

Ladies and gentlemen,

Dear Fellow speakers,

Could I begin by extending my warm thanks to the Institut des Hautes Études pour la Science et la Technologie (IHEST) for your invitation.

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Purpose

Today I should like to speak about the importance of European Research and Innovation.

I shall speak about some of the measures that Europe is taking to promote Research and Innovation – the Europe 2020 initiative and the Framework Programmes and I shall also speak a little about my own concern in my report with the need for simplification in the administration of research.

The main direction that the report suggests is a shift to according researchers more trust. To finish with I should like to say a few words about the road ahead.

Importance

This is a moment of crucial importance for research and innovation.

Science, education and innovation are pillars of economic growth and job creation. Europe must invest in research if it is to develop new products and services. These will create new sources of employment and growth, something that will both render Europe more competitive and improve its quality of life.

Research and innovation are at the heart of the European Union's Europe 2020 initiative. The European Parliament and the European Commission have started preparing the Eighth Framework Programme for Research to take effect on 1 January 2014. At the moment, the European Parliament and the European Commission are working on the mid-term evaluation of the Seventh Framework Programme for Research.

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Simplification

It is certainly necessary to simplify the mechanisms involved in the Framework Programme for Research. Over the years, the programme has grown in scope both in terms of its applications and the size of its budget. The swelling number of applications for funding has been met with a parallel growth in control mechanisms in an attempt to ensure the proper use of EU funds. The unfortunate result is that it is increasingly difficult for companies and other organisations to find their way through a labyrinth of rules, procedures and ramifying red tape. This is particularly the case for smaller organisations: SMEs, high-tech start ups, and smaller institutes.

We should also recognise, I feel, the enormous efforts the Hungarian Presidency is making to further the course of simplification in the domain of science and innovation, following their predecessor, the Belgian Presidency.

As we work, a great deal of criticism has been levelled at European Research funding, mainly on account of its bureaucratic complexity and the financial requirements that researchers confront as soon as they seek funding. I witnessed some of the difficulties these researchers complain of during my own work both as a researcher and as a University Professor at the Technical University of Lisbon.

Today, as an MEP, I was honoured to have been entrusted with the challenge of guiding the report concerning the need for simplification through Parliament.

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Main direction of the report

In my opinion, the current system – essentially based in cost analysis – should be replaced by a system that places greater trust in the applicants. Consequently, I have favoured a two-pronged approach aimed at rebalancing the evaluation procedure. On the one hand, I have set out to simplify the monitoring of the financial aspects to the projects. On the other hand, the report aims to reinforce the technical and scientific assessment process. This supposes peer review and, with it, the application of excellence based criteria for assessment.

Of course, all financial transactions involve a degree of risk but excessive concern about controlling this risk through administrative supervision can actually increase the overall cost of the process. It should be possible to, firstly, tolerate higher levels of risk (thus streamlining bureaucratic control) whilst, secondly, placing more confidence in the participants from the scientific and business community. It is necessary to strike a balance between trust and control – between risk taking and risk avoidance – in ensuring the sound financial management of EU research funds.

More particularly, amongst the concrete recommendations the report makes, are the following:

Firstly, greater clarity can be achieved by further simplification in the rules governing funding and costing methodologies. For example, funding rates and costs calculation methods should be identical across the different instruments. Furthermore, the beneficiaries should be allowed to apply their usual management and accounting principles.

Secondly, clarity in the definition of such things as eligible costs and taxes is of utmost importance. It is just as important to promote consistency in the application of rules across all the commission departments and audits.

Thirdly, minimizing time to grant was to be encouraged. I support the two-stage application procedure provided that evaluation is undertaken thoroughly in the initial stage.

Fourthly, I recommend the full integration of grants, evaluations and proposals into a unique IT

platform. This should be sound, flexible and easy to use. The same platform should be used across all commission services and agencies.

Finally, we need to reduce the complexity of programmes and instruments. This entails introducing uniform interpretation and application of rules and procedures. It also supposes harmonization across all the EU bodies involved. This will contribute to greatly enhancing synergy.

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The road ahead

On 11 November 2010, the Simplification Report was voted on during the plenary session of the European Parliament and was adopted with an overwhelming majority (553 votes in favour to 12 against with 7 abstentions). However, the report marks only the beginning of a difficult road ahead. Now, we have to make sure that our recommendations are properly implemented.

As things stand, a fair degree of progress has been made, in particular, DG Research and Innovation has created a unit - internal to the DG - that is directly responsible for the harmonisation of Commission rules and regulations.

The bulk of my report recommendations will have been implemented as a result of the mid term revision of FP7. What will still remain are those parts of the report that require major legislative changes. These will be incorporated into the FP8, which begins in 2014.

DG Research and Innovation will undoubtedly encounter a number of difficulties and barriers as it seeks to implement our recommendations.

Both the Parliament and the Council are fully committed to the success of this process. To achieve our joint goals as efficiently and quickly as possible, the EP for its part, will set up a Working Group dedicated to the Research Framework Programme, whose function will be to monitor and encourage the simplification process.

Conclusion

I hope that this gives you an idea of the concrete steps we have already taken and of the road ahead. I am very satisfied with the work that has already been completed and I am optimistic about the road ahead. All the players have shown considerable good will. If we manage to successfully complete this reform, it will serve as a template for similar reforms in other domains.

I am thinking in particular of the structural funds, which are also tied up in red tape.

Thank you very much