



# Procedure file

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Seventh Framework Programme for research, technological development and demonstration activities (2007-2013) Repealed by 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

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ITRE</b> Industry, Research and Energy	PPE-DE <a href="#">BUZEK Jerzy</a>	31/03/2005
	Former committee responsible		
	<b>ITRE</b> Industry, Research and Energy	PPE-DE <a href="#">BUZEK Jerzy</a>	31/03/2005
	Former committee for opinion		
	<b>PECH</b> Fisheries	PSE <a href="#">MIGUÉLEZ RAMOS Rosa</a>	16/06/2005
	<b>AGRI</b> Agriculture and Rural Development	PSE <a href="#">BERMAN Thijs</a>	19/04/2005
	<b>ENVI</b> Environment, Public Health and Food Safety	Verts/ALE <a href="#">HASSI Satu</a>	24/05/2005
	<b>REGI</b> Regional Development	Verts/ALE <a href="#">SMITH Alyn</a>	05/10/2005
	<b>JURI</b> Legal Affairs	PSE <a href="#">SAKALAS Aloyzas</a>	12/12/2005
	<b>TRAN</b> Transport and Tourism		
	<b>FEMM</b> Women's Rights and Gender Equality	PSE <a href="#">THOMSEN Britta</a>	20/06/2005
	<b>BUDG</b> Budgets	PSE <a href="#">XENOGIANNAKOPOULOU Marilisa</a>	09/06/2005
	Council of the European Union	Council configuration	Meeting
<a href="#">Environment</a>		<a href="#">2773</a>	18/12/2006
<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a>		<a href="#">2751</a>	25/09/2006
<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a>		<a href="#">2747</a>	24/07/2006

European Commission	<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> <a href="#">2731</a>	29/05/2006
	<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> <a href="#">2694</a>	28/11/2005
	<a href="#">Environment</a> <a href="#">2684</a>	17/10/2005
	<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> <a href="#">2681</a>	11/10/2005
	<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> <a href="#">2665</a>	06/06/2005
	<a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> <a href="#">2653</a>	18/04/2005
	Commission DG <a href="#">Research and Innovation</a>	Commissioner POTOČNIK Janez

Key events			
05/04/2005	Legislative proposal published	<a href="#">COM(2005)0119</a>	Summary
18/04/2005	Debate in Council	<a href="#">2653</a>	
27/04/2005	Committee referral announced in Parliament, 1st reading		
06/06/2005	Debate in Council	<a href="#">2665</a>	Summary
11/10/2005	Debate in Council	<a href="#">2681</a>	Summary
17/10/2005	Debate in Council	<a href="#">2684</a>	
28/11/2005	Debate in Council	<a href="#">2694</a>	Summary
29/05/2006	Debate in Council	<a href="#">2731</a>	Summary
30/05/2006	Vote in committee, 1st reading		Summary
01/06/2006	Committee report tabled for plenary, 1st reading	<a href="#">A6-0202/2006</a>	
13/06/2006	Debate in Parliament		
15/06/2006	Results of vote in Parliament		
15/06/2006	Decision by Parliament, 1st reading	<a href="#">T6-0265/2006</a>	Summary
27/06/2006	Modified legislative proposal published	COM(2006)0364	Summary
24/09/2006	Council position published	<a href="#">12032/2/2006</a>	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	<a href="#">A6-0392/2006</a>	
29/11/2006	Debate in Parliament		
30/11/2006	Decision by Parliament, 2nd reading	<a href="#">T6-0513/2006</a>	Summary
18/12/2006	Act approved by Council, 2nd reading		
	Final act signed		

18/12/2006		
18/12/2006	End of procedure in Parliament	
30/12/2006	Final act published in Official Journal	

## Technical information

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

## Documentation gateway

Legislative proposal		<a href="#">COM(2005)0119</a>	06/04/2005	EC	Summary
Document attached to the procedure		<a href="#">SEC(2005)0430</a>	06/04/2005	EC	Summary
Document attached to the procedure		<a href="#">SEC(2005)0431</a>	06/04/2005	EC	
Committee opinion	TRAN	<a href="#">PE360.049</a>	19/10/2005	EP	
Committee of the Regions: opinion		<a href="#">CDR0155/2005</a>	16/11/2005	CofR	
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	ESC	
Committee opinion	FEMM	<a href="#">PE365.013</a>	23/01/2006	EP	
Committee opinion	AGRI	<a href="#">PE360.245</a>	27/01/2006	EP	
Committee opinion	REGI	<a href="#">PE364.956</a>	31/01/2006	EP	
Committee opinion	ENVI	<a href="#">PE362.659</a>	24/02/2006	EP	
Amendments tabled in committee		<a href="#">PE371.780</a>	21/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.781</a>	22/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.782</a>	22/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.783</a>	23/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.784</a>	23/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.785</a>	23/03/2006	EP	
Amendments tabled in committee		<a href="#">PE371.786</a>	27/03/2006	EP	
Committee opinion	JURI	<a href="#">PE374.037</a>	10/05/2006	EP	
Amendments tabled in committee		<a href="#">PE374.109</a>	10/05/2006	EP	
Committee draft report		<a href="#">PE360.033</a>	19/05/2006	EP	

Supplementary legislative basic document		<a href="#">COM(2005)0119/3</a>	24/05/2006	EC	Summary
Document attached to the procedure		<a href="#">COM(2006)0239</a>	24/05/2006	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0202/2006</a>	01/06/2006	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0265/2006</a>	15/06/2006	EP	Summary
Modified legislative proposal		COM(2006)0364	28/06/2006	EC	Summary
Commission response to text adopted in plenary		SP(2006)3310	12/07/2006	EC	
Council statement on its position		<a href="#">12688/2006</a>	19/09/2006	CSL	
Council position		<a href="#">12032/2/2006</a> OJ C 301 12.12.2006, p. 0001-0050 E	25/09/2006	CSL	Summary
Commission communication on Council's position		<a href="#">COM(2006)0548</a>	26/09/2006	EC	Summary
Committee draft report		<a href="#">PE378.823</a>	09/10/2006	EP	
Amendments tabled in committee		<a href="#">PE378.862</a>	18/10/2006	EP	
Amendments tabled in committee		<a href="#">PE380.783</a>	27/10/2006	EP	
Committee recommendation tabled for plenary, 2nd reading		<a href="#">A6-0392/2006</a>	15/11/2006	EP	
Text adopted by Parliament, 2nd reading		<a href="#">T6-0513/2006</a>	30/11/2006	EP	Summary
Commission opinion on Parliament's position at 2nd reading		<a href="#">COM(2006)0803</a>	06/12/2006	EC	Summary
Draft final act		<a href="#">03666/1/2006</a>	18/12/2006	CSL	
Follow-up document		<a href="#">COM(2009)0209</a>	29/04/2009	EC	Summary
Follow-up document		<a href="#">SEC(2009)0589</a>	29/04/2009	EC	Summary
Follow-up document		<a href="#">COM(2011)0052</a>	09/02/2011	EC	Summary
Follow-up document		<a href="#">COM(2014)0686</a>	30/10/2014	EC	Summary
Follow-up document		SWD(2014)0335	30/10/2014	EC	Summary
Follow-up document		<a href="#">COM(2016)0005</a>	19/01/2016	EC	Summary
Follow-up document		SWD(2016)0001	20/01/2016	EC	
Follow-up document		SWD(2016)0002	20/01/2016	EC	

#### Additional information

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

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**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)

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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 discussion 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)

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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)

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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)

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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)

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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)

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The committee adopted the report by Jerzy BUZEK (EPP-ED, PL) amending - under the 1st reading of the codecision procedure - the proposed decision on the Seventh Framework Programme (FP7) for research, technological development and demonstration activities (2007-2013). The committee endorsed the overall structure of FP7 but adopted many amendments aimed at bringing the programme's budget into line with the agreement on the Financial Perspective, encouraging the participation of SMEs, boosting the position of young researchers and women, turning the European Research Council into a permanent, independent structure, tackling ethical issues such as the use of human embryonic stem cells, and clarifying the priorities for financing under FP7. The key amendments were as follows:

- 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. MEPs also modified the allocation of these funds among the different parts of the specific programmes, reducing the budget of most of the research themes by 30%, with the exception of energy, socio-economic research, food, agriculture and biotechnology, which were cut to a lesser extent;
- certain fields of research should not be financed under FP7: 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 human embryos solely for the purpose of research or for stem cell procurement, including by means of somatic cell nuclear transfer. However, MEPs said that 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(s) involved". As regards the use of human embryonic stem cells, the amendment stressed that institutions, organisations and researchers must be subject to strict licensing and control in accordance with the legal framework of the Member State(s) involved. The fields of research should be reviewed in the second phase of the programme in the light of scientific advances;
- the Framework Programme should be kept under "continuous and systematic review", and the Commission should carry out not just one evaluation in 2010 as proposed but at least two interim assessments (in 2009 and 2011), following which it should propose modifications to the objectives and research activities where appropriate;
- the thematic area "Security and Space" should be split into two separate headings ("Security" and "Space"), so that there would be ten thematic areas in total rather than nine as laid down in the Commission's proposal;
- a number of amendments sought to secure the involvement of SMEs, inter alia through practical support measures accompanied by quantitative and qualitative monitoring of the objectives achieved?. SMEs should also be given better access to pre-funding. If SME-specific instruments become over-subscribed, the financing of the various FP7 instruments should be reviewed with the aim of directing funding towards those instruments in demand?. One amendment introduced a system of knowledge vouchers? for SMEs to support the dissemination of knowledge;
- steps should be taken to encourage young researchers, support the early stages of their scientific careers and reduce the brain drain?, e.g. through reintegration grants;
- lastly, the committee wanted the proposed European Research Council to enjoy real autonomy and therefore suggested that it be initially set up as an Executive Agency that would then become an independent structure established under the codecision procedure. The ERC's administrative and staffing costs should account for no more than 3% of its annual budget.

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

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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)

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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)

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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 musco-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 expanded 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".

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

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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)

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The committee adopted the report by Jerzy BUZEK (EPP-ED, PL) on the Council's common position on the 7th Framework Programme for research, technological development and demonstration activities (2007-2013). It adopted - under the 2nd reading of the codecision procedure - a number of compromise amendments agreed in informal meetings with the Council with a view to ensuring that the programme can enter into force in the near future. The key amendments related to the following areas:

- Parliament's priorities: the committee 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. Another amendment stipulated that special attention would be devoted to "coordination of aspects linked to rational and efficient use of energy within the Framework Programme and with other Community policies and programmes";

- 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;
- 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;
- European Institute of Technology: the committee added a statement to the Annex stressing Parliament's "strong conviction" 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;
- Confidentiality: a new clause was added to the 'Security' theme stating 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";
- 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".

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

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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)

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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.

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

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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)

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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:

- 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.