



EUROPEAN
COMMISSION

Community Research

Building the Europe of Knowledge

Proposals for the 7th Research Framework Programme 2007 - 2013

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Policy objectives: an increasing role for EU Research

Objective “Lisbon”: to become the most dynamic and most competitive knowledge-based economy within 10 years

Objective “Göteborg”: sustainable development (environment, health, economy, employment)

European Research Area (ERA): ...Integrating, reinforcing, structuring RTD capacities, improving coordination of policies, overcoming fragmentation of efforts... and stimulating investment in RTD

‘Barcelona’ targets: 1,9% → 3,0% of GDP with 2/3 financed by private sector; towards 700.000 researchers

R&D – European weaknesses

	EU-25	US	Japan
R&D intensity (% of GDP) ⁽³⁾	1.97	2.59	3.12
Share of R&D financed by industry (%) ⁽²⁾	55.9	63.1	73.9
Researchers per thousand labour force (FTE) ⁽³⁾	5.5	9.0	9.7
Share of world scientific publications (%) ⁽³⁾	38.3	31.1	9.6
Scientific publications per million population ⁽³⁾	639	809	569
Share of world triadic patents (%) ⁽¹⁾	31.5	34.3	26.9
Triadic patents per million population ⁽¹⁾	30.5	53.1	92.6
High-tech exports as a share of total manufacturing exports (%) ⁽³⁾	19.7	28.5	26.5
Share of world high-tech exports (%) ⁽²⁾	16.7	20.0	10.6

Note: ⁽¹⁾ 2000 data ⁽²⁾ 2002 data ⁽³⁾ 2003 data

Legal basis for the EU Research

- The **Framework Programme** is the strategic instrument for RTD policy (Chapter XVIII of the Treaty):
 - General principles, objectives, financial means
 - Co-decision (Council and Parliament)
 - Proposal of the EC adopted 06.04.05 and sent to EP & Council
- The FP is implemented by **Specific Programmes**:
 - **4 SPs**: Cooperation; Ideas; People; Capacities
 - Detailed research content
 - Types of activities and where they apply
 - More detailed budget
 - Council decision (one EP reading)
- The **Rules for participation** (Regulation of EP and Council)
- The **Work programmes** and **Calls for proposals**

FP7 - main features

*... **continuity with FP6**: no major changes in the approach but adapt to the transition towards a knowledge-based society*

- **RTD as a key element** linking together competitiveness and knowledge as well as sustainability
- **Transnational collaborative research** remains the core activity of the FP and priority research topics identified on the basis of competitiveness and other Community policy objectives
- **S&T excellence** and **equality of access**: two fundamental criteria at EU level
- **Emphasis on industry-driven character** of European Technology Initiatives
- Overall support to **Basic Research** activities and to a possible new management mechanism to be set up (ERC)
- Importance of attracting **researchers** in Europe
- Support to up-grading/access to research **infrastructures**
- Improved procedures and management (**continuity and simplification**)



What's new in the EC proposal?

- Duration increased from **4 to 7 years**
- An overall budget of **€50 521 mio** (including JRC)
- **New structure: 4 Specific Programmes**

Cooperation – Collaborative research

Ideas – Frontier research

People – Marie Curie Actions

Capacities – Research potential

+

JRC (Nuclear and non-nuclear) and EURATOM



What's new in the EC proposal?

- **Themes for collaborative research** *include some new areas and greater flexibility*
- **Basic research** *core activity for SP Ideas*
- **SME specific actions** *benefit from an increase in budget*
- **Funding schemes:** *more flexible and simplified*



'Cooperation': 9 Themes and budget -

EC proposal amended in June

I. Cooperation	Budget (€million, current prices)
1. Health	5984
2. Biotechnology, food and agriculture	1935
3. Information and communication technologies	9110
4. Nanotechnologies, materials and production	3467
5. Energy	2265
6. Environment (incl. climate change)	1886
7. Transport (incl. aeronautics)	4180
8. Socio-economic sciences and the humanities	607
9. Security and space	2858
Total	32 292

* Not including non-nuclear activities of the Joint Research Centre: €1751 million

SP1-Cooperation – Implementation

Support will be implemented across all themes through:

Collaborative research projects
(Collaborative projects; Networks of Excellence; Coordination/support actions)

International Cooperation

Coordination of non-Community research programmes
(ERA-NET; ERA-NET+; Article 169)

Joint Technology Initiatives (Article 171)

- **Under each theme there will be sufficient flexibility to address both *Emerging needs* and *Unforeseen policy needs***
- **Dissemination of knowledge and transfer of results will be supported in all thematic areas**

Joint Technology Initiatives

- **May Take the Form of Joint Undertakings – Article 171 of the Treaty** (separate decision process)
 - “The Community may set up joint undertakings or any other structure necessary for the efficient execution of Community research, technological development and demonstration programmes”
 - **Six JTIs envisaged at this Stage:** Innovative medicines, Nanoelectronics, Embedded systems, Aeronautics and air traffic management, Hydrogen and fuel cells, Global monitoring for environment and security



SP2 - Ideas

- Frontier/curiosity-driven research: bottom-up
- Support to individual teams, to promote excellence through Europe-wide competition
- Dedicated implementation structure: European Research Council (Executive Agency)
- Scientific Council: governance (scientific strategy, oversight and guarantee of quality in scientific decision-making)
- Budget of € 7460 mio

SP2 – Ideas: ERC Grants

- The ERC Starting Independent Researcher Grants (ERC Starting Grants): researchers at the stage of establishing and leading their first research team or programme. → First call 2007
- The ERC Advanced Investigator Grants (ERC Advanced Grants): population of researchers who have already established themselves as being independent research leaders in their own right.
- Funding: up to 100% of eligible costs (flat rate 20%)



SP3 - People – Marie Curie Actions

Initial training of researchers

*Marie Curie Networks**

Life-long training and career development

Individual Fellowships

Co-financing of regional/national/international programmes

Industry-academia pathways and partnerships

*Industry-Academia Knowledge-sharing Scheme**

International dimension

Outgoing & Incoming International Fellowships; International Cooperation Scheme; Reintegration grants; Support to researcher 'diasporas'

Specific actions

Mobility and career enhancement actions; Excellence awards

* Open to third-country

Budget: €4727 Mio



SP4 - Capacities – Research Capacity

Budget: €4291 mio

- 1. Research Infrastructures (up-grading; access)**
- 2. Research for the benefit of SMEs**
- 3. Regions of Knowledge (research-clusters)**
- 4. Research Potential**
- 5. Science in Society**
- 6. Activities of International Cooperation**
- 7. Coherent development of policies**

Simplification of participation and legal procedures

Measures proposed:

- **Rationalising the funding schemes:** simpler set of funding schemes
- **Avoiding red-tape!:** less bureaucratic and more user-friendly languages
- **Reducing:** number and size of documents; number of requests to participants; a priori controls
- **Implementing** a light submission procedures (two-stage); less criteria
- **Exploring** new funding modalities; simplification of the cost-based funding system



Proposal Evaluation

- **Evaluation criteria specified in the Specific Programmes and detailed in the Work Programmes: reduced from 5 or 6 to 3 (ST quality, Impact, Implementation)**
- **‘Impact’: ref. to expected impacts listed in the work programmes**
- **Evaluation procedure: strong degree of continuity (independent and consensus peer review)**
- **Two-stage evaluation mentioned as possibility, with specific rules to be established**



Minimum conditions for participation

- ✓ **Three independent participants** from three different Member States (MS) or Associated countries (Ac)
- ✓ At least **one legal entity** established in a Member State or Associated country for: Frontier research actions (ERC) and Coordination and support actions and actions in favour of training and career development of researchers
- ✓ Additional conditions can be established in the SP or the WP
- ✓ **International cooperation partner countries**: minimum is four participants of which 2 in MS or Ac and 2 in ICPC (Int. Coop. Partner Country)

Funding Schemes

1. Collaborative projects

- consortia with participants from different countries
- new knowledge, technology, products or common resources for research
- size, scope and internal organisation of projects can vary

2. Networks of Excellence

- joint programmes by organisations integrating activities in a given field
- longer term co-operation
- formal commitment to integrate resources

Funding Schemes

3. Coordination and support actions

- networking, exchanges, trans-national access to research infrastructures, studies, conferences, etc.

4. Individual projects

5. Training and career development of researchers

6. Research for the benefit of specific groups (in particular SMEs)

Generally based on calls for proposals

Funding Schemes

- **State aid rules determine total funding**
- **Programme decisions and calls will mention**
 - the type(s) of scheme(s) used for different actions
 - the eligible participants
 - the eligible types of activity
- **Work programmes further detail the scheme**

Reimbursement of eligible costs

- Co-financing, no profit
- Cost reporting models eliminated
- Participants charge **direct and indirect costs** (option of flat rate for those who do not or can not charge real indirect costs)
- Costs must be actual; incurred during the project; determined according to the usual accounting and management principles/practices and used only to achieve project objectives, and consistent with principles of economy, efficiency and effectiveness; recorded in accounts and paid; exclusive of non-eligible costs
- Average personnel costs may be used if consistent with above and do not differ significantly from actual
- Audit certificates continued but rationalised

3 possible forms of grants

- **Lump sum**

- Does NOT require justification but paid according to assessment of indicators/deliverables...
- May be used to support an entire project or some parts (travel costs/per diem etc...)

A specific lump sum is identified for **Networks of Excellence (NoEs)** (unless otherwise provided for in work programme),

- calculated according to the number of researchers to be integrated_ (€ 23,500 / year / researcher)
- payment of which is based on attainment of progress



3 possible forms of grants

- **Flat rate**

- Does NOT require justification
- May be used to cover specific parts of a project (e.g.: indirect costs; average personnel costs)

3 possible forms of grants

- **Reimbursement of eligible costs (co-funding)**
 - Requires justification
 - May be used to finance the entire project or combined with lump sums/flat rates

Maximum funding rates

- **Research and technological activities – 50% of eligible costs except that for:**
 - SMEs – 75%
 - Public bodies – 75%
 - Secondary and higher education establishments – 75%
 - Research organisations (non-profit) – 75%
- **Demonstration activities – 50% of eligible costs**
- **Other activities – 100% of eligible costs**
- **Frontier research actions – 100%**
- **Coordination and support actions – 100%**
- **Training and career development of researchers actions – 100%**
- **Flat rate for overheads (? % of direct costs... still under discussion)**



Financial management

- Eligible costs definition remains unchanged
- Average personnel costs may be used if consistent with above and do not differ significantly from actual
- Audit certificates continued but rationalised
 - one audit certificate at the end of contract obligatory for grants with reimbursement of eligible costs
 - public bodies can use competent public officers

Negotiation and award: principles

Simplification introduced

- **Strong focus on ‘time to contract’**
- **A single (and stable) document: “Negotiation guidance notes”**
- **Clear and comprehensive “framework for negotiation”**
- **“Description of work”, which becomes part of grant agreement, to be aligned more closely to proposal content**
 - No unnecessary re-writing
- **Grant agreement preparation forms harmonised with proposal preparation forms**
 - Smoother transition from proposal to contract
- **One work plan for the duration of the project**
 - No need for repeated requests for approval (adjustments possible when necessary)

Negotiation and award: principles

Verification of legal existence, operational and financial capacities

- **Adoption of a COM decision on rules on verification of the legal status and financial capacity of participants**
- **Verification of legal status of participant**
 - Will now need periodic checking of all SMEs (not just those in CRAFT projects) to confirm eligibility for 75% funding level
- **Verification of operational capacities:**
 - Increased coherence/homogeneity of analysis due to recommendations provided by external evaluators
- **Verification of financial capacities**
 - Storage of data due to URF
 - But increase in number of checks due to removal of financial collective responsibility

Life of the project

Simplification introduced

- **Single pre-financing to cover all EC contribution for the first 18 months; interim payment of costs at each periodic report; no “renewal” of pre-financing**
 - Better financial security for consortia and for Commission, payment delays removed
- **Fewer audit certificates to be submitted (usually one at the end of each project for each participant and *de minimis* rule)**
 - Less complexity and lower cost
- **IPR provisions clarified and simplified**
 - Easier terms and conditions to be applied by participants to encourage use of results
- **Reporting to be rationalised, with significant reduction in number of reports**



Information



- **EU research:** <http://europa.eu.int/comm/research>
- **Seventh Framework Programme:**
http://europa.eu.int/comm/research/future/index_en.cfm
- **Information on research programmes and projects:**
<http://www.cordis.lu>
- **RTD info magazine:**
<http://europa.eu.int/comm/research/rtdinfo/>
- **Information requests:**
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