



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 31 August 2010**

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**RECH 280**

**NOTE**

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From: Presidency  
To: Delegations

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Subject: Draft Council Conclusions on Raising the attractiveness of EU Research and Innovation programmes: the challenge of simplification  
- Presidency text

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Delegations will find in annex a Presidency text for Draft Council Conclusions on Raising the attractiveness of EU Research and Innovation programmes: the challenge of simplification.

**Draft Council Conclusions on Raising the attractiveness of EU Research and Innovation programmes: the challenge of simplification**

THE COUNCIL OF THE EUROPEAN UNION

RECALLING

- Council Conclusions of 3 December 2009 on Guidance on future priorities for European research and research-based innovation in post 2010 Lisbon strategy<sup>1</sup>,
- Communication of the Commission on “Simplifying the implementation of the Research Framework Programmes” of 27 April 2010<sup>2</sup>
- Council Conclusions of 26 May 2010 on Simplified and more efficient Programmes supporting European Research and Innovation<sup>3</sup>,
- Communication of the Commission on "More or less controls? Striking the right balance between the administrative costs of control and the risk of error" of 26 May 2010<sup>4</sup>
- Proposal for a Regulation of the European Parliament and of the Council on the Financial Regulation applicable to the general budget of the European Union (Recast) of 28 May 2010<sup>5</sup>

LOOKING FORWARD to the European Parliament report on simplifying the implementation of the Research Framework programmes.

1. UNDERLINES THAT

- a) Simplification of the research and innovation programmes is necessary to face the current complexity of funding which leads to excessive administrative burden and discourages potential beneficiaries;

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<sup>1</sup> Doc. 17189/09.

<sup>2</sup> Doc. 9348/10.

<sup>3</sup> Doc. 10268/10.

<sup>4</sup> Doc. 10346/10.

<sup>5</sup> Doc. 10561/10.

- b) Simplification must be the result of a constructive dialogue between all stakeholders.
- c) The simplification process must ensure stability throughout the transition from existing programmes to future programmes;
- d) The simplification process can contribute to the improved implementation of the FP7 and provide input for the forthcoming R&I programmes;
- e) A new balance between sound management of funds, financial control mechanisms and trust in researchers needs to be found quickly while preserving excellence.

2. INVITES THE MEMBER STATES TO

- a) Contribute to simplification of EU rules and procedures through exchange of best practices, as well as to exchange experiences and best practices on rules and procedures at national and regional level to foster convergence between them;
- b) Adapt national and regional rules and procedures in order to make them coherent with EU regulations, where appropriate;
- c) Stimulate the debate at national and regional level on the forthcoming R&I programmes.

3. TAKES POSITIVE NOTE OF THE COMMISSION'S PROPOSAL THAT

- a) The reference to usual accounting practice of the beneficiaries is generalized, especially for the average personnel cost methodology, as long as it does not deviate significantly from actual costs;
- b) The obligation to open interest-bearing bank accounts and the recovery of induced interest is abolished;

- c) The tolerable risk of error rate is increased to 3,5% allowing a balance between the risk rate inherent to research projects and the burden of procedures and controls in order to create the conditions for a more cost-effective control system.

#### 4. INVITES THE COMMISSION TO

- a) Speed up the simplification process, develop trust in researchers, and guarantee the stability of rules while avoiding further complexity;
- b) Take following actions already with regard to the FP7:
  - i. Finalize the research participant portal;
  - ii. Introduce further transparency and traceability in the project cycle;
  - iii. Further reduce paperwork e.g. by reducing the amount of documents and by simplifying them;
  - iv. Organize access to public output of projects in a central repository, thereby avoiding duplication of efforts and increasing efficiency of means;
  - v. Take further steps in order to ensure coherent interpretation and application of the rules and regulations by all stakeholders (for example, Project Officers, Auditors or different Executive Agencies, across DGs and units within the same DG);
  - vi. Develop an independent FP- Mediation mechanism to settle disputes
  - vii. Introduce more two-stage application procedures, when relevant, to prevent oversubscription and to increase success rate;
  - viii. Introduce more flexibility in the composition of consortia and reduce their size;
  - ix. Develop synergies with other programmes and instruments such as CIP, Structural Funds, JTIs, by means of common rules and procedures, whenever possible;
  - x. Launch pilot schemes and perform an international benchmarking exercise on a new “science-based” approach whereby the notion of risk and all the efforts of researchers must be taken into account, given that the absence of result could be a result in itself;

- c) Take following actions with regard to the forthcoming R&I Programmes:
- i. Maintain different funding rates, indirect cost calculation models for each type of beneficiaries (e.g. universities, research organisations, industry and SMEs);
  - ii. Use lump sums as an option on a voluntary basis, under the conditions that they are as close to actual costs of each organisation as possible and in conformity with the national accounting and auditing standards;
  - iii. Perform an ex post evaluation of the pilot schemes mentioned in 4. b) xii and hold a large consultation involving all stakeholders in order to determine the best funding approach (e.g. results-, performance-, science-based) establishing clear rules and regulations and defining all funding rates. In this exercise it should be kept in mind that the R&I programmes should foster an acceptable degree of risk taking and excellence.
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