research system is that relations and interactions between higher educational institutions, public research establishments and business enterprises in Greece are rather poor.

In Greece, since 1989, the 3 successive Operational Programmes for research and technology, under the respective Community Support Frameworks, have been the main instruments for the formulation and implementation of a research and technology policy. Two permanent axes of this policy during this period have been the improvement of the research infrastructure and the strengthening of the links between research and industry. In the last Operational Programme on Competitiveness /EPAN (2000-2006) there was a clear shift towards policies promoting technology transfer and innovation. A very clear priority has been the increasing of the demand for new knowledge and research results in the country. To this end the EPAN supported the establishment of private S&T parks and incubators as well as spin-off companies from universities and public research centers

It is difficult to assess the impact of the implementation of the above measures on the Greek S&T system. A quite reasonable hypothesis seems to be that this considerable effort during the last twenty years has undoubtedly contributed to the modernization of the infrastructure and the fostering of R&D activities. It also seems that it has provoked a change of attitude among Greek entrepreneurs concerning research and technology.

However, research and development efforts continue to be low in Greece and have not been converted yet into actual improvements in productivity, employment, national income or the competitiveness of Greek enterprises.

It is, therefore, necessary to intensify the effort, if real convergence is to be achieved rapidly. In addition, special emphasis should be put on the quality and the effectiveness of incentives.

The following issues, could provoke a leverage effect of public R&D funding on private sector R&D financing.

1. Deeper understanding of business R&D practices and greater consultation with industry about research and technology priorities are needed.
2. Monitoring and evaluation of the efficiency and impact of different schemes, programmes (or policy measures) should be fully integrated in the policy formulation procedure in order to lead to the selection of the

- most successful ones having the greatest relevance to the specificities of the Greek industrial sector.
3. A better integration of the different financial schemes (launched in the framework of a single Operational Programme) towards specific goals must be *pursued*, since efforts to support R&D activities have mostly been fragmentary, limited to individual stages of the overall research, development and innovation process.
 4. R&D policies have been traditionally horizontal in Greece. More focus on sectoral aspects of these policies are needed. It seems more and more necessary that there should be a concentration of future funding on the most promising fields of science and technology for Greece. Setting priorities is a very important issue and there is much progress to be made in this direction.
 5. The domain of interaction between technology and society is also a very important issue and policies to stimulate the diffusion and absorption of science and technology into society should be carefully designed.
 6. More emphasis should be given to the regional aspects of R&D and Innovation policies. To this end a number of new Actions have been designed recently aiming at supporting innovation at a regional level: The so-called “Regional Innovation Poles Programme” (*aiming at increasing the regional competitiveness and innovation performance in the periphery by creating local nodes of technological skill and excellence*), and the creation of an “Innovation Zone” of Eastern Thessaloniki.
 7. A more integrated and coherent strategy for Government funding of R&D across different ministries managing S&T budgets or implementing industrial, fiscal or training policies should be established. In other words there is need of a strategic central planning for promoting research, technology and innovation activities in Greek industry as an essential element for improving its competitiveness. The reform of the legal framework for Research in Greece currently being prepared, is expected to address to a certain extent this need and promote the effective coordination between the different Ministries in charge of research.
 8. Finally the preparation of the next Operational Programme under the 4th Community Support Framework offers another opportunity to continue our effort of improving public R&D funding in order to increase its leverage effect on private sector R&D financing.
 9. Simplification of procedures for enterprises to get public financing is another important issue which should be tackled also both at EU and national level.

B2. Greece’s Scientific and Technological Cooperation in the BalkanS Region

In these days there are bilateral collaborations between Greece and 26 countries:

Cyprus, Albania, Bulgaria, Romania, Montenegro, Serbia, Slovenia, Hungary, Czech Republic, Slovakia, Poland, Russia, Ukraine, Armenia, Georgia, Turkey, Egypt, Tunisia, Spain, Portugal, France, Germany, Great Britain, Italy, China. The total allocated budget from 2000 till today reaches 16.000.000 Euros.

- ❖ After the year 2000, especially with Balkan countries, GSRT had funded almost 250 bilateral joint research projects with a total budget of 3.472.833 euros. The following budgets has been allocated:

Albania: 984.855 Euros

Bulgaria 380.667 Euros

Yugoslavia-Serbia 728.993 Euros

Romania 1.168.318 Euros

Montenegro 120.000 euros

Greece is determined to contribute to the maintaining of peace, development and cohesion of the region by all means, diplomatic, funding support and scientific cooperation.

B3. Greece's Research policy in the Balkans Region

Up to now, political and economic crises in many countries of South East Europe, affected dramatically the capabilities for Research and Technological growth. Equally important was the impact from the reduction of national expenses for RTD, the reduction of critical mass because of the formation of new states and the simultaneous brain drain.

It is essential that all proper actions should be taken for the reinforcement of the RTD capacities in each country and in the region. To this direction, the contribution of research and technology for the economic growth and the resolution of problems in each country should be placed in the political priorities of all the countries in order to facilitate the necessary initiatives and the mobilization of capitals for financing.

Specific actions should be focused on issues concerning the development of research infrastructures, the improvement of human potential, the creation of institutes and the promotion of common RTD actions in regions of mutual interest and more specifically in sectors that will strengthen the innovation. Moreover there is an important need for specific actions that should be focused on the

western Balkans region. The Greek state is strongly interested for the growth and the research activities in the region.

In June 2003, following an initiative of the Greek Presidency of the EU and with the support of the EC, the 'EU – Balkan countries Action Plan for S&T' has been adopted in Thessaloniki Summit. The Action Plan created a strong momentum for an enhanced scientific and technological cooperation between EU and the WBC but also among the WBC themselves. Several activities have their roots in the Action Plan and contribute to the achievement of its goals, e.g. the launching of specific calls for proposals in the context of the FP6; the implementation of the SEE-ERA.NET project and of several projects in the field of e-infrastructures as SINSEE, SEEREN, SEE-Grid, etc.

However, as it concerns the key objective of the renewal of infrastructures and the restructuring of the national research systems, the results are beyond the initial expectations. The main reason for that is the lack of adequate financial tool and in particular the lack of support from CARDS. Similar difficulties are also observed in the S&T cooperation of the EU with the Mediterranean countries (Barcelona Process) and with the Black Sea countries (BSEC Action Plan) where the synergies between the political initiatives and the financial instruments are not at an optimum level. It is therefore evident that only by combining two major European financial instruments a real breakthrough for the integration of the WBC in the ERA could be achieved:

- the support from the Instrument for Pre-Accession Assistance (IPA, successor of CARDS) should promote significantly the renewal of research infrastructures and the restructuring of the research systems, while
- the (new - 7th) FP should provide support for joint RTD activities and for the Mobility of researchers.

To be successful in this combined approach, coordination at three levels is necessary: EC (DG Enlargement and DG RTD); EU Member States (Ministries responsible for Research and Ministries of Foreign Affairs); and, last but not least, at the level of WBC where sound proposals for research related activities should be forwarded by the Ministries responsible for Research to the Ministries that are responsible for the setting-up of the list of National priorities to be supported by the IPA.

B4. The SEE-ERA-NET project

The ERA-NET scheme is an innovative component of the European Union's Sixth Framework Programme addressing national or regional research funding or managing bodies. Its intention is to improve the co-operation and co-ordination of national research activities and thus strengthen the European Research Area (ERA) and its expansion to the South East Europe.

SEE-ERA.NET is a useful EC tool not only for funding but aims at structuring and expanding the ERA to the West Balkan countries (WBC) by co-ordinating and supporting RTD activities. The important issue is that the funding of these joint activities such as the pilot joint call is covered through the national contributions of all the partners. This facilitates the sustainability of our collaboration in the South East Europe. So from my point of view, SEE-ERA-NET and general speaking the ERA-NETs act as catalyst to initiate and facilitate the coordination and collaboration of national funding bodies and countries, independently if their origin (WBC countries or EU-MS / AC countries).

The SEE-ERA-NET project is divided in several Work Packages and one of them is the Work package 5 which includes among others the implementation of this pilot joint call. The General Secretariat for Research and Technology (GSRT) is the WP5 leader and for this reason is responsible for the launching and implementation of the call in collaboration with the other partners.

At this point I would like to point out for one more time that Greece is strongly supports the initiatives that improve the co-operation and co-ordination of national research activities especially in the South East Europe. I would like to remind you that the promotion of exchange of knowledge, personnel and technological innovations in order to foster socio-economic progress throughout the Euro-Mediterranean area was stated as an important ambition and mission of the European Union according to the EU-Balkan countries Action Plan in Science & Technology adopted at the Ministerial Conference in Thessaloniki under the Greek Presidency in 2003.