

EUROHORCs

“Simplifying the implementation of the research framework programmes”

Key elements

Introduction

Following the EUROHORCs paper on *Basic Principles for Robust Rules* published in December 2009, taking into account the current debate on “simplification” and the communication from the Commission *Simplifying the implementation of the research framework programmes*, EUROHORCs wish to emphasize on key elements in order to best express the needs and the interests of the scientific community.

Context

EUROHORCs members have been observing that administrative hurdles have grown over the last years and are increasingly discouraging researchers and their institutions to participate in the EU Research Framework Programmes (FPs). EUROHORCs are convinced that if left unchecked, these hurdles may compromise the overall process of construction of the European Research Area.

DG Research launched in summer 2009 a consultation on “Ideas for simplifying the implementation of EU Framework Programmes”. A few weeks later, the DG Budget published a public consultation in view of the upcoming revision of the “Financial regulation”. These two consultations started an overall reflexion among stakeholders, European institutions and Member States on the regulatory framework of FPs. EUROHORCs welcome the initiatives of the Spanish Presidency of the EU to animate the debate and prepare Council conclusions on those issues.

Basic Principles

Before describing the key elements of FP simplification, it is important to remember the basics principles of robust rules supported by the EUROHORCs in a previous paper:

- Stability, Transverse Consistency and Coherence, Adaptability and Tolerable Risk are the four pillars for appropriate and effectual rules for research.
- The use of own accounting systems by beneficiaries, reliability and traceability, partnership and mutual trust and a focus on best interest of the research projects are paramount for the implementation of research funding rules .

Key elements

EUROHORCs wish to contribute to the **improvement of the implementation** of the research framework programmes rather than to the “simplification”. This word has completely lost its meaning. EUROHORCs note that the research community has to face a vast complexity and high discrepancy rather than “diversity” or “variety of rules” in participating under the current regulatory framework.

EUROHORCs warmly welcome the initiative from the Commission to ensure that its organisational setup provides for consistent interpretation and application of the rules and procedures but highlight that these processes should not lead to uniform but rather to **consistent and traceable application of rules** in order to ensure **legal certainty**.

EUROHORCs insist on the necessary acceptance of usual accounting practices and methodologies particularly what concerns average personnel costs, provided they are based on costs registered in the accounts of the beneficiaries, have been accepted in national public research programmes or have been certified by national public authorities.

EUROHORCs further support the idea of more profound changes, by introducing a **science-based approach** that will entail a **major shift of the control efforts from the financial to the scientific-technical side**. This could be implemented through a **project-specific “lump sum” as a contribution to the total budget of a project**. The contribution could be a **fixed percentage of the total budget of the project**.

The project should be assessed **based on the best effort** to do the scientific work. It should not be based on outputs or results.

To do so requires a **reinforced scientific/technical monitoring**, including external experts and high-level Scientific Officers in the Commission with an understanding of the scientific field. The implementation would require a different balance of skills, an adapted project management approach in the Commission and extended cooperation with independent experts or referees, including independent financial and/or project management experts coming from research intensive organisations who can assess the adequacy of budgeted costs.

Other suggested solutions such as high-trust “award”, predefined lump sums or prices would go against the improvement of the implementation of FPs as they will introduce confusion (change in the definition of price) or unequal treatment (predefined lump sums) or unnecessary disparity (high-trust “award”).

EUROHORCs believe that the idea of a **“project-specific lump sum” as a fixed percentage to the total budget of a project would suit all science-based projects** whatever the organisation that gives funds (Commission, executive agencies, JTI, EIT...) and whichever the institution which receives them. The disparity of rules of the EU research funding landscape would be drastically and automatically reduced.

Moreover, EUROHORCs support a step by step approach in improving some practical aspects of FPs in order to respect the principle of stability: the rules of participation and the Financial Regulation need **clarifications** in order to improve their implementation. Major changes should be thought for FP8 but improvements are already possible during the current FP7. That is why EUROHORCs recommend and support:

- To progress in the clarity and accessibility of guidance documents and services.
- Not to extend the use of lump sums in the current FP7 as it will introduce more and more confusion. The word “lump sum” needs to be carefully defined in the Financial Regulation, as not everyone agrees on what a lump sum entails. This will be needed in view of a “project-specific lump sum” as a fixed percentage to the total budget.
- To reduce the number of funding rates so that only the differentiation into the three existing major categories of organisations would remain: public, SME and large industries (according to the definitions written in the framework for state aid for research and development and innovation).
- To remove the obligation to open interest-bearing bank accounts.
- But if so to keep the obligation for the Commission to recover interests when interests are generated otherwise it would mean that beneficiaries could make profit or invest public money for getting more interests. It is against the non-profit principle and encourages investing on high risk/high-yield accounts.

Conclusion

EUROHORCs support the ongoing discussions on the regulatory framework and simplification, but insist that it is about **improving** the framework and facilitating implementation of FPs. EUROHORCs highlight that there are still misunderstandings of what stakeholders would like. EUROHORCs are convinced that this paper brings concrete proposals for clarifications in order to build robust funding rules for EU research programmes that could apply to any research funding system.