

Refining Access: Navigating the Balance Between Simplicity and Complexity in European Public Funding

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Executive Summary

This paper by the European Association of Innovation Consultants (EAIC) provides targeted recommendations for improving the accessibility and efficiency of EU public funding schemes. Building on extensive experience in supporting and managing EU-funded projects, the paper aims to streamline processes while preserving the high standards necessary for impactful research and innovation initiatives.

The recommendations address critical areas where current funding mechanisms create challenges for applicants and beneficiaries. Simplification efforts focus on clarifying rules for lump sum grants, optimizing proposal templates, and improving the usability of the Funding and Tenders Portal. These measures are designed to reduce administrative burdens and make application processes more transparent and accessible.

Additionally, the paper highlights the importance of aligning financial viability rules and simplifying participation requirements in EU partnerships. Flexible and consistent frameworks would encourage broader participation from diverse stakeholders, including spin-offs and new players, while avoiding unnecessary bureaucratic hurdles that discourage private investment.

To enhance the overall impact of funded projects, the paper suggests introducing targeted tools like short-term bridging projects to accelerate knowledge transfer and maximize long-term benefits. It also advocates for integrating expert feedback into the design of funding instruments and improving the scheduling of funding calls to better distribute workloads and foster higher-quality proposals.

By implementing these recommendations, the European Commission can create a more efficient, applicant-friendly funding system while maintaining strategic rigor. These targeted improvements would foster greater trust among stakeholders and enhance Europe's ability to drive innovation and competitiveness on a global scale.

Foreword

The European Association of Innovation Consultants (EAIC) is non-for-profit trade industry group uniting Europe's innovation funding practitioners.

Bound by a code of conduct, EAIC's mission strives to uphold the integrity of the EU innovation funding industry and to contribute to making EU innovation funding more transparent, impactful and fair, while safeguarding the interests of the European innovation community.

Drawing on the collective experience of our members, our reports and opinions serve to enrich the dialogue amongst stakeholders and bring to light the hurdles faced by applicants and beneficiaries.

As a central player in the European innovation funding ecosystem, we provide verified, empirical data to administrators and decision makers in order to inform and improve the EU's funding programmes.

Between 2021 and 2024, EAIC members supported approximately:

500 successful projects in the pre-award phase, securing €2.65 billion in EU contributions through grants and equity. 400 successful projects in the post-award phase, managing €1.33 billion in EU contributions through grants and equity.

Introduction

The European Commission (EC) has recently prioritized simplifying its research and innovation funding schemes to enhance accessibility and efficiency.

There are many who are in favour of simplification arguing that it may reduce costs for participants, improve accessibility and make the funding process less burdensome for researchers and innovators.

Yet, practitioners argue that over-simplifying application processes will almost certainly put an unmanageable burden on the EC to select projects based on merit (ie. the 2024 EIC Accelerator is a good use case to illustrate an overwhelming selection process). Crucially, the EU cannot afford to make such concessions if it could jeopardise our mission to find, support and fund the strategic technologies that are critical to our geo-political relevance.

Following the release of the Align, Act, Accelerate: Research, Technology and Innovation to Boost European Competitiveness report, which successfully highlighted the persistent challenges of navigating EU funding, the conversation in Brussels on how funding programmes can be simplified has given rise to many suggestions.

Ambitious proposals, such as the "trust first, evaluate later" model to reduce the time-to-grant and the use of experimental units to test new application programmes and instruments with fast time to funding, have been central to this evolving debate.

Against this background, our aim is not to propose a radical overhaul of the funding landscape but to offer targeted, practical suggestions that, collectively, could make it significantly easier for companies and research organizations to apply for and manage EU funding.

1. Clarifying the rules on Lump Sum Grants

- Give clear guidance to evaluators and Project Officers (POs) on lump sums implementation and flexibility mechanisms. The decision to switch to lump sums is aligned with the simplification objective. Yet, while the burden has been alleviated from POs, it has been transferred on beneficiaries who, due to financial reporting technicalities have a significant risk of not receiving the full amount granted. The lump sums dashboard developed for evaluators for instance does not reflect reality, especially regarding personnel costs. This is especially critical to address inflation, resource changes, and other project dynamics during execution.
- Streamline the Grant Agreement Preparation (GAP) process and ensure that POs are equipped with up-to-date training and resources to avoid unnecessary delays and situations where different criteria are applied to different projects of the same call.
- Clarify the transversal obligations of an audit and the extent to which financial data can be requested in the framework of a technical audit.

2. Proposal Template Optimisation

- Customise application forms to the specific programme administrative information. For example, tailor Part A of the template to remove irrelevant fields inherited from collaborative programmes, thus reducing the administrative load for applicants (e.g. EIC Accelerator, MSCA Doctoral Networks). Alternatively, add a Part C with specific requirements for some programmes, as is the case in the Innovation Fund.
- Promote harmonisation of application processes and proposal templates across different funding instruments (e.g., Horizon Europe and Digital Europe Programme) to simplify the process and enhance accessibility for applicants.
- Redesign proposal templates to match current evaluation criteria and discontinue the use of sections in template Part B which repeat information already provided (e.g. section 2.3 Summary of Impact).

3. Improving the F&T Portal

- Detail the results of the search function for potential applicants to search by keyword to find all relevant calls across Horizon Europe and EU funding other programmes with simple keywords.
- Include an improved and effective partner search tool on the Funding and Tenders Portal, enabling to search by topic, region, country, type of organisation, etc. Enable applicants to search by keyword on the Funding and Tenders Portal to find all relevant calls across Horizon Europe and EU funding other programmes.
- Improve Detail the information on grant application, negotiations and project management in the Online Manual on EU programmes, including Q&A on each instrument and relevant contacts to obtain, if needed, more detailed information.

4. Financial Viability Rules and Sovereignty Rules

- Introduce flexibility for spin-offs and companies undergoing structural changes to apply for EU programmes. For instance, allow a parent company to guarantee the financial viability of a spin-off that has not yet closed its first financial year.
- Establish clear rules for an organisation to be a coordinator, so that this is taken into account from the proposal phase and not discovered during Grant Application Preparation (GAP) the grant application phase. Particular attention should be given to cases of related or affiliated entities (including SPVs and JVs created for the purpose of the project) and when a guarantee issued by the matrix company would be required and accepted.
- Revise processes to avoid ad hoc changes that lead to confusion, such as requiring a letter of non-bankability for small midcaps without clear distinction for SMEs in the frame of the EIC Accelerator.
- Carefully design sovereignty and “golden share” requirements in strategic domains to avoid discouraging private investment or creating unnecessary bureaucratic hurdles.

5. Simplifying EU Partnerships

- Simplify the Rules for Participation of all EU Partnerships so that they align with the standard Horizon Europe collaborative projects.

- Encourage a strategic portfolio approach between Partnerships to reduce fragmentation and avoid duplication with other similar initiatives and calls.
 - Improve the efficiency of the application process for co-fund partnerships. Currently, they do not lead to real collaborative projects, as funding from the national level arrives at each partner with several months or years of difference, each partner with a different funding level, and some countries with no budget. They do not favour the participation of new players.
- 6. Clarifying the Rules on Project Management**
- Recognise the impact of professional expertise in management (whether this expertise is internal or external, public or private) by allowing the participation of other partners, not just the coordinator, in Project Management activities and by allowing the subcontracting of management tasks to professional experts with proven track records.
- 7. Maximising Project Impact**
- Create new funding tools, including bridging projects, to specifically focus on improving the pathway to long-term impact. Such funding tools could be sector-/thematic-specific to allow for clustering (knowledge, stakeholders, end users) and to enable sectoral specialists to apply their knowledge and networks to accelerate knowledge to impact. The calls could be brief and targeted (e.g. 12 months in duration). No research would be involved; a pathway to long term impact could be proposed at the application stage, and then the project would implement knowledge transfer activities to move knowledge down the pathway to impact.
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- 8. Introducing a Médiateur des Plaintes (Complaint Mediator)**
- Pilot a functional mailbox for Evaluation Summary Report-related complaints, starting with the EIC. This would provide applicants with a direct channel for resolution and feedback, fostering trust and reducing bottlenecks. In many cases, this will avoid redress procedures.
- 9. Gathering Expertise in Instrument Design**
- Ensure that those designing funding instruments have hands-on experience in drafting and submitting applications.
 - Engage with EU funding experts, such as members of the European Association of Innovation Consultants (EAIC) or similar organisations, to provide feedback during the design phase to anticipate potential challenges.
- 10. Avoiding Deadline Grouping**
- Ensure coordination among funding programmes to avoid grouping of call deadlines, distribute them more evenly throughout the year, and avoid scheduling within four weeks of major EU-wide holidays to ease resource constraints, support work-life balance, and foster high-quality proposals.

Concrete KPIs for Success

- **Time to Grant:** Monitor the average time to grant (e.g. EIC Accelerator = 9 months currently; it should be 5).
- **Complaint Resolution:** Decrease the number of redress cases and complaints by improving clarity and fairness. Make public the statistics of redress procedures for transparency.
- **Participation Metrics:** Assess the variety and number of new participants in co-fund partnership projects to review how unpopular they are.
- **Budget Reallocation:** Increase the Horizon Europe Pillar 2 budget using cluster calls instead of co-funded partnerships.

Conclusion

By implementing these recommendations, the European Commission can create a more transparent, efficient, and applicant-friendly funding environment without compromising the high standards required for impactful projects. Simplification, when executed thoughtfully, can empower applicants, build trust, and enhance Europe's innovation potential.