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COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

**COUNCIL DECISION**

**Concerning the specific programme: “Ideas” implementing the 7th Framework Programme (2007-2013) of the European Community for research, technological development and demonstration activities**

(presented by the Commission)

## EXPLANATORY MEMORANDUM

### 1. CONTEXT OF THE PROPOSALS

The proposals for five specific programmes follow the Commission's proposal for a 7<sup>th</sup> Framework Programme (2007-13) adopted on 6 April 2005<sup>1</sup>. A structure was presented in terms of four main specific programmes—"Cooperation", "Ideas", "People" and "Capacities" each corresponding to a major objective of European research policy; a further specific programme is for the direct actions of the Joint Research Centre. The Commission will be presenting proposals for the "Rules for Participation and Dissemination" that apply to the 7<sup>th</sup> Framework Programme.

The policy context and objectives are those set out in the Communication "Building the ERA of knowledge for growth"<sup>2</sup>. To meet these objectives and implement in full the specific programmes will require a doubling of the budget as proposed by the Commission.

Research, technology, education and innovation are a significant way of creating jobs in a long term and sustainable manner. They are also the key to economic growth, competitiveness, health, quality of life and the environment. The research Framework Programme, alongside Community programmes in the areas of education and innovation, is aimed to progress towards the knowledge economy and society. The specific programmes of the 7<sup>th</sup> Framework Programme are designed to address, in combination with the necessary national and private efforts, major weaknesses in the level, quality and impact of European research. The dissemination and transfer of knowledge is a key added value of European research actions, and measures will be taken to increase the use of results by industry, policy makers and society.

Europe must invest more in research and a new emphasis is needed if the European Union is to progress towards the objective of investing 3% of its GDP in research by 2010. The 7<sup>th</sup> Framework Programme will contribute to this, both through direct financing but also by leveraging additional public and private investments in research.

Europe needs more researchers in order to increase and improve its research efforts. Alongside other actions, such as the European Charter for Researchers and national policy measures, the 7<sup>th</sup> Framework Programme is designed to stimulate more people to embark upon and pursue research careers, and once again attract leading research talent to Europe.

Financial support at a European level offers opportunities to increase the excellence and effectiveness of research which cannot be achieved at national level. The specific programmes of the 7<sup>th</sup> Framework Programme represent further consolidation of the European Research Area, achieving critical mass and structures in new areas of research and by new means, and further supporting the free movement of ideas, knowledge and researchers.

Throughout the implementation of the specific programmes the potential for European level actions to strengthen excellence in research will be exploited to the maximum, notably through EU wide competitions backed with rigorous and independent evaluation of proposals.

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<sup>1</sup> COM(2005)119.

<sup>2</sup> COM(2005)118.

This implies identifying and supporting existing excellence wherever it exists across the European Union as well as creating capacities for future research excellence.

The impact of the specific programmes will be enhanced through complementarities with other Community policies and programmes, and in particular the Structural Funds, the education programmes, and the Competitiveness and Innovation Programme.

## **2. PRIOR CONSULTATION**

The preparation of the specific programme proposals has taken account of the views expressed by the EU Institutions, in particular the European Parliament and European Council, as well as other stakeholders including researchers and users of research. This includes the ongoing discussions and inputs in relation to the proposal for the 7<sup>th</sup> Framework Programme decisions, the extensive consultations and inputs collected during the preparation of that proposal, and further work in identifying future research priorities such as that being undertaken by European Technology Platforms.

The Specific Programme proposal draws from the in-depth impact assessment undertaken for the 7<sup>th</sup> Framework Programme proposal<sup>3</sup> which demonstrated the strong and specific added value of each of the specific programme proposed. In addition, the proposals take account of the outcome of the five year assessment of the Framework Programme.<sup>4</sup>

## **3. LEGAL ASPECTS**

The proposal for the specific programmes is based on Title XVIII of the Treaty, Articles 163 to 173, and in particular Article 166.3 concerning implementation of the Framework Programme through specific programmes.

## **4. BUDGETARY IMPLEMENTATION**

The legislative financial statements attached to each proposed Decision set out the budgetary implications and the human and administrative resources.

The Commission intends to set up an executive agency which will be entrusted with certain tasks required to implement the “Cooperation”, “People” and “Capacities” Specific Programmes. This approach will also be taken for the implementation of the “Ideas” programme (see Section 7.2 below).

## **5. A COHERENT AND FLEXIBLE IMPLEMENTATION**

### **5.1. Adapting to new needs and opportunities.**

It is vital that the implementation of the specific programmes is sufficiently flexible to remain at the forefront of scientific and technological developments and respond to emerging scientific, industrial, policy or societal needs. Those actions which allow researchers

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<sup>3</sup> SEC(2005)430.

<sup>4</sup> COM(2005)387.

themselves to identify topics will be particularly important in this respect. For other actions, this will be achieved primarily through the work programmes which will be updated on an annual basis. This will be undertaken with the assistance of the committees of Member State representatives where it is envisaged that the committees' clear focus will be on the work programmes. Revisions may be made more rapidly in case of new priorities requiring an urgent response, in particular arising from unforeseen policy needs.

This multi-annual programming will benefit from a wide range of inputs to ensure that the activities supported maintain direct relevance to the evolving research needs of industry and EU policies. External advice will be sought, including for each of the themes within the Cooperation specific programme, with effective multi-disciplinary coverage and a balance of academic and industrial views.

For the Ideas programme, an entirely new approach will be taken whereby the preparation of an annual work programme will be entrusted to an independent scientific council as part of the establishment of an autonomous European Research Council (see Section 7.2 below).

Additional external inputs, in particular for the Cooperation programme, will be facilitated in particular from the **European Technology Platforms** established in various fields which should play a strong and dynamic role to ensure the industrial relevance. The research priorities identified in the Strategic Research Agendas defined by the platforms are well reflected in the specific programme proposals, and will provide an important input in the multiannual programming.

Other fora and groups may provide the Commission with timely advice on new priorities in particular areas, such as European Strategy Forum on Research Infrastructures (ESFRI) and platforms established to consider strategic research agendas relevant to social or environmental policy areas.

An important new opportunity that will be provided by the Framework Programme is an innovative financing mechanism, the **Risk-Sharing Finance Facility**, aimed at fostering private sector expenditure in RTD by improving access to European Investment Bank (EIB) loans for large European actions which need to combine several sources of financing, including loans. These large European actions are "Joint Technology Initiatives" and large collaborative projects funded directly by the Framework Programme within the Cooperation programme, and new research infrastructure projects under the Capacities programme. Other large European collaborative projects such as Eureka ones could also be considered, in accordance to eligibility criteria. The contribution envisaged from the specific programmes to the EIB will significantly improve the access to debt finance and thereby exercising a significant leverage effect on private investments in RTD.

## **5.2. Cross cutting issues**

Overall coherence in the implementation of the 7<sup>th</sup> Framework Programme will be ensured by the Commission, taking full account of the guaranteed autonomy and independence of the European Research Council in the Ideas programme.

The work programmes across the other specific programmes will be revised in a coordinated way to allow cross cutting issues to be fully taken into account. The committees of Member State representatives also have an important responsibility in assisting the Commission in the effective coherence and coordination of implementation across and within these specific

programmes. This implies a strong level of coordination within Member States and between representatives of different committee configurations.

Where actions to be supported have a strong relevance to different parts of the Cooperation, People and Capacities specific programmes, joint calls will be used building on the experience gained in the 6<sup>th</sup> Framework Programme. This will be particularly important for research topics that cut across the themes in the Cooperation programme, and such calls will be clearly identified in the work programme.

The following issues that cut across the Cooperation, People and Capacities specific programmes are of particular importance, and particular arrangements for a coordinated approach are foreseen:

- *International cooperation*: all of these specific programmes are open to international cooperation, and have dedicated actions in this respect. A strategic approach will be taken across the Framework Programme to promote European research excellence and competitiveness and to address specific global or regional issues where there is a mutual interest and benefit. A coherent approach across the specific programmes in line with this strategy will be ensured and the Capacities programme will have a major role in this respect.
- *Research infrastructures*: the main support to research infrastructures will be implemented in the Capacities programme, and this programme will ensure a coordinated approach with relevant research activities in the other programmes, notably the Cooperation programme.
- *Cross cutting policy research*: Arrangements for effective coordination within the Commission services will be put in place, in particular to ensure that activities continue to meet the needs of developments in EU policies. For this purpose, the multi-annual programming may draw on the help of user groups of different Commission services associated with the policies concerned, and in this context an internal structure will be created to ensure the coordination of marine science and technologies across the relevant thematic areas.
- *SME participation*: the participation of SMEs will be optimised across the specific programmes. In addition to the strengthened SME specific actions in the Capacities programme: SME research interests are included throughout the Cooperation programme and topics of particular interest to SMEs will be further identified in the work programmes and calls for proposals; the activities in the People programme have a special emphasis on the involvement of SMEs; and SMEs will also be able to participate in the Ideas programme. The simplification measures envisaged and the increased flexibility in choosing the appropriate funding scheme will benefit in particular SME participation.
- *Dissemination and knowledge transfer*: the need to foster the uptake of research results is a strong feature across the specific programmes, with a particular emphasis on transferring knowledge between countries, across disciplines and from academia to industry, including through the mobility of researchers. The involvement of potential users in helping to define priorities (in particular through the European Technology Platforms) is important in this aspect. The complementary actions under the Competitiveness and Innovation Programme will also reinforce the use of research results by addressing the barriers to innovation and strengthening innovation capabilities.

- *Science in society*: this activity in the Capacities programme will also play a role to ensure that society aspects are properly taken into account in all specific programmes, and that interactions between scientists and the wider public are deepened.

## **6. SIMPLIFICATION AND MANAGEMENT METHODS**

A significant simplification will be achieved in the implementation of the 7<sup>th</sup> Framework Programme, following the ideas presented in the Commission Working Document of 6 April 2005 and extensive dialogue with Member States and stakeholders on the basis of this document. Many of the proposed measures are to be presented in the Rules for Participation and Dissemination, notably to reduce “red tape” significantly and simplify the funding schemes and reporting requirements.

Within the specific programmes, proposed improvements include:

- Improved efficiency and consistency of implementation through the externalisation of administrative tasks to an executive agency.
- Rationalising funding schemes whereby implementation of each Specific Programme will make use of the instruments necessary to realise the objectives of the Programme.
- A clearer presentation of evaluation criteria: to be included in the Work Programmes following the principles set out in each Specific Programme.
- Clearly presented work programmes such that potential participants are well informed about the opportunities available which meet their particular needs and interests. For example, work programmes and calls will, where appropriate, highlight those topics of particular interest to SMEs or where cooperation with third countries is beneficial.
- Simplifications in other aspects, such as streamlining the approval of projects, the new funding and support schemes, and further use of databases and information tools to provide better communication.

## **7. CONTENT OF THE SPECIFIC PROGRAMMES**

### **7.1. Cooperation**

The Cooperation specific programme is designed to gain leadership in key scientific and technological areas by supporting cooperation between universities, industry, research centres and public authorities across the European Union as well as the rest of the world. Previous framework programmes demonstrate the impact of such actions in restructuring research in Europe and pooling and leveraging resources. The 7<sup>th</sup> Framework Programme will distribute these impacts more widely and the nine themes proposed correspond to the major fields of progress in knowledge and technology where excellent research must be strengthened to address European social, economic, public health, environmental and industrial challenges.

The programme represents strong elements of continuity with previous framework programmes building on the demonstrated added value of European support of this type. There are, in addition, important novelties in this specific programme which require specific consideration for the implementation:

- Responding to the need for ambitious pan-European public private partnerships to accelerate the development of major technologies, through the launch of **Joint Technology Initiatives**.<sup>5</sup> A first set of initiatives have been identified with clear objectives and deliverables in the areas of innovative medicines, nanoelectronics, embedded computing systems, hydrogen and fuel cells, aeronautics and air traffic management and global monitoring for environment and security. These will be the subject of separate proposals (eg, under Article 171 of the Treaty). Further Joint Technology Initiatives, such as in the areas of zero emission power generation and renewable energy, may be identified during the implementation of the 7th Framework Programme.
- A strengthened approach to the coordinating national research programmes. The successful **ERA-NET** scheme will be continued and implemented within the themes. Existing ERA-NETs from the 6<sup>th</sup> Framework Programme will be allowed to submit follow up proposals to deepen their cooperation or broaden the consortia to new participants, and new ERA-Nets to address new topics will be supported. The scheme will also be open to public bodies planning a research programme but which is not yet in operation. In addition, an ERA-NET plus scheme will be introduced to provide an incentive for joint calls for transnational research projects organised between a number of countries.
- Following the experience of the European and Developing Countries Clinical Trials Partnership (EDCTP) Article 169 initiative, a further four **Article 169 initiatives** have been identified with the close cooperation of Member States. Such initiatives in the fields of ambient assisted living, Baltic Sea research and metrology are listed in the Cooperation programme and an Article 169 initiative to bring together national research performing SME-related programmes is mentioned in the Capacities programme. Further initiatives may be identified during the implementation of the 7th Framework Programme.
- A more targeted approach to **international cooperation** within each theme and across themes is foreseen with specific cooperation actions to be identified in the work programmes in line with the strategic approach for international cooperation foreseen and through policy dialogues and networks with different regions of partner countries.
- A component on to allow a flexible response to **emerging needs** and **unforeseen policy needs** will be supported under each of the themes and the implementation will build on the experience of the Scientific Support for Policy and New and Emerging Science and Technology schemes introduced in the 6<sup>th</sup> Framework Programme, as well as the Future and Emerging Technology scheme in the ICT area.

## 7.2. Ideas

Europe does not perform well in terms of truly outstanding research or mastering new fast-growing areas of science. The Ideas programme will provide such a pan-European mechanism to support the truly creative scientists, engineers and scholars, whose curiosity and thirst for knowledge are most likely to make the unpredictable and spectacular discoveries that can change the course of human understanding and open up new vistas for technological progress and solving enduring social and environmental problems. Driving up the quality of basic

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<sup>5</sup> As set out in the Commission Staff Working Document, *Report on European Technology Platforms and Joint Technology Initiatives: Fostering Public-Private R&D Partnerships to Boost Europe's Industrial Competitiveness*, SEC(2005) 800, 10 June 2005.

research through European wide competitions will generate significant social and economic benefits.<sup>6</sup>

The “Ideas” programme adopts the term “*frontier research*” which reflects a new understanding of basic research. At the forefront of creating new knowledge, “frontier research” is an intrinsically risky endeavour that involves the pursuit of fundamental advances in science, technology and engineering, without regard for established disciplinary boundaries or national borders.

The programme will follow an “investigator driven” approach, allowing researchers the scope to propose their own topics. Grants will be provided for individual teams, leaving the flexibility for a team to consist of any grouping of researchers appropriate for the conduct of the projects, from one single institution or several institutions, in one country or across national borders. In all cases, scientific excellence and not administrative requirements should drive the formation of the teams. The programme will ensure differentiation from national funding actions in basic research by its strategic objectives and European scope.

The creation of a **European Research Council** (ERC) for implementing the Ideas programme represents a new departure. Two key structural components of the ERC will be established—an independent Scientific Council and a dedicated implementation structure – operating according to the principles of trust, credibility and transparency, it should provide adequate financial means and work with high efficiency, and it should guarantee a high degree of autonomy and integrity, while being consistent with the requirements for accountability.

The **Scientific Council** will consist of representatives of the European scientific community, at the highest level, acting in their personal capacity, independently of political or any other interests. Its members will be appointed by the Commission, following an independent process for their identification.

The mandate of the Scientific Council will include:

- (1) *Scientific strategy*: Establishment of the overall scientific strategy for the programme, in the light of scientific opportunities and European scientific needs. On a permanent basis, in accordance with the scientific strategy, the establishment of the work programme and necessary modifications, including calls for proposals and criteria on the basis of which proposals are to be funded, and, as may be required, the definition of specific topics or target groups (e.g. young/emerging teams).
- (2) *Monitoring and quality control*: As appropriate, from a scientific perspective, establishment of positions on implementation and management of calls for proposals, evaluation criteria, peer review processes including the selection of experts and the methods for peer review and proposal evaluation, on the basis of which the proposal to be funded will be determined; as well as any other matter affecting the achievements and impact of the Specific Programme, and the quality of the research carried out. Monitoring quality of operations and evaluation of programme implementation and achievements and recommendations for corrective or future actions.

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<sup>6</sup> *Frontier Research: the European Challenge*. High Level Expert Group Report, European Commission, May 2005.

- (3) *Communication and dissemination:* Communication with the scientific community and key stakeholders on the activities and achievements of the programme and the deliberations of the ERC. Regularly report to the Commission on its activities.

The **dedicated implementation structure** will be responsible for programme execution, as provided for in the annual work programme. It will, in particular, implement the evaluation procedures, peer review and selection process according to the principles established by the Scientific Council and will ensure the financial and scientific management of the grants. In this regard, in the first instance, the Commission intends to establish an Executive Agency to which it will delegate the execution tasks. The implementation structure will maintain continual close liaison with the Scientific Council on all aspects of programme execution. In future and subject to an independent evaluation of the efficiency of the ERC's structures and mechanisms, an alternative structure, for example under the provisions of Article 171 of the Treaty, may be established.

The European Commission will act as the guarantor of the ERC's full autonomy and integrity. This means that the Commission's responsibility for the implementation of the programme will be effected by ensuring that the ERC's implementation structure are put into place, and that the programme is executed by the ERC in line with the objectives that have been set, following the scientific orientations and the requirements of scientific excellence, as they are determined by the Scientific Council, acting independently.

The Commission will be responsible for formally adopting the work programme for the "Ideas" programme. It will exercise this responsibility in line with the approach set out above. As a general rule, the Commission will adopt the work programme as proposed by the Scientific Council. If the Commission is unable to adopt the work programme as proposed, for example because the latter does not correspond to the objectives of the programme, or does not conform to Community legislation, the Commission will be required to state its reasons publicly. This procedure is designed to ensure that the operation of the ERC according to the principles of autonomy and integrity, are fully and transparently respected.

### 7.3. People

The People specific programme forms part of a broad and integrated strategy to strengthen, qualitatively and quantitatively, human resources in R&D in Europe. The programme will stimulate people to embark on and pursue research careers, encourage researchers to stay in Europe, and attract the best brains to Europe. There is a unique added value of European actions through harmonised instruments, stronger structuring effects and greater efficiency than bilateral arrangements between Member States.

The activities build on the long and successful experience of the Marie Curie actions in responding to researchers needs for training, mobility, and career development. While offering considerable continuity, a stronger focus is given to the following aspects:

- An **increased structuring effect**, for example through the introduction of co-funding of regional, national and international programmes in the action line "Life-long training and career development". The "co-funding"-mode would not replace the mode where individual post-doc fellowships are applied for and awarded at European level, as is currently exclusively the practice in the 6<sup>th</sup> Framework Programme. However, the individual fellowships have reached a stage of maturity in Europe. At the same time the national offers in this area remain fragmented in terms of objectives, evaluation methods

and working conditions, and are still often restricted as regards their international or European dimension. It is therefore proposed to co-fund, on the basis of open calls for proposals, a selection of those programmes corresponding to the Framework Programme objectives. Evaluation and selection will be on merit without limitations regarding the origin of the selected fellows, and applying acceptable employment and working conditions (in terms of e.g. salary, social security, mentoring, professional development).

- **Participation of industry:** while the bottom-up character of the Marie Curie actions will be preserved, a stronger orientation will be placed on training and career development for and in different sectors, in particular in the private sector. This will be achieved by an emphasis on the development of complementary skills and competences, crucial for a better understanding of research in enterprise and for the quality of their research. This will be enhanced by stimulating intersectoral experiences through active participation of industry, in all the actions and by putting in place the dedicated scheme for knowledge sharing in partnerships between the public and private sector, including in particular SMEs.
- The **international dimension** will be reinforced. Besides outgoing fellowships with a mandatory return, aimed at contributing to the life long training and career development of EU-researchers, the international co-operation through researchers from third countries is further expanded. In addition, new dimensions are introduced for collaboration with EU neighbouring and EU S&T Agreement countries. Furthermore support of “scientific diasporas” of European researchers abroad and foreign researchers within Europe will be provided.

#### 7.4. Capacities

The Capacities specific programme will enhance research and innovation capacity throughout Europe. The programme is a combination of continuation and reinforcement of actions in previous framework programmes and in addition important novelties.

A major new element is the foreseen strategic approach to supporting the construction of new research infrastructure which will complement the continued support for optimal use of existing research infrastructure. The support for construction of new infrastructure will be implemented through a two-stage approach: preparatory phase and a construction phase. Building on the work by ESFRI (The European Strategy Forum on Research Infrastructure) on the development of a European roadmap for new research infrastructure, the Commission will identify priority projects to which a possible EC support could be given under the 7<sup>th</sup> Framework Programme. For those projects, the Commission will act as a facilitator, in particular in facilitating financial engineering mechanisms for the construction phase, including facilitating access to EIB loans through the Risk Sharing Finance Facility. Annex 1 presents the ESFRI “list of opportunities”, which consists of concrete examples of new, large-scale research infrastructures, which the scientific community in Europe will need in the coming decade.

The two schemes to support research for the benefit of SMEs and SME associations will be pursued with an increased budget to respond to the growing need of SMEs to outsource research.

Regions of Knowledge actions build on the successful pilot action. The aim is to enable transnational networks of regions to make full use of their research strengths, enable them to

absorb new knowledge arising from research and to facilitate the emergence of “research-driven clusters” associating universities, research centres, enterprises and regional authorities.

An important new element is the action to unlocking the full Research Potential in the EU’s “convergence” and outermost regions. The realisation of the knowledge-based economy and society relies on strengthening the excellence of European research, but also on better using “untapped” high research potential which exists all over the EU. Actions will allow for the recruitment of researchers from other EU countries, the secondment of research and management staff, the organisation of evaluation facilities and the acquisition and development of research equipment. Such actions will complement the needs and opportunities for reinforcing the research capacities of existing and emerging centres of excellence in these regions which can be met by Structural Funds.

Science in Society represents a significant expansion of work in previous Framework Programme. It will foster better sciences, lead to better EU policies and a more engaged and informed public.

An important aim of the 7<sup>th</sup> Framework Programme is to build a strong and coherent international science and technology policy and activities in the Capacities programme will support this approach, in particular by helping to identify priorities for cooperation.

The coherent development of policies will put a greater emphasis on the co-ordination of national and regional research policies through a specific support scheme for trans-national policy cooperation initiatives by Member States and regions. This will reinforce the implementation of the open method of co-ordination to research policies and foster concerted or joint initiatives between groups of countries and regions in areas involving a strong trans-national dimension.

#### **7.5. Joint Research Centre actions**

While continuing to provide scientific and technical support to the EU policy making the JRC will further reinforce its customer-driven orientation and its strong networking with the scientific community. It will develop its activities in the specific context of growth, sustainable development and security.

The JRC actions will also respond to the call for ‘better regulation’ of the new Lisbon agenda. New challenges associated with the growing need to respond to the crises, emergencies and pressing political imperatives will be met by building up capacities and facilities in selected areas in view of providing adequate support in an EU context. An integrated approach to the provision of scientific and technical support to policies will also be a key feature of this specific programme.

### **8. BUILDING THE ERA OF KNOWLEDGE FOR GROWTH**

Achieving the necessary rapid progress towards a knowledge economy and society requires a new ambition and effectiveness in European research. All actors across the European Union-national governments, research establishments, industry – have their role to play in this endeavour.

The specific programmes to implement the 7<sup>th</sup> Framework Programme are designed to maximise the leverage and impact of European level research spending within the available

budget. Key features are the focus on four objectives in the corresponding specific programmes, with activities and means of implementation designed to meet these objectives; a strong element of continuity together with major new approaches; a consistent focus on supporting existing excellence and creating the capacity for tomorrow's research excellence; a streamlined and simplified management to ensure a user-friendliness and cost effectiveness; and an inbuilt flexibility such that the Framework Programme can respond to new needs and opportunities.

**ESFRI “LIST OF OPPORTUNITIES”<sup>7</sup>**

- Facility for Antiproton and Ion Research (FAIR)
- Facility for intense secondary beams of unstable isotopes (SPIRAL II)
- European deep-sea neutrino telescope (KM3NeT)
- Extremely Large Telescope (ELT) – for optical astronomy
- Pan-European Research Infrastructure for Nano-Structures (PRINS)
- European Spallation Source (ESS) – neutron source
- European XFEL – for hard X rays
- IRUVX FELs Network – from infrared to soft X rays
- ESRF upgrade – synchrotron
- High Performance Computer for Europe (HPCEUR)
- Marine vessel for coastal research – essentially Baltic Sea
- Research Icebreaker Aurora Borealis
- European Multidisciplinary Seafloor Observatory (EMSO)
- European infrastructure for research in, and protection of, biodiversity
- Advanced infrastructure for brain and whole body imaging
- Bio-informatics infrastructure for Europe
- European network of advanced clinical research centres
- European network of bio-banks and genomic resources
- High security laboratories for emerging diseases and threats to public health
- Infrastructure for functional analysis of a whole mammalian genome
- Model testing facilities for biomedical research
- European Research Observatory for the Humanities and Social Sciences (EROHS)

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<sup>7</sup> *Towards New Research Infrastructures for Europe: the ESFRI “List of Opportunities”*, March 2005, [www.cordis.lu/esfri/](http://www.cordis.lu/esfri/)

- European Social Survey (ESS)

“Global projects”

- ITER
- International Space Station (ISS)
- International Linear Collider (ILC)
- Square Kilometer Array (SKA) – radio telescope

International Fusion Materials Irradiation Facility (IFMIF)

Proposal for a

## COUNCIL DECISION

### **Concerning the specific programme: “Ideas” implementing the 7<sup>th</sup> Framework Programme (2007-2013) of the European Community for research, technological development and demonstration activities**

**(Text with EEA relevance)**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 166 thereof,

Having regard to the proposal from the Commission<sup>8</sup>,

Having regard to the opinion of the European Parliament<sup>9</sup>,

Having regard to the opinion of the European Economic and Social Committee<sup>10</sup>,

Whereas:

- (1) In accordance with Article 166(3) of the Treaty, Decision No /EC of the European Parliament and the Council concerning the 7th Framework Programme of the European Community for research, technological development and demonstration activities, (2007-2013) (hereinafter referred to as ‘the Framework Programme’) is to be implemented through Specific Programmes that define detailed rules for their implementation, fix their duration and provide for the means deemed necessary.
- (2) The Framework Programme is structured in four types of activities: trans-national cooperation on policy-defined themes (“Cooperation”), investigator-driven research based on initiatives of the research community (“Ideas”), support of training and career development of researchers (“People”), and support of research capacities (“Capacities”). Activities under “Ideas” as regards indirect actions shall be implemented by this Specific Programme.
- (3) This Specific Programme should follow an “investigator-driven” approach: it should support “frontier research” projects carried out by researchers on subjects of their choice. It should be implemented in a flexible and user-friendly manner, in a spirit of

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<sup>8</sup> OJ C, [], p. [].

<sup>9</sup> OJ C [], [], p. [].

<sup>10</sup> OJ C [], [], p. [].

- openness with respect to all the related actors, and taking account of relevant scientific practices.
- (4) Proposals for “frontier research” should be evaluated on the basis of the sole criterion of excellence as judged by peer review and should put the emphasis on interdisciplinary, high risk pioneering projects and new groups and less experienced researchers as well as established teams.
  - (5) This Specific Programme should be implemented according to the principles of scientific excellence, autonomy, efficiency, transparency, and accountability, by means of a European Research Council (ERC) consisting of a Scientific Council composed of scientists, engineers and scholars of the highest repute, representing the European research community in all its breadth and depth, supported by a dedicated implementation structure.
  - (6) The European Commission should be responsible for the implementation of this Specific Programme and should act as the guarantor of the European Research Council’s autonomy and integrity, as well as its functional efficacy.
  - (7) To guarantee the ERC’s autonomy, the Commission should ensure that positions of the Scientific Council on the scientific orientation and aspects of programme implementation are respected, and that the dedicated implementation structure follows strictly, efficiently and with the necessary flexibility, the objectives and requirements of this Specific Programme.
  - (8) To guarantee the ERC’s integrity, the Commission should ensure that this Specific Programme is implemented in accordance with the objectives set.
  - (9) The rules for the participation of undertakings, research centres and universities and for the dissemination of research results, for the Framework Programme (hereinafter referred to as ‘the rules for participation and dissemination’) should apply to this programme.
  - (10) The Framework Programme should complement the activities carried out in the Member States as well as other Community actions that are necessary for the overall strategic effort for the implementation of the Lisbon objectives, alongside, in particular, with those on structural funds, agriculture, education, training, competitiveness and innovation, industry, health, consumer protection, employment, energy, transport and environment.
  - (11) Implementation of the Framework Programme may give rise to supplementary programmes involving the participation of certain Member States only, the participation of the Community in programmes undertaken by several Member States, or the setting up of joint undertakings or other arrangements within the meaning of Articles 168, 169 and 171 of the Treaty.
  - (12) As provided for under Article 170 of the Treaty, the Community has concluded a number of international agreements in the field of research and efforts should be made to strengthen international research cooperation with a view to further integrating the Community into the world-wide research community. Therefore, this Specific Programme should be open to the participation of countries having concluded

agreements to this effect and should also be open on the project level, and on the basis of mutual benefit, to the participation of entities from third countries and of international organisations for scientific cooperation.

- (13) Research activities carried out within this programme should respect fundamental ethical principles, including those which are reflected in the Charter of Fundamental Rights of the European Union.
- (14) Sound financial management of the Framework Programme and its implementation should be ensured in the most effective and user-friendly manner possible, as well as ease of access for all participants, in compliance with Council Regulation (EC, EURATOM) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities and Commission Regulation (EC, EURATOM) 2342/2002 of 23 December 2002 laying down detailed rules for implementation of the Financial Regulation and any future amendments.
- (15) Appropriate measures should be taken to prevent irregularities and fraud and the necessary steps should be taken to recover funds lost, wrongly paid or incorrectly used in accordance with Council Regulation (EC, EURATOM) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities, Commission Regulation (EC, EURATOM) 2342/2002 of 23 December 2002 laying down detailed rules for implementation of the Financial Regulation and any future amendments, Council Regulation (EC, EURATOM) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests<sup>11</sup>, (EC, EURATOM) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities<sup>12</sup> and Regulation (EC) No 1074/1999 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF)<sup>13</sup>.
- (16) The measures necessary for the implementation of this Decision should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission<sup>14</sup>.
- (17) The Commission shall arrange for the independent assessment of the operation of the ERC. In the light of this assessment and taking into account the experiences of the ERC with regards to its basic principles, the possibility should be considered, no later than 2010, for reconstituting the ERC as a legally independent structure, which could be based on article 171 of the Treaty.
- (18) The "Ideas" Specific Programme should have its own budget line in the General Budget of the European Communities.
- (19) The importance of this Specific Programme is recognised as being an overall priority means to attain the objectives of excellence, management simplification and European

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11 OJ L 312, 23.12.1995, p.1

12 OJ L 292, 15.11.1996, p.2.

13 OJ L 136, 31.5.1999, p.1.

14 OJ L 184, 17.7.1999, p. 23

added value in “frontier research” contributed by Community research in addition to the efforts already undertaken at national level.

- (20) It responds to the recommendations of the ERCEG report<sup>15</sup> set up by the Copenhagen European Council (November 2002), reiterated by successive Councils (November 2003, 11 March 2004, 25-26 March 2004, 26 November 2004) and endorsed by the European Parliament<sup>16</sup>. This Specific Programme is in line with the Lisbon strategy and the European Council of Barcelona which set the target of raising European research efforts to 3% of EU GDP.
- (21) In the implementation of this Specific Programme adequate attention should be paid to working conditions, transparency of recruitment processes, and career development as regards the researchers recruited on projects and programmes funded under the actions of this programme, for which the Commission Recommendation of 11 March 2005 on the European Charter for Researchers and on a Code of Conduct for the Recruitment of Researchers offers a reference framework.

HAS ADOPTED THIS DECISION:

#### *Article 1*

1. The Specific Programme “Ideas” for Community activities in the area of “frontier research”, hereinafter the “Specific Programme”, is hereby adopted for the period from 1 January 2007 to 31 December 2013.
2. The Specific Programme shall be “investigator-driven”, supporting research carried out across all fields by individual teams in competition at the European level. The detailed objectives and the broad lines of those activities are set out in Annex I.

#### *Article 2*

In accordance with Annex II of the Framework Programme, the amount deemed necessary for the execution of the Specific Programme shall be EUR 11862 million, of which less than 6% shall be for the Commission’s administrative expenditure.

#### *Article 3*

1. All research activities carried out under the Specific Programme shall be carried out in compliance with fundamental ethical principles.
2. The following fields of research shall not be financed under this programme:
  - research activity aiming at human cloning for reproductive purposes,

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<sup>15</sup> ERCEG - European Research Council Expert Group; The ERCEG was set up on the initiative of the Danish Minister of Science, Technology and Innovation, during the Danish EU presidency. December 2003

<sup>16</sup> Report on Science and Technology Guidelines for future European Union Policy to support research. Rapporteur: Pia Elda Locatelli, A6-0046/2005, 28.2.2005

- research activity intended to modify the genetic heritage of human beings which could make such changes heritable<sup>17</sup>,
  - research activities intended to create human embryos solely for the purpose of research or for the purpose of stem cell procurement, including by means of somatic cell nuclear transfer.
3. The following research shall not be financed under this programme:
- research activities that are prohibited in all Member States,
  - research activities to be carried out in a Member State where such research is prohibited.

#### *Article 4*

1. The Commission shall be responsible for the implementation of the Specific Programme.
2. The Commission will establish a European Research Council, which shall be the means for implementing the Specific Programme.
3. The European Research Council will consist of an independent Scientific Council, supported by a dedicated implementation structure, as described in Annex I. It will operate according to the principles of scientific excellence, autonomy, efficiency and transparency.
4. The Commission will act as the guarantor of the European Research Council's autonomy and integrity and will ensure the proper execution of the tasks entrusted to it.

#### *Article 5*

1. The Scientific Council shall be composed of scientists, engineers and scholars of the highest repute, appointed by the Commission, and acting in their personal capacity, independent of extraneous interests.
2. It shall act according to the mandate set out in Annex I.
3. It shall establish:
  - a) the work programme for the implementation of the Specific Programme, to be adopted pursuant to article 6(1);
  - b) the methods for peer review and proposal evaluation, on the basis of which the proposals to be funded will be determined

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<sup>17</sup> Research relating to cancer treatment of the gonads can be financed.

- c) its position on any matter which from a scientific perspective may enhance the achievements and impact of the Specific Programme, and the quality of the research carried out.
4. It shall exclusively act in the interest of achieving the Specific Programme's scientific, technological and scholarly objectives, according to the principles set out in Article 4(3).

#### *Article 6*

1. The Commission shall adopt the work programme for the implementation of the Specific Programme, setting out in greater detail the objectives and scientific and technological priorities contained in Annex I, the associated funding, and the timetable for implementation.
2. The work programme shall take account of the state of science and technology in Europe and anticipate developments. It shall be updated as and where appropriate.
3. The work programme shall specify the criteria on which proposals under the funding schemes shall be evaluated and projects selected. For individual projects the sole criterion of excellence shall be applicable. For coordination and support actions, project-related criteria may be applicable.
4. The Commission shall ensure that the implementation of the Specific Programme is in accordance with the work programme and the principles set out in Article 4(3), as well as with the methods and positions established by the Scientific Council as defined under Article 5(3)(a) and 5(3)(b). The Commission shall ensure that the dedicated implementation structure follows strictly, efficiently and with the necessary flexibility, the objectives and requirements of this Specific Programme alone.
5. Concerning the tasks set out in Article 5(3), the Commission shall only abstain from following the position of the Scientific Council when it considers that the provisions of this Specific Programme have not been respected. In this case, the Commission may adopt measures to maintain continuity in the implementation of the specific programme and the achievement of its objectives, duly motivating such measures.
6. The procedure laid down in Article 8(2) shall apply for the adoption of the work programme referred to in Article 6(1).
7. The procedure laid down in Article 8(3) shall apply for the adoption of the work programme when there is a difference of substance with the position of the Scientific Council in accordance with Article 6(5).
8. The procedure laid down in Article 8(4) shall apply for the adoption of RTD actions involving the use of human embryos and human embryonic stem cells.

#### *Article 7*

1. The rules for participation and dissemination shall apply to this Specific Programme.

2. The Specific Programme shall be implemented by means of the funding schemes defined in Annex III of the Framework Programme.

*Article 8*

1. The Commission shall be assisted by a Committee.
2. Where reference is made to this paragraph, the advisory procedure laid down in Article 3 of Decision 1999/468/EC shall apply, in compliance with Article 7(3) thereof.
3. Where reference is made to this paragraph, the management procedure laid down in Article 4 of Decision 1999/468/EC shall apply, in compliance with Article 7 (3) thereof.
4. Where reference is made to this paragraph, the regulatory procedure laid down in Articles 5 and 7 of Decision 1999/468/EC shall apply.
5. The period provided for in Articles 4(3) and 5(6) of Decision 1999/468/EC shall be two months.
6. The Commission shall regularly inform the committee of the overall progress of the implementation of the specific programme.

This Decision is addressed to the Member States.

Done at Brussels,

*For the Council  
The President*

## ANNEX I

### **SCIENTIFIC OBJECTIVES AND BROAD LINES OF THE ACTIVITIES**

Investigator-driven “frontier research” is a key driver of wealth and social progress, as it opens new opportunities for scientific and technological advance, and is instrumental in producing new knowledge leading to future applications and markets.

Despite many achievements and a high level of performance in a large number of fields, Europe is not making the most of its research potential and resources, and urgently needs a strengthened capacity to generate knowledge.

#### **Objectives**

The objective of the Specific Programme “Ideas” is to reinforce excellence, dynamism and creativity in European research and improve the attractiveness of Europe for the best researchers from both European and third countries, as well as for industrial research investment, by providing a Europe-wide competitive funding mechanism for “frontier research” executed by individual teams.

For its implementation, a European Research Council (ERC), consisting of a Scientific Council and a dedicated implementation structure, will be created by the Commission under this Specific Programme. The ERC will operate according to the principles of scientific excellence, autonomy, efficiency, transparency and accountability, and will support investigator-driven projects in “frontier research”, carried out by individual teams competing at the European level, within and across all fields of research.

By promoting “frontier research” from across the EU, the Specific Programme will aim to put European research in a leading position, opening the way to creating new scientific and technological results and probably unexpected results. It will stimulate the flow of ideas and allow Europe better to exploit its research assets in the drive towards a dynamic knowledge-based society, with long-term benefits for the competitiveness of European economies and well being.

#### **Activities**

This programme will promote world class “frontier research”. The term “frontier research” reflects a new understanding of basic research. On one hand it denotes that basic research in science and technology is of critical importance to economic and social welfare, and on the other that research at and beyond the frontiers of current understanding is an intrinsically risky venture, progressing on new and most challenging research areas and is characterised by an absence of disciplinary boundaries.

The programme will support individual projects, which may be carried out in any field of basic scientific and technological research which falls within the scope of Community research under this Framework Programme, including engineering, socio-economic sciences and the humanities. As appropriate, specific research topics or target groups (e.g. young/emerging teams) may be taken into account, following the objectives of the programme and needs for efficient implementation. Particular attention will be paid to emerging and fast-growing areas at the frontier of knowledge, and at the interface between disciplines.

An “investigator-driven” approach will be followed. This means that the programme will support projects carried out by researchers on subjects of their choice within the scope of calls for proposals. Proposals will be evaluated on the sole criterion of excellence as judged by peer review, taking account of excellence in new groups, less experienced researchers, as well as established teams, and paying particular attention to proposals which are highly pioneering and involve correspondingly high scientific risks.

The programme will support projects carried out by individual teams. An individual team consists of an individual principal investigator and other individuals, members of the team.

The principal investigator must be employed by a legal entity in a Member State or associated country. Other team members may be employed by the same legal entity or by other legal entities in Member States, associated countries or third countries. The association of team members employed by legal entities other than that of the principal investigator must be justified on the scientific value added provided to the project, in particular in the case where the legal entity involved is in a third country. The contribution of team members employed by legal entities in third countries to a project may be covered by the Community grant, so long as the country is one of the International Cooperation Partner Countries<sup>18</sup>.

### **Programme Implementation**

For the implementation of this Specific Programme, the Commission will establish, at the start, the two key structural components of the ERC—an independent Scientific Council and a dedicated implementation structure.

#### **The Scientific Council**

The Scientific Council will consist of representatives of the European scientific community at the highest level, acting in their personal capacity, independently of extraneous interests. Its members will be appointed by the Commission following an independent procedure for their identification.

The tasks of the Scientific Council will be as follows:

1. *Scientific strategy*

- Establish the overall scientific strategy for the programme, in the light of scientific opportunities and European scientific needs.
- On a permanent basis, in accordance with the scientific strategy, ensure the establishment of the work programme and necessary modifications, including calls for proposals and criteria and, as may be required, the definition of specific topics or target groups (e.g. young/emerging teams).

2. *Scientific management, monitoring and quality control of programme implementation*

- As appropriate, from a scientific perspective, establish positions on implementation and management of calls for proposals, evaluation criteria, peer

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<sup>18</sup> See Rules for Participation.

review processes including the selection of experts and the methods for peer review and proposal evaluation, on the basis of which the proposal to be funded will be determined under the supervision of the Scientific Council; as well as any other matter affecting the achievements and impact of the Specific Programme, and the quality of the research carried out.

- Monitor quality of operations and evaluate programme implementation and achievements and make recommendations for corrective or future actions.

### 3. *Communication and dissemination*

- Assure communication with the scientific community and key stakeholders on the activities and achievements of the programme and the deliberations of the ERC.
- Regularly report to the Commission on its activities.

### **Dedicated implementation structure**

The dedicated implementation structure will be responsible for all aspects of administrative implementation and programme execution, as provided for in the annual work programme. It will, in particular, implement the evaluation procedures, peer review and selection process according to the principles established by the Scientific Council and will ensure the financial and scientific management of the grants.

### **Role of the European Commission**

The European Commission will act as the guarantor of the ERC's full autonomy and integrity. Its responsibility for the implementation of the programme will relate to ensuring that the programme is executed according to the scientific objectives stated above and to the requirements of scientific excellence, as determined by the Scientific Council, acting independently. In particular the Commission will:

- Ensure the establishment of a dedicated implementation structure and the delegation of tasks and responsibilities to it.
- Adopt the work programme and the positions regarding implementing methodology, as defined by the Scientific Council.
- Ensure that proposals are retained, and projects financed, solely on the basis of their ranking order resulting from the peer review; any change in the rank order of peer review must be explicitly endorsed by the Scientific Council.
- Regularly inform the programme committee on the implementation of the programme.
- Provide an annual report on the ERC's operations to Council and Parliament.

### **ETHICAL ASPECTS**

During the implementation of this Specific Programme and in the research activities arising from it, fundamental ethical principles are to be respected. These include, *inter alia*, the principles reflected in the Charter of Fundamental Rights of the EU, including the following: protection of human dignity and human life, protection of personal data and privacy, as well as of animals and the environment in accordance with Community law and

relevant international conventions, guidelines and codes of conduct, such as the Helsinki Declaration, the Convention of the Council of Europe on Human Rights and Biomedicine signed in Oviedo on 4 April 1997 and its Additional Protocols, the UN Convention on the Rights of the Child, the Universal Declaration on the human genome and human rights adopted by UNESCO, UN Biological and Toxin Weapons Convention (BTWC), International Treaty on Plant Genetic Resources for Food and Agriculture, and the relevant World Health Organisation (WHO) resolutions.

Account will also be taken of the Opinions of the European Group of Advisers on the Ethical Implications of Biotechnology (1991-1997) and the Opinions of the European Group on Ethics in Science and New Technologies (as from 1998).

In compliance with the principle of subsidiarity and the diversity of approaches existing in Europe, participants in research projects must conform to current legislation, regulations and ethical rules in the countries where the research will be carried out. In any case, national provisions apply and no research forbidden in any given Member State or other country will be supported by Community funding to be carried out in that Member State or country.

Where appropriate, those carrying out research projects must seek the approval of the relevant national or local ethics committees prior to the start of the RTD activities. An ethical review will also be implemented systematically by the Commission for proposals dealing with ethically sensitive issues or where ethical aspects have not been adequately addressed. In specific cases an ethical review may take place during the implementation of a project.

In accordance with Article 4(3) of this Decision no funding will be granted for research activities that are prohibited in all the Member States.

The Protocol on protection and welfare of animals annexed to the Treaty requires that the Community pays full regard to the welfare requirements of animals in formulating and implementing Community policies including research. Council Directive 86/609/EEC on the protection of animals used for experimental and other scientific purposes requires that all experiments be designed to avoid distress and unnecessary pain and suffering to the experimental animals; use the minimum number of animals; involve animals with the lowest degree of neurophysiological sensitivity; and cause the least pain, suffering, distress or lasting harm. Altering the genetic heritage of animals and cloning of animals may be considered only if the aims are ethically justified and the conditions are such that the animals' welfare is guaranteed and the principles of biodiversity are respected.

During the implementation of this programme, scientific advances and national and international provisions will be regularly monitored by the Commission so as to take account of any developments.

## LEGISLATIVE FINANCIAL STATEMENT

### 1. NAME OF THE PROPOSAL:

Proposal for a COUNCIL DECISION adopting a specific programme for research, technological development and demonstration activities: "Ideas" (2007 to 2013)

### 2. ABM / ABB FRAMEWORK

RESEARCH...

### 3. BUDGET LINES

#### 3.1. Budget lines (operational lines and related technical and administrative assistance lines) including headings :

*Titles 08 (final budgetary nomenclature for FP7 will be established in due course)*

#### 3.2. Duration of the action and of the financial impact:

2007-2013 subject to the approval of new financial perspectives framework

#### 3.3. Budgetary characteristics (add rows if necessary):

| Budget line           | Type of expenditure |                        | New | EFTA contribution | Contributions from applicant countries | Heading in financial perspective |
|-----------------------|---------------------|------------------------|-----|-------------------|--|----------------------------------|
| 02, 06, 08, 09 and 11 | Non-comp            | Diff <sup>19/</sup>    | YES | YES               | YES                                    | No [1a]                          |
| XX.01                 | Non-comp            | Non-diff <sup>20</sup> | YES | NO                | NO                                     | No [1a...]                       |
| XX.01.05              | Non-comp            | Non-diff               | YES | YES               | YES                                    | No [1a...]                       |

<sup>19</sup> Differentiated appropriations

<sup>20</sup> Non-differentiated appropriations here after referred to as NDA

#### 4. SUMMARY OF RESOURCES

##### 4.1. Financial Resources

##### 4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)<sup>21</sup>

EUR million (to 3 decimal places)

| Expenditure type | Section no. | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
|------------------|-------------|------|------|------|------|------|------|------|-------|
|------------------|-------------|------|------|------|------|------|------|------|-------|

##### Operational expenditure<sup>22</sup>

|                                |     |   |           |           |           |           |            |            |                         |            |
|--------------------------------|-----|---|-----------|-----------|-----------|-----------|------------|------------|-------------------------|------------|
| Commitment Appropriations (CA) | 8.1 | a | 4.955,289 | 6.450,321 | 7.929,201 | 9.553,215 | 11.203,503 | 12.811,940 | 14.568,946              | 67.472,416 |
| Payment Appropriations (PA)    |     | b | 1.982,116 | 4.066,715 | 6.097,835 | 7.985,639 | 9.578,238  | 11.189,390 | 26.572,48 <sup>23</sup> | 67.472,416 |

##### Administrative expenditure within reference amount<sup>24</sup>

|   |       |   |         |         |         |         |         |         |         |           |
|---|-------|---|---------|---------|---------|---------|---------|---------|---------|-----------|
| Technical & administrative assistance (NDA) | 8.2.4 | C | 706,648 | 720,781 | 735,196 | 749,900 | 764,898 | 780,196 | 795,800 | 5.253,418 |
|---|-------|---|---------|---------|---------|---------|---------|---------|---------|-----------|

##### TOTAL REFERENCE AMOUNT

|                           |  |       |           |           |           |            |            |            |                         |            |
|---------------------------|--|-------|-----------|-----------|-----------|------------|------------|------------|-------------------------|------------|
| Commitment Appropriations |  | a + c | 5.661,937 | 7.171,102 | 8.664,398 | 10.303,115 | 11.968,401 | 13.592,136 | 15.364,746              | 72.725,834 |
| Payment Appropriations    |  | b + c | 2.688,764 | 4.787,496 | 6.833,031 | 8.735,539  | 10.343,136 | 11.969,586 | 27.368,28 <sup>25</sup> | 72.725,834 |

##### Administrative expenditure not included in reference amount<sup>26</sup>

|   |         |  |        |        |        |        |        |        |        |        |
|---|---------|--|--------|--------|--------|--------|--------|--------|--------|--------|
| Human resources and associated expenditure (NDA)  | 8.2.5 d |  | 11,633 | 11,866 | 12,103 | 12,345 | 12,592 | 12,844 | 13,101 | 86,483 |
| Administrative costs, other than human resources and associated costs, not included in reference amount (NDA) | 8.2.6 e |  | 0,807  | 0,824  | 0,840  | 0,857  | 0,874  | 0,891  | 0,909  | 6,002  |

##### Total indicative financial cost of intervention

<sup>21</sup> These figures refer to the administrative expenditure for the entire EC Framework Programme (see COM(2005)119 final).

<sup>22</sup> Expenditure that does not fall under Chapter xx 01 of the Title xx concerned.

<sup>23</sup> Payment appropriations refers to 2013 and following years

<sup>24</sup> Expenditure within article xx 01 05 of Title xx.

<sup>25</sup> Payment appropriations refers to 2013 and following years

<sup>26</sup> Expenditure within chapter xx 01 other than articles xx 01 05.

|   |                 |           |           |           |            |            |            |            |            |
|---|-----------------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| <b>TOTAL CA including cost of Human Resources</b> | a+c<br>+d<br>+e | 5.674,377 | 7.183,791 | 8.677,340 | 10.316,316 | 11.981,867 | 13.605,871 | 15.378,756 | 72.818,319 |
| <b>TOTAL PA including cost of Human Resources</b> | b+c<br>+d<br>+e | 2.701,204 | 4.800,186 | 6.845,974 | 8.748,741  | 10.356,602 | 11.983,321 | 27.382,292 | 72.818,319 |

### Co-financing details

If the proposal involves co-financing by Member States, or other bodies (please specify which), an estimate of the level of this co-financing should be indicated in the table below (additional lines may be added if different bodies are foreseen for the provision of the co-financing):

*EUR million (to 3 decimal places)*

| Co-financing body               |                   | Year<br>n | n + 1 | n + 2 | n + 3 | n + 4 | n + 5<br>and<br>later | Total |
|---------------------------------|-------------------|-----------|-------|-------|-------|-------|-----------------------|-------|
|                                 | f                 |           |       |       |       |       |                       |       |
| TOTAL CA including co-financing | a+c<br>+d+<br>e+f |           |       |       |       |       |                       |       |

#### 4.1.2. Compatibility with Financial Programming

- Proposal is compatible with next financial programming (Commission's February 2004 Communication on the financial perspectives 2007-2013 COM (2004) 101).
- Proposal will entail reprogramming of the relevant heading in the financial perspective.
- Proposal may require application of the provisions of the Interinstitutional Agreement<sup>27</sup> (i.e. flexibility instrument or revision of the financial perspective).

#### 4.1.3. Financial impact on Revenue

- Proposal has no financial implications on revenue
- Proposal has financial impact – the effect on revenue is as follows:

Certain Associated States may contribute to the funding of the framework programmes.

In accordance with Article 161 of the Financial Regulation, the Joint Research Centre may benefit from revenue from various types of competitive activities and from other services provided for outside bodies.

<sup>27</sup> See points 19 and 24 of the Interinstitutional agreement.

In accordance with Article 18 of the Financial Regulation, certain revenue may be used to finance specific items.

***NB: All details and observations relating to the method of calculating the effect on revenue should be shown in a separate annex.***

EUR million (to one decimal place)

| Budget line | Revenue                             | Prior to action<br>[Year n-1] | Situation following action |       |       |       |       |                     |
|-------------|-------------------------------------|-------------------------------|----------------------------|-------|-------|-------|-------|---------------------|
|             |                                     |                               | [Year n]                   | [n+1] | [n+2] | [n+3] | [n+4] | [n+5] <sup>28</sup> |
|             | <i>a) Revenue in absolute terms</i> |                               |                            |       |       |       |       |                     |
|             | <i>b) Change in revenue</i>         | $\Delta$                      |                            |       |       |       |       |                     |

***(Please specify each revenue budget line involved, adding the appropriate number of rows to the table if there is an effect on more than one budget line.)***

**4.2. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.**

| Annual requirements                           | 2007  | 2008  | 2009  | 2010  | 2011  | 2012  | 2013  |
|---|-------|-------|-------|-------|-------|-------|-------|
| Total number of human resources <sup>29</sup> | 1.848 | 1.848 | 1.848 | 1.848 | 1.848 | 1.848 | 1.848 |

**5. CHARACTERISTICS AND OBJECTIVES**

**5.1. Need to be met in the short or long term**

This Specific Programme addresses the need to face a number of acute challenges that make the proposal to create a European Research Council (ERC) both timely and necessary. This concerns in particular, reinforcing excellence, especially in new, fast-growing research areas; staying ahead in a world of growing scientific and technological competition; linking science to technological innovation; competing for talent and encouraging greater investment.

Responding to these challenges, the ERC will provide the pan-European mechanism needed to selectively encourage and support the truly creative scientists, engineers and scholars who are most likely to make the unpredictable and spectacular discoveries that can change the course of human understanding.

<sup>28</sup> Additional columns should be added if necessary i.e. if the duration of the action exceeds 6 years  
<sup>29</sup> Figures indicated in the table refer only to the staff financed by the establishment plan for ALL indirect RTD actions

## **5.2. Value-added of Community involvement and coherence of the proposal with other financial instruments and possible synergy**

This Specific Programme is designed to create the ERC, which is both a significant new development in Community research, and at the same time a logical progression of European research policy, fully coherent with the aims of the European Research Area. It will provide added value above and beyond what can be achieved at the national level by:

- encouraging and supporting the finest talent and the best ideas at pan-European level, and focusing resources selectively on excellent research by highly competitive funding;
- conferring status and visibility on European “frontier research”, attracting talent and creativity to Europe;
- catalysing the adaptation of national research structures to the evolving European Research Area, thereby creating a European research system capable of matching the best in the world;
- helping to nurture science-based industry, attract and retain more R&D-intensive firms in Europe, and create a greater impetus for the establishment of research-based spin-offs;
- addressing the complex societal challenges faced by Europe, by providing the opportunity to invest quickly in the knowledge base necessary to tackle the new and emerging issues confronting society.

The ERC will be implemented in a way that reflects its independence from the strategic orientations of other parts of the Framework Programme. Complementarities with the other parts of the Framework Programme will be assured by the specific objectives of this programme (support to investigator-driven research) and its instrument (“frontier research” grants for individual projects).

## **5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework**

The objective of the Specific Programme “Ideas” is to reinforce excellence, dynamism and creativity in European research and improve the attractiveness of Europe for the best researchers from both European and third countries, as well as for industrial research investment.

By promoting “frontier research” from across the EU, the Specific Programme will aim to put European research in a leading position, opening the way to creating new scientific and technological results and probably unexpected results. It will stimulate the flow of ideas and allow Europe better to exploit its research assets in the drive towards a dynamic knowledge-based society, with long-term benefits for the competitiveness of European economies and well being.

### **Performance indicators will be developed and may operate at three levels:**

- Quantitative and qualitative indicators to show the path or direction of scientific and technical progress. These could include in the longer term, publications, citation indexes, patents, others.

- Management indicators to monitor performance internally and support senior management decision making. These could include level of budget execution, time to contract and time to payment.
- Outcome (impact) indicators to assess the overall effectiveness of the research against high level objectives.

#### 5.4. Method of Implementation (indicative)

Show below the method(s)<sup>30</sup> chosen for the implementation of the action.

##### *Centralised Management*

- Directly by the Commission
- Indirectly by delegation to:
  - Executive Agencies
  - Bodies set up by the Communities as referred to in art. 185 of the Financial Regulation
  - National public-sector bodies/bodies with public-service mission

##### *Shared or decentralised management*

- † With Member states
- † With Third countries

##### *Joint management with international organisations (please specify)*

Remarks:

The Commission proposes indirect centralised management of this programme by delegation to an Executive Agency.

The tasks required to implement the programme will be entrusted to an executive agency which will manage the calls and the reception of proposals, adopt the instruments of budget implementation, award contracts and grants, deal with individual project-level management and payments and gather, analyse and transmit to the Commission all the information needed to guide the implementation of the programme.

## 6. MONITORING AND EVALUATION

Monitoring and evaluation aspects are set out in the Legislative Financial Statement of the proposal of the 7<sup>th</sup> framework programme, COM(2005) 119 final.

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<sup>30</sup> If more than one method is indicated please provide additional details in the "Relevant comments" section of this point

## 7. ANTI-FRAUD MEASURES

*Appropriate measures should also be taken to prevent irregularities and fraud and the necessary steps should be taken to recover funds lost, wrongly paid or incorrectly used in accordance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities<sup>31</sup>, Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation 1605/2002<sup>32</sup>, Council Regulations (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests<sup>33</sup>, (EC, Euratom) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities<sup>34</sup> and Regulation (EC) No 1073/1999 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF)<sup>35</sup>.*

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<sup>31</sup> OJ L 248, 16.9.2002, p.1

<sup>32</sup> OJ L 357, 31.12.2002, p. 1

<sup>33</sup> OJ L 312, 23.12.1995, p. 1

<sup>34</sup> OJ L 292, 15.11.1996, p. 2

<sup>35</sup> OJ L 136, 31.5.1999, p. 1

## 8. DETAILS OF RESOURCES

### 8.1. Objectives of the proposal in terms of their financial cost

*Commitment appropriations in EUR million (to 3 decimal places)*

| (Headings of Objectives, actions and outputs should be provided) | Year 2007   |                | Year 2008   |                  | Year 2009   |                  | Year 2010   |                  | Year 2011   |                  | Year 2012   |                  | Year 2013   |                  | TOTAL       |                   |
|--|-------------|----------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|-------------------|
|  | No. outputs | Total cost     | No. outputs | Total cost       | No. outputs | Total cost       | No. outputs | Total cost       | No. outputs | Total cost       | No. outputs | Total cost       | No. outputs | Total cost       | No. outputs | Total cost        |
| OPERATIONAL OBJECTIVE No.1 <sup>37</sup>                         |             | 907,445        |             | 1.158,732        |             | 1.407,308        |             | 1.680,172        |             | 1.957,442        |             | 2.227,716        |             | 2.522,699        |             | 11.861,514        |
| <b>TOTAL COST</b>  |             | <b>907,445</b> |             | <b>1.158,732</b> |             | <b>1.407,308</b> |             | <b>1.680,172</b> |             | <b>1.957,442</b> |             | <b>2.227,716</b> |             | <b>2.522,699</b> |             | <b>11.861,514</b> |

<sup>37</sup> As described under Section 5.3

## 8.2. Administrative Expenditure

### 8.2.1. Number and type of human resources

| Types of post   |            | Staff to be assigned to management of the action using existing and/or additional resources ( <b>number of posts/FTEs</b> ) |           |           |           |           |           |           |
|---|------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
|   |            | Year 2007   | Year 2008 | Year 2009 | Year 2010 | Year 2011 | Year 2012 | Year 2013 |
| Officials or temporary staff <sup>38</sup> (XX 01 01) | A*/AD      |   |           |           |           |           |           |           |
|   | B*, C*/AST |   |           |           |           |           |           |           |
| Staff financed <sup>39</sup> by art. XX 01 02         |            |   |           |           |           |           |           |           |
| Other staff <sup>40</sup> financed by art. XX 01 05   | A*/AD      |   |           |           |           |           |           |           |
|   | B*, C*/AST |   |           |           |           |           |           |           |
| <b>TOTAL<sup>41</sup></b>                             |            | 1.848   | 1.848     | 1.848     | 1.848     | 1.848     | 1.848     | 1.848     |

### 8.2.2. Description of tasks deriving from the action

Implementation of the Framework Programme

<sup>38</sup> Cost of which is NOT covered by the reference amount

<sup>39</sup> Cost of which is NOT covered by the reference amount

<sup>40</sup> Cost of which is included within the reference amount

<sup>41</sup> Figures indicated in the table refer only to the staff financed by the establishment plan for ALL indirect RTD actions.

8.2.3. *Sources of human resources (statutory)*

*(When more than one source is stated, please indicate the number of posts originating from each of the sources)*

- Posts currently allocated to the management of the programme to be replaced or extended
- Posts pre-allocated within the APS/PDB exercise for year 2006
- Posts to be requested in the next APS/PDB procedure
- Posts to be redeployed using existing resources within the managing service (internal redeployment)
- Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

8.2.4. *Other Administrative expenditure included in reference amount (XX 01 05 – Expenditure on administrative management)*<sup>43</sup>

EUR million (to 3 decimal places)

| Budget line<br>(number and heading)                  | Year<br>2007 | Year<br>2008 | Year<br>2009 | Year<br>2010 | Year<br>2011 | Year<br>2012 | Year<br>2013 | TOTAL     |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|
| <b>Statutory staff</b>                               |              |              |              |              |              |              |              |           |
| xx.01 05 01  | 304,222      | 310,306      | 316,513      | 322,843      | 329,300      | 335,886      | 342,603      | 2.261,673 |
| <b>External staff</b>                                |              |              |              |              |              |              |              |           |
| xx.01 05 02  | 205,478      | 209,587      | 213,779      | 218,055      | 222,415      | 226,863      | 231,401      | 1.527,577 |
| <b>Other administrative expenses</b>                 |              |              |              |              |              |              |              |           |
| xx.01 05 03  | 196,948      | 200,888      | 204,904      | 209,002      | 213,183      | 217,447      | 221,796      | 1.464,167 |
| <b>Total Technical and administrative assistance</b> | 706,648      | 720,781      | 735,196      | 749,900      | 764,898      | 780,196      | 795,800      | 5.253,418 |

8.2.5. *Financial cost of human resources and associated costs not included in the reference amount*

EUR million (to 3 decimal places)

| Type of human resources   | Year<br>2007 | Year<br>2008 | Year<br>2009 | Year<br>2010 | Year<br>2011 | Year<br>2012 | Year<br>2013 | TOTAL  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|
| Officials and temporary staff (08 0101 and )  | 11,633       | 11,866       | 12,103       | 12,345       | 12,592       | 12,844       | 13,101       | 86,483 |
| Staff financed by Art XX 01 02 (auxiliary, END, contract staff, etc.)               |              |              |              |              |              |              |              |        |
| <b>Total cost of Human Resources and associated costs (NOT in reference amount)</b> | 11,633       | 11,866       | 12,103       | 12,345       | 12,592       | 12,844       | 13,101       | 86,483 |

Calculation– *Administrative expenditures*

*Have been calculated taking into account the following hypothesis:*

<sup>43</sup> These figures refer to the administrative expenditure for the entire EC Framework Programme (see COM(2005)119 final).

- the number of official staff on the ex part A of the budget remains at 2006 level
- expenditures increased by the 2% each year according to the inflation foreseen such as indicated in Fiche 1 REV (working document of commission services related to the financial perspectives),
- the assumption of 108 000 € for each official staff, and 70.000 € for the external staff (2004 prices)

Calculation– *Staff financed under art. XX 01 02*

*Reference should be made to Point 8.2.1, if applicable*

### 8.2.6 Other administrative expenditure not included in reference amount<sup>44</sup>

*EUR million (to 3 decimal places)*

|   | Year<br>2007 | Year<br>2008 | Year<br>2009 | Year<br>2010 | Year<br>2011 | Year<br>2012<br>and<br>2013 | TOTAL        |
|---|--------------|--------------|--------------|--------------|--------------|-----------------------------|--------------|
| XX 01 02 11 01 – Missions   | <b>0,320</b> | <b>0,326</b> | <b>0,333</b> | <b>0,339</b> | <b>0,346</b> | <b>0,713</b>                | <b>2,376</b> |
| XX 01 02 11 02 – Meetings & Conferences   | <b>0,010</b> | <b>0,010</b> | <b>0,011</b> | <b>0,011</b> | <b>0,011</b> | <b>0,023</b>                | <b>0,076</b> |
| XX 01 02 11 03 – Committees <sup>45</sup>   | <b>0,478</b> | <b>0,487</b> | <b>0,497</b> | <b>0,507</b> | <b>0,517</b> | <b>1,065</b>                | <b>3,550</b> |
| XX 01 02 11 04 – Studies & consultations  |              |              |              |              |              |                             |              |
| XX 01 02 11 05 - Information systems  |              |              |              |              |              |                             |              |
| <b>2 Total Other Management Expenditure (XX 01 02 11)</b>   |              |              |              |              |              |                             |              |
| <b>3 Other expenditure of an administrative nature</b> (specify including reference to budget line)                         |              |              |              |              |              |                             |              |
| <b>Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount)</b> | <b>0,807</b> | <b>0,824</b> | <b>0,840</b> | <b>0,857</b> | <b>0,874</b> | <b>1,801</b>                | <b>6,002</b> |

<sup>44</sup> These figures refer to the administrative expenditure for the entire EC Framework Programme (see COM(2005)119 final).

<sup>45</sup> EURAB committee.

Calculation - *Other administrative expenditure not included in reference amount*

These figures are estimated on the basis of the 2006 DG RTD requests increased of the 2% for the yearly foreseen inflation. (Fiche 1 REV)

The needs for human and administrative resources shall be covered within the allocation granted to the managing DG in the framework of the annual allocation procedure. . The allocation of posts should take into account an eventual reallocation of posts between departments on the basis of the financial perspectives.