

Research RTD, 7th Euratom Framework Programme 2007-2011: participation of undertakings, research centres and universities, dissemination of research results

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The European Court of Auditors has issued its opinion on the proposed Regulation concerning the participation of undertakings, research centres and universities in actions under the 7th framework programme.

In the Court's Opinion, the Commission's proposal misses a valuable opportunity to introduce radical change. As the Court points out, the EU's RTD framework programmes form part of the world's largest, in terms of funding and participation. For many public research entities such as universities, the EU's RT&D framework programme is often one of the main sources of third-party funding. In addition, several thousand legal entities participate in each RTD framework programme, using a considerable variety of distinct types of indirect actions – often they are multi-partner actions carried out by a consortium of several participants.

Yet, participants frequently complain that Community grants are excessively cumbersome both in terms of applying for them and later managing them. Preparing proposals and gathering participants for a consortium is a costly and time consuming exercise. The Court's audits have shown that the large variety of actions and the number of individual grants are a considerable transaction cost per euro spent. Participants also complain that the Commission's procedures for awarding grants take too long and that the use of Community funds is insufficiently flexible to take account of the rapid changes in sciences. As a result the most innovative research projects are often not submitted to the European RTD framework programmes.

Whilst it is recognised that a certain degree of complexity is inevitable, the Court, nevertheless, considers the Commission proposal to have missed a valuable opportunity to bring about radical changes to the administrative and financial rules for the 7th framework programme. The Court, therefore, calls on the Commission to consider applying the following principles when adopting the legal base for the 7th framework programme:

- offering more flexibility when using Community grants by the consortia implementing indirect actions. This will allow for a greater “buy-in” by the research community.
- awarding consortia the means to react speedily to external and internal changes during the lifecycle of a project. This implies strengthening the decision making powers of the co-ordinator.
- to counter-balance co-ordinators' increased flexibility the Commission should be given greater scientific and financial accountability. This should be based, not on excessive reporting, but on peer review.

In the Court's view, the “Rules for participation” should reflect the assumption that researchers participating in the European RTD framework programmes can be trusted to put public money to its best use. The risk of failure is an inherent feature of all scientific research activities.

Bearing the above in mind, the Court sets out a number of key proposals to achieve further flexibility and simplification. They are:

- organising a centralised and *ex-ante* verification of legal entities;
- requiring the Commission services to use common databases and to exchange data electronically;
- applying a more flexible governance structure for indirect actions, with the Commission concluding a grant agreement with the co-ordinator acting on behalf of the other participants, or with the Commission awarding, by Commission decision, a grant without signing a private law contract;
- using reviews (or hearings), ideally by peers, as a monitoring tool for indirect actions;
- providing a “single cost” reimbursement system which allows participants to determine the Community financial contribution in a transparent, robust and simple-to-administer way;
- encouraging the use and the dissemination of results of indirect actions and the transfer of ownership.

To conclude, the Court notes that, in many cases, the Commission proposal constitutes an important step towards the simplification and flexibility needed for the effective implementation of the programme. Nevertheless, the Court is of the view that some of the Commission proposals are not justified and risk, unnecessarily, complicating the management of the 7th framework programme.