Research RTD, 7th EC framework programme 2007-2013: participation of undertakings, research centres and universities

2005/0277(COD) - 30/11/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Philippe **BUSQUIN** (PES, BE) amending the proposed regulation on rules for the participation of undertakings, research centres and universities in actions under the 7th Framework Programme and for the dissemination of research results. After the adoption of the report in committee on 12 September 2006, a compromise was negotiated between the rapporteur, the shadow rapporteurs and the Council.

A number of amendments were designed to achieve greater simplification of the rules of participation. They clarified certain concepts and definitions, such as "legal entity", "affiliated entity", "fair and reasonable conditions" and "participant". Parliament also introduced certain principles for evaluation, and selection and award criteria set out in the specific programme and the work programme. For the “Cooperation” programme, the criteria are as follows: scientific and/or technological excellence; relevance to the objectives of these specific programmes; the potential impact through the development, dissemination and use of project results; and the quality and efficiency of the implementation and management. For the “People” programme, certain other criteria would be used, such as: quality and implementation capacity of the proposers (researchers/organisations) and their potential for further progression; and quality of the proposed activity in scientific training and/or transfer of knowledge.

For support for "frontier" research actions under the "Ideas" Programme the sole criterion of excellence will apply. For coordination and support actions, project-related criteria may apply.

The terms of the compromise state that the Commission shall adopt and publish rules governing the procedure for the submission of proposals, as well as the related evaluation, selection and award procedures and publish guides for applicants including guidelines for evaluators. In particular, it shall lay down detailed rules for the two-stage procedure for submission (including as regards the scope and nature of the first stage proposal as well as those of the complete second stage proposal), and rules for the two-step evaluation procedure. The Commission shall provide information and set out redress procedures for applicants. It must also establish and publish guidelines on the main issues that may be addressed by participants in their consortium agreements, including provisions on promoting the participation of SMEs.

Other amendments concern the following:

- for security-related research and technological development activities, the Community financial contribution may reach a maximum of 75% in the case of the development of capabilities in domains with very limited market size and a risk of "market failure" and for accelerated equipment development in response to new threats;

- several additions and amendments were made to the risk avoidance mechanism. The financial responsibility of each participant shall be limited to its own debt, but the Commission must establish and operate a participant Guarantee Fund in accordance with the Annex. The contribution to the Fund by a participant to an indirect action taking the form of a grant shall not exceed 5% of the Community financial contribution due to the participant. At the end of the action the amount contributed to the Fund shall be

returned to the participant, via the coordinator. However, if the interests generated by the Fund are insufficient to cover sums due to the Community, the Commission may deduct from the amount to be returned to a participant a maximum of 1% of the Community financial contribution to it;

- Parliament clarified the role of coordinator and the concepts of direct and indirect eligible costs;

- non-profit public bodies, secondary and higher education establishments, research organisations and SMEs which are unable to identify with certainty their real indirect costs for the action concerned, when participating in funding schemes which include research and technological development and demonstration activities, as referred to in Article 33, may opt for a flat-rate equal to 60% of the total direct eligible costs for grants awarded under calls for proposals closing before 1 January 2010. For grants awarded under calls closing after 31 December 2009, the Commission must establish an appropriate level of flat rate which should be an approximation of the real indirect costs concerned but not lower than 40%. This will be based on an evaluation of participation by non-profit public bodies, secondary and higher education establishments, research organisations and SMEs which are unable to identify with certainty their real indirect costs for the action concerned;

- the certification on the financial statements,where the compromise agreed reflects common goal of Parliament and Council to simplify and limit the number of certificates;

- "European" affiliatesestablished in a Member State or associated country will enjoy access rights if they are needed to use their own foreground under the same conditions as the participant to which they are affiliated.