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Winter Meeting

Policy Brief

Governing Research and Innovation at a Strategic Inflection Point:
From Fragmentation to Coherence in FP10 and Beyond

POLICY BRIEF

Governing Research and Innovation at a Strategic Inflection Point: From Fragmentation to Coherence in FP10 and Beyond

Coimbra, 28 January 2026 • Chatham House Rules

EXECUTIVE SUMMARY

The INESC Winter Meeting 2026 convened senior EU and Portuguese policymakers, European Commission officials, European research leadership, and institutional strategists to discuss the preparatory phase of the next Multiannual Financial Framework (2028-2034) and the proposed design of FP10 and the European Competitiveness Fund (ECF). Portugal's simultaneous creation of AI² – Agency for Research and Innovation – provided a real-time governance test. Discussions were structured along two intersecting axes: vertical governance alignment (EU-national-regional-institutional coherence) and horizontal sectoral integration (R&I as enabler of industrial, digital, green, and defence transitions).

KEY FIGURES FRAMING THE DISCUSSION

2.2%

EU R&D/GDP

1.7%

Portugal R&D/GDP

€175B

FP10 EC proposal

16 → 7PT entities consolidated¹**5-year**AI² multi-annual budget

STRUCTURE OF THE DISCUSSION

AXIS 1: Vertical Governance Alignment	AXIS 2: Horizontal Sectoral Integration
Governance quality as a structural multiplier of investment effectiveness	Funding structures remain predominantly discipline-oriented rather than organised around transformation challenges
Cumulative advantage: institutions with stronger prior capacity are more likely to secure competitive funding	Limited integration between R&I policy and sectoral ministries (Economy, Health, Digital, and Defence, among others)
Administrative fragmentation across agencies and funding instruments	Technology-centred competitiveness frameworks and clear FP10–ECF articulation are essential to organising coherent investment journeys
Co-funding gaps: shared strategic direction does not automatically translate into aligned operational funding	Impact translation gaps: research outputs struggle to progress from knowledge creation to demonstration, deployment, and scale
Timing misalignments between EU calls and national co-funding readiness	SME structural mismatches and insufficient scale-up pathways, including fragmented access to long-term growth capital
Weak feedback loops from implementation to policy design	Public procurement of innovation remains underutilised as a strategic demand-side lever
Adaptive capacity as a critical but underdeveloped governance dimension	Systemic transformations (defence, decarbonisation, digitalisation) require cross-sectoral R&I integration and systems-level coordination

CORE CONVERGENT FINDINGS

Strategic priorities show significant alignment across European and national levels. Outcomes increasingly depend on execution capacity: translating direction into coordinated, multilevel implementation.

Governance quality functions as a structural multiplier. Evidence presented indicated that stronger institutional capacity is associated with higher impact from identical financial resources.

Greater clarity on the operational articulation between FP10 and the ECF is essential. Current ambiguity creates uncertainty for Member States aligning national strategies with evolving European instruments.

Portugal's AI² reform is a significant restructuring across the R&I continuum. Its multiannual programming framework and domain-setting process provide a relevant governance case within European redesign.

Three governance tensions require explicit political navigation: coordination and flexibility; excellence and inclusion; autonomy and directionality. These are structural trade-offs embedded in system design.

¹ Public administration entities covering education and research sectors.

THE GOVERNANCE TRIANGLE OF TRADE-OFFS

Three persistent tensions shape European R&I governance. They represent political choices about system design rather than purely technical optimisation problems. Current ambiguity in FP10-ECF articulation illustrates unresolved tensions across these dimensions.

Dimension	Pole A	Pole B
Geographic distribution	Excellence concentration: efficiency, critical mass, frontier science	Territorial inclusion: convergence and capacity building across regions
Research orientation	Curiosity-driven autonomy: long-term capability, basic research, breakthrough potential	Mission-oriented directionality: sectoral transformation, applied impact, measurable milestones
Temporal focus	Speed to deployment: market responsiveness, industrial competitiveness, scaling	Capacity building: institutional development, ecosystem strengthening, long-term foundations

FORWARD-LOOKING SIGNALS AND POLICY IMPLICATIONS

Issue Identified	Actionable Direction
FP10-ECF interface ambiguity	Publish a clearer governance framework outlining complementarity rules, coordination mechanisms, and institutional responsibilities
Pillar II-ECF window alignment	Clarify whether FP10 Pillar II supports shared value chains at earlier stages, operates with coordinated but separate governance with the ECF, or enables more integrated programming
State aid dual-framework friction	Expand seal-of-excellence mechanisms and advance greater simplification and alignment across central and shared management instruments
Private investment gap in Europe	Strengthen late-stage and patient capital instruments for deep-tech; deepen capital market integration and investor engagement in R&I ecosystems
Segmented ecosystems (EU vs. national players)	Develop targeted capacity-building to prepare nationally focused entities for European competition; use STEP-type mechanisms as bridging platforms
Limited sectoral integration in R&I design	Establish structured inter-ministerial coordination mechanisms and co-owned sectoral-R&I roadmaps with clear roles

EUROPEAN COMPETITIVENESS FUND: FOUR POLICY WINDOWS

Clean transition and industrial decarbonisation	Health, biotech, agriculture and bioeconomy	Digital leadership	Resilience and security, defence industry, and space
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The thematic structure of the ECF is reflected in STEP and aligns with elements of FP10 Pillar II. The key open issue concerns the operational articulation between research and competitiveness instruments. Clarification is needed on whether they operate sequentially along shared value chains, under coordinated but separate governance, or through integrated programming. Each model implies different national positioning strategies.

PORTUGAL'S STRATEGIC POSITIONING

AI² establishes a governance linking European instruments (FP10/ECF) with national domain definition, regional smart specialisation, and institutional strategy.

Government has committed complementary national co-funding for successful EU “Teaming for Excellence” projects and announced multiannual science budget increases.

STEP is used as a preparatory platform to strengthen cross-government coordination ahead of the next MFF.

The reform is accompanied by OECD monitoring and a structured strategic domain-setting participatory process combining national consultation and international advisory input.

Core insight: Fragmentation is not purely structural; institutional design choices influence the degree of coherence achieved. Decisions taken in 2026 are likely to shape European and Portuguese R&I governance trajectories for the coming decade.

This policy brief was produced under Chatham House Rules. Observations reflect the collective intelligence of the forum, not individual attributions.

FULL REPORT

From Fragmentation to Coherence in European R&I Governance

1. Context and Strategic Rationale

The INESC Winter Meeting 2026 took place in Coimbra on 28 January, convening a high-level, multi-stakeholder policy discussion forum. Europe's research and innovation architecture is undergoing fundamental recalibration: the transition from Horizon Europe (2021–2027) to the 10th Framework Programme (2028–2034) coincides with the proposed creation of the European Competitiveness Fund, a new instrument designed to bridge research, industrial competitiveness, and sectoral transformation. This convergence represents more than budgetary reorganisation. It challenges the EU and its Member States to move from a fragmented, transactional funding model toward a strategically coherent, mission-oriented, multilevel governance architecture.

Participants included the Portuguese Minister of Education, Science and Innovation (Fernando Alexandre), Secretaries of State for Science and Innovation (Helena Canhão) and Economy (João Rui Ferreira), the Director General of the European Commission's Joint Research Centre (Bernard Magenhann) and its Head of Unit for Innovation Policies and Economic Impact (Carlos Torrecilla Salinas), a representative of DG RTD's office of the Chief Economist (Julien Ravet), the Secretary General of EARTO (Muriel Attané), the President of the National Innovation Agency (António Grilo), the Vice-President of the Agency for Development and Cohesion (Duarte Rodrigues), the President of the Council of Associate Laboratories (João Rocha), presidents and board members of all five INESC institutes and associated institutions, alongside the Rector of the University of Coimbra, which kindly hosted the event. Approximately 60 participants engaged across the day's sessions.

Portugal's concurrent creation, in January 2026, of AI² (Agência para a Investigação e Inovação / Agency for Research and Innovation), which will consolidate the Foundation for Science and Technology (FCT) and the National Innovation Agency (ANI), provided immediate governance relevance. AI² is mandated to oversee the entire research and innovation scope from doctoral fellowships through innovation scale-up investment, operating as a unified public enterprise with a multi-annual plan and budget, namely targeting a set of strategic domains. Its proposed domain-setting process (underway through October 2026) offers a live test of whether multilevel and intersectoral governance can be intentionally embedded or whether legacy fragmentation patterns will reassert themselves.

2. Vertical Governance Alignment: Diagnosis and Signals

2.1 Structural Challenges

Morning session participants emphasised persistent structural challenges in the Portuguese science, technology, and innovation system: fragmentation across governance levels, limited coordination mechanisms, and short-term policy horizons that weaken long-term strategic positioning. A governance shift was proposed from “plan to spend” toward “spend to plan”, also emphasising implementation discipline, structured learning, and strategic adjustment through delivery rather than ex ante planning alone. Portugal's positioning was framed within Europe's broader competitiveness gap, with comparatively stronger performance in scientific output than in innovation uptake and productivity growth.

A first cluster of vertical alignment failures concerns sequencing and funding coherence across levels. EU-level calls and initiatives often advance faster than national and regional co-funding mechanisms can respond, with complementary instruments at times facing critical delays. National positioning and support structures are not always operational when European opportunities materialise, leading some entities to assume financial risk, advance preparatory work, or delay participation in strategically relevant areas. More broadly, shared strategic direction at the policy level does not automatically translate into aligned operational funding arrangements. Coherence in priority-setting does not in itself ensure synchronised implementation across governance levels.

A second cluster relates to institutional capacity and implementation dynamics. Evidence presented, drawing on analysis of Portugal's Recovery and Resilience Facility allocation (approximately €1.3 billion for innovation-related components within a broader envelope exceeding €16 billion), suggested that regions with stronger pre-existing R&D capacity and institutional track records were significantly more likely to participate and succeed in competitive calls. Participation was concentrated among experienced organisations, and a substantial share of beneficiaries had prior access to cohesion funding instruments, pointing to cumulative advantage effects and raising questions about additionality. In parallel, evidence indicated that more centralised coordination structures, clearer strategic focus, and simplified administrative procedures were associated with faster absorption of funds. Model-based analysis suggested that quicker deployment of resources may enhance economic impact, underscoring the importance of "time-to-impact" as a governance variable.

A third cluster concerns territorial relevance and adaptive capacity. Participants stressed that innovation policy should not be place-blind but attentive to territorial context. Experience from multi-territorial experimentation initiatives illustrated the value of regulatory sandboxes and place-based innovation journeys tailored to local ecosystem characteristics. At the same time, vertical coherence depends not only on shared priorities but also on the ability to adjust co-funding arrangements, implementation mechanisms, and enabling conditions when circumstances shift. Recent systemic shocks demonstrated that governance systems must combine strategic direction with institutional agility.

2.2 The Evidence Base: Quality of Governance as Multiplier

The JRC presented quantitative evidence with direct governance implications. Using the RHOMOLO model, analyses suggested that a 5% improvement in measured quality of government was associated with an estimated 7% increase in short-term cohesion fund impact and approximately 3% in the longer term. Analysis of smart specialisation implementation in Italy further indicated that improvements in governance capacity could be associated with gains in the range of 25–40%, depending on scenario assumptions. The evidence consistently pointed to a clear conclusion: the same level of financial investment tends to generate stronger outcomes where institutional quality is higher. Governance therefore acts as a structural multiplier of investment effectiveness.

In addition, multilevel planning spanning EU, national, regional, and educational levels was stressed as essential for aligning skills development with R&I priorities. It was emphasised that reform of the research and innovation system cannot be decoupled from education policy. Rapid technological change, as a major driver of evolving skills demand, requires systemic human capital development rather than isolated training responses. The creation of a ministry combining all levels of education, science, and innovation was presented as one institutional response to this integration imperative.

2.3 Portugal's Institutional Response: AI²

AI² was presented as a significant institutional reform in Portuguese R&I governance. The agency brings together the former responsibilities of FCT and ANI within a single public enterprise entity (EPE), with administrative and financial autonomy and the capacity to manage instruments across the research and innovation continuum. The reform is framed by the Government as a response to fragmentation and coordination challenges in the system, aiming to strengthen strategic coherence and provide greater stability through a multiannual planning and budgeting framework.

A central element of the reform is the definition of national strategic domains and associated multiannual allocation of resources. The Government has launched a structured consultation process to define these domains and the five-year programming framework, combining national debate, expert input, and institutional coordination. A contract-programme between the Government and the agency's governing board is foreseen to formalise objectives, resources, and performance expectations within this multiannual horizon. In addition, the Government has agreed that the reform will be accompanied by an OECD monitoring process over a two-year period, providing independent assessment of implementation and governance performance.

The governance model emphasises a mandate-autonomy-accountability logic: strategic objectives are politically defined, operational instruments are managed by the agency, and the board is accountable for

delivery against agreed targets. The reform was presented as an effort to shift from incremental annual adjustments toward more programmatic, medium-term decision-making.

In parallel, the Government signalled its intention to reinforce Portugal's positioning in European excellence instruments. National complementary funding has been defined for "Teaming for Excellence" projects approved at EU level, with 75% financed from the State Budget and 25% from relevant regional programmes. The discussion also referenced the longer-term objective of converging toward 3% of GDP in total R&D expenditure by 2030. With recent R&D intensity reported at around 1.7% of GDP, participants acknowledged that reaching this objective would require sustained increases in both public and private investment, in line with longstanding EU-level commitments established in the early 2000s.

3. The FP10-ECF Interface: Horizontal Sectoral Integration

3.1 The Competitiveness Framing and the ECF

The afternoon session emphasised innovation-led growth, productivity upgrading, and institutional modernisation as central to Portugal's competitiveness agenda. The Secretary of State for the Economy framed the ambition as moving from "made in Portugal" to "created in Portugal", signalling a shift upstream in value chains from manufacturing execution toward knowledge-intensive activities, while recognising Portugal's structural need to access global markets from the outset.

The European Competitiveness Fund (ECF) was presented as a newly proposed instrument within the next MFF architecture, structured around thematic policy windows that include: clean and industrial decarbonisation; health, biotech and bioeconomy; digital leadership; and defence, resilience and security. Discussions highlighted emerging governance arrangements intended to provide strategic oversight of allocation decisions. The STEP programme was described as an important precursor and potential pilot experience for this architecture. According to the Commission's proposal, the next MFF would increase the relative share of centrally managed instruments, including FP10 and the ECF, while reducing the proportion of shared managed programmes, implying a significant rebalancing with profound implications for all Member States.

A conceptual shift was also discussed: complementing traditional sectoral industrial framing with more technology-centred competitiveness perspectives. Key technologies such as artificial intelligence, quantum technologies, biotechnology, and clean technologies operate as cross-cutting enablers across multiple sectors rather than being confined to single industrial silos. This logic aligns with the related variety approach underpinning smart specialisation, where technology capabilities generate spillovers across sectoral domains. Participants noted that the STEP and prospective ECF technology windows may offer an opportunity to operationalise this cross-cutting perspective.

3.2 The FP10-ECF Relationship: Beyond Simple TRL Division

Participants stressed that ambiguity surrounding the FP10–ECF relationship risks cascading into national planning uncertainty. While the Commission indicated the FP10 would remain a stand-alone Framework Programme within the next MFF architecture, the operational relationship between research excellence funding (Pillars I-III) and the proposed European Competitiveness Fund remains to be fully specified. Significant thematic overlap was noted between FP10 Pillar II clusters and the policy areas associated with the ECF, raising a fundamental question about whether: (a) Pillar II feeds into the same value chains as the ECF at earlier research stages; (b) separate governance structures operate with coordination mechanisms across services; or (c) more integrated programming, including joint work programme development, is envisaged. Each model implies different national positioning strategies and institutional preparation requirements.

Participants emphasised that this is not reducible to a simple low-TRL versus high-TRL distinction. Competitive positioning requires coherent support across the full investment journey, from fundamental research through technology development, demonstration, deployment, and scale-up. Concerns were raised that, under preliminary budget discussions, the relative weight of collaborative research funding in Pillar II could decline, even as cross-European partnerships become more strategically central. Uncertainty regarding future work

programme prioritisation mechanisms further complicates efforts by Member States to align national strategies with emerging European opportunities.

State aid framework complexity was identified as an additional implementation challenge. When centrally managed EU funding instruments are combined with shared management cohesion resources within the same project, differing regulatory regimes can generate administrative friction. The Seal of Excellence approach, originally developed under Horizon programmes and further reinforced in STEP, was highlighted as a potential model to mitigate duplication, allowing positively evaluated projects under one instrument to access funding from another without repeating full assessment procedures.

3.3 Europe's R&D Gap: Structural, Not Cyclical

Evidence presented at the meeting reinforced the view that Europe's R&D gap is structural rather than cyclical. The EU invests approximately 2.2% of GDP in R&D, compared with levels approaching 2.6-2.7% in China, and higher levels in the United States. Converging toward the EU's longstanding 3% target would require additional annual investment on the order of €100–130 billion, a magnitude comparable to or exceeding the scale of the current Framework Programme. The shortfall is concentrated primarily in private-sector investment, reflecting patterns of industrial specialisation. A substantial share of EU private R&D expenditure remains concentrated in automotive and established industrial sectors, while leading US firms have increasingly shifted R&D intensity toward software, semiconductors, and digital platforms, and advanced computing.

In scientific output, the EU continues to represent a significant share of global publications, although its relative share has declined as China's output has expanded rapidly. In patenting and high-technology domains, Europe's performance remains uneven, with China now leading in overall patent filings and the United States maintaining strong positions in high-value and digital technology areas. This dynamic has often been described as an "innovation paradox": strong research performance without equivalent market scaling and commercial dominance. Participants characterised this as systemic, requiring structural intervention rather than incremental funding increases alone. Venture capital investment in the EU remains substantially below US levels, particularly at late-stage financing critical for scaling technology-based firms, and Europe hosts significantly fewer unicorn companies than the US and China.

Technology positioning analysis highlighted asymmetric capability. Europe demonstrates comparative strength in several green and climate-related technologies, both in current deployment and future development potential. At the same time, it faces weakness in advanced digital domains such as artificial intelligence, quantum technologies, and semiconductor design and manufacturing. These domains are characterised by high knowledge intensity, cross-disciplinary integration, and strong network effects. European innovation hubs remain less interconnected across borders than their US integrated counterparts, limiting the scale advantages associated with integrated ecosystems.

3.4 Ecosystem and Implementation Challenges

Roundtable discussions surfaced specific operational barriers. Foreign companies establishing operations in Portugal face internal competition for R&D mandates within their corporate groups. When evaluation and approval timelines for national funding instruments are misaligned with corporate investment cycles, Portuguese units may lose projects to jurisdictions with faster decision processes. Participants characterised this as a "time-to-start" constraint that limits the embedding of foreign investment into domestic innovation ecosystems. It was also noted that entities accessing Horizon Europe, STEP, and national programmes such as COMPETE 2030 often represent partially distinct communities, suggesting uneven distribution of European-level competitive capacity across the system.

SME engagement barriers persist. Structural mismatches between academic cycles and market urgency, differing risk profiles, and administrative complexity disproportionately affect smaller organisations. While Portugal's startup ecosystem was widely described as dynamic, scale-up pathways remain underdeveloped. Available finance is fragmented, long-term growth capital is limited, and structured corporate partnerships that enable market access are not yet sufficiently deep. An illustrative example highlighted the scale of the challenge: in some global ecosystems, deep-tech ventures can mobilise large blended funding packages

combining private, local, and national support within short timeframes, whereas assembling comparable multi-level financing structures domestically can be slower and more complex.

Regulatory asymmetries were also discussed. Established domains may face dense compliance requirements, while emerging technology areas often lack clear regulatory frameworks, structured experimentation spaces, or predictable approval pathways. Public procurement of innovation was repeatedly identified as a major but underutilised demand-side instrument. Public procurement volumes across EU Member States substantially exceed dedicated R&I budgets, suggesting significant untapped potential to stimulate innovation adoption through strategic purchasing.

Defence was described not as a standalone sector but as a systems integration challenge requiring deep-tech capabilities, advanced manufacturing, secure supply chains, and cross-sector coordination. Participants noted that many research organisations face capability gaps related to security clearance procedures, procurement cycles, and long-term capability-building requirements, and that preparation in this domain should begin early within national strategic planning processes, including the AI² domain definition exercise.

4. Cross-Cutting Synthesis: Governance Paradoxes and Signals

4.1 Three Governance Paradoxes

Discussion across both sessions highlighted persistent governance tensions that cannot be addressed through increased funding alone.

The coordination-flexibility paradox reflects the need for both coherence across levels and adaptive capacity under changing conditions. Highly centralised coordination can struggle to respond when circumstances shift rapidly, while excessive flexibility without structured alignment can generate fragmentation and policy drift. The governance challenge lies in designing institutional arrangements that maintain strategic coherence while preserving room for adjustment.

The excellence-inclusion paradox concerns the trade-off between concentration and territorial balance. Efficiency and scientific excellence often favour investment in established hubs with proven performance, whereas cohesion objectives call for broader geographic participation. Current instruments attempt to reconcile both aims within single frameworks, creating tensions that require explicit prioritisation and sequencing rather than implicit compromise.

The autonomy-directionality paradox relates to the balance between curiosity-driven and mission-oriented research. Long-term scientific discovery depends on autonomy and stable funding horizons, while strategic transformation agendas require directionality, measurable milestones, and shorter accountability cycles. FP10 Pillar I maintains bottom-up excellence funding, while Pillar II shares thematic alignment with competitiveness-oriented policy priorities. The relative weight and interaction between these components will shape the character of the European innovation system.

Participants stressed that these tensions represent political choices about the future configuration of Europe's of innovation system, rather than purely technical optimisation problems. Ongoing uncertainty regarding the operational articulation between FP10 and the ECF was seen as reflecting unresolved trade-offs across all three dimensions.

4.2 Cross-Cutting Convergent Signals

Broad consensus emerged on strategic priorities: competitiveness, the green and digital transitions, strategic autonomy, and territorial cohesion. What constrains impact is not primarily the absence of strategic direction but multilevel execution capacity, affected by timing misalignments, weak feedback loops, uneven enabling conditions, and administrative fragmentation. Research and technology infrastructures were repeatedly identified as critical yet insufficiently integrated into governance frameworks, requiring stable, long-term funding arrangements that are difficult to sustain under annual budgetary uncertainty.

The desirability of a more unified and simplified rule framework across instruments was emphasised as a practical enabler of coherence. Participants called for stronger engagement across Commission portfolios beyond DG RTD, for foresight to function as a continuous governance capability rather than a periodic

exercise, and for multilayer coordination encompassing planning, implementation, monitoring, and impact evaluation. The operational articulation between FP10 and the ECF was identified as central to whether Europe can organise coherent investment journeys from knowledge creation to sectoral transformation.

5. Strategic Recommendations

5.1 For European Institutions

Clarify the FP10–ECF governance interface at an early stage by publishing a detailed architectural outline covering decision-making structures, programme complementarity, funding coordination mechanisms, institutional accountabilities, and procedures for managing overlaps. Provide greater clarity on the relationship between FP10 Pillar II and the ECF policy windows, specifying whether alignment implies sequential support along shared value chains, parallel governance with coordination mechanisms, or more integrated programming arrangements.

Strengthen multilevel coordination within the FP10 architecture by establishing structured Member State feedback channels into work programme development. Progress toward greater simplification and alignment of rules across FP10, the ECF, cohesion instruments, and complementary national programmes. Reinforce inter-service coordination across relevant Commission portfolios (RTD, GROW, CLIMA, CONNECT, DEFIS), including clear mechanisms for resolving cross-sectoral tensions. Elevate capacity-building from a widening instrument to a more central component of the European R&I architecture.

5.2 For Portugal and National Agencies

Institutionalise multilevel co-construction in AI² strategic domain definition process by embedding regional smart specialisation coordinators and sectoral ministry representatives as active co-design participants with defined responsibilities. Establish a permanent inter-ministerial R&I coordination platform at Secretary of State level with regular meetings, rotating thematic leadership, and agreed procedures for managing interdepartmental tensions.

Shorten administrative decision timelines to mitigate the “time-to-start” constraint affecting foreign investment attraction and participation in European programmes. Develop targeted measures to strengthen institutional capacity for European competition, supporting nationally-focused entities in preparing for FP10 and ECF opportunities. Prepare publicly accessible sectoral-R&I roadmaps for each strategic domain to enhance transparency and accountability.

Advance simplification and alignment of funding rules across AI², cohesion, instruments and other national programmes. Establish a continuous foresight capability linked to programming cycles and annual work programme adjustments. Strengthen preparedness for defence-related R&I, including familiarity with security clearance procedures, procurement frameworks, and long-term capability development requirements.

5.3 For Research Institutions and RTOs

Position institutions as proactive contributors to national domain definition rather than solely as beneficiaries of funding instruments. Develop institutional positioning strategies for FP10 and the ECF, identifying where organisational capabilities align with policy windows and sectoral transformation priorities.

Invest in strategic intelligence capacity to monitor evolving S3 priorities, national strategic domains, and European work programme developments. Strengthen technology transfer, industrial partnerships, and deep-tech scaling capabilities. Pursue cross-disciplinary collaboration in complex technological domains where European collaboration is structurally advantageous. Enhance coordination across institutes to maximise complementarity in European partnerships and value chains.

6. Strategic Foresight and Institutional Futures

The discussion elevated the debate to long-term institutional trajectories and the evolving architecture of research and innovation governance. Emphasis was placed on strategic foresight as a continuous governance capability, on the role of applied research capacity within European value chains, and on the importance of evidence-informed policymaking in strengthening adaptive and anticipatory systems. The exchange

underscored the need for sustained institutional learning and policy experimentation in response to accelerating technological change. The transformation of public institutions under digital and technological pressures was identified as a defining governance challenge, requiring modernisation of decision processes, regulatory approaches, and capability frameworks.

Three core insights emerged. First, alignment at the level of strategic priorities appears comparatively strong; what increasingly determines outcomes is governance capacity to translate strategy into coherent execution across levels, sectors, and stages of the technology development process. Second, fragmentation is not purely structural; institutional design choices influence the extent to which coordination mechanisms, bidirectional information flows, sectoral co-ownership, and simplified regulatory frameworks can be realised. High-performing systems demonstrate that such mechanisms are achievable when explicitly prioritised. Third, the current policy cycle represents a critical juncture, as European-level negotiations and national strategic processes unfold in parallel. Decisions taken during this period are likely to shape research and innovation governance trajectories for the coming decade.

About this Report

This policy brief synthesises discussions held under Chatham House Rules at the INESC Winter Meeting 2026, Coimbra, 28 January 2026. Observations are attributed to the collective forum, not to individual participants. Content draws from real-time discussion notes, the Base Document prepared for strategic sessions, formal meeting agenda, and post-event synthesis. The INESC Brussels HUB coordinates EU policy intelligence across five INESC institutes (INESC Coimbra, INESC ID, INESC MN, INESC TEC, INESC INOV).

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