

Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 26/09/2006 - Commission communication on Council's position

The Commission considers that the common position, adopted by qualified majority, presents a strong convergence with the positions of both the European Parliament and the Commission. It takes into account a large proportion of the amendments made by the European Parliament in its first reading and integrated by the Commission into its amended proposal. It regards it as a good basis for further negotiations on the Framework Programme with a view to reaching a second reading agreement.

As regards the **budget**, the Council (and the European Parliament) has endorsed the overall amount of EUR 50 521 million which the Commission proposed in its amended proposal, following the conclusion on 17 May 2006 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.

On the budget breakdown, the Common Position is broadly consistent with the Commission amended proposal and the Parliament opinion, with the exception of:

- 1) *In Cooperation* : increased amounts for five *themes*: “Health”, “Nanosciences; Nanotechnologies, Materials and new Production Technologies”, “Energy”; “Environment” as well as a small increase in “Socio-economic Sciences and the Humanities”; a reduction in the theme “Security and Space”.
- 2) *In Capacities* : a major decrease in “Research infrastructures” as well as a decrease in “Science in Society”; increased amounts for “Research for the benefit of SMEs” and “Research Potential” as well as a small increase in “Activities of International Cooperation”.

Although, there is a strong correlation between the proposed activities and the proposed budget, the reduced budget for Infrastructures and for the Theme Security and Space might not allow the full implementation of the activities proposed in the common position.

As regards the **structure of the programme**, the common position maintains the various components of the programme proposed by the Commission, including the focus on the Themes and the flexible approach of the programme taking into account the seven year duration. The Commission agrees that the coherent development of policies should form a separate part in the Capacities programme. However, the Council has, in line with the Parliament, separated the theme on “Security and Space” into two themes, thus proposing ten themes. By keeping the two fields together the Commission believes significant flexibility and synergy could be achieved.

In terms of the **research content**, the Commission has in its modified proposal made clear that due to the reduction in the budget, the Commission did not include amendments which would mean a widening of the scope of the themes thus requiring more resources. The Commission believes that the common position essentially respects this. However, the inclusion of the “Exploratory Award Scheme” for SMEs in Capacities is not in line with this principle. The Commission believes the budget should be concentrated exclusively on the funding of projects.

The Commission endorses the strengthening of text on SMEs by proposing concrete measures in the themes, including by quantitative and qualitative analysis, which the Commission believes is a more

efficient approach than artificial targets which the Commission did not take on board in the modified proposal.

Major issues for the Parliament have been the Joint Technology Initiatives, as well as the programmes **Ideas and People**.

- concerning the Joint Technology Initiatives, the Common position includes the modifications of the criteria for the identification of Joint Technology Initiatives;
- concerning Ideas, important clarifications have been included concerning the term of office, the renewal and the role of the Scientific Council, the management and the staffing arrangements; as well inclusion of the conduct of an independent review in 2010, presented to the Parliament and the Council, of the European Research Council's structures and mechanisms;
- concerning People, a series of changes include references to the links of this programme with other parts of the Framework Programme and other community programmes, additions that make explicit the international dimension of this part of the programme, pointers to the establishment of appropriate working conditions of researchers and indications on the co-funding mode.

Lastly, on stem cell related research, the Commission accepted, in its modified proposal, to include an article on which fields shall not be financed under the 7th Framework Programme in line with the Parliament's amendment. Council has in its common position also included this article, and the Commission made a declaration re-confirming the practice to follow.