





Basic information	
<p><b>2005/0043(COD)</b></p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Decision</p>	Procedure completed
<p>Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)</p> <p>Repealed by <a href="#">2011/0401(COD)</a></p> <p><b>Subject</b></p> <p>3.50.02.01 EC, EU framework programme</p>	

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<b>ITRE</b>	Industry, Research and Energy	BUZEK Jerzy (PPE-DE)	31/03/2005
	<b>Former committee responsible</b>		<b>Former rapporteur</b>	<b>Appointed</b>
	<b>ITRE</b>	Industry, Research and Energy	BUZEK Jerzy (PPE-DE)	31/03/2005
	<b>Former committee for opinion</b>		<b>Former rapporteur for opinion</b>	<b>Appointed</b>
	<b>BUDG</b>	Budgets	XENOGIANNAKOPOULOU Marilisa (PSE)	09/06/2005
	<b>ENVI</b>	Environment, Climate and Food Safety	HASSI Satu (Verts/ALE)	24/05/2005
	<b>TRAN</b>	Transport and Tourism		
	<b>REGI</b>	Regional Development	SMITH Alyn (Verts/ALE)	05/10/2005
	<b>AGRI</b>	Agriculture and Rural Development	BERMAN Thijs (PSE)	19/04/2005
	<b>PECH</b>	Fisheries	MIGUÉLEZ RAMOS Rosa (PSE)	16/06/2005
	<b>JURI</b>	Legal Affairs	SAKALAS Aloyzas (PSE)	12/12/2005
	<b>FEMM</b>	Women's Rights and Gender Equality	THOMSEN Britta (PSE)	20/06/2005

Council of the European Union	<b>Council configuration</b>	<b>Meetings</b>	<b>Date</b>
	Competitiveness (Internal Market, Industry, Research and Space)	2681	2005-10-11
	Competitiveness (Internal Market, Industry, Research and Space)	2751	2006-09-25
	Competitiveness (Internal Market, Industry, Research and Space)	2731	2006-05-29
	Competitiveness (Internal Market, Industry, Research and Space)	2653	2005-04-18
	Competitiveness (Internal Market, Industry, Research and Space)	2665	2005-06-06
	Competitiveness (Internal Market, Industry, Research and Space)	2747	2006-07-24
	Competitiveness (Internal Market, Industry, Research and Space)	2694	2005-11-28
	Environment	2773	2006-12-18
	Environment	2684	2005-10-17
European Commission	<b>Commission DG</b>	<b>Commissioner</b>	
	Research and Innovation	POTONIK Janez	

Key events			
Date	Event	Reference	Summary
06/04/2005	Legislative proposal published	COM(2005)0119 	Summary
18/04/2005	Debate in Council		
27/04/2005	Committee referral announced in Parliament, 1st reading		
06/06/2005	Debate in Council		Summary
11/10/2005	Debate in Council		Summary
17/10/2005	Debate in Council		
28/11/2005	Debate in Council		Summary
29/05/2006	Debate in Council		Summary
30/05/2006	Vote in committee, 1st reading		Summary
01/06/2006	Committee report tabled for plenary, 1st reading	A6-0202/2006	
13/06/2006	Debate in Parliament	CRE link	
15/06/2006	Decision by Parliament, 1st reading	T6-0265/2006	Summary
15/06/2006	Results of vote in Parliament		
28/06/2006	Modified legislative proposal published	COM(2006)0364 	Summary
25/09/2006	Council position published	12032/2/2006	Summary
28/09/2006	Committee referral announced in Parliament, 2nd reading		
13/11/2006	Vote in committee, 2nd reading		Summary
15/11/2006	Committee recommendation tabled for plenary, 2nd reading	A6-0392/2006	
29/11/2006	Debate in Parliament	CRE link	
30/11/2006	Decision by Parliament, 1st reading	T6-0513/2006	Summary

30/11/2006	Results of vote in Parliament		
18/12/2006	Act approved by Council, 2nd reading		
18/12/2006	Final act signed		
18/12/2006	End of procedure in Parliament		
30/12/2006	Final act published in Official Journal		

Technical information	
<b>Procedure reference</b>	2005/0043(COD)
<b>Procedure type</b>	COD - Ordinary legislative procedure (ex-codecision procedure)
<b>Procedure subtype</b>	Legislation
<b>Legislative instrument</b>	Decision
	Repealed by <a href="#">2011/0401(COD)</a>
<b>Legal basis</b>	EC Treaty (after Amsterdam) EC 166-p1
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	ITRE/6/40820















Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee opinion	<a href="#">TRAN</a>	<a href="#">PE360.049</a>	19/10/2005	
Committee opinion	<a href="#">FEMM</a>	<a href="#">PE365.013</a>	23/01/2006	
Committee opinion	<a href="#">AGRI</a>	<a href="#">PE360.245</a>	27/01/2006	
Committee opinion	<a href="#">REGI</a>	<a href="#">PE364.956</a>	31/01/2006	
Committee opinion	<a href="#">ENVI</a>	<a href="#">PE362.659</a>	24/02/2006	
Amendments tabled in committee		<a href="#">PE371.780</a>	21/03/2006	
Amendments tabled in committee		<a href="#">PE371.781</a>	22/03/2006	
Amendments tabled in committee		<a href="#">PE371.782</a>	22/03/2006	
Amendments tabled in committee		<a href="#">PE371.783</a>	23/03/2006	
Amendments tabled in committee		<a href="#">PE371.784</a>	23/03/2006	
Amendments tabled in committee		<a href="#">PE371.785</a>	23/03/2006	
Amendments tabled in committee		<a href="#">PE371.786</a>	27/03/2006	
Committee opinion	<a href="#">JURI</a>	<a href="#">PE374.037</a>	10/05/2006	
Amendments tabled in committee		<a href="#">PE374.109</a>	10/05/2006	
Committee draft report		<a href="#">PE360.033</a>	19/05/2006	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0202/2006</a>	01/06/2006	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0265/2006</a>	15/06/2006	<a href="#">Summary</a>
Committee draft report		<a href="#">PE378.823</a>	09/10/2006	
Amendments tabled in committee		<a href="#">PE378.862</a>	18/10/2006	



Amendments tabled in committee		<a href="#">PE380.783</a>	27/10/2006	
Committee recommendation tabled for plenary, 2nd reading		<a href="#">A6-0392/2006</a>	15/11/2006	
Text adopted by Parliament, 2nd reading		<a href="#">T6-0513/2006</a>	30/11/2006	<a href="#">Summary</a>

#### Council of the EU

Document type	Reference	Date	Summary
Council statement on its position	<a href="#">12688/2006</a>	19/09/2006	
Council position	<a href="#">12032/2/2006</a> OJ C 301 12.12.2006, p. 0001-0050 E	25/09/2006	<a href="#">Summary</a>
Draft final act	<a href="#">03666/1/2006</a>	18/12/2006	

#### European Commission

Document type	Reference	Date	Summary
Legislative proposal	<a href="#">COM(2005)0119</a> 	06/04/2005	<a href="#">Summary</a>
Document attached to the procedure	<a href="#">SEC(2005)0430</a> 	06/04/2005	<a href="#">Summary</a>
Document attached to the procedure	<a href="#">SEC(2005)0431</a> 	06/04/2005	
Supplementary legislative basic document	<a href="#">COM(2005)0119/3</a> 	24/05/2006	<a href="#">Summary</a>
Document attached to the procedure	<a href="#">COM(2006)0239</a> 	24/05/2006	<a href="#">Summary</a>
Modified legislative proposal	<a href="#">COM(2006)0364</a> 	28/06/2006	<a href="#">Summary</a>
Commission response to text adopted in plenary	<a href="#">SP(2006)3310</a>	12/07/2006	
Commission communication on Council's position	<a href="#">COM(2006)0548</a> 	26/09/2006	<a href="#">Summary</a>
Commission opinion on Parliament's position at 2nd reading	<a href="#">COM(2006)0803</a> 	06/12/2006	<a href="#">Summary</a>
Commission response to text adopted in plenary	<a href="#">SP(2007)0054</a>	11/01/2007	
Follow-up document	<a href="#">COM(2009)0209</a> 	29/04/2009	<a href="#">Summary</a>
Follow-up document	<a href="#">SEC(2009)0589</a> 	29/04/2009	<a href="#">Summary</a>
Follow-up document	<a href="#">COM(2011)0052</a> 	09/02/2011	<a href="#">Summary</a>
Follow-up document	<a href="#">COM(2014)0686</a> 	30/10/2014	<a href="#">Summary</a>
Follow-up document	<a href="#">SWD(2014)0335</a> 	30/10/2014	<a href="#">Summary</a>
Follow-up document	<a href="#">COM(2016)0005</a> 	19/01/2016	<a href="#">Summary</a>

Follow-up document	 SWD(2016)0001	20/01/2016		
Follow-up document	 SWD(2016)0002	20/01/2016		
<b>Other institutions and bodies</b>				
Institution/body	Document type	Reference	Date	Summary
CofR	Committee of the Regions: opinion	<a href="#">CDR0155/2005</a>	16/11/2005	
ESC	Economic and Social Committee: opinion, report	<a href="#">CES1484/2005</a> <a href="#">OJ C 065 17.03.2006, p. 0009-0021</a>	15/12/2005	

Additional information		
Source	Document	Date
National parliaments	<a href="#">IPEX</a>	
European Commission	<a href="#">EUR-Lex</a>	

Final act
<a href="#">Decision 2006/1982</a> <a href="#">OJ L 412 30.12.2006, p. 0001</a> <span style="float: right;"><a href="#">Summary</a></span>

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 19/01/2016 - Follow-up document

The Commission presents a Communication on the ex-post evaluation of the Seventh Framework Programme carried out by an external High Level Expert Group (HLEG), and submitted to the Commission on 19 November 2015. The Communication sets out the findings and recommendations of the HLEG and the Commission's response.

To recall, the Seventh Framework Programme was established under Decision No 1982/2006/EC of the European Parliament and of the Council, and was one of the largest transnational competitive RTD programmes in the world with a budget of EUR 55 billion. The main focus of FP7 was on science, especially the promotion of collaborative research and excellence.

**Key findings of FP7 excellence:** the ex-post evaluation of FP7 cannot present the complete picture on FP7 results and impacts, since 50% of the projects promoted are still on-going. However, the Communications presents the following figures:

- FP7 accounts for about 7% of total public expenditure on R&I in the EU. However, both directly and by leveraging private and Member States' funding, its economic impact on GDP and employment is substantial. It has been estimated that FP7 will **increase GDP by about EUR 20 billion per year over the next 25 years** through its indirect economic effects and that it will create over 130,000 research jobs per year and 160,000 additional jobs;
- so far, FP7 projects have generated **170,000 publications**, with the share of publications in highly ranked journals lying above EU and US averages;
- more than **1,700 patents and 7,400 commercial exploitations** have so far resulted from FP7 projects;
- on average, 11 organisations from six different countries and nine different regions collaborate in each FP7-funded project;
- FP7 Marie Curie Actions supported 50,000 researchers, including 10,000 PhD candidates from 140 countries, stimulating the mobility of researchers across Europe, and contributing to their sustainable employment;
- the overall proportion of female evaluators was slightly higher than the 40% target. In addition, 38% of the FP7 reported workforce was female.

### HLEG recommendations and Commission response

**Recommendation (a): ensure focus on critical challenges and opportunities in the global context:** the Commission notes that, in line with this recommendation, [Horizon 2020](#) is strongly focused on the resolution of grand societal challenges. Horizon 2020 aims to foster a permanent, structured dialogue with the private sector and involve it strategically, and to maximise the involvement of innovative SMEs. Furthermore, the Commission will:

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implement a **new strategic focus for Horizon 2020** in order to maximise its contribution to 'open innovation, 'open science' and 'open to the world';

- maximise the **synergies** between R&I in thematic priorities of societal challenge areas and new and emerging digital and key enabling technologies and infrastructures;
- explore the need for, and the feasibility of, a **European Innovation Council** as a means to boost innovation and streamline existing instruments;
- facilitate the elaboration of important **projects of common European interest**, which can foster vast deployment of research into mature technologies.

**Recommendation (b): align research and innovation instruments and agendas in Europe:** the Commission notes that Horizon 2020 further strengthens instruments already developed under FP7 – for instance, ERA-NET CoFund and Article 185 initiatives – to pool resources across Member States, define common strategic research agendas, avoid duplication, and implement joint calls. Furthermore, the Commission will:

- use the policy support facility and cohesion policy capacity building support to assist Member States to implement effective reforms of their research and innovation systems;
- continue to foster synergies between Horizon 2020, the Structural Funds and [LIFE programme](#);
- promote potential synergies with the [European Fund for Strategic Investments \(EFSI\)](#);
- explore the feasibility of setting up "Innovation Deals" as a new way of addressing regulatory uncertainties and to support the development and deployment of innovations, which could help build investors' confidence.

**Recommendation (c): integrate the key components of the Framework Programmes more effectively:** the Commission agrees with the HLEG that fragmentation and the emergence of 'silos' in Framework Programmes would undermine its efficiency and coherence. In line with this recommendation, the Commission ensures coherence between the different Horizon 2020 priorities, inter alia, through cross-cutting issues and has established effective mechanisms to coordinate with the Executive Agencies and to apply consistently a single set of rules.

**Recommendation (d): bring science closer to the citizens:** in line with this recommendation, the Commission has brought science closer to the citizen by involving them in the design of Horizon 2020, through the implementation of dedicated and cross-cutting activities in Horizon 2020 focusing on greater citizens involvement, and by better communicating the impact that science can have on their lives. Furthermore, the Commission will:

- further strengthen open access to research publications and data;
- in line with the Better Regulation agenda, involve citizens in defining user-driven research and innovation agendas, in particular when preparing new Framework Programmes and specific Work Programmes.

**Recommendation (e): establish strategic programme monitoring and evaluation:** the Commission recalls that it has established a monitoring and evaluation system under Horizon 2020 based on key performance indicators. Furthermore, the Commission will:

- ensure data quality and coherence to strengthen monitoring and evaluation systems, in line with the 'Better Regulation' requirements; explore the use of new text and data mining tools, evaluation methodologies and reporting obligations beyond the life time of the projects to improve data sets that will allow monitoring and evaluating the longer-term socio-economic impact of EU Framework Programmes;
- establish data links with external databases to complete and improve the quality of data sets;
- support Member States in the national evaluation of the impact of EU Framework Programmes;
- improve the support Horizon 2020 provides to the knowledge base for policy making on local, national and European level, including SME's competitiveness.

The Commission will report on the progress with the implementation of the HLEG recommendations in the Horizon 2020 Interim Evaluation, due by the end of 2017.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 30/10/2014

This Staff Working Document (SWD) constitutes an Annex to the report of the Commission to the European Parliament and the Council on financial instruments supported by the general budget according to Article 140(8) of the [Financial Regulation](#) as at 31 December 2013. It provides specific information on individual financial instruments, their progress made in implementation and their environment in which they operate.

**Financial instruments** are a proven way to achieve EU policy objectives. They use EU funds to support economically viable projects and attract very significant volumes of public and private financing. By injecting money into the real economy, financial instruments contribute to the achievement of the EU policy objectives enshrined in the Europe 2020 Strategy, notably in terms of employment, innovation, climate change and energy sustainability, education and social inclusion.

The report gives detailed information on each financial instrument.

### **The InnovFin Large Projects, InnovFin MidCap Growth Finance and InnovFin MidCap Guarantee**

The report notes that there is evidence that larger, established R&I-intensive firms have problems in accessing debt finance to fund innovation projects.

To address R&I financing needs, which can hardly be met at the national level, the Commission has set up the Risk-Sharing Finance Facility (2007-2013) and its successor InnovFin Large Projects, InnovFin MidCap Growth Finance and InnovFin MidCap Guarantee under [Horizon 2020](#).

The InnovFin Large Projects, InnovFin MidCap Growth Finance and InnovFin MidCap Guarantee aim to improve access to risk finance for R&I projects emanating from large firms and medium and large midcaps, universities and research institutes, R&I infrastructures (including innovation-enabling infrastructures), public-private partnerships, and special-purpose vehicles or projects (including those promoting first-of-a-kind, commercial-scale industrial demonstration projects).

The successor financial instrument (2014-2020) continues and refines the Risk-Sharing Finance Facility (RSFF) under FP7, and offers loans and hybrid or mezzanine finance.

InnovFin Large Projects, InnovFin MidCap Growth Finance and InnovFin MidCap Guarantee will contribute to achieving the policy objectives of Horizon 2020 by improving access to loan finance for a range of target groups such as innovative companies, research institutions, public-private-partnerships and research infrastructures investing in research and innovation across the societal challenges of Horizon 2020.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 30/10/2014

This report from the Commission concerns financial instruments supported by the general budget according to Article 140(8) of the Financial Regulation as at 31 December 2013.

The report focuses on all centrally-managed Financial Instruments for internal and external Union policies supported by the general budget according to Article 140(8) of the [Financial Regulation](#) as of 31 December 2013.

To recall, financial instruments, including loans or guarantees with greater risk capacity, represent a smart way to finance the real economy, and boost growth and employment. They can achieve financial leverage (multiplying scarce budgetary resources by attracting private and public funds to support EU policy objectives), policy leverage (incentivising entrusted entities and financial intermediaries to pursue EU policy objectives through alignment of interest), and institutional leverage (benefiting from the expertise of the actors involved in the implementation chain).

This report is the **first to be prepared under the new requirements of the Financial Regulation**. It is intended to **provide an informative overview of how the taxpayer's money has been used** and of the progress made in the implementation of the Financial Instruments as of 31 December 2013.

The report is complemented by a Commission Staff Working Document which provides specific information on individual financial instruments, their progress made in implementation and their environment in which they operate.

The report highlights that **important outcomes have been achieved through the use of Financial Instruments in the years 2007-2013**, and they will play an even more significant role in the 2014-2020 Multi-annual Financial Framework (MFF). The budgetary authorities have expressed their **political commitment and increased the necessary resources**. Furthermore, the Financial Regulation has been extended with a dedicated chapter, setting up the appropriate regulatory framework for Financial Instruments' design, management and reporting.

### The main conclusions of the report are:

(1) **The implementation of the 2007-2013** centrally-managed financial instruments has been instrumental in helping to **alleviate financial market failures and leverage the positive effects of EU-wide actions**. For example, in the 2007-2013 period, the main EU-level financial instruments dedicated to SME support (CIP-GIF, CIP-SMEG 07 and RSI) and micro-SME support (EPMF) with an overall contribution (EU commitments) of more than EUR 1.6 billion, mobilised lending of nearly EUR 17.9 billion and also supported equity investments of about EUR 2.8 billion, thus enhancing access to finance for more than 336 000 SMEs.

(2) **The achieved leverage** is equal to 5 for Equity Instruments, and ranges from 4.8 to 31 for Guarantee instruments, from 10 to 259 for Risk-sharing instruments, from 1.54 to 158 for Dedicated Investment Vehicles, from 5 to 7 for Financial Instruments in the Enlargement Countries, from 5 to 27.6 for Financial Instruments in Neighbourhood Countries and Countries covered by the Development Cooperation Instrument.

With the experience gained in the course of implementation during the 2007-2013 period, and in the context of programme evaluations and audits, several lessons have been learned on how to further improve the design and management of financial instruments:

- best practices have been capitalised on the design and the management of the new generation of financial instruments;
- further, Financial Instruments will now cover **all main types of final recipients over the full funding cycle** and will include offer of both pro- and counter-cyclical instruments to respond flexibly to market needs, based on demand-driven implementation;
- effectiveness and efficiency have been enhanced through fewer instruments with larger volumes, ensuring critical mass in full consistency with State aid rules;
- alignment of interest with entrusted entities and financial intermediaries will be further achieved through fees and incentives, and risk sharing.

Since 2013 is the last year of commitment for the 2007-2013 programming period for a number of instruments, a final evaluation assessing the extent to which objectives have been achieved has not been finalised. More qualitative and in-depth feedback on the attainment of objectives will be available within one year and will be duly reported upon.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 15/06/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament decided to postpone the adoption of a report by Jerzy **BUZEK** (EPP-ED, PL) and made some amendments to the Commission's proposal:

**Budget:** to bring the FP7 budget into line with the Financial Perspective, the maximum indicative overall EU funding for the seven-year programme should be EUR 50 862 million compared to the EUR 72 726 million originally proposed by the Commission. This is a substantial increase compared to the 6th Framework programme (running from 2002-2006), which had a budget of EUR 16 279 million. MEPs also modified the allocation of these funds among the different parts of the specific programmes.

**Ethical questions:** Parliament followed the line of the ITRE committee, saying that the research on the use of human stem cells, both adult and embryonic, may be financed, depending both on the contents of the scientific proposal and the legal framework of the Member State involved. This amendment was adopted with 284 votes in favour 249 against and 32 abstentions. This funding will depend on both the content of research projects and legislation in force in the member states, which will apply a very strict licensing regime to research institutes and bodies. As regards the use of human embryonic stem cells, institutions, organisations and researchers must be subject to strict licensing and control in accordance with the legal

framework of the Member State involved. However, the FP7 must not finance research aimed at human cloning for reproductive purposes, research intended to modify the genetic heritage of human beings which could make such changes inheritable or research intended to create human embryos solely for the purpose of research or the purpose of stem cell procurement, including by means of somatic cell nuclear transfer.

**Support for SMEs, young researchers and women:** Parliament also emphasised the role of small and medium-sized enterprises in the FP7. Particular regard will be paid to ensuring adequate participation by SMEs, notably by aiming to allocate at least 15% of the Cooperation programme budget to SMEs. In order to meet this target, the participation of SMEs will be facilitated through strategic projects or clusters in connection with priority themes or European Technology Platform projects. European Technology Platforms (ETPs) are mechanisms to bring together all interested stakeholders to develop their respective Strategic Research Agendas and follow them up with concrete distribution of tasks among them. Parliament also wants to ensure that SMEs gain better access to pre-funding. If SME-specific instruments should become oversubscribed, MEPs want the financing of the various FP instruments to be reviewed with the aim of directing funds towards the instruments that are in demand. Members also introduce the new mechanism of "knowledge vouchers" for SMEs, to support the dissemination of knowledge.

Other amendments were adopted to encourage young researchers and support the early stages of their scientific careers, and to introduce measures to reduce the "brain drain" such as reintegration grants. Parliament said that special attention should be paid to facilitating the scientific career of junior, early-stage and early-career researchers, in the most productive period of life, to allow them to play a significant role in all seventh Framework Programme activities. Early-stage and early-career researchers should become a major driving force of science in Europe. Concrete measures must be undertaken in this regard in all activities under the "Cooperation", "Ideas" and "People" programmes. MEPs also want to see efforts to bring more women researchers into the programmes.

**Review:** Parliament started that the Commission will carry out at least two interim evaluations, one in 2009 and the other in 2011 based on empirical methodologies. The original Commission proposal had stated that one review would be carried out in 2010. Where appropriate, the Commission must propose modifications to the objectives and research activities in order to enhance their efficiency and effect and to take account of emerging fields of research. New funding instruments and rules for participation shall also be subject to an evaluation as to their simplicity and flexibility. The results of the evaluation, including the findings on the effectiveness of new actions and structures (especially the European Research Council and Joint Technology Initiatives) as well as the results of the simplification procedures, shall be presented. Prior to the commencement of the seventh Framework Programme, data necessary for a thorough impact assessment evaluation report will be identified, in order to ensure that consistent data methodologies are used to collate that information. The Commission shall also collate data detailing where funding under the seventh Framework Programme has been allocated across the EU.

**Technology transfer:** a new clause states that the following strategic lines will be supported by the programme: the European Research Area, SME involvement, private sector finance, policy-based research, complementarity with national policies, attracting and retaining researchers in the EU, and technology transfer. The Community will support technology transfer activities and contribute to bridging the gap between research and its commercialisation by providing finance to the European Investment fund to manage a "Technology Transfer Facility". Subject to conditions to be specified in the specific programmes and in the rules for participation, the facility will finance technology transfer activities of universities, research centres or other legal entities active in the field of technology transfer.

**Priorities for financing under FP7:** There are eleven themes determined for EU action, instead of nine as proposed by the Commission: the thematic area "Security and Space" should be split into two separate headings ("Security" and "Space"), and Parliament has added "Fisheries and sustainable exploitation of the oceans" to the existing themes.

**Real autonomy for European Research Council:** Parliament said that the ERC should initially be set up as an Executive Agency that will become an independent structure established under the procedure as laid down in Article 251 of the Treaty. It will consist of a scientific council and an administrative board. The scientific council will be supported by temporary scientific staff chosen by the scientific council members. For the initial transitional period the European Commission shall ensure that the implementation of the ERC is in accordance with the principles of scientific excellence, autonomy, efficiency and transparency, and that it follows precisely the strategy and implementation methodology established by the Scientific Council. At the same time the Commission will take all the initiatives necessary, under the procedure as laid down in Article 251 of the Treaty, to implement the European Research Council as a permanent, legally and independent structure. The implementation and management of the ERC will be reviewed and evaluated on an ongoing basis in order to assess its achievements and to adjust and improve procedures on the basis of experience. An independent review will be carried out by 2008 of the ERC's structures and mechanisms, against the criteria of scientific excellence, autonomy, efficiency, accountability and transparency and with the full involvement of the Scientific Council. Following the evaluation, the structures and mechanisms of the ERC can be modified. The Commission will ensure that the necessary preparatory work is undertaken with a view to a transition to any modified structure required.

Finally, it should be noted that Parliament adopted a second report by Jerzy BUZEK on the Seventh Framework Programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities (2007-2011). (Please see procedure reference CNS/2005/0044.)

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 06/04/2005 - Legislative proposal

**PURPOSE:** adoption of the European Community's seventh framework programme for research, technological development and demonstration activities (2007-2013).

**PROPOSED LEGISLATIVE ACT:** Decision of the European Parliament and of the Council.

**CONTENT:** This proposal relates to the EU's Seventh Research Framework Programme 2007-2013 (FP7) which is designed to respond to the competitiveness and employment needs of the EU. The Commission proposes in particular to double the FP7 budget compared with FP6, rising to EUR 67.8 billion over the period 2007-2013. FP7 will be organised in four specific programmes.

### 1. Cooperation.

**Objective:** to gain European leadership in key areas through co-operation of industry and research institutions. Support will be given to research activities carried out in trans-national cooperation, from collaborative projects and networks to the coordination of national research programmes.

The Cooperation programme is organised into sub-programmes which will be operationally autonomous and at the same time demonstrate coherence and consistency, and allow for joint, cross-thematic approaches to research subjects of common interest. Nine themes have been identified:



- Health
- Food, agriculture and biotechnology
- Information and communication technologies
- Nanosciences and nanotechnologies, materials and new production technologies
- Energy
- Environment (including climate change)
- Transport (including aeronautics)
- Socio-economic sciences and the humanities
- Security and Space

## 2. Ideas

Objective: To strengthen the excellence of our science base by fostering competition at European level. An autonomous European Research Council will be created to support "frontier research" carried out by research teams, either individually or in partnership, competing at European level, in all scientific and technological fields, including engineering, socio-economic sciences and the humanities.

## 3. People

Objective: To reinforce career prospects and mobility for our researchers. Activities supporting individual researchers, referred to as "Marie Curie" actions, will be reinforced with the aim of strengthening the human potential of European research through support to training, mobility and the development of European research careers.

## 4. Capacities

Objective: To develop research capacities, so that the European science community has the best possible capacities at its service. Activities will be supported to enhance research and innovation capacity throughout Europe: research infrastructures; regional research driven clusters; stimulating the research potential in the EU's "convergence" regions; clustering regional actors in research to develop "regions of knowledge"; research for and by SMEs; "science in society" issues; "horizontal" activities of international co-operation.

The details of these programmes will be set out in specific legislative proposals later in the year.

There is a strong element of continuity with the past in the proposed FP7. Projects undertaken by consortia of European partners will remain at the core of the programme, and the themes for these projects will remain more or less as now. The programme will continue to develop the concept of a European Research Area. Funds will be used to develop and increase those elements of previous programmes that worked well: Marie Curie, SME actions, collaborative projects, Networks of Excellence. The aim of continuity will be strengthened through a programme that lasts 7 years (with the possibility of a mid-term review).

**For further information concerning the financial implications of this measure, please refer to the financial statement.**

# Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 24/05/2006 - Supplementary legislative basic document

The Commission adopted, on 6 April 2005, its proposal for a Decision concerning the seventh framework programme of the European Community for research, technological development and demonstration activities (2007 to 2013).

The initial maximum overall amount for Community financial participation in this seventh Framework Programme was set at **EUR 72.726 billion**. That amount was to be distributed among the following activities and actions : Cooperation : EUR 44.432 billion; Ideas : EUR 11.862 billion; People : EUR 7.129 billion; Capacities : EUR 7.486 billion; Non-nuclear actions of the Joint Research Centre : EUR 1.817 billion.

The Commission subsequently adapted the budgetary aspects of these proposals following the Interinstitutional Agreement of 17 May 2006 on the Financial Framework 2007-2013.

The new overall amount for Community financial participation proposed by the Commission amounts to **EUR 50.521 billion**. The breakdown is as follows : Cooperation : EUR 32.292 billion; Ideas : EUR 7.460 billion; People : EUR 4.727 billion; Capacities : EUR 4.291 billion; Non-nuclear actions of the Joint Research Centre : EUR 1.751 billion.

**Please refer to the financial statement for more details.**

# Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 29/04/2009

This Commission Staff Working Document, together with a Communication from the Commission, constitutes the FP7 Progress Report. While the Communication provides a summary of highlights and challenges, this Commission Staff Working Document presents a detailed assessment of the implementation and the achievements of FP7 so far.

**Calls, proposals and grant agreements:** the report that there are 3,551 signed grant agreements, or 64.3% of the retained proposals, so far. More than a third of all proposals were submitted under the Specific Programme "Cooperation". 45.3% of all included proposals and more than a third of all retained proposals were concentrated in this programme, leading to 1380 grant agreements so far.

The Specific Programme "People" (Marie Curie Actions) received 23.5% of all applications and constituted the second most sizeable group of included proposals and the most sizeable group of retained proposals (43.0% of the total). 1304 grant agreements have been signed so far under this Specific Programme.

Signed grant agreements involve 21,497 participants with a Community contribution of EUR 6.7 billion, of which the lion's share, namely 73% or EUR 4.8 billion, goes to projects under the Specific Programme "Cooperation".

**Participation of New Member States:** new Member States participation represents 9.3% of all applicants in retained FP7 proposals and 4.8% (EUR 485.9 million) of total requested EC financial contribution. The success rates are 17.9% for applicants and 13.4% for EC contribution – both considerably lower than the EU27 average (21.8% and 21.5% respectively).

The subscription and performance of the 12 "new" EU Member States ("EU12") vis-à-vis the "older" EU Member States ("EU15") in the "Cooperation" and "Capacities"

Specific Programmes during the first year of FP7 implementation presents a mixed picture. While EU12 participation in terms of numbers of submitted and retained proposals is lower than their share of the EU27 research workforce, the performance is significantly better when one compares their share of GERD to their share of EC contributions. More specifically:

- EU12 researchers represent 14% of the total EU27 population of researchers; the corresponding shares of EU12 applicants during the first years of implementation of the FP7 are now 9.3% in terms of retained proposals;

- the EU12 share of the EU27 2006 GERD is 2.8% while the aggregate requested EC contribution to EU12 applicants in retained proposals is now 4.8%.

These findings should however be put in the context of the current socio-economic conditions in EU27. For example, in 2006 the R&D expenditure per researcher was 4 times that of the corresponding EU12 figure. It was highlighted that EU12 is not a homogeneous group, which is why it may be more pertinent to refer to low- and high-performing Member States in FP7. The reasons for low performance are manifold and refer to national research landscapes with specific problems, to the lack of a competitive research environment at national level, and to problems encountered by smaller countries that cannot be expected to be competitive in all thematic fields of the FP.

**Simplification:** the paper discusses steps taken towards simplification, including the introduction of cost reimbursements through flat rates and lump-sums, with actual cost reporting retained where beneficiaries say that this is simpler, and though average personnel costs methodologies.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 30/11/2006 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a resolution based on the report drafted by Jerzy **BUZEK** (EPP-ED, PL) on the Council common position concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 - 2013). Parliament adopted compromise amendments which had been informally agreed with Council. The Council's common position already reflected many amendments made by the European Parliament at first reading particularly those which sought to encourage the participation of SME's, the situation of young researchers and certain ethical issues. The compromise amendments voted in plenary during the second reading mainly involve the following:

**Parliament's priorities:** of the total budget (please see the financial statement) **EUR 32,413 million** (EUR 32,365 million according to the common position) would be allocated to the ten priority areas under the "Cooperation" programme: (i) health; (ii) food, agriculture and fisheries and biotechnology; (iii) information and communication technologies; (iv) Nanosciences, nanotechnologies, and new production technologies; (v) energy; (vi) environment (including climate change); (vii) transport (including aeronautics); (viii) socio-economic sciences and the humanities; (ix) security; (x) space. Parliament insisted on shifting some of the spending towards the EP's own priorities, including research on renewable energy and energy efficiency, as well as including the possibility of funding research into the promotion of child health, respiratory diseases (including those induced by allergies) and neglected diseases. The compromise stated, inter alia, that renewables and end-use energy efficiency will account for the "major part" of the budget of FP7's energy theme - rather than the two-thirds of the budget proposed in Parliament's 1st reading. Special attention would be devoted to coordination of aspects linked to rational and efficient use of energy. Under the theme security, the text states that the special requirements concerning confidentiality are to be enforced but the transparency of research findings is not to be unnecessarily restricted. In addition, areas are to be identified that permit the present transparency of research findings.

**European Research Council:** it was agreed that the administration costs of the ERC should not exceed 5% of its total budget in order to maximise funding for frontier research (at 1st reading, Parliament had asked for a limit of 3%). As regards the extent to which the Parliament should be involved in an interim evaluation of the ERC's structure, it was agreed that the codecision procedure would be used if changes in the structure of the ERC become necessary. The text also states that members of the Scientific Council will be appointed by the Commission following an independent and transparent procedure for their identification agreed with the Scientific Council including a consultation of the scientific community and a report to the European Parliament and the Council.

**Risk Sharing Finance Facility (RSFF):** whereas the Council had planned to allocate EUR 1 billion from FP7 to finance the RSFF (which is to be matched by an equal amount from the European Investment Bank), the compromise provided for a lower contribution - EUR 500 million - from FP7 until 2010, with the possibility of releasing up to an additional EUR 500 million for the period 2010-2013 after an evaluation process, with which the Council and Parliament would proceed after a report from the Commission.

**Joint Research Centre (JRC):** the JRC should aim to facilitate access to its facilities by European and non-European researchers, thereby increasing its cooperation with other public and private research organisations and contributing more scientifically to training, which will remain a high priority for the JRC.

**European Institute of Technology:** Parliament added a statement to the Annex stressing that no funds under the FP7 programme should contribute to the establishment and/or administrative costs of the proposed European Institute of Technology and that only administrative costs directly associated with research projects may be covered.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 25/09/2006 - Council position

The Council's common position reflects to a considerable extent both the proposal of the Commission and the opinion of the European Parliament as regards the structure, scientific and technological content, means of implementation of the Framework Programme as well as the financial amount and its indicative breakdown.

As regards the main amendments to the Commission proposal, these concern the following:

### Ethical issues

The Council has agreed to the line suggested by the European Parliament in its first-reading opinion: rules with regard to ethics in the 7th research framework programme, and in particular with regard to embryonic stem-cell research, are now clearly set out in the text of Article 6 of the Framework Programme Decision. In addition, the Commission has made it clear that it will maintain the practice adopted during the sixth Framework Programme and excluding the activities of destroying human embryos, including for the procurement of stem cells, from Community financial support under the RTD framework programme.

### *Scientific and technological content*

#### 1) Cooperation

While broadly maintaining the Commission's proposal, the Council, in the light of the European Parliament's amendments, clarified and extended the scope of certain priorities:

- the number of priorities was increased from nine to ten, splitting security research away from space research;
- special attention will be paid to ensuring there is effective coordination between the thematic areas and priority scientific areas which cut across themes, such as forestry research, cultural heritage, marine sciences and technologies;
- in order to support research aiming at identifying or further exploring new scientific and technological opportunities in a given field, as well as in their combination with other relevant areas and disciplines, future and emerging technologies and unforeseen policy needs will be addressed in an open and flexible way, through specific support for spontaneous research proposals, including for joint calls, in order to nurture novel ideas and radically new uses and to explore new options in research roadmaps, in particular linked with a potential for significant breakthroughs;
- dissemination and transfer of knowledge will be prioritised in order to facilitate the use of results by industry, policy makers and society, with appropriate restrictions for the security theme due to the confidentiality aspects of its activities;
- particular attention will be paid to assure an adequate participation of SMEs. To this end, and following the anticipation of the European Parliament, the aim will be to enable at least 15% of the funding available under the "Cooperation" part of the programme to go to SMEs. The Council has not, however, approved the amendment of the European Parliament which stipulates the financing of European Technology Platforms with the aim of raising the SMEs participation, because it advocates a project based approach to reach this aim;
- concerning the Joint Technology Initiatives (JTIs), the Council accepted the European Parliament's amendment adding supplementary criteria as regards their set-up. Hence, the nature of JTIs must be clearly defined, in particular with regard to matters concerning financial commitments, duration of the commitment of the participants, rules for entering and exiting their contracts, and intellectual property rights.

**First priority (Health):** in response to concerns expressed by the European Parliament, a broader scope of research has been accepted, notably including postgenomic research; new preventive tools for regenerative medicine; new delivery approaches; modelling of complex systems; age-related illnesses including dementia; Hepatitis C and potentially newly emerging epidemics such as SARS; rheumatoid and musculo-skeletal diseases; aspects of palliative medicine; patient safety and better use of medicine including aspects of pharmacovigilance and scientifically tested complementary and alternative medicines; research into health-care systems including home care strategies and assessing the cost, efficiency and benefits of different interventions; research on lifestyle and environmental factors and their interaction with medication;

**Second priority (food, agriculture and biotechnology):** the objective has been improved to include environmental challenges, aquaculture, coastal contexts and response to specific dietary needs of consumers. Activities have been widened to include bioinformatics, sustainable use of biodiversity, land-based biological resources including soil fertility, plant health, epidemiological studies, diseases linked to animal feedstuffs and other threats to the sustainability and security of food production including climate change;

**Third priority (information and communication technologies):** by building upon the amendments proposed by the European Parliament, this priority has been strengthened to include product, service and process innovation and creativity; reduction of digital divide and social exclusion; the needs of people with special needs including the ageing population; promotion of accessibility and transparency of governance and development processes; RTD management and communication; innovative high-value ICT based products and services; ICT research activity based on the 'open source' development model; various exploitation paths and business models as a result of ICT research; photonics; Free, Libre and Open Source Software (FLOSS); sustainability issues in the field of electronics; exploitation of quantum effects; storage; mathematics; natural cooperation; improvement of health care provisions; health information space for knowledge management; ecological aspect of mobility; access to interactive digital content; accessibility and use over time of scientific resources and assets in multicultural environment; empowerment of small and medium-sized

organisations and communities; traditional industries; and optimisation. In addition, and in contrast with the original Commission's proposal, the role of research into Future and Emerging Technologies has been moved to make it as integral part of all activities under this priority, not merely as a single activity under this priority.

**Fourth priority (nano-sciences, nano-technologies, materials and new production technologies):** the rationale has been broadened to include power generation, energy, ceramics and nano-medicine. Activities have been extended to include manufacture of basic materials and components; nano-metre precise components; monitoring and sensing; nano-composites; geo and optical technologies; footwear and steel.

**Fifth priority (energy):** the rationale and activities have been strengthened to include identification of adequate and timely solutions for energy systems due to finite nature of conventional oil and natural gas reserves; affordable energy costs for citizens and industries; reference to both 2005 and 2006 Green Paper, Europe's world leadership in a number of energy generation and energy efficiency technologies; electricity production from wastes; production of fuels from biomass and waste; storage; distribution and use of carbon-neutral fuels, in particular biofuels for electricity generation; highly efficient and cost-effective power and/or heat generation plants with near zero emissions based on in particular underground storage; development and demonstration of other solid fuel conversion technologies producing also secondary energy carriers and liquid and gaseous fuels; development of energy storage options; further final and primary energy consumption savings for buildings and transport; the use of new and renewable energy technologies and energy demand management measures and devices; scientific support for policy development. In addition, concerning the polygeneration, it was found appropriate at this stage, due to limited resources, to integrate it under activity 'Energy efficiency and savings' and not as a separate activity as proposed by the European Parliament.

**Sixth priority (environment, including climate change):** the Council followed the line of the European Parliament by extending the objective to include climate and adaptation of environmental pressures, and the rationale to include construction and fisheries, references to the UN Framework Convention on Climate Change (UNFCCC), the UN Convention on Combat Desertification and the Stockholm Convention on Persistent Organic Pollutants; as well as contribution of environmental technologies to sustainable consumption and production; natural heritage; and higher competitiveness while at the same time ensuring a more sustainable future for next generations. Activities have been broadened to include functioning of polar regions; global and regional interactions; atmosphere as part of interactions; effects of the sea level rise on coastal zones and impact on particularly sensitive areas; improvement of forecasting; droughts, forest fires, landslides, avalanches and other extreme events as part of climate disasters; impact of disasters related to geological hazards and climate; improvement of management strategies, also within a multi-risk approach; control of invasive alien species, lagoons; preservation of landscape; sustainable products; protection, conservation and enhancement of cultural heritage, including human habitat; alternative testing strategies and in particular non-animal methods for industrial chemicals; third party assessment instruments; assessment, exploitation and management of natural resources; and differing scales of observation.

**Seventh priority (transport, including aeronautics):** this has been improved to include benefits for all citizens; transport's relevance on environment; interactions of vessels or infrastructures; interoperability and intermodality of waterborne transport; smaller size vehicles for different applications; innovative maintenance; repair and overhaul; accessible combinations of technologies; sustainable surface transport; transport applications such as hydrogen and fuel cells, taking into account cost-efficiency and energy-efficiency considerations; logistics; means of transport with lower levels of pollution; infrastructure maintenance; and EGNOS.

**Eighth priority (socio-economic sciences and the humanities):** this has been extended to include demographic change; definition of regulatory measures in cultural, scientific and technological areas, as well as in the area of gender equality; intangible goods; regional cohesion; socio-economic impact of European policies and legislation; reconciliation of professional and family life; disabilities issues; inequalities; ethnicity and religious pluralism; developing regions; peace fostering; future development of the enlarged EU; role of civil society; and dissemination of knowledge.

**Ninth priority (space):** the rationale has been broadened to incorporate forestry; health; technological spin-off effects and indispensability of space applications in a high-tech society; efficient exploitation of space assets in coordination with in-situ assets, including airborne assets; and cost-effective missions. Activities have been extended to include in-situ monitoring; support to the integration and harmonisation of GMES data (both satellite-based and in-situ, including ground based, shipborne and airborne); development of space-based systems for risk prevention and risk management and all kinds of emergencies, enhancing convergence with non-space systems; maximisation of scientific added value through synergies with initiatives of ESA or national space agencies in the field of space exploration, and facilitation of access to this scientific data; coordination of efforts for the development of space-borne telescopes and detectors as well as for data analysis in space science; and bio-medicine.

**Tenth priority (security):** the objective has been improved to include natural disasters and privacy. The broadened rationale includes support to Community policy in the field of health, and the emphasis of the security research for European capabilities regarding surveillance, distribution of information and knowledge of threats and incidents as well as systems for better assessment and situation control through better use of common ICT-systems in the fields of different operations. Activities have been extended to include methods for rapid identification; restoration of safety in case of crisis; provision of an overview of, and support for diverse emergency management operations; security systems interconnectivity; intelligence, information gathering and civil security; mission oriented research related to cultural, social, political and economic dimensions of security, the role of human values and policy making, psychology and social environment of terrorism.

## 2) Ideas

The Council followed the line of the European Parliament by enabling a swift creation of the European Research Council (ERC), consisting of an independent scientific council and a dedicated implementing structure. It has also further extended the text to include that the management of the ERC will be carried out by staff recruited for that purpose and that it will cover only the real administrative costs; that representatives of the scientific council will ensure a diversity of the research fields and that they will be appointed for a period of four years, renewable once, on a basis of a rotating system; that the scientific council will also establish an overall scientific strategy, have full authority over decisions on the type of research to be funded, and also establish a code of conduct addressing, inter alia, the avoidance of conflicts of interest; that the administrative and staffing costs of the ERCS will be consistent with lean and cost-effective management; that the Commission will ensure that the ERC will act in accordance with the principles of scientific excellence, autonomy, efficiency and transparency, and draw up an annual report on the ERC's operations and realisation of the objectives and submit it to the European Parliament and the Council. However, the Council has decided for a more flexible approach than the European Parliament as regards the ERC's structure. A structure based on an Executive Agency will, therefore, be decided only after the interim evaluation of the Framework Programme, foreseen for no later than 2010.

## 3) People

The Council has agreed upon large majority of the European Parliament's amendments and has, therefore, further improved the text to include building on the experience with the "Marie Curie" actions under previous Framework programmes and their impact on the European Research Area; training specifically intended for young people; increased participation of women researchers; open European labour market for researchers free from all forms of discrimination; special measures to encourage early-stage researchers and support early stage of scientific careers, as well as measures to reduce 'brain drain'; encouragement of centres of excellence around the European Union; synergies with other Community policies; broadening of scientific and generic skills, including those relating to technology transfer and entrepreneurship;

#### 4) Capacities

In the light of the European Parliament's amendments, the Council further clarified and extended the scope of certain activities, as follows:

- in the "**research infrastructures**" activity, the objective has been extended to include contribution to the development of the European Research Area. Activities have been broadened to include access to high performing research infrastructures also from researchers from industry and SMEs; evolution and development of global connectivity; open standards for interoperability; potential of scientific excellence of the convergence regions and outermost regions for new infrastructures. As regards the criteria for funding, the Council extended the list to include contribution to technological development capacity, contribution to developing 'research based clusters of excellence', and possibility to use EIB loans and Structural funds;
- in the "**research for the benefit of SMEs**" activity, the Council has followed the line of the European Parliament to include bridging the gap between research and innovation; enhancing the exploitation of research; research providers; complementarity with the Competitiveness and Innovation Programme as well as with other Community programmes; support to national exploratory awards;
- in the "**regions of knowledge**" activity, the Council extended the scope to include facilitation of the emergence and creation of regional clusters which contribute to the development of the European Research Area; support to emerging Regions of Knowledge; relationship with Structural Funds; and synergy with the Community and relevant national and regional programmes;
- in the "**research potential**" activity, the activities have been clarified to include synergies with the Competitiveness and Innovation Programme in order to promote the regional commercialisation of R&D in collaboration with industry;
- in the "**science and society**" activity, the Council has broadened the activities to include measures to make scientific publications more accessible to members of the public wishing to consult them; promotion of the role of women in research and in scientific decision-making bodies; creation of an open environment which triggers curiosity for science in young people; promotion of full participation of young people in science; improved inter-communication and mutual understanding between the scientific world and the wider audience; better presentation of scientific work; support to scientific publications;
- in the "**activities of international cooperation**", the Council has provided that activities, currently undertaken by INTAS which will be wound up by the end of 2006, will be subsumed in this programme as well as in the specific programmes "Cooperation" and "People". It has also extended the objective to include facilitation of contacts with partners in third countries with the aim of providing better access to research carried out elsewhere in the world; and the activities part to include specific cooperation actions of mutual interest.

#### 5) Non-nuclear actions of the Joint Research Centre

The Council clarified the rationale to include coordination of actions under this part with the research undertaken under the "Themes" of the "Cooperation" Specific Programme with the aim of avoiding overlap and duplication. Activities have been extended to include scientific/technical support to the development of risk assessment and management procedures as a tool for the European decision making process; expertise and role in the GMES research activities and in the development of new applications in this field; and development and validation of alternative strategies, and in particular non-animal methods, in all relevant research areas.

#### Overall amount and breakdown of funds

Following the conclusion of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management, the originally proposed budget for the 7th Framework Programme of EUR 72 726 million had to be reduced while aiming to maintain appropriate focus and critical mass. The Council has maintained the **Commission's amended proposal** for the maximum overall amount of **EUR 50 521 million**, in accordance with the European Parliament's opinion. The Council has however proposed adjustments to the breakdown of this figure, as follows:

- As regards "**Cooperation**", the Council has followed the line of the European Parliament's amendments to increase the funding for the thematic themes which have a great potential for improving European competitiveness, in particular as regards the first (health), the fifth (energy) and the eighth priority (socioeconomic sciences and the humanities), but not to the same extent. Following the split of the "security and space" theme into two separate priorities, the Council decided to earmark EUR 80 million less for security than for space because it considers that Community competences in this area maintain very limited;
- With regard to "**Capacities**", the Council followed the line taken by the European Parliament to cut the proposed funding for "research infrastructures" and instead substantially increase the funding for "research for the benefit of SMEs".
- Concerning the "**Ideas**" and "**People**", the Council has kept the funding as proposed by the Commission, and hence didn't follow the European Parliament's amendments which increased the funding for both parts of the Framework Programme at the expense of cutting the funding earmarked for "Capacities".

**For further information concerning the financial implications of this measure, please refer to the financial statement.**

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 06/06/2005

Subject to current discussions on the Financial Perspective, the Council held an in-depth debate on a number of issues concerning the "collaboration" and "human resources" chapters of the Commission proposal on the Seventh Framework Programme for research, technological development and demonstration activities (2007-2013). Delegations' comments will be taken into account when future discussions are held on the programme. The Council asked the Permanent Representatives Committee to continue studying the proposal under the codecision procedure with the European Parliament.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

The Commission considers that the common position, adopted by qualified majority, presents a strong convergence with the positions of both the European Parliament and the Commission. It takes into account a large proportion of the amendments made by the European Parliament in its first reading and integrated by the Commission into its amended proposal. It regards it as a good basis for further negotiations on the Framework Programme with a view to reaching a second reading agreement.

As regards the **budget**, the Council (and the European Parliament) has endorsed the overall amount of EUR 50 521 million which the Commission proposed in its amended proposal, following the conclusion on 17 May 2006 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management.

On the budget breakdown, the Common Position is broadly consistent with the Commission amended proposal and the Parliament opinion, with the exception of:

1) *In Cooperation* : increased amounts for five *themes*: "Health", "Nanosciences; Nanotechnologies, Materials and new Production Technologies", "Energy"; "Environment" as well as a small increase in "Socio-economic Sciences and the Humanities"; a reduction in the theme "Security and Space".

2) *In Capacities* : a major decrease in "Research infrastructures" as well as a decrease in "Science in Society"; increased amounts for "Research for the benefit of SMEs" and "Research Potential" as well as a small increase in "Activities of International Cooperation".

Although, there is a strong correlation between the proposed activities and the proposed budget, the reduced budget for Infrastructures and for the Theme Security and Space might not allow the full implementation of the activities proposed in the common position.

As regards the **structure of the programme**, the common position maintains the various components of the programme proposed by the Commission, including the focus on the Themes and the flexible approach of the programme taking into account the seven year duration. The Commission agrees that the coherent development of policies should form a separate part in the Capacities programme. However, the Council has, in line with the Parliament, separated the theme on "Security and Space" into two themes, thus proposing ten themes. By keeping the two fields together the Commission believes significant flexibility and synergy could be achieved.

In terms of the **research content**, the Commission has in its modified proposal made clear that due to the reduction in the budget, the Commission did not include amendments which would mean a widening of the scope of the themes thus requiring more resources. The Commission believes that the common position essentially respects this. However, the inclusion of the "Exploratory Award Scheme" for SMEs in Capacities is not in line with this principle. The Commission believes the budget should be concentrated exclusively on the funding of projects.

The Commission endorses the strengthening of text on SMEs by proposing concrete measures in the themes, including by quantitative and qualitative analysis, which the Commission believes is a more efficient approach than artificial targets which the Commission did not take on board in the modified proposal.

Major issues for the Parliament have been the Joint Technology Initiatives, as well as the programmes **Ideas and People**.

- concerning the Joint Technology Initiatives, the Common position includes the modifications of the criteria for the identification of Joint Technology Initiatives;
- concerning Ideas, important clarifications have been included concerning the term of office, the renewal and the role of the Scientific Council, the management and the staffing arrangements; as well inclusion of the conduct of an independent review in 2010, presented to the Parliament and the Council, of the European Research Council's structures and mechanisms;
- concerning People, a series of changes include references to the links of this programme with other parts of the Framework Programme and other community programmes, additions that make explicit the international dimension of this part of the programme, pointers to the establishment of appropriate working conditions of researchers and indications on the co-funding mode.

Lastly, on stem cell related research, the Commission accepted, in its modified proposal, to include an article on which fields shall not be financed under the 7th Framework Programme in line with the Parliament's amendment. Council has in its common position also included this article, and the Commission made a declaration re-confirming the practice to follow.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

### COMMISSION'S IMPACT ASSESSMENT

*For further information regarding the context of this issue, please refer to the summary of the Commission's initial proposal COM(2005)0119 concerning a proposal for the Council and European Parliament decision on the 7<sup>th</sup> EC Framework Programme (FP7) for research, technological development and demonstration activities (2007-2013).*

#### 1- POLICY OPTIONS AND IMPACTS

In examining policy options, 3 key factors were taken into account. Firstly, FP7 should be tailored to European S&T needs: acting as an instrument to promote Lisbon and other key policies, while addressing the specific needs of the diverse research players, and having a strong EU added value. Secondly, it should relate to the strong demand for new actions in the fields of industrial and basic research. Thirdly, it should respond to stakeholders' requests for a more user-friendly and outcome-based FP.

**1.1- Option 1 - the do-nothing option:** this serves to analyse whether without EU intervention it is possible to reach the same objectives. It relates to a policy of no financial intervention at EU level in the field of research and technological development (discontinuation of FP). It is an essential benchmark for demonstrating the full added value of the FP7 proposal (option 3), which cannot be deduced simply from its marginal effect in relation to the status quo (option 2).

**1.2- Option 2 - the business as usual option:** this would mean launching FP7 as a continuation of FP6, with the same budget allocations, the same objectives, the same institutional actors, the same research priorities, the same instruments, etc. The premise underlying this option is that FP6 can adequately address the major challenges facing Europe in the next few years without introducing any major changes to its size, structure and organization. This option also responds most clearly to the important concerns about continuity and stability of EU research actions.

**1.3- Option 3 - the proposed FP7:** this concerns a restructured Framework Programme, twice as large as FP6, and designed so as to better respond to the targets set at Lisbon. It starts from the observation that circumstances have changed very significantly since the launching of FP6, and proposes an action that builds upon the accomplishments of FP6, but is characterised by a new scale, scope and ambition.

**CONCLUSION:** the Commission considers that the proposed FP7 combines incremental change with continuity. The continuity of FP7 compared with FP6 lies in the thematic priorities, which will be largely the same as under FP6, and the instruments, many of which will be the same as under FP6.

## IMPACTS

**Economic impacts:** in order to estimate the possible aggregate economic impacts of the FP7 proposal, an econometric model was used. Various scenarios were simulated for long-term trends in FP funding and national/sectoral flows of financing. On the basis of this modelling, it is concluded that the estimated aggregate economic impacts of FP7 are large. Compared to its modest share of European public R&D funding, the FP achieves significant impacts, especially in the long-term, mainly because of high crowding-in and economic multiplier effects. The proposed doubling of FP7:

- Will boost Europe's economic growth. Depending on the rate of growth of FP funding after FP7, doubling FP funding would generate at least 0.45 and up to 0.96 percent of extra GDP over and above the business-as-usual scenario of moderate growth in FP funding by the year 2030. In other words, assuming a GDP of 100 under the business-as-usual scenario for the year 2030, and given that the extra GDP generated by doubling FP funding would amount to from 0.45 to 0.96 percent of GDP by that same year, then total GDP would reach between 100.45 and 100.96 in the year 2030. Given the comparatively small size of the FP this constitutes a large impact. When correcting for quality - i.e. taking account of the fact that as a result of technical progress the quality and capabilities of products increase significantly - the impacts on European economic growth are larger still. Doubling FP funding would then generate at least 0.69 and up to 1.66 percent of extra GDP over and above the business-as-usual scenario of moderate growth in FP funding;

- Will create extra jobs for European citizens (up to 925,000 extra jobs by the year 2030, of which up to 215,000 in research);

- Will raise Europe's competitiveness (extra-European exports are increased by up to an extra 0.64 percent by the year 2030, imports reduced by up to 0.3 percent), and increase Europe's R&D intensity (the extra growth in Europe's R&D intensity could reach 0.2 percent).

The FP is more effective than national funding in reaching these results. On the other hand, under the no framework programme option:

- Europe would lose up to 0.84 percent of GDP by the year 2030 compared to the business-as-usual scenario and up to 800,000 jobs, 87,000 of them research-related;

- Extra-European exports would be lower by 2 percent and imports higher by 1.85 percent;

- Europe's R&D intensity would be lower by 0.09 percent, making it harder to achieve the 3 percent objective.

**Social impacts:** the proposed FP7 has large potential aggregate social impacts. It will contribute to the achievement of the Lisbon strategy and to addressing the main future social and political challenges of Europe. Through both thematic efforts in diverse areas as e.g. industrial technologies, energy, transport, ICT, food, agriculture, fisheries, maritime affairs, water management, life sciences, etc., as well as through research that directly aims at the advancement of Social Sciences, FP7 can further enhance issues such as health and safety, social cohesion, human capital, well-being, governance, human rights and ethics, self-sufficiency, equity, etc.

Therefore, the new research effort in FP7 will enhance the impact of innovation and competitiveness, both on individual economic entities but ultimately also on the quality of life in society as a whole. Research on ethics at European level is critical for arriving at a responsible approach towards S&T, which is consistent with the European Charter of Fundamental Rights and reflects public sentiment. The Lisbon Agenda and the European Research Area (ERA) clearly identify the need for innovative and competitive technological progress in line with environmental and socio-economic needs.

**Environmental impacts:** Advances in knowledge and innovation further sharpen the competitive edge of societies which possess the know-how and capacities and have become key factors in decoupling economic development from adverse environmental impacts. To address the different challenges, research and technological development affecting the environment in FP7 should aim to identify win-win technologies, improve natural resources management and services and understand and predict the environment more precisely. Furthermore, FP7 should recognise the need for research activities for the analysis of sustainable development, scenario building and impact assessment. Crosscutting enabling technologies, such as nanotechnology, biotechnology and industrial technologies can also have a positive environmental impact.

As far as the **time dimension** associated with these impacts is concerned, while showing significant results in the short term, investment in research shows its greatest impacts in the medium to long term as it takes time to transform research results into new products and processes.

As far as **impacts on particular groups** are concerned, care has been taken to make sure that all players in the European S&T system, including SMEs and the new Member States, will benefit to the maximum extent possible from the implementation of the FP. EU scientific achievements have a significant global impact – notably in developing countries, the Mediterranean, the Western Balkans and newly independent countries of the former Soviet Union – and cover key areas such as agriculture, human health, food processing, post-harvest conservation, water treatment, erosion and environmental protection.

## 2- FOLLOW-UP

- Monitoring of implementation management would be ensured by operational senior management within the Commission on a continuous basis with annual checkpoints and using a common set of management performance indicators. Adequate resource would be given to this process. The annual results of this exercise will be used to inform senior management and as an input to the ex post assessment exercise.

- An interim evaluation of the FP would be carried out by independent scientific panels which would assess the quality of the research activities, progress towards the objectives set and the scientific and technical results achieved. Such an interim evaluation of FP7 (of 7 years duration) would therefore take place 3-4 years after the start. It could be complemented by a similar exercise at the end of the programme to feed into the ex post assessment (see below).

- A coordinated programme of studies should be developed for: horizontal assessments of such topics as the impact of research on issues such as productivity, competitiveness and employment; structuring effects of the FP on the ERA (fragmentation, excellence, coordination) through the formation and development of commercial and knowledge networks, and the creation and support to infrastructures; and the impact of Community research on strategic decision making in companies and research organisations and national, European and regional authorities; assessment of impact and achievements at portfolio, programme and higher levels against the strategic objectives and indicators that are set within a clearly defined programme logic.

- An independent ex post programme evaluation of FP7 would be undertaken within 2 years of its completion. This would be supported by the coherent set of independent studies, and other evaluation activities carried out over the lifetime of the FP. The report of this exercise would be presented to all interested stakeholders, including the Parliament and Council. Furthermore, this report would feed into future ex ante evaluation and impact assessments by the Commission.

- Furthermore, ex-ante impact assessments will be carried out at FP level and at the level of specific programme areas before the next FP proposal is made. The articulation between ex-ante impact assessment and ex-post evaluation will also be enhanced, as recommended by the Ormala Report of December 2004, in particular through ensuring the two exercises are timed to feed into each other. Ex-post work will therefore be available in time for the impact assessment of future policy options, and, in turn, the new policy objectives and performance indicators will feed into later ex-post work.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 28/06/2006 - Modified legislative proposal

To expedite an agreement on the framework programmes, the Commission is bringing forward revised proposals on both framework programmes, enriched with Parliament's amendments and Council's views. As the opinion of the Parliament and the approach taken by the Council reflect the key principles of the original Commission proposals, these revised proposals take up a large proportion of the position taken by the other institutions.

The main issues raised concern the proposal for the EC framework programme. As regards the Commission's position, the following items can be highlighted:

- **Scope** of the themes, and their scientific and technical **content** : the Commission accepts many of the clarifications and additions requested, where these reflect important needs, are consistent with maintaining the overall focus of each priority and their inclusion is not prevented by the reduced budget for the framework programme;

- **Joint Technology Initiatives** : the Commission accepts modifications on the criteria to be used for the identification of potential Joint Technology Initiatives, as well as their nature and implementation;

- **European Research Council** : important clarifications are accepted by the Commission, including on the term of office, the renewal and the role of the Scientific Council, the management and the staffing arrangements of the European Research Council, as well as the conduct of an independent review in 2010 of the European Research Council's structures and mechanisms;

- **People** : a series of changes include references to the links of this programme with other parts of the framework programme and other community programmes, additions that make explicit the international dimension of this part of the programme, pointers to the establishment of appropriate working conditions of researchers and indications on the co-funding mode;

- **Capacities** : the aspects on the Coherent development of policies now form a separate part, in line with the importance of this field. Further, the criteria for the support to new research infrastructures became more detailed and the importance of regional aspects in the construction of new infrastructures was acknowledged.

- **Ideas** : the amended proposal specifies states that the objective supporting "investigator-driven" research be carried out across all fields by individual national or transnational teams in competition at the European level;

- **Ethical issues** : the following fields of research shall not be financed under this Framework Programme: research activity aiming at human cloning for reproductive purposes; research activity intended to modify the genetic heritage of human beings which could make such changes heritable; 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; research on human stem cells, both adult and embryonic, may be financed, depending both on the contents of the scientific proposal and the legal framework of the Member state(s) involved. Any application for financing research on human embryonic stem cells must include, as appropriate, details of licensing and control measures that will be taken by the competent authorities of the Member States as well as details of the ethical approval(s) that will be provided. As regards the derivation of human embryonic stem cells, Institutions, organisations and researchers must be subject to strict licensing and control in accordance with the legal framework of the Member State(s) involved. A revision of the fields of research must take place for the second phase of this programme (2010-2013) in the light of scientific advances.

- **Budget** : the Commission maintains the amounts proposed in its adapted proposals of 24 May 2006 (**please refer to the financial statement for more details**).

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 09/02/2011

The Commission presents its response to the report of the expert group (<http://ec.europa.eu/research/evaluations>) on the interim evaluation of FP7 (Seventh Framework Programme for Research) established by Decision No 1982/2006/EC and to the report by the IEG on the interim evaluation of the Risk-Sharing Finance Facility. The report was submitted on 12 November 2010. This Communication responds to the recommendations in these evaluations by outlining which actions the Commission intends to take or has already taken, but also indicating where no obvious or immediate solution exists. It is clear that a number of the issues raised, in particular regarding the design and content of the Framework Programmes and financial rules which govern their implementation, cannot be addressed by the Commission alone, but will need the engagement of a wider group of actors including the Member States, the Council and the European Parliament working together.

The report provides a detailed assessment of the implementation of FP7 so far and presents 10 recommendations for improvements:

**Advance the European Research Area and Innovation Union objectives:** the Commission states that future EU research programmes must provide a clearer focus on the major research items for science, technological leadership and industrial competitiveness and focus on the large societal challenges. Such an approach needs to be developed within the framework of the European Research Area, identifying areas of common or convergent interest, while ensuring better alignment of research capacities. The Innovation Union sets out how the [Europe 2020](#) objectives of smart, sustainable and inclusive growth can be achieved through a strategic and integrated approach to research and innovation. The [Green Paper on a](#)



[Common Strategic Framework for EU Research and Innovation funding](#) will launch a wide public debate on the key issues to be taken into account in future programmes.

**Develop and implement high quality research infrastructures:** the Commission recognises that infrastructure funding will be improved through better alignment of the FP, with funding from the European Investment Bank and Structural Funds. Following the Europe 2020 Strategy a work package on innovation could be included in all research infrastructure projects thereby favouring greater involvement of industry. The work programme 2012 will better highlight the possibility for researchers from third countries to benefit from access to European research infrastructures. The development of e-Infrastructures will connect researchers, instruments, data and computation resources throughout Europe, creating a seamless "online ERA". As an integral part of the Digital Agenda flagship initiative, this work will continue in the second half of FP7.

**Maintain, at least, the level of funding:** the Europe 2020 strategy acknowledges that research and innovation are the key engines of societal progress and economic prosperity. a common strategic framework will ensure a more efficient use of the EU's research and innovation funding by enhancing its EU added value, making it more results oriented, and by leveraging other public and private sources of funding.

**Encourage participation from a broad spectrum of small and large enterprises, universities and research and technology organisations through a well-articulated innovation strategy:** the Commission agrees with the recommendation which is convergent with the orientations provided in the Communication on Innovation Union within the context of the Europe 2020 Strategy. While Innovation Union commitments will only be fully implemented in the next generation of spending programmes, the Commission is already investing significant effort in enhancing the innovation impact of the current Framework Programme. This will be achieved in the remaining FP7 work programmes, including through funding for projects which take research results closer to market (e.g. demonstration projects) and additional emphasis on innovation impacts in evaluating proposals. In addition, further funding will be provided for both SME specific projects and topics which are attractive to SMEs or organisations that are 'new comers' to FP7.

**Achieve a quantum leap with simplification:** the Commission has acknowledged the need for further simplification, and refers to the Communication on simplifying the implementation of the FPs presenting a set of short term and longer term options.

**The mix of funding measures in FP7 and successor programmes should strike a different balance between bottom-up and top-down approaches to research:** significant parts of FP7 already provide bottom-up approaches to research. These include the Marie Curie Actions for researcher training and mobility and the European Research Council (ERC) for curiosity-driven research. Also noteworthy is the Future and Emerging Technology (FET) scheme which, through top-down thematic calls combined with bottom-up open calls is supporting multidisciplinary exploratory research in ICT. The **move towards more bottom-up funding** is set to continue, with the Commission proposal for further open, challenge-driven calls for proposals in the final years of FP7. Beyond this, the Innovation Union has committed to strengthen the role of the ERC and the issue of bottom-up versus top-down approaches will feature strongly in the orientation debate on the next FP.

**Consider a moratorium on new instruments until the existing ones have been sufficiently developed and adequately evaluated:** the Commission will examine the current portfolio of instruments to identify areas for simplification, possible redundancy and potential gaps. Novel approaches such as prizes or innovative procurement schemes should also be considered. This work will be supported in a number of ways including discussions within the European Research Area Committee (ERAC) and the forthcoming 'Communication on Partnerships'. The resulting ideas will be reflected in the proposals for the next FP.

**Take further steps to increase female participation in FP7:** the Commission attaches great importance to this issue although notes, since the FP is only a small part of total European research activity, the limits to what it can achieve on its own. Real progress necessitates a common approach actively supported by funding agencies and researchers across the European Research Area. In this context, the Commission accepts the challenge of taking a leading role. Further to the current activities - notably the 40% target; monitoring, awareness and promotion activities; and successes under the Marie Curie Actions - a series of additional activities are proposed. The Commission will launch new analyses with the support of Member States and research institutions to identify, by end 2011, the cultural and situational factors which help shape female researcher participation, as well as measures to overcome these.

**Build connections between the FP and Structural Funds in order to pave the way for increased participation from Member States that are under-represented:** a specific example of progress already being made is the Synergies Expert Group (SEG), set up to find synergies between FP7, the Structural Funds and the Competitiveness and Innovation Framework Programme. The Europe 2020 flagship initiatives on Innovation Union and the Digital Agenda have significant implications for achieving a better alignment of EU policies and activities, including research, innovation and cohesion funding.

**Carry out a review based upon a thorough analysis of the current strategy towards international cooperation:** the Commission will carry out a major review of its strategy for international collaboration. This will examine how to build critical mass and specialisation, in areas of European need and comparative advantage.

**RSFF:** as a positive interim evaluation of the RSFF is a prerequisite for the release of the second tranche of EUR 500 million of FP7 funding to the RSFF for the period from 2011 to 2013, the Commission notes that this release is strongly recommended by both the RSFF IEG and the FP7 Interim Evaluation Expert Group. By voting the EU Budget 2011, the Council and the European Parliament have already provided their agreement on principle to the release of the second tranche (budget of EUR 250 million for 2011). The Commission however invites them to provide a more formal answer later in 2011, on the whole period (2011-2013), if they deemed it appropriate.

The Commission fully endorses the recommendations of the IEG to address the needs of currently underrepresented groups in RSFF (i.e. SMEs, universities/research organisations and research infrastructures). Technical negotiations between the Commission and the EIB are already taking place on finding concrete solutions and new approaches on how to achieve these objectives, including in particular changes of risk-sharing, portfolio approaches, increase of risk levels, and introduction of equity funding. This work will lead to an amendment of the EC/EIB agreement on RSFF implementation already in the first half of 2011.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 29/04/2009

This report assesses progress in implementing Seventh Framework Programme for Research (FP7) and what remains to be done to fully reach its original objectives. The available evidence for 2007 and 2008 indicates that **FP7 had a good start:**

- the response of the scientific community to its calls for proposals shows a strong demand for Community research. Nearly 36,000 proposals were received, and over 5,500 proposals were selected for funding. The overall participation rate is at 21.7 %, taking into account two-stage application procedures;
- the quality of the evaluation process is recognised, with 91% of the evaluators stating that the quality of the evaluation process was similar to or better than national evaluations in which they participated.

The **novel approaches embodied in FP7** seem to be paying off:

- the success of the European Research Council is evident from the more than 11.000 proposals received for the first call;
- 5 large-scale public-private partnerships – Joint Technology Initiatives (JTI) – have been set up, each as an independent legal entity under Article 171 of the EC Treaty: Innovative Medicines (IM); Embedded Computing Systems (ARTEMIS); Clean Sky; Nanoelectronics (ENIAC) and the Fuel Cells & Hydrogen (FCH) JTI;
- demand for the new Risk Sharing Finance Facility (RSFF) has been strong since its launch in June 2007, with 30 RSFF operations approved and the value of signed loans reaching EUR 2 billion by the beginning of 2009;
- 2 agencies - the Research Executive Agency and the ERC Executive Agency – have been set up to ensure efficient management of a continuously growing FP7 budget without direct staff increases in the Commission;
- progress has been made in simplifying participation in FP7.

Some issues deserve **further attention and reflection**:

- the adjusted overall share of SMEs participation in retained proposals under the specific programmes "Cooperation" and "Capacities" is around 11% in terms of requested EC contribution;
- below average FP7 participation rates for most new Member States are balanced by higher financial contributions: EU 12 participants obtained almost 5% of the total requested FP7 contribution, compared with a 2.8% share of EU12 in the total EU27 intramural R&D expenditure.

**Conclusion:** FP7 is adapting to help the EU meet its goals of creating a low carbon, knowledge-based society. It seeks to increase its leverage effect on public and private R&D investment and to diversify its instruments in order to maximise European added value. FP7 remains a crucial instrument to promote scientific excellence and technological development, responding to EU policy priorities and the needs of industry and society. The current adverse economic context underlines its importance even more. FP7 contributes to sustained research efforts, both private and public, as exemplified in the public private partnership initiatives for green cars, energy efficient buildings and factories of the future launched as part of the [European Recovery Plan](#).

In order to obtain advice for further improving and possibly adapting FP7, the Commission will be seeking advice from an independent expert group, which will undertake an Interim Evaluation of FP7. Their mandate should be adopted in autumn 2009, and the evaluation should be completed in the autumn of 2010.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 28/11/2005

The Council approved, by a large majority, a partial general approach on the seventh framework programme (2007-2013) and Euratom (2007-2011). The approach will form the basis of future discussions following the opinion of the European Parliament and taking account of results relating to the EU's Financial Perspective covering the years 2007-2013. The Council debate was based on a compromise text proposed by the Presidency, which focused on the following issues:

- Adequate support for small and medium-sized enterprises and their participation on research projects.
- The implementation arrangements for the proposed European Research Council.

The more comprehensive proposals set out in the "specific programmes" will be discussed in greater detail by the Council.

## Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 29/05/2006

The Council reached an agreement on the adoption of a general approach to the 7<sup>th</sup> framework programme 2007-2013, pending Parliament's first reading. At the same time, Council examined a draft text on the Euratom framework programme 2007-2011, with a view to reach agreement at a later stage.

In line with the inter-institutional agreement on the EU's budget covering the years 2007-2013 the Council agreed that total spending on the 7<sup>th</sup> framework programme should be EUR 54.5 billion, to be broken down as follows:

- Co-operation (dealing with collaborative research): EUR 32 billion.
- Ideas (including the establishment of the European Research Council): EUR 7.5 billion.
- Capacities (dealing with the EU's research infrastructure as well as SME's) EUR 4.2 billion.
- People (dealing with human resources): EUR 5 billion.

The Euratom programme has been ear-marked EUR 2.7 billion over a five year period.

Council deliberations took place based on a partial agreement reached in November 2005.

# Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)

2005/0043(COD) - 18/12/2006 - Final act

PURPOSE: adoption of the EU's 7<sup>th</sup> Framework Programme (2007-2013).

LEGISLATIVE ACT: Decision 1982/2006/EC of the European Parliament and of the Council concerning the Seventh Framework Programme of the European Community, for research, technological development and demonstration activities (2007-2013).

CONTENT: the 7<sup>th</sup> Framework Programme seeks to strengthen the EU's industrial competitiveness and to respond to the research needs of SME's, research undertakings and universities. The overriding aim of the programme is to contribute towards the EU becoming the world's leading research area. In order to implement these objectives five specific programmes have been established, namely: Co-operation, Ideas, People, Capacities and funding for the Joint Research Centre. Each of the Specific Programmes is the subject of a separate legislative act. (See: Co-operation: [CNS/2005/0185](#); Ideas: [CNS/2005/0186](#); People: [CNS/2005/0187](#); Capacity: [CNS/2005/0188](#)).

- **Co-operation:** The purpose of this specific programme is to support the whole range of research actions carried out in trans-national co-operation according to the following themes: Health; Food, Agriculture and Fisheries; Biotechnology; Information and Communication Technologies; Nano-sciences, nanotechnologies, Material and New Production Technologies; Energy; Environment (including Climate Change); Transport; Socio-economic Sciences and Humanities; Space; and Security.
- **Ideas:** The purpose of this specific programme is to support "investigator-driven" research carried out across all fields by individual national or transnational teams in competition at the European level.
- **People:** The purpose of this specific programme is to strengthen, quantitatively and qualitatively, the human potential in research and technological development in Europe, as well as encouraging mobility.
- **Capacities:** The purpose of this specific programme is to support key aspects of European research and innovation such as research infrastructures; regional driven clusters; the development of a full research potential in the Community's convergence and outmost regions; research for the benefit of SME's; "Science in Society"; support to the coherent development of policies; and horizontal activities of international co-operation.
- **JRC:** In addition, the 7<sup>th</sup> Framework Programme will also support the non-nuclear direct scientific and technical actions carried out by the Joint Research Centre.

The 7<sup>th</sup> Framework Programme introduces a new approach which allows the political objectives of Community research policy to be reached more easily, more flexibly and more efficiently. To this end the new programme offers:

- smaller and simplified funding schemes;
- enhanced co-ordination between industry, private investors and researchers;
- researchers (under some actions) to identify topics for future funding;
- the setting up of a Risk-Sharing Facility to improve access to EIB loans for large scale European actions and
- the establishment of a European Research Council under the Ideas initiative;
- new management methods of the framework programme by introducing improved efficiency drives through the externalisation of administrative tasks to an executive agency;
- a clearer presentation of evaluation criteria; and
- streamlined procedures for approving projects.

The 7<sup>th</sup> framework programme will contribute towards promoting growth, sustainable development and environmental protection, including that of climate change. All research activity carried out under the 7<sup>th</sup> Framework programme will be carried out in compliance with fundamental ethical principles. The following research topics will, as a result, not be financed:

- human cloning for reproductive purposes;
- research intended to modify the genetic heritage of human beings which could make such changes heritable; and
- research intended to create embryos solely for the purpose of research or for the purpose of stem cell procurement including by means of somatic cell nuclear transfer.

Research on human stem cells, both adult and embryonic, may be financed depending on the contents of the scientific proposal and the legal framework of the Member State involved. Any application for financing on human embryonic stem cells must include details of licensing and control measures. Institutions, organisations and researchers will be subject to strict licensing and control in accordance with the legal framework of the Member State(s) involved.

No later than 2010, the Commission will carry out, with the assistance of external experts, an evidence based interim evaluation of the 7<sup>th</sup> Framework programme.

The maximum overall amount for Community financial participation will be **EUR 50 521 million**. For further details on the financial aspect of the Regulation refer to the financial summary below.

ENTRY INTO FORCE: 2 January 2007.

## **Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)**

2005/0043(COD) - 11/10/2005

On the basis of a Presidency note, the Council held an orientation debate on the sections dealing with "Ideas" and "Capacities" of the Commission proposal for the 7th Framework Programme (FP7) for research and technological development (2007-2013). The other two parts of the proposal, "Cooperation" (collaborative research) and "People" (human resources), were examined in-depth by the Council last June.

In the light of the discussions and also taking into account work done under the Luxembourg Presidency, the UK Presidency intends to draw up a revised draft text covering the whole Framework Programme proposal as a basis for future work with a view to enabling the Council to reach a partial general approach at its session on 28/29 November.

The new FP7 is aimed at helping to implement one of the EU's priority goals of increasing the potential for economic growth and of strengthening European competitiveness by investing in knowledge, innovation and human capital. The Commission envisages the bulk of the funds continuing to go to collaborative, applied research as under FP6 but several new elements have been added. The main new actions proposed by the Commission are funding for basic research through a European Research Council run by eminent scientists; support for large-scale public-private partnerships to take forward industrial projects; funding for new research infrastructures; and research in the field of security.

It should be recalled that the FP7 proposals are to be considered in parallel with the proposal concerning the Competitiveness and Innovation Programme and that detailed modalities for the implementation of the FP7 are set out in the Specific Programmes adopted by the Commission on 21 September 2005. Both the Framework Programme and the Specific Programmes have to be adopted by the Council by qualified majority, in accordance with Article 166 of the EC Treaty.

## **Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)**

2005/0043(COD) - 24/07/2006

The Council reached political agreement by qualified majority, on the 7th framework programme (FP7) of the European Community for research and technological development for the period 2007 to 2013. On the basis of the agreement, the Council will establish its common position and will forward it to the European Parliament for a second reading, in accordance with the codecision procedure. The Austrian, Lithuanian, Maltese, Polish and Slovak delegations voted against.

The debate was conducted on the basis of a compromise text drawn up by the Presidency. It focused on research activities involving human embryonic stem cells under the framework programme.

The text of the agreement clarifies the parameters under which research projects involving human embryos and human embryonic stem cells will be eligible for Community funding. Certain fields of research, such as activities aimed at human cloning for reproductive purposes or intended to modify the genetic heritage of human beings, will not be eligible for Community funding. In addition, the Commission confirmed that it will continue with the current practice and will not submit to the Regulatory Committee proposals for projects which include research activities which destroy human embryos, including for the procurement of stem cells. The exclusion from funding of this step of research will not prevent Community funding of subsequent steps involving human embryonic stem cells.

## **Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)**

2005/0043(COD) - 24/05/2006

### **Package of legislative proposals following the Interinstitutional Agreement on budgetary discipline and sound financial management**

The conclusion on 17 May 2006 by the Commission, the Council and the European Parliament of the agreement on the 2007-2013 financial framework (Interinstitutional Agreement on budgetary discipline and sound financial management – please refer to procedure ACI/2004/2099) marks a real success for Europe, providing a stable financial framework for the political priorities of the enlarged Union for the next seven years. It is now up to the institutions and Member States to ensure that the financial resources available are used and implemented as well as possible. Action at European level must contribute true added value to that taken at national, regional or local level and must have an optimum impact on each European player. The Commission is ready to play a full role in all these areas.

The agreement marks a decisive step forward towards the ultimate objective of providing the Union with operational programmes by the beginning of 2007. Work must now be continued on each legislative act. To this end, the Commission intends to continue to provide momentum and act as a facilitator, as it has been doing since the start of the negotiations.

As part of the negotiations on the 2007-2013 financial framework, in October 2005 the European Parliament, the Council and the Commission adopted a joint declaration in which they undertook to continue work on the legislative proposals currently being discussed and then, once the interinstitutional agreement had been adopted and on the basis of amended proposals by the Commission, to reach agreement on each of these proposals. Thus, in accordance with Article 250(2) of the EC Treaty and in order to facilitate this phase for each legislative act, the Commission has adopted a total of 30 proposals, 26 of which are amended and 4 new.

The **proposals amended as a result of the IIA** are as follows:

Programmes concerning the external policy of the Union and development cooperation:

- Ø **COD/2004/0219 (European Neighbourhood and Partnership Instrument)**
- Ø **COD/2004/0220 (development co-operation and economic co-operation instrument)**

**Solidarity and Management of Migration Flows Programme(JHA):**

- Ø **COD/2005/0046 (European Refugee Fund)**
- Ø **COD/2005/0047 (External borders fund, 2007-2013)**
- Ø **COD/2005/0049 (European Return Fund)**

**Fundamental Rights and Justice Programme (JHA):**

- Ø **COD/2005/0037/A(DAPHNE)**
- Ø **COD/2005/0037/B (drugs prevention and information)**

**RDT Framework Programme and specific programmes :**

- Ø **COD/2005/0043 (RDT Framework Programme)**
- Ø **CNS/2005/0044(Nuclear Research Programme)**
- Ø **CNS/2005/0184 (Joint Research Centre - JRC)**
- Ø **CNS/2005/0185 (Transnational cooperation specific programme)**
- Ø **CNS/2005/0186 (Specific programme Ideas, frontier research)**
- Ø **CNS/2005/0187(Specific programme supporting researchers)**
- Ø **CNS/2005/0188 (RDT Capacities specific programme)**
- Ø **CNS/2005/0189 (specific programme direct actions by the Joint Research Centre JRC)**
- Ø **CNS/2005/0190 (fusion energy, nuclear fission and radiation protection specific programme)**

**Employment and social cohesion Programme:COD/2004/0158**

- Programmes in the fields of youth and education:
  - Ø **COD/2004/0152 (Youth)**
  - Ø **COD/2004/0153 (Education – lifelong learning)**
- Consumer Protection and Public Health Framework programme:
  - Ø **COD/2005/0042/A (Public health)**
  - Ø **COD/2005/0042/B (Consumers)**
- Programme in the fields of energy, environment and transport :
  - Ø **COD/2004/0218 (LIFE+)**
  - Ø **COD/2004/0154 (TransEuropean networks in the areas of energy and transport)**
  - Ø **CNS/2004/0221 (Decommissioning of the Bohunice nuclear plant)**
- GALILEO (radio-navigation by satellite): **COD/2004/0156**

In terms of **new proposals**, the Commission has already submitted three in the area of agriculture and rural development policy and fisheries and aquaculture policy:

- Ø **CNS/2006/0081 (fisheries and aquaculture)**
- Ø **CNS/2006/0082 (rural development)**
- Ø **CNS/2006/0083 (common agricultural policy).**

Certain legislative acts do not form part of this package of measures, in particular those on which political agreement has been reached since 17 May. For these measures, the Commission has played a full part in helping to bring about agreement between the arms of the legislative authority. The same applies to the acts for which conclusion of the interinstitutional agreement does not modify the Commission's original proposal. For all the others, which are included in the package presented, the changes proposed by the Commission take account of the content of the interinstitutional agreement adopted, either in a simplified form, where the financial resources allocated to each programme must be adapted, or in a more detailed form where the structure or even the content of the act must be revised. It should also be noted that four of the amended proposals contain amendments already voted on by the European Parliament at first reading and that one proposal has been divided into two amended proposals in response to a request by the Council and the European Parliament, although Parliament has not yet proceeded to a first reading of this proposal.

Based on these amended proposals, the Commission calls on the European Parliament and the Council to continue their discussions of these proposals and conclude them as soon as possible in order to ensure that all the legal instruments are available in time for the effective launch of the programmes in January 2007.

## **Seventh Framework Programme for research, technological development and demonstration activities (2007-2013)**

2005/0043(COD) - 06/12/2006 - Commission opinion on Parliament's position at 2nd reading

The Commission accepts all 40 amendments adopted by the European Parliament at first reading. These relate mainly to the European Research Council, the renewable energy sources and energy efficiency, the budgetary distribution, the Risk Sharing Finance Facility. Some further modifications and the rearrangement of content, mostly in the themes of the Cooperation programme, have also been approved. These amendments are the result of inter-institutional discussions that showed the complete agreement among the Commission, the European Parliament and the Council on all points included in them. The Commission also notes that the attached three statements on its side are elements of the overall final compromise that made possible the conclusion of the procedure at second reading.