



SHORT EXECUTIVE SUMMARY

The third Evaluation Report is carried out within the framework of the contract "**Implementation of the Evaluation Plan of the Competitiveness Operational Programme 2014-2020, Lot 1: Evaluation of the COP interventions in the field of research, development and innovation**" (Programme) concluded between the Ministry of Investments and European Projects and the association formed by the National Institute for Scientific Research in Labour and Social Protection (Leader) and S.C. ERNST&YOUNG SRL (Associate), contract carried out within the project "**Implementation of the Evaluation Plan of the Competitiveness Operational Programme 2014-2020**". The report presents the findings of the third evaluation exercise carried out between November 2022 and August 2023 on the interventions financed by COP 2014-2020 aimed at research, technological development and innovation (RDI) in support of economic competitiveness and business development.

Interventions dedicated to research, technological development and innovation contribute directly to the implementation of the National Strategy for Research, Development and Innovation 2014-2020 and support the Partnership Agreement 2014-2020, in particular by contributing directly to the achievement of the objective - Development of research, technological development and innovation.

The evaluation methodology used a broad set of analysis types including theory-based evaluation and counterfactual impact assessment, including the regional difference-in-difference method.

Overall, **COP has responded to the needs and challenges related to the low level of economic competitiveness at national level, ensuring the relevance of the programme to the economic and RDI context in the period 2014-2020**, despite modest progress on the relevant indicators on the evolution and performance of the RDI system. **The impact of the interventions has generally been positive**, with the investments made contributing in some cases to halting the decline of the indicators and in other cases to maintaining or slightly increasing them.

The results of the current evaluation have, to a large extent, confirmed those obtained in the previous evaluation exercises in 2020, 2022, detailing in some cases some new aspects. These results underlined that the change envisaged at the time of the programme design has occurred to a good extent, with the interventions being correctly targeted to the identified needs. We believe that the **positive effects obtained would have been more significant if certain contextual factors had been more favourable** (the intensity of funding for the RDI system would have been as planned, the legislative and institutional framework would have been more stable and predictable, economic developments would not have been negatively affected by the COVID-19 crisis and the war crisis in Ukraine).

Interventions to increase scientific capacity in the areas of smart specialisation and health have proven **successful, supporting the hiring of new researchers and increasing the number of researchers working in improved research infrastructures**. Beneficiary entities have seen improvements in innovation capacity, development of new activities and/or research directions and development of human capital, and the positive effects were due to the COP as well.

In the period 2014-2023, Romania's participation in EU research has increased compared to the period 2007-2013. *Interventions funded to increase involvement in EU research* have contributed to the **increase of Romanian participation in EU programmes such as Horizon 2020 or other international programmes**. With the support of foreign researchers, the necessary prerequisites were created to strengthen the RD capacity of beneficiary organisations.

Interventions to increase private investment in RDI have had **positive effects on RD firms**. The evaluation results showed a positive impact on the increase of private expenditure on RDI one year after the intervention. **Although modest overall, the increases in capital expenditure were almost exclusively due to the programme interventions**.

In the case of *the COP interventions dedicated to increasing the transfer of knowledge, technology and personnel with RDI skills between the public research environment and the private sector*, analysing the evolution of the programme indicators, important contributions to the achievement of the targets foreseen for 2023 are observed, with a **very high impact being observed on the number of companies cooperating with research institutions**, an indicator for which the target has been far exceeded. **COP has also contributed positively to the increase in the number of companies supported or receiving**



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support for bringing new products to market. Projects have also led to new patent applications and public-private co-publications.

The COP support has been essential in the field of RDI in Romania, the financial allocation for this area from the state budget being very small. This was also the determining cause for the implementation of some successful projects. Without this programme, the activities dedicated to research would have been insignificant compared to the market needs, so that both RD organisations and companies could benefit from successful funding.

The recorded effects attributed to COP have the potential to be sustainable. The sustainability of the effects needs to be supported by future policies and programmes to sustain the partnership between research and industry, predictability of funding, stability and predictability of the legal, institutional and fiscal framework, but also by global developments such as the increasing impact of digitisation.

The findings of the evaluation led to the formulation of **recommendations addressed in particular to the Ministry of Research, Innovation and Digitization** and to the **Managing Authority of the Programme**, concerning: **Increasing the funding intensity for RDI in order to** strengthen and stimulate moderately favourable developments in the private sector and to support the improvement of developments in the public sector, **ensuring the stability of the legislative and institutional framework relevant to** the assumed strategic objectives so that the implementation of projects is predictable and **ensuring the provision of specialised human resources for the areas of smart specialisation**, as well as providing the necessary funding sources for the upgrading of skills and advanced specialisation of researchers working with the developed infrastructures.

The recommendations for improving the implementation strategy are mainly aimed at shortening project evaluation and contracting periods, ensuring the necessary resources for evaluation and contracting, streamlining institutional circuits, increasing the maximum duration of project implementation, intensifying communication and information sessions for beneficiaries, and increasing the stability and predictability of competition deadlines and evaluation-contracting-reimbursement deadlines.

The recommendations for improving monitoring procedures aim at reducing bureaucracy, simplifying the required accompanying documents, improving the MySMIS platform and using it to facilitate communication between programme beneficiaries and those carrying out technical and financial monitoring, improving the functions of the MySMIS platform, the accessibility of information, the mechanisms for validating information, supplementing the quarterly monitoring reports of the IO Research with issues related to the duration from the submission of funding applications to the contracting of projects, as well as the extension of project implementation periods, reducing the number of clarifications required for reimbursement requests, avoiding changes in the rules during project implementation or even between project submission and contracting, simplifying the reporting of activities.

Recommendations to improve the financial circuit of projects mainly aim at streamlining the process of reimbursement/settlement of payments to beneficiaries and communication with beneficiaries on eligibility of expenditure, simplifying the legal procurement framework for SMEs, reducing the number of clarifications requested and their processing times. Also from a financial perspective, it is recommended to carry out market analyses with a view to setting up financial instruments or reinforcing existing ones at regional level, in order to facilitate access of beneficiary organisations to European funded projects, in particular SMEs, and to strengthen the capacity of beneficiaries, so as to have as many projects as possible submitted under the Operational Programme. Last but not least, facilitating access to bank loans to support co-financing and granting tax incentives to companies carrying out research and development could help to improve the implementation of such projects.