Peer Review of Research Policy
The European Open Method of Coordination (OMC) and RTD Policy Mix

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This presentation

- The Open Method of Coordination
- What is evaluated: the RTD Policy Mix
- How was it evaluated: Peer Review
- Pros and Cons of this approach
- What was achieved?
- Summing up
The Open Method of Coordination

- Based on the voluntary cooperation of its Member States.
- The Member States are evaluated by one another (peer pressure), with the European Commission's role being limited to surveillance and facilitation.
- The process is expected to produce enhanced mutual learning and peer review
European Member States decide to review RTD Policy

- The Scientific and Technical Research Committee (CREST)
- One of its remits is to coordinate European science policies
- The European Commission co-funds the OMC process
- As follow-up to specific themes (e.g. R&D and SMEs, tax incentives for R&D) the aim was now to understand what **Policy Mixes** are needed to raise the R&D intensity
- Volunteer countries to be reviewed: Belgium, Estonia, France, Lithuania, The Netherlands and The United Kingdom
- In a previous cycle: Romania, Spain and Sweden
What is RTD Policy Mix about?

- Defined as the **combination of policy instruments** which interact to influence the quantity and quality of R&D investments in public and private sectors.

- This includes RTD policies (e.g. direct and indirect funding policies, human capital policies, financial policies for R&D, market demand policies, etc..)

- But also non-RTD policies that influence R&D investments
Analytical Framework

Governance

Knowledge Users
- Human Resources
  - Educated Populace
  - Finance
  - New Researchers
  - Mobility
  - Research Results

Knowledge Creators
- Science Base
  - Research Results, IPR
  - Contracts, Finance
  - Collaborative R&D
  - Mobility

Business R&D and Innovation
- Economic and Market Development
  - Market Demand
  - Finance
  - Innovative Goods and Services

Public Sector

Private Sector

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The OMC Peer Review process
The OMC exercise relies on processes between various actors

Hosts:
Reviewed countries

Peer Reviewers

CREST
European Commission

Rapporteurs/Consultants
A series of steps in the CREST Peer Review

Outline of Background Report
Data gathering missions
Background Report
Expert Review mission
Country Review Report and Revised Background Paper
Feedback Mission
Examination by CREST Policy Mix Group
Final version of the Country Report
Example of the peer review mission to the Netherlands

- Mission took 2,5 days with four external peers from the European Commission, Poland, Sweden and the United Kingdom.
- One host organization (Ministry of Economic Affairs) played a dominant role, a second played a role in the background (Ministry of Education, Culture and Science).
- First half day: overview (visit to Innovation Platform).
- Second day: focus on issues on science base and human resources.
- Third day: focus on policies for business sector, foreign direct investment.
- Group meetings of 2 hours, no presentations mainly question and answer sessions.
- Afterwards each reviewer wrote a 3-5 page report.
- After 4 months report was presented to Minister of Economic Affairs.
The peer review process

- **Who sets the terms of reference?**
  - The host country defines the agenda
  - The expert consultant can influence the agenda also by means of the background report
  - The expertise/background of peers also has an influence

- **The choice of peer reviewers**
  - Formally a request was sent out to the CREST group
  - The deal was to have senior policy makers with an overview and genuine view on the whole policy mix
  - ‘Well-connected’ hosts hand-picked their peers
  - In practice later in the process the senior policy makers were less interested
  - New Member States had more difficulty in finding peers
  - Needs a good balance of expertise across the research and innovation system
Can peers handle the complete Policy Mix?

- In some cases the focus was already provided by the host country or the expert consultant (background report)
- Peers do tend to focus on what they know about
- Thus a good mix in backgrounds needed (science policy, business oriented technology policies, human resources, etc...)
- Tendency to dwell on governance issues rather than policy mix
- Impossible to get the full detailed picture of the full range of policies and how they interact
- Thus often focus on obvious blind spots
Pros and Cons of this approach

- **Pros**
  - Mutual learning: peers also bring something to the table
  - Its is voluntary: very open debates
  - In some countries the EU label gave the exercise extra weight
  - Gives an outsider perspective

- **Cons**
  - Dealing with the complete Policy Mix is quite ambitious
  - A particular host organization can dominate the agenda
  - The process needs senior policy reviewers, they are difficult to get
  - Whether it achieves something depends on the ‘window-of-opportunity’ at the receiving end
What was achieved?

- The large RTD countries: yet another report, thanks very much!
- EU countries where RTD was not yet high on the agenda: gave huge visibility to the exercise and to RTD as an issue
- A divided country as Belgium: brought together actors from all regions and helped to share a common view on the countries’ performance
- In the Netherlands: helped bring some issues on the agenda (e.g. accountability of university research) but no-one on the receiving end of that message
- Mutual learning:
  - Innovation Voucher scheme was borrowed and copied in other countries
  - Discussions on role of tax incentive schemes
Summing up...

- A research policy wide view is feasible if well prepared and a focus on certain weaknesses in the portfolio is chosen beforehand.
- Needs senior policy reviewers with a mixed background covering the various corners of R&D policy.
- The feedback is at a very generic level.... “you should do more of this...”
- The concept of a CREST wide ‘examination’ did not work.
- Balance between ‘critical assessment’ and ‘mutual learning’ not clear to all stakeholders.
- Whether it has an impact depends on the political and policy opportunity windows available in the host country.
Thank you

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