



Key Issues for Simplification of European Funding

Thomas Estermann
Head of Unit
Governance, Autonomy & Funding

**Committee on Budgetary Control Hearing
27 April 2010, European Parliament, Brussels**

Brief Profile of EUA

- Established in 2001
- Non-governmental membership organisation
- 850 individual university members
- 35 National Rectors' Conferences Members
- 46 countries
- Independent voice for the university sector
- Focus on EHA and ERA



Basis for EUA position on simplification

- **EUA Council and EUA Research Policy Working Group**
- **Evidence and data through projects and studies with individual universities such as:**
 - **Towards full costing in European Universities**
 - **EUDIS – Diversification of income streams**
 - ✓ **Quantitative data from over 200 universities from over 30 countries**
 - ✓ **Qualitative data from over 70 universities from over 26 countries**
- **EUA input as a member of Commissioner Potocnik's 'Sounding Board' on simplification**

Key Issues for Simplification

- Need to look at all funding schemes
- Balanced and proportionate accountability measures based on trust
- Simplification of the entire process from application over reporting to audit
 - Regulations
 - Implementation/Process
 - Next steps/Solutions

Regulations

■ Diversity in regulations

- Work towards more coherence and consistence across European funding schemes (diversity only where necessary)
- Keep within the FP7 rules of participation for all funding streams rather than allow a proliferation of different rules

■ Terminology

- Work towards a common terminology and apply these terms in a coherent manner across all Funding schemes
- Remove unclear and conflicting regulations

■ Stability

- All rules and regulations should be clear, available from the beginning and remain stable

Regulations II

■ Diversity of methods

- Schemes need to allow for different methods of identifying activities, cost objects, cost drivers, cost basis and determination of staff time and its allocation instead of forcing all institutions to adopt one system
- The current forms of recovering indirect costs need to allow a wider scope for different methods of identifying the direct and indirect costs of projects

⇒ “Usual accounting and management principles and practices”

■ Financial Sustainability

- Funding on a full cost basis (all direct and indirect costs) of a project

Implementation/Process

- Interpretation
 - No interpretation against the guiding principles of simplification
- Trust
 - Establish trust through continued dialogue and understanding of the complete mission of universities
- Best practice methods
 - Accept robust and established methods of identifying the full costs
- Certification (of methodology)
 - Base certification on clear and simple rules and common practice
 - Criteria clear from the beginning and in line with guiding principles of legislator of simplification

Solutions - further steps

- Recognition of the variation in the development of costing systems– need for support to enhance the development
- Careful analysis of how the current rules are applied across a range of diverse universities
- Establishment of a stakeholder forum to work on concrete elements of simplification
- Explore feasibility for specific financial regulation for future EU FPs based upon the collective practice and experience of existing competitive public funding schemes
- Install a group to monitor progress and implementation of rules

www.eua.be

