

# Work programme BIA

In effect from 2018

Programme User-driven Research based Innovation – BIA



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Programme for User-driven Research based Innovation - BIA

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## 1 Summary

The Programme for User-driven Research-based Innovation (BIA) promotes the capacity and willingness of Norwegian trade and industry to innovate by providing support for R&D projects based on companies' own strategies and challenges, independent of field or topic.

The BIA programme comprises an open competitive arena for grants to Innovation Projects for the Industrial Sector, where the key criteria for awarding funding are research content, level of innovation, potential for value creation, and relevance and benefit to society. The programme is the Research Council of Norway's primary instrument for providing funding to all segments of Norwegian trade and industry seeking to use research and development (R&D) to become more innovative, competitive and internationally oriented. The BIA programme coordinates its activities with the SkatteFUNN tax deduction scheme and other programmes and instruments within and outside the Research Council that are targeted towards R&D-based innovation.

The BIA programme's most important activity is the announcement of funding for research-based innovation projects. The programme will also employ project types and support schemes that can lay the foundation for future innovation and value creation in both the short and the long term. The programme seeks to award funding to ambitious projects in which project participants demonstrate a major commitment to achieving good results. The programme actively promotes collaboration between companies and research groups and among companies, both nationally and internationally. The programme will implement creative and experimental work methods to help to develop optimal instruments for realising the value creation potential of intensified investment in research by Norwegian trade and industry. The programme also emphasises the need to disseminate research findings and boost understanding of the importance of industry-oriented research.

## 2 Background and challenges

#### Background

Since its launch in 2005, the Programme for User-driven Research-based Innovation (BIA) has become the Research Council's key funding instrument for industry-oriented research. The programme was established as part of the follow-up to the government white paper Commitment to Research (Report No. 20 (2004–2005) to the Storting), which emphasised that Norwegian trade and industry needed to increase R&D investment in order to fulfil the potential for value creation inherent in research-based innovation. An analysis carried out in connection with the preparation of the white paper concluded that a large portion of the R&D conducted by industry did not lie within the thematic priority areas defined in the existing Research Council programmes. A decision was therefore taken in 2005 to launch a new programme concept termed the Programme for User-driven Research-based Innovation (BIA). The BIA programme was to provide an open competitive arena for project funding, in which no thematic areas or branches of industry were to be assigned priority in advance, and in which funding was to be granted based on an assessment of the proposed projects' research content, level of innovation, potential for value creation, and relevance and benefit to society. Companies were to be given the freedom to design projects based on their own strategies and R&D needs and were not to be confined to specific thematic priority areas or topics. The BIA programme would thus complement existing thematic and sector-oriented programmes and strengthen the Research Council's role in promoting innovation and competitiveness in Norwegian trade and industry. The BIA programme was also intended to complement the new SkatteFUNN tax

deduction scheme by making it possible to realise more ambitious projects and carry out more comprehensive R&D activities.

#### The BIA programme as funding instrument

After 12 years of activity, it is clear that the BIA programme concept is successful in terms of fulfilling its main purpose and has been effective for achieving the established objectives.<sup>1</sup> The past ten years of ongoing analyses by the Møreforskning research institute of user-driven research funded by the BIA programme shows that the project portfolio is at the forefront in terms of project quality, level of ambition and financial and socio-economic returns. BIA projects also continue to have a significant impact on companies in terms of competitiveness, competency and cooperation with R&D institutions long after the projects have been concluded. Detailed case studies of the projects also show the BIA programme has been a significant driver of progress in Norwegian companies through both Innovation Projects and Knowledge-building Projects.<sup>2</sup> Funding under the BIA programme has triggered many R&D efforts that would not be achieved without this support and mobilises private capital to fund R&D investments within companies.

External evaluations show that the BIA programme has developed a diversified portfolio of projects in a wide range of areas and with highly varied scientific content. There is a broad spectrum of companies participating in the programme in terms of both size and research experience – ranging from well-established firms to research-based start-up enterprises and companies with little R&D experience. The cooperation between these companies and research groups has played a key role in the project results. The BIA programme facilitates recruitment to research, both as a gateway to the Research Council for companies participating in the SkatteFUNN tax deduction scheme and the BIA programme, and through further recruitment to other funding instruments, such as the Centres for Research-based Innovation (SFI) scheme.<sup>3</sup> The programme is useful in promoting the Government's ambitions to increase R&D investments from trade and industry. Its open, thematically unlimited design is well suited to the needs for research-based innovation in companies whose activities do not lie within the areas defined in the Research Council's thematically-oriented programmes. It is important that the Research Council continues to develop the programme as an instrument. The BIA programme must be both exploratory and experimental within its framework in order to meet the changing needs of industry.

#### Challenges

The structure of the BIA programme makes it possible to implement specific measures to achieve key objectives of the Government's Long-term plan for research and higher education,<sup>4</sup> such as enhancing competitiveness in Norwegian trade and industry through industry-oriented research and innovation. The BIA programme plays an important role in enabling the Research Council to reach its strategic objectives for an innovative business sector<sup>5</sup> in areas outside the framework of the thematically-oriented programmes. Additionally, the programme's stipulations requiring cooperation between industry and R&D groups help to fulfil the Research Council's objectives of providing an industry-relevant knowledge base for research and educational institutions and promoting research-

<sup>&</sup>lt;sup>1</sup> The Research Council of Norway (2017). *Evaluering av BIA: Resultater, effekter og anbefalinger for framtiden* (Evaluation of the BIA programme: Results, impacts and recommendations for the future)

<sup>&</sup>lt;sup>2</sup> Technopolis Group (2017). *Case study analysis of a selection of projects in the BIA* programme.

<sup>&</sup>lt;sup>3</sup> Socio-economic analysis (2017). *Virkemiddelanalyse av BIA*. (*Analysis of the BIA programme as a funding instrument*) Report 62/17.

<sup>&</sup>lt;sup>4</sup> Meld. St. 7 (2014–2015). Long-term plan for research and higher education 2015–2024, white paper from the Ministry of Education and Research.

<sup>&</sup>lt;sup>5</sup> The Research Council of Norway (2017). *Strategy for the Research Council of Norway for an innovative business sector 2016–2020*.

based innovation in industry. The programme may also find solutions for key challenges set out in the Research Council's strategy for sustainable societal and industrial development<sup>6</sup>. Norway needs a diversified business sector that is competing for the knowledge needed to ensure a successful transition to a more diverse, greener and socially responsible economy.

Over the years, the BIA programme has evolved from being seen as a supplement to the Research Council's thematically-oriented programmes, into a position as the Council's primary instrument for user-driven research. Further refinement of the BIA programme must still be coordinated with other programmes and funding instruments at the Research Council, not least when considering the launch of new initiatives. The programme's open, thematically unlimited structure provides a particularly good starting point for encouraging participation across different sectors and subject areas. Thus, the BIA programme is able to encourage a broad spectrum of Norwegian trade and industry to seek innovation in areas that are of major importance to society, and where the challenges open the door to new market opportunities. One example can be found within sustainability, climate and the environment, where industry's efforts to bring forward innovative, green solutions is vital to the development of a more sustainable welfare society.

The diversity of the BIA project portfolio and the broad range of the programme's target group present an ongoing challenge to continuously adapt the working methods and means for mobilisation, applicant guidance, project selection and project follow-up.

## **3** Objectives for the programme

The BIA programme is designed to help Norwegian trade and industry to promote innovation and value creation in a competitive framework that is increasingly being shaped by international markets and global societal challenges. The BIA programme is to provide an arena for enhancing both the breadth and the quality of the research conducted in the industrial sector. The programme is to complement existing industry-oriented thematic programmes and other instruments for industry-oriented research in Norway and the EU.

The BIA programme is targeted towards Norwegian companies that are motivated to carry out resource-intensive R&D projects to generate innovation. The programme supports both the development of new, knowledge-based trade and industry and the renewal and restructuring of established trade and industry. The programme's support schemes are subject to international regulations for public R&D funding. These entail limits on the aid intensity as well as requirements that funding from the Research Council is to facilitate R&D activity, and lead to R&D results that companies could not otherwise be expected to achieve on their own. The BIA programme is to provide funding for companies in areas not covered by the Research Council's overall portfolio of programmes and funding instruments.

Participation in the BIA competitive arena is contingent on collaboration between companies and R&D partners. This, combined with the freedom to choose thematic areas and partners based on company-internal business and R&D strategies, sets the stage for research-based innovation.

<sup>&</sup>lt;sup>6</sup> The Research Council of Norway (2017). *Research for Sustainable Societal and Industrial Development*. The Research Council of Norway's Strategy for Sustainability, 2017–2020.

## 3.1 Primary objective

Within the scope of its responsibility, the BIA programme seeks to promote the greatest possible sustainable value creation in Norwegian trade and industry through research-based innovation in companies and the R&D groups with which they cooperate.

## 3.2 Secondary objectives

Using project funding and other measures, the programme will promote:

- new or greatly improved processes, products, services and business models;
- more green innovation for sustainable restructuring of industry;
- greater cooperation on innovation between companies and R&D institutions and among companies;
- new international partnerships;
- new participants and enhanced collaborations in R&D projects;
- increased awareness among companies and investors about R&D as a competitive advantage;
- use of private capital to generate innovation in companies;
- development of innovation-oriented R&D expertise in Norwegian trade and industry;
- Development of industry-relevant expertise in Norwegian R&D institutions.

## 4 Thematic and scientific priority areas

#### Scientific scope

The BIA programme gives priority to projects that are initiated by industry actors and are motivated by the companies' own strategies and needs. The BIA programme focuses on areas that are not covered under any of the Research Council's thematically oriented programmes.

#### Sustainability perspectives

Within the scope of its objectives and framework, the BIA programme will use the funding instruments at its disposal to facilitate industrial development that enhances sustainability and increases green competitiveness. The societal challenges involved in the shift towards increased sustainability, including the introduction of a circular economy focused on zero-/low emissions and recycling, entail both problems and opportunities for trade and industry. Research-based innovation can help companies to develop goods and services and solutions to societal challenges that also safeguard future sustainable growth and competitiveness.

#### Enabling technologies

Enabling technologies, advanced production processes, biotechnology, nanotechnology, ICT-based services and digitalisation are key drivers of innovation and value-creation within and outside the resource-based industries. Under the BIA programme, the development and use of these technologies is a key R&D area that extends across sectors and branches of industry. These technologies pave the way for the emergence of new industrial areas as well as expansion of existing areas, and must be further developed individually and in interaction with other disciplines, industrial actors and users.

#### International cooperation and the EU framework programmes

Norway participates actively in European and bilateral R&D cooperation. International cooperation enhances the quality of research, increases competitiveness and access to markets for industry, and helps to solve major societal challenges. The Horizon 2020 framework programme opens up opportunities to reinforce restructuring processes in industry. The criteria, competitive focus and project follow-up used under the programme will be designed to qualify BIA-funded projects for participation in relevant areas of Horizon 2020. The BIA programme will continue its cooperation with the Research Council's advisory services for Horizon 2020 for the purpose of ensuring that the programme's target group is able to take advantage of the opportunities for international project funding and network-building.

## **5** Priorities for structuring the research effort

The BIA programme is one of the largest programmes at the Research Council. It is important to the allocating authorities and the Research Council alike that the programme is an effective and crucial funding instrument for mobilising Norwegian trade and industry to increase investment in R&D as well as for demonstrating the significance of R&D for innovation and competitiveness.

#### Encouraging wider participation of BIA target groups in ambitious R&D projects

The BIA programme facilitates dialogue and creates meeting places in order to encourage its target groups to seek wider participation in ambitious R&D projects and to enter into collaborative efforts across sectors and subject areas. This helps to increase the level of aspiration for R&D cooperation

on innovation, to attract new participants and to reinforce collaborative ties in R&D projects. The BIA programme will typically award funding to ambitious projects that place extraordinary demands on the project participants, such as projects that require binding R&D cooperation over a period of several years. The BIA programme will expand its efforts to increase participation in interdisciplinary projects, green innovation and ICT-based service innovations.

The content and cooperative relationships involved in this type of project take time to develop. The programme will therefore seek to encourage such processes, for example by providing support for networks linking trade and industry with R&D institutions, applicant conferences and further development of project concepts with the help of the Research Council's various mobilisation instruments. As the programme does not have a specific industrial or technological focus, it is important to establish meeting places that promote the exchange of experiences, network-building and collaboration. Industry organisations, clusters and users in the public sector can play a vital role in this context. This will be particularly relevant for new areas with great potential for value creation and new industrial development and areas that require more extensive collaboration and more integrated approaches than can be expected to be established in an ordinary project application process.

Communication activities in connection with the BIA programme are designed to promote research as a driver of value creation and competitiveness, and are carried out in cooperation with communication advisers at the Research Council.

#### Types of support

The BIA programme's open competitive arena for innovation projects targeted towards trade and industry is its most important activity for achieving programme objectives. This arena must be further developed to ensure that the programme continues to attract high-quality grant proposals. To succeed, the BIA programme must provide attractive and stable funding to Norwegian trade and industry and issue annual calls for proposals and a budget framework that is large enough to encourage companies to seek funding. The programme will therefore award most of its available funding in the open competitive arena and attaches importance to:

- funding projects that require expertise and resources beyond those possessed by the companies on their own;
- projects that entail a higher level of risk than the companies may be expected to take on alone;
- ensuring that funding criteria and application requirements enable companies to focus on their own strategies and priorities;
- employing a selection process in which the best quality projects are selected, independent of thematic area or branch of industry;
- ensuring that the projects awarded funding continue to maintain a focus on value creation.

In addition to Innovation Projects, the BIA programme will employ other project types that can lay a foundation for future innovation and value creation in both the short and the long term. The programme will use Knowledge-building Projects to generate new industry-relevant expertise in Norwegian R&D institutions and strengthen collaborative relationships between trade and industry and R&D groups, thereby paving the way for future R&D activity in companies, and capacity-building and researcher training among R&D groups.

The knowledge needs of the BIA programme's target group are extensive and diverse, and the programme can therefore not operate the same type of open arena for funding of Knowledge-

building Projects as it does for Innovation Projects. Other funding instruments and support schemes at the Research Council, such as the thematically oriented research programmes and the Centres for Research-based Innovation (SFI) scheme, will be more important for long-term competence-building in many disciplines of relevance to BIA target groups than the BIA programme itself.

In 2016, the Ministry of Trade, Industry and Fisheries agreed to test the implementation of a new, flexible type of support under the BIA programme (BIA-X) to support areas with a special need for coordinated, broadly focused knowledge development and research activity. The trial period for the BIA-X scheme has been set for five years. The trial scheme is designed to strengthen the business sector's capacity to restructure, to promote technology and knowledge transfer between sectors and to create added value beyond what can be achieved using existing instruments. Experience from the two first calls for proposals in 2016 and 2017 were positive and the trial will be continued.

The BIA programme will continue to experiment with work methods and forms of support that can help to lead to innovation in areas in which the industrial potential has only been realised to a small extent thus far, in which the need for restructuring is critical or in which there is little tradition for research-based innovation.

The BIA programme will also experiment with new types of support in order to meet the everchanging needs and challenges of society and the business sector. For example, various types of project funding can be further developed or supplemented with specific measures to promote more rapid commercial implementation of project results and/or optimal use of resources.

The programme will refine its activities to ensure that applicants and project participants achieve optimal results from their involvement in various phases under the programme. This will include:

- providing advice on project concepts and project outlines to help to improve project proposals;
- arranging contract negotiation and start-up meetings to help to reinforce the strategic basis for the R&D projects within the companies and to facilitate effective cooperation between project participants;
- following projects up closely via status meetings in order to contribute to effective project implementation and maintain focus on innovation potential and realisation of value creation, thereby ensuring that these remain the basis for prioritising R&D activities;
- funding networking measures to create meeting places for projects and project participants to exchange experience and disseminate research results and best practice, thereby laying the foundation for new initiatives and collaborative relationships.

Eurostars is a joint programme between EUREKA and the European Commission designed to strengthen R&D-performing small and medium-sized enterprises. The programme is open to all SMEs, regardless of branch of industry, sector or technology area. The objective of the Eurostars project must be to develop a new product, process or service. The BIA programme provides funding for the Eurostars Programme to help Norwegian R&D-intensive SMEs to benefit optimally from the Eurostars Programme, under which project financing is shared by the Research Council and the EU. The Eurostars Programme issues calls for proposals in two funding rounds each year, and the BIA programme will issue Eurostars calls alongside its own calls.

The ERA-NET scheme is a collaborative effort between research-funding organisations in Europe which, with the support of the EU Framework Programme, issue joint calls for R&D project proposals within a specific thematic area. The BIA programme participates in a limited number of ERA-NET projects.

## 6 Cooperation with related instruments

The BIA programme will continue to be a complementary initiative to existing thematic research programmes at the Research Council and to the SkatteFUNN tax deduction scheme. Changes in the BIA programme portfolio entail that the BIA programme's scope and interfaces with other programmes are continually shifting, which in turn necessitates that its complementarity is managed in an increasingly dynamic way. One result of this has been more extensive interaction between the BIA programme and other programmes. In the past, interaction was largely related to advising applicants and directing grant applications to the correct programme. Now, more effort is being invested in joint information activities and efforts to increase participation, and in coordinated planning with respect to the timing and delimitation of calls for proposals.

The BIA programme will continue to develop its cooperation with other programmes in order to provide a better service to companies during their contact with the Research Council. This may include rapid feedback on project concepts, as well as professional advice and financial assistance for the development of more comprehensive project initiatives.

On several occasions, the BIA programme has offered the use of its administration and procedures for application processing and prioritisation in connection with special funding announcements (which were not part of the programme's ordinary budget), thereby facilitating the effective handling and quality assured processing of grant applications submitted under more specific initiatives. This experience has equipped the BIA programme to take general responsibility for preparing and implementing time-limited and thematically-restricted industry-oriented research initiatives. The BIA programme has a collaboration agreement with the Biotechnology for Innovation programme (BIOTEK2021) to administer BIOTEK2021 funding for Innovation Projects for the Industrial Sector. Similar types of cooperation with other programmes are possible as well, and the BIA programme also covers Innovation Projects for programmes that do not have funding reserved for such projects (e.g. the IKTPLUSS initiative for ICT and digital innovation).

The BIA programme also works together with other public agencies within the research and innovation system, including Innovation Norway, the Norwegian Industrial Property Office and the Industrial Development Corporation of Norway (SIVA). Companies participating in BIA-funded projects can also benefit from the various support schemes under these agencies (e.g. for innovation contracts, internationalisation activities, patent advisory services, catapult initiatives) in their efforts to realise innovations and ensure utilisation of project results. On an international level, the BIA programme will focus on collaboration with EU-funded programmes and the Eurostars Programme.

# 7 Anticipated results, impacts and societal outcomes

The BIA programme seeks to promote the greatest possible sustainable value creation in Norwegian trade and industry through research-based innovation in companies and the R&D groups with which they cooperate. The Research Council's activities, efforts and strategies must be designed to enable participants in the BIA programme (companies, R&D groups and other organisations) to implement activities that overall will generate results and help to achieve the programme's intended impacts and societal outcomes, and thereby realise the primary objective of the programme.

The BIA programme will employ the Research Council's general quantifying mechanisms and programme-specific performance indicators to measure and assess whether the programme is on course in achieving its objectives. Innovation Projects, which make up the majority of the BIA project portfolio, are regularly evaluated by external research groups. The degree of anticipated value creation is measured at project start-up, project completion and four years after project completion. This makes it possible to measure project results in the short term and project impact over a longer period. The performance measurement has been developed and quality assured over 20 years. In addition, the BIA programme will regularly review the entire project portfolio by mapping out the results based on progress and final reports. This makes it possible for the Research Council and its governing bodies to assess the programme on an ongoing basis. Other external evaluations, such as the analysis of funding instruments, case studies of projects and impact analyses will be conducted as needed and in keeping with the Research Council's guidelines for research programmes.

Figure 1 below shows a simplified version of the BIA Programme logic model.

The activities of participants in the BIA programme are to generate direct **results**. Figure 1 shows that project results are expected to take the form of increased R&D cooperation, innovation and innovation-oriented competency, among others. These results are to generate **impacts**, such as increased benefits for consumers and end-users in the private and public sectors, and changes in behaviour and practices such as an increased focus on research-based innovation. The results and impacts are to lead to longer-term changes at the societal level – these are **societal outcomes** in the form of increased value-creation, renewal in trade and industry, green transformation and a more knowledge-based industrial sector.

The success of the BIA programme depends not only on the results achieved by the projects receiving funding, but also on the impact of project participation, project implementation and other programme measures and on the capacity of companies and R&D groups to innovate, build competence and cultivate valuable partnerships. The programme will continue to develop criteria for use in evaluating projects. The programme will define criteria and success indicators that will be followed up through the administration of the programme as well as in annual action plans. These activities will enable the BIA programme to build a balanced project portfolio in relation to its broad target group and thematically neutral framework. The methods used for project selection will be reviewed on a continual basis to ensure a fair competition for funding among the various categories of applicants, project participants and subject areas.

Figure 1: BIA Programme logic model (simplified version).

Primary objective Secondary

objectives

| Research<br>Council<br>Activities  | Activities by<br>participants   | Results  | Impact  | Societal<br>outcomes  |
|--|---|--|---|---|
| Mobilize<br>companies to<br>research and<br>carry out funding<br>announcements | Apply for project<br>funding  | New or greatly<br>improved sustainable<br>processes, products,<br>services and business<br>models        | Increased investment in<br>research-based innovation in<br>trade and industry                               | Increased value<br>creation in trad<br>and industry   |
| Process<br>applications  | Carry out<br>ambitious<br>projects  | Greater cooperation<br>on innovation<br>between companies<br>and R&D institutions<br>and among companies | A higher level of aspiration and<br>expertise in the companies' own<br>R&D activity                         | Renewal of<br>established<br>trade and<br>industry and the<br>creation of new<br>industrial areas |
| Follow projects<br>up closely  | Participate in<br>national and<br>international<br>networks<br>between<br>companies and<br>R&D groups | New participants and<br>enhanced<br>collaboration in R&D<br>projects                                     | More green innovation for<br>sustainable restructuring of<br>industry                                       | Transition to a<br>greener, more<br>sustainable<br>trade and<br>industry                          |
| Further develop<br>the application<br>process, criteria<br>and direction       | Disseminate and<br>share knowledge<br>and research<br>results   | Use of private capital<br>to generate<br>innovation in<br>companies                                      | More high-quality, industry-<br>relevant competency in national<br>R&D groups                               | A more<br>knowledge-<br>based industrial<br>sector  |
| Experiment with<br>new types of<br>support                                     | Participate in<br>competence-<br>building<br>measures   | New international partnerships   | More internationally competitive trade and industry   |   |
|  | Commercialisatio<br>n preparation   | New innovation-<br>oriented expertise in<br>Norwegian trade and<br>industry                              | Major benefits from project<br>results for consumers and end-<br>users in the private and public<br>sectors |   |
|  |   | New industry-relevant<br>expertise in<br>Norwegian R&D<br>institutions                                   | Increased sharing and transfer of knowledge between sectors   |   |
|  |   |  | New knowledge-based jobs and value chains   |   |
|  |   |  | More private investment in<br>innovative, research-based<br>industry  |   |

## 8 Resources and budget

By its design and mission, the BIA programme must have basic funding on a large enough scale to provide a permanent incentive for increased R&D investment within its comprehensive sphere of responsibility. If the BIA programme is to be considered a relevant partner for realising R&D projects that involve significantly higher risk and greater complexity than companies would be capable of handling on their own, it must be in a position to issue calls for proposals with substantial funding on a regular basis. A budget at the level of the 2017 budget (NOK 650 million) will allow the programme to issue one major funding announcement for Innovation Projects each year. This provides a stability that is essential for trade and industry. The budget must also be of a magnitude sufficient to prevent a situation in which the programme is forced to reject a high proportion of good project proposals.

Continued budget growth is required if the programme is to respond to the need for increased R&D activity, i.e. if the scope of the programme is extended to encompass more innovation across established industries or disciplines, or to deal with pressing societal challenges. Based on the Research Council's input to the Government's long-term plan for research in 2017, the BIA programme seeks to increase its budget to NOK 800 million. A larger budget framework would enable the BIA programme to issue calls for proposals for Innovation Projects twice a year.

For the BIA programme to succeed in achieving its objectives, it must have an adequate basic budget at its disposal. This is essential to be able to provide a competitive arena that can attract and support a sufficiently diverse portfolio of projects and wide range of innovations. Given appropriate budgetary parameters, the BIA programme would be able to carry out tasks beyond maintaining an open competitive arena for Innovation Projects. For example, a relevant task in this context would be to provide project funding enabling Norwegian companies to participate actively in international R&D programmes such as the Eurostars Programme.

With extra allocations, in addition to the necessary basic funding, the BIA programme can continue to undertake specific tasks such as time-limited initiatives to build a portfolio of innovation-oriented activities in new areas with major industrial potential (BIA-X), cf. the current five-year trial scheme.

## 9 Governance and organisation

The programme will be governed in keeping with the general terms of reference for programme boards. The breadth of the BIA programme's target group and project portfolio must be reflected in the composition of the programme board and programme administration. The BIA programme board consists of seven appointed members and two permanent deputies, who attend all meetings and in practice take equal part in the programme board's work. With nine members, the programme board can provide the desired scientific and industrial diversity.

The BIA programme administration must also be comprised of members that can manage the diversity of grant applications and projects as well as facilitate interaction with a large, highly diverse target group. The programme administration and the Research Council are required to ensure coordination with other relevant programmes and activities within and outside the Research Council.

The programme administration should therefore include members who also have other responsibilities at the Research Council. The programme administration has a special responsibility for finding working methods that facilitate the BIA programme's function as an open arena. Key challenges in this context will be to:

- encourage wide-ranging participation in grant applications, project concepts and cooperation forums;
- encourage R&D based innovation in areas in which there is little tradition for this;
- ensure that the competition for funding is managed in a reasonable and fair way;
- succeed in actively following up projects with a focus on the contribution of the R&D activity to achieving value creation and innovation.

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