

## **First Thoughts about the COM(2010)187**

### **Simplifying the implementation of the research framework programmes**

#### **Key messages**

CEPIC very much welcomes the communication as a long awaited initiative to bring participation of companies into EC research programmes

- We urge the EC to go one step further and link the simplification even more to the measurement of output from research (result driven approach)
- Innovation funding can only partly built on the current rules that are defined under the aspect of research. Innovation in several phases needs a different framework. To drive innovation with the needed speed in global competition short implementation timelines upfront and quick start to demonstration projects are key to solve the cumulative societal challenges Europe is facing. In addition innovation is also about failure so the failure tolerant approach has to be strengthened
- The simplification effort has to be enlarged to all innovation relevant programmes like Competitiveness and innovation (CIP) or structural funds.
- The aspect of synchronisation between EC and member states funding has yet to be tackled. Thus this communication should also be used to synchronise national funding administration.
- To speed up cooperation along the value chain there is a need to have ad hoc available funding for bottom up proposals (i.e. funding for Coordinative Support Actions CSA) for the shaping of bigger projects (i.e. in an open innovation approach). This practice has been demonstrated in national programmes successfully.

The EC has set a precedent on what is possible within the current system in the Public Private Partnerships set up under the Economic recovery plan. Contracts could be prepared and ready within a few months. As the cumulative societal challenges (economic, ageing, Climate change etc.) can also be regarded as a “crisis” these simplifications based on political will should become common practice.

#### **Specifics (many positive elements like lump-sum, pre-financing etc)**

These specifics focus on the topics “speed up” and “improve value chain cooperation”:

- Supported 3.2/4: Streamline the member states role in selection of individual projects. This however needs to be complemented by an improved role for industry in the evaluation.
- Supported 3.2: Research projects have to be stopped, if the delivery against targets is significantly behind schedule.
- New: The redirection of projects should be possible. Many multi-year projects are run as planned, despite the fact that new scientific knowledge has been created that requests a significant refocus of the project. The current review process allows only a slight adjustment within the larger project.
- New: To further increase industry participation it is recommended to allow the starting date of cost eligibility to be the day after the deadline for submission of the project to the EC (applicant's risk in case the project is not funded. This will allow a much speedier start of projects, which is also much more attuned to the needs and time-horizons of smaller companies.
- Improved: The fast introduction of electronic signatures for all aspects of the application, negotiation and reporting of funded projects should be a high priority.
- New: The mainly top-down – and detailed descriptive – approach for FP7 is hindering innovation. In some areas technology development is going faster than the process of development of workprogrammes, publication of calls, negotiation and project start. A bottom-up approach with higher-level innovation objectives would be much more in line with the aim of fostering innovation and business participation. It would be much preferred if the EC would define a particular overall goal (with measurable outputs/results), but would leave it to the applicants to define what is needed to achieve the required result.
- Improved 3.1./4: There is an 'inflationary'-pressure regarding the n° of participants. Since FP7 we have come down from the very large consortia (>25 partners), but the current minimum requirements set by the EC in the Calls ("at least 3 in X countries") do not serve a useful purpose. It would be much preferred if the EC would state clearly what kind of consortia they are looking for (for example: bandwidth of 6-8 partners).

- Improved: All reporting should be done electronically, so there is no need for partners to send each other documents which then need to be checked (for completeness) and entered/sent. At the same time, it would be good if the electronic reporting system would allow a 'Master-account' which would allow a particular partner (mostly the coordinator) to also enter data on behalf of another partner. This is very practical in case of small companies who do not have time/capacity to spend time on completing online forms.
- Improved 3.3.: The bank-guarantee requirement for pre-financing is a severe cost to companies, in particular smaller ones. It sometimes leads to situations in which pre-finance is foregone because of the high cost of having a bank guarantee. This is an undesirable effect. At the same time: very large companies should not be necessarily required to have a bank guarantee if it is clear that they have a certain level of capital/finance or have their own in-house (recognized) financing facility.

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