

Horizon 2020 Framework Programme for research and innovation 2014-2020: rules for participation and dissemination

2011/0399(COD) - 30/11/2011 - Legislative proposal

PURPOSE: to lay down specific rules for the participation in indirect actions undertaken under the Horizon 2020 Programme.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: designed to support the Europe 2020 Flagship Initiative "[Innovation Union](#)", the basic principle of "Horizon 2020" is to adopt a much more strategic approach to research and innovation. All policy instruments and measures are designed to contribute to research and innovation and to develop further the European Research Area whereby knowledge, researchers and technology circulate freely, and to accelerate the commercialisation and diffusion of innovation across the Single Market.

The set consists of the proposals for:

- a [Framework Programme](#) for Horizon 2020;
- a single set of Rules for Participation and Dissemination ;
- a [single specific programme](#) to implement Horizon 2020;
- a single proposal for the parts of Horizon 2020 corresponding to the [Euratom Treaty](#).

This proposal makes it clear that the rules for the participation and dissemination should adequately reflect the recommendations of the European Parliament, as summarised in the "[Report on simplifying the implementation of the Research Framework Programmes](#)".

Furthermore, following extensive public consultation based on a [Green Paper](#), "From challenges to opportunities: towards a common strategic framework for Union research and innovation funding", the following obstacles were identified to participation rules:

- the most important one from the participant's perspective is the complexity of administrative procedures along with the administrative burden;
- participants also find it very burdensome to apply different sets of rules depending on the Union research and innovation programme and they called for a greater consistency of rules between instruments;
- currently too many procedures, in particular regarding financial controls, appear to be designed exclusively to ensure a very low risk of errors, but also result in control mechanisms perceived as rigid and excessive. A risk/ trust balance is required.

IMPACT ASSESSMENT: the four proposals rely on two in-depth impact assessments, drawing on stakeholder consultations, internal and external evaluations, and contributions from international experts. The assessments found that the Horizon 2020 option would bring more clarity of focus, best achieve the necessary critical mass of effort at programme and project level, and lead to the greatest impact on the policy objectives and downstream economic, competitiveness, and social benefits, while at the same time helping to simplify matters by easing the administrative burden for participants, streamlining the applicable rules and procedures, ensuring consistency between instruments and pointing to a new risk/trust balance.

LEGAL BASIS: Articles 173, 183 and the second paragraph of Article 188 TFEU.

CONTENT: the proposal lays down specific rules for the participation in indirect actions undertaken under Horizon 2020, and also lays down the rules governing the dissemination of results. The Regulation shall not apply to direct actions carried out by the Joint Research Centre (JRC).

The rules proposed were drawn up with the twofold aim of:

- ensuring a single and sufficiently flexible regulatory framework which will render participation easier, create a more coherent set of instruments covering both research and innovation and increase the scientific and economic impact while avoiding duplication and fragmentation.
- simplifying the terms and procedures from the perspective of the participants to ensure the most efficient implementation, taking into account the need for easy access for all participants.

The following new features have been introduced into the rules for participation and dissemination in order to apply the above principles and to bring the rules into line with the characteristics and objectives of the new framework programme:

- the rules will apply to all components of "Horizon 2020", including initiatives under Articles 185 and 187 TFEU, actions currently falling within the scope of the Competitiveness and Innovation Programme as well as the EIT activities. The necessary flexibility corresponding to the different nature of the research and innovation actions is ensured by appropriate derogations and by allowing to set out specific participation details in the work programmes;
- the rules for participation relating to the Union funding are based on the revised Regulation on the financial rules applicable to the annual budget of the Union which has streamlined and rendered more efficient the way in which Union policies can be implemented;
- the financial provisions relating to the Union funding in the form of grants have been clarified and simplified. Thus, they are now establishing a single funding rate depending for each type of action funded under "Horizon 2020" with no differentiation among participants. Enhanced use of lump sums, flat rates and scale of unit costs is also proposed;
- for direct costs, these rules provide for a broad acceptance of the usual accounting practices of grant beneficiaries, subject to a

minimum number of boundary conditions. The grant agreement will include further simplification provisions allowing beneficiaries to gain legal certainty on the eligibility of the costs charged to actions under "Horizon 2020". Those simplification provisions will include, among others, a clear definition of the time recording requirements and objective references regarding the annual productive hours;

- for indirect costs, the calculation is radically simplified. The reimbursement involves a flat rate based on total direct eligible costs of participants with a possibility to declare costs actually incurred which is limited to non-profit legal entities;
- rules applying to the new forms of funding allow for more flexibility, such as those related to prizes to be awarded for the achievement of pre-specified targets or those related to public pre-commercial procurement and procurement of innovative solutions as well as those related to the financial instruments;
- given its demonstrated efficiency as a safeguard mechanism, the participants' Guarantee Fund set up under the Seventh Framework Programme will be renewed for the entire duration of "Horizon 2020" with clearer rules and the possibility to extend it to cover risks undertaken in actions under the EURATOM Framework Programme;
- the rules regarding intellectual property, exploitation and dissemination have been modelled on the widely acknowledged Seventh Framework Programme provisions with further improvements and clarifications: (i) specific new emphasis has been put on open access to research publications and an opening was made for experiments with open access to other results; (ii) the enlarged scope and new forms of funding as well as the need for flexibility in this area of the rules has been taken into account by the possibility to lay down additional or specific provisions where appropriate; (iii) access rights for the EU, and in the field of security research also for Member States, have been provided;
- the participation of legal entities established in third countries and of international organisations in actions under "Horizon 2020" will be streamlined and stimulated, in line with the objectives of international cooperation set out in the Treaty, based on mutual benefits and taking into account the conditions for the participation of EU entities to third countries programmes. Within the clear and stable framework, participants will enjoy further flexibility to determine the most appropriate internal arrangements for the implementation of their actions. This should encourage and facilitate the participation of all research stakeholders, including small research units, particularly SMEs.

BUDGETARY IMPLICATIONS: details on the budget regarding the Horizon 2020 Programme are set out in [CNS/2011/0402](#) and [COD/2011/0401](#).