

FP7 - Midterm Review
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Introduction

The mid term review of FP7 should be profound and deep for the following reasons:

1. More than 50% of budget is still available
2. Some of the projects will run until 2015
3. The second part of FP7 will cover the critical years for the recovery of the European economy, and
4. FP7 was design before the economy, social crisis and before the establishment of important European policies such as the European strategy for energy and climate change

Therefore, the content and structure of FP7 should be analysed and changes should be introduced.

However, change should not be done for the sake of the change. Many areas of FP7 are developing well and these should be kept.

Key principles for FP's

- The principle of **excellence through competition**;
- **Leveraging and coordinating** other sources of funding, both public and private, and at the national, regional and structural funds programme level;
- To increase the socio-economic **impact** (for the citizen);
- To allow sufficient **flexibility**;
- To operate in an open and **transparent** manner;
- **Openness towards the world**, by reinforcing international cooperation;
- **Simplification** of the administration should be one of the highest priorities in the review.

Thematic Priorities

While keeping overall the same themes, some emphasis should be placed in areas related to the great challenges agenda:

- Environmental challenges:
 - Mitigation and adaptation to climate change;
 - Water management and planning for sustainable use;
 - Resource efficiency;
- Energy Challenges:
 - Low carbon energy production;
 - Energy efficiency;
 - Energy storage;
 - Smart grids;
 - Buildings and cities.
- Challenges for people and society:
 - Quality and healthy food;
 - Prevention and health care;
 - Ageing society;

- Cancer and heart related diseases;
- Challenges for the European industry in a globalised world - Staying competitive and ensuring employment
 - The Manufacturing Industry;
 - The primary transformation industries - foundry, steel and non-ferrous metals sectors;
 - The transport industry including the automotive, aeronautics and rail sectors;
 - Agro-industry, agriculture and the food industry in general;
 - The major processing industries including the chemical, petrochemical and plastics industries;
 - The housing and buildings sector .

While the FP should keep in the Co-operation Programme, the element of thematic focus with more emphasis on the great challenges agenda, it is crucial to create space for research in new and emerging areas in order to develop the next generation technologies.

The funding line "Future and Emerging Technologies" (FET Open) in the field of information and communication technology represents a promising approach in this regard. We should propose the creation of such a line in other themes of the FP.

Structure of the FP7

- The reinforcement of collaborative research such as the activities funded in the specific programme "Cooperation". The possibility of forming smaller and medium sized projects and partner consortia that allow efficient coordination, in addition to strengthening scientific excellence. The collaborative research approach must remain the core element of the Framework Programme;
- Rules of Joint Technology Initiatives and other PPPs must be framed in such a way that provide open and fair access to universities and SME's;
- The research infrastructures that are accessible to users around the world should continue to play an important role;
- To promote the Ideas Programme (ERC) and to increase the proportion of the budget dedicated to grants for young researchers;
- The continuation of the Marie Curie Actions;
- To redesign the SME's dedicated projects in order to ensure that the major beneficiaries of the projects are the SME's and not the intermediate structures;
- To introduce specific instruments to facilitate processes of innovation and to bring the results of R&D to the market;
- Better synergies between programmes and more targeted use of Structural Funds to support the development of research capacity in Europe;
- To improve coordination between the FP and programmes such as competitiveness and Innovation (CIP), and the European Institute of Innovation and Technology (EIT);
- The participation of young scientists in project teams in the context of collaborative research activities by industry and science organisation should be incentivated;

Simplification

- Uniform interpretation of existing rules should be pursued as a matter of urgency, for ongoing contracts the application of post-conclusion 'guidelines' should be avoided;
- Lump sums and flat rates should be used on a voluntary basis and only applied where appropriate; calls on the Commission to further clarify the terminology in use on flat rates and lump sums;
- Introduction of lump sums covering 'other direct costs', provided that the option of real costs remains; calls on the Commission rigorously to assess the use of lump sums for personnel costs; highlights that lump sums are the most effective alternative for International Cooperation Partner Countries within the FP;
- Reducing the size to smaller consortia, whenever possible, contributes to simplifying the process, shortening the calendar of the projects and reducing administrative costs;
- Larger teams should be justified by the multidisciplinary nature of the work to be performed;
- Simplified interpretation and further clarification on the definition of eligible costs (such as taxes and charges in personnel costs, sick leave and maternity leave), as well as on the question whether VAT can be covered under eligible costs; calls on the Commission to examine the possibility of considering VAT an eligible cost item where non-deductible; requests further clarification on procedures related to exchange rates for partners using different currencies;
- More precise, consistent and transparent rules of procedure for audits, including rules and principles ensuring that the rights of the audited body are respected and that all parties are heard, and to report on the cost/benefit ratio of the audits;
- Implement the 'single audit approach' and to switch to real-time auditing performed by a single entity, thereby allowing beneficiaries to correct any systemic errors and hand in improved cost statements the following year; believes that such a single audit approach should further ensure that finished projects will not be audited more than once by various auditors, so that the opinion of the first appointed independent auditor is trusted by the Commission and documents are provided only once, however many audits are carried out;
- Trend towards shortening the average time-to-grant and time-to-pay but expresses some reservations about the generalised use of larger-scope calls and calls with cut-off dates;

- Introduction of more e-administration and IT tools and, in particular, the development of a research participant portal and the introduction of the e-signature

Other Horizontal issues

Internationalization:

- Broadening the strategy with regard to third countries:
 - Recommends further internationalisation of FP7 through cooperation with third countries, including developing countries, providing them with simple and specific management rules.

Whole chain of innovation:

- Frontier research, technological development, demonstration, dissemination, valorisation of results and rapid integration of research results into markets.