

**WORK PROGRAMME 2009**

**COOPERATION**

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***(European Commission C(2008)4598 of 28 August 2008)***

# Annex 1 of the 2009 Cooperation Work Programme

## Annex 1: List of International Cooperation Partner Countries (ICPC)<sup>1</sup>

### ACP \*

#### - AFRICAN

• Angola	LM
• Benin	L
• Botswana	UM
• Burkina-Faso	L
• Burundi	L
• Cameroon	LM
• Cape Verde	LM
• Central African Republic	L
• Chad	L
• Comoros	L
• Congo (Republic)	LM
• Congo (Democratic Rep.)	L
• Côte d'Ivoire	L
• Djibouti	LM
• Equatorial Guinea	UM
• Eritrea	L
• Ethiopia	L
• Gabon	UM
• Gambia	L
• Ghana	L
• Guinea	L
• Guinea-Bissau	L
• Kenya	L
• Lesotho	LM
• Liberia	L
• Madagascar	L
• Malawi	L
• Mali	L
• Mauritania	L
• Mauritius	UM
• Mozambique	L
• Namibia	LM
• Niger	L
• Nigeria	L
• Rwanda	L
• Sao Tome and Principe	L
• Senegal	L
• Seychelles	UM
• Sierra Leone	L
• Somalia	L
• South Africa <sup>2</sup>	UM
• Sudan	L
• Swaziland	LM
• Tanzania	L
• Togo	L

• Uganda	L
• Zambia	L
• Zimbabwe	L

#### - CARIBBEAN

• Barbados	UM
• Belize	UM
• Cuba	LM
• Dominica	UM
• Dominican Rep.	LM
• Grenada	UM
• Guyana	LM
• Haiti	L
• Jamaica	LM
• Saint Kitts and Nevis	UM
• Saint Lucia	UM
• Saint Vincent and Grenadines	UM
• Suriname	LM
• Trinidad and Tobago	UM

#### - PACIFIC

• Cook Islands	UM
• Timor Leste	L
• Fiji	LM
• Kiribati	LM
• Marshall Islands	LM
• Micronesia, Federal States of	LM
• Nauru	UM
• Niue	UM
• Palau	UM
• Papua New Guinea	L
• Samoa	LM
• Solomon Islands	L
• Tonga	LM
• Tuvalu	LM
• Vanuatu	LM

#### ASIA

• Afghanistan	L
• Bangladesh	L
• Bhutan	L
• Burma/Myanmar	L
• Cambodia	L
• China <sup>2**</sup>	LM
• Democratic People's Republic of Korea	L
• India <sup>2**</sup>	L
• Indonesia	LM
• Iran	LM
• Iraq	LM

• Lao People's Democratic Rep.	L
• Malaysia	UM
• Maldives	LM
• Mongolia	L
• Nepal	L
• Oman	UM
• Pakistan	L
• Philippines	LM
• Sri Lanka	LM
• Thailand	LM
• Vietnam	L
• Yemen	L

#### EASTERN

#### EUROPE

#### AND CENTRAL

#### ASIA (EECA)

• Armenia <sup>3</sup>	LM
• Azerbaijan <sup>3</sup>	LM
• Belarus <sup>3</sup>	LM
• Georgia <sup>3</sup>	LM
• Kazakhstan	LM
• Kyrgyz Republic	L
• Moldova <sup>3</sup>	LM
• Russia <sup>2**</sup>	UM
• Tajikistan	L
• Turkmenistan	LM
• Ukraine <sup>2,3</sup>	LM
• Uzbekistan	L

#### LATIN AMERICA

• Argentina <sup>2</sup>	UM
• Bolivia	LM
• Brazil <sup>2**</sup>	LM
• Chile <sup>2</sup>	UM
• Colombia	LM
• Costa Rica	UM
• Ecuador	LM
• El Salvador	LM
• Guatemala	LM
• Honduras	LM
• Mexico <sup>2</sup>	UM
• Nicaragua	LM
• Panama	UM
• Paraguay	LM
• Peru	LM
• Uruguay	UM
• Venezuela	UM

#### MEDITERRANEAN

#### PARTNER

#### COUNTRIES (MPC)

• Algeria <sup>3</sup>	LM
• Egypt <sup>2,3</sup>	LM
• Jordan <sup>3</sup>	LM
• Lebanon <sup>3</sup>	UM
• Libya <sup>3</sup>	UM

• Morocco <sup>2,3</sup>	LM
• Palestinian-administered areas <sup>3</sup>	LM
• Syrian Arab Rep. <sup>3</sup>	LM
• Tunisia <sup>2,3</sup>	LM

#### WESTERN

#### BALKAN

#### COUNTRIES

#### (WBC)

• Bosnia-Herzegovina <sup>4</sup>	LM
• Kosovo <sup>5</sup>	LM

\*In the 'Specific international cooperation actions', Africa can also be considered as a region on its own, while the Caribbean countries can also participate with Latin American and the Pacific countries with Asia.

\*\*For participation in the 'Specific international cooperation actions' each of Brazil, China, India and Russia may be considered individually as a region on its own. Thus, the required two or more partners can be located in these countries. However, in this case, at least two different partners from different provinces, oblasts, republics or states within Brazil, China, India or Russia are necessary.

Income categories related to the use of lump sums for ICPC:  
L – Low-Income  
LM – Lower-Middle Income  
UM – Upper-Middle Income

<sup>1</sup> Legal entities established in countries against which the European Community under Articles 60 and 301 of the EC-Treaty has issued actions to interrupt or to reduce, in part or completely, economic relations, may only participate and receive a financial contribution if it complies with these actions.

<sup>2</sup> Signed an agreement with the EC covering Science & Technology.

<sup>3</sup> These countries are also part of the European Neighbourhood Policy (ENP).

<sup>4</sup> Until the country becomes Associated to FP7

<sup>5</sup> As defined by UNSC resolution 1244 of 10 June 1999.

## **Annex 2: Eligibility and Evaluation Criteria for Proposals**

### **Eligibility criteria**

A proposal will only be considered eligible if it meets all of the following conditions:

- It is received by the Commission before the deadline given in the call text.
- It involves at least the minimum number of participants given in the call text.
- It is complete (i.e. both the requested administrative forms and the proposal description are present)
- The content of the proposal relates to the topic(s) and funding scheme(s), including any special conditions, set out in those parts of the relevant work programme

Other eligibility criteria may be given in the call text.

### **Evaluation criteria**

The evaluation criteria against which proposals will be judged are set out in article 15 of the Rules for Participation. For the 'Cooperation' specific programme these are:

- scientific and/or technological excellence;
- relevance to the objectives of these specific programmes<sup>1</sup>;
- the potential impact through the development, dissemination and use of project results;
- the quality and efficiency of the implementation and management.

Within this framework, the work programmes will specify the evaluation and selection criteria and may add additional requirements, weightings and thresholds, or set out further details on the application of the criteria.

The purpose of this annex is to set out such specifications. Unless otherwise indicated in the relevant parts of this work programme, the criteria, weightings and thresholds given here will apply to all calls for proposals.

Proposals will be evaluated in line with the Commission 'Rules on Submission of Proposals and the Related Evaluation, Selection and Award Procedures'.

A proposal which contravenes fundamental ethical principles, fails to comply with the relevant security procedures, or which does not fulfil any other of the conditions set out in the specific programme, the work programme or in the call for proposals shall not be selected. Such a proposal may be excluded from the evaluation, selection and award procedures at any time. Details of the procedure to be followed are given in the Commission rules mentioned above.

The arrangements for a particular call will be set out in the relevant Guide for Applicants.

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<sup>1</sup> **Relevance** will be considered in relation to the topic(s) of the work programme open in a given call, and to the objectives of a call. In the scheme set out on the following page, these aspects will be integrated in the application of the criterion "S/T excellence", and the first sub-criterion under "Impact" respectively. When a proposal is **partially relevant** because it only marginally addresses the topic(s) of a call, or because only part of the proposal addresses the topic(s), this condition will be reflected in the scoring of the first criterion. Proposals that are clearly not relevant to a call ("out of scope") will be rejected on eligibility grounds.

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		<b>1. Scientific and/or technological excellence</b> <i>(relevant to the topics addressed by the call)</i>  <b>(award)</b>	<b>2. Quality and efficiency of the implementation and the management</b>  <b>(selection)</b>	<b>3. The potential impact through the development, dissemination and use of project results</b>  <b>(award)</b>
<b>All funding schemes</b>		<ul style="list-style-type: none"> <li>• <i>Soundness of concept, and quality of objectives</i></li> </ul>	<ul style="list-style-type: none"> <li>• Appropriateness of the management structure and procedures</li> <li>• Quality and relevant experience of the individual participants</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contribution, at the European [and/or international] level, to the expected impacts listed in the work programme under relevant topic/activity</i></li> </ul>
<b>Collaborative projects</b>		<ul style="list-style-type: none"> <li>• <i>Progress beyond the state-of-the-art</i></li> <li>• Quality and effectiveness of the S/T methodology and associated work plan</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of the consortium as a whole (including complementarity, balance)</li> <li>• Appropriateness of the allocation and justification of the resources to be committed (budget, staff, equipment)</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriateness of measures for the dissemination and/or exploitation of project results, and management of intellectual property.</li> </ul>
<b>Networks of Excellence</b>		<ul style="list-style-type: none"> <li>• <i>Contribution to long-term integration of high quality S/T research</i></li> <li>• Quality and effectiveness of the joint programme of activities and associated work plan</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of the consortium as a whole (including ability to tackle fragmentation of the research field, and commitment towards a deep and durable integration)</li> <li>• Adequacy of resources for successfully carrying out the joint programme of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriateness of measures for spreading excellence, exploiting results, and disseminating knowledge, through engagement with stakeholders and the public at large.</li> </ul>
<b>Co-ordination &amp; Support Actions</b>	<b>CA</b>	<ul style="list-style-type: none"> <li>• Contribution to the co-ordination of high quality research</li> <li>• Quality and effectiveness of the co-ordination mechanisms, and associated work plan</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of the consortium as a whole (including complementarity, balance) [for SA: only if relevant]</li> <li>• Appropriateness of the allocation and justification of the resources to be committed (budget, staff, equipment)</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriateness of measures for spreading excellence, exploiting results, and dissemination knowledge, through engagement with stakeholders, and the public at large.</li> </ul>
	<b>SA</b>	<ul style="list-style-type: none"> <li>• Quality and effectiveness of the support action mechanisms, and associated work plan</li> </ul>		
<b>Research for the benefit of specific groups</b>		<ul style="list-style-type: none"> <li>• Innovative character in relation to the state-of-the art</li> <li>• Contribution to advancement of knowledge / technological progress</li> <li>• Quality and effectiveness of S/T methodology and associated work plan</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of the consortium as a whole (including complementarity and balance)</li> <li>• Appropriateness of the allocation and justification of the resources to be committed (budget, staff, equipment)</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriateness of measures for the dissemination and/or exploitation of project results, and management of intellectual property</li> </ul>

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### Notes:

1. Evaluation scores will be awarded for each of the three criteria, and not for the sub-criteria. Each criterion will be scored out of 5. No weightings will apply. The threshold for individual criteria will be 3. The overall threshold, applying to the sum of the three individual scores, will be 10.
2. The second column corresponds to the **selection criteria** in the meaning of the financial regulation<sup>2</sup> (article 115) and its implementing rules<sup>3</sup> (article 176 and 177). They also will be the basis for assessing the 'operational capacity' of participants. The other two criteria correspond to the **award criteria**.
3. For the evaluation of first-stage proposals under a two-stage submission procedure, only the sub-criteria in italics apply.

### **Priority order for proposals with the same score**

As part of the evaluation by independent experts, a panel review will recommend one or more ranked lists for the proposals under evaluation, following the scoring systems indicated above. A ranked list will be drawn up for every indicative budget shown in the call fiche.

If necessary, the panel will determine a priority order for proposals which have been awarded the same score within a ranked list. Whether or not such a prioritisation is carried out will depend on the available budget or other conditions set out in the call fiche. The following approach will be applied successively for every group of *ex aequo* proposals requiring prioritisation, starting with the highest scored group, and continuing in descending order:

- (i) Proposals that address topics not otherwise covered by more highly-rated proposals, will be considered to have the highest priority.
- (ii) These proposals will themselves be prioritised according to the scores they have been awarded for the criterion *scientific and/or technological excellence*. When these scores are equal, priority will be based on scores for the criterion *impact*. If necessary, any further prioritisation will be based on other appropriate characteristics, to be decided by the panel, related to the contribution of the proposal to the European Research Area and/or general objectives mentioned in the work programme (e.g. presence of SMEs, international co-operation, public engagement).
- (iii) The method described in (ii) will then be applied to the remaining *ex aequos* in the group.

NOTE: the call fiche may indicate provisions that supplement or override the above.

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<sup>2</sup> OJ L248 16.9.2002, p1.

<sup>3</sup> OJ L357 31.12.2002, p1

### **Annex 3: Forms of Grant and Maximum Reimbursement Rates for Projects Funded Through the Cooperation Work Programme**

#### Forms of Grant

The FP7 'Rules for Participation' propose three potential forms of grant for the Community financial contribution: reimbursement of eligible costs, flat rate financing including scale of unit costs, and lump sum financing. In this work programme, for all funding schemes, the reimbursement of eligible costs (including the different options for flat rates on indirect costs as established in Article 32 of the Rules for Participation) will be the only form of grant used.

Two exceptions to this will apply. Pursuant to Article 30 of the Rules for Participation and Commission Decision C(2007)2287 of 4 June 2007, participants from International Cooperation Partner Countries (see Annex 1) may choose to opt for lump sum financing.

In addition, under chapter 5 of this work programme 'Energy', actions relating to the CONCERTO research topics under Activity 8 'Energy Efficiency and Savings', may combine the reimbursement of eligible costs with flat rate financing in the form of scale of unit costs. Further information on this is given in chapter 5.

#### Maximum Reimbursement Rates

The upper limits foreseen in the Rules for Participation (Article 33) for the Community financial contribution are summarised in the following table.

	Non-profit public bodies, secondary and higher education establishments, research organisations and SMEs	All other organisations
Research and technological development activities	75%	50% <sup>4</sup>
Demonstration activities	50%	50%
Coordination and support actions	100%	100%
Management, audit certificates and other activities <sup>5</sup>	100%	100%

<sup>4</sup> For security related research and technological development activities, (Chapter 10 of this work programme) the Community financial contribution may reach a maximum of 75% in the case of the development of capabilities in domains with very limited market size and a risk of 'market failure' and for accelerated equipment development in response to new threats. Further information is given in Chapter 10.

<sup>5</sup> Including, inter alia training in actions that do not fall under the funding schemes for training and career development of researchers, coordination, networking and dissemination (as set out in Article 33(4) of the Rules for Participation).

## **Annex 4: General Activities**

In this annex, the activities which are funded across the Programme are presented. These activities concern in particular the following:

### **Dissemination, knowledge transfer and broader engagement**

1. The CORDIS services

### **Co-ordination of non-Community research programmes**

2. The horizontal ERA-NET scheme
3. Research organisations in the EU
4. Strengthened coordination with EUREKA
5. Scientific and technological cooperation activities carried out in COST

### **Risk-Sharing Finance Facility**

6. Contribution to the European Investment Bank (EIB)

#### **A4.1 THE CORDIS SERVICES**

CORDIS, the 'Community Research and Development Information Service', (<http://cordis.europa.eu/>) informs the research community, industry and citizens alike on the latest FP7 calls for proposals, news, progress and initiatives in European research and development activities. The website is the unique and authoritative source of information on funding opportunities offered by the 7th Framework Programme on research and development. As an interactive service, it also helps potential funding applicants find research partners and information on previous and ongoing projects.

CORDIS contributes to European competitiveness by offering a service of value to researchers, entrepreneurs, industrial partners, government agencies, the non-profit sector and the interested citizen.

The costs for CORDIS activities for 2009 are currently estimated at EUR 11.5 million<sup>6</sup>. This figure reflects the additional costs relating to the parallel running, for three months, of the existing contracts with the new forthcoming contracts and the migration of the hosting of the website to a more generic hosting environment.

It is also anticipated that CORDIS will resume its normal rhythm of activities in 2010, thus reducing expenditure for that year to an estimated EUR 10-11 million as is the case for the years 2006 and 2007. The activities will be implemented through the administrative arrangement with the Office for Official Publications of the European Communities and guided through the governance structure of the CORDIS Service Management Board, involving all the research Directorates-General under the chairmanship of DG Research.

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<sup>6</sup> To be taken from the Themes of the Cooperation Programme on a pro-rata basis.

In addition to the regular yearly CORDIS work programme described below, two major facts will have an impact on the 2009 work programme:

- The migration of the hosting of the CORDIS website from the current location to a more generic hosting environment, such as the Data Centre of the European Commission –Directorate-General for Informatics, will have started in 2008 and is expected to be fully operational by mid-2009. The CORDIS architecture will have to be revised to cope with the standards and procedures of the hosting environment. All the applications and content have to be migrated to the future hosting environment, fully tested, including stress testing before switching to the new production environment.
- The renewal of the CORDIS contractual framework will induce additional costs since three months' parallel operation with existing contracts will be necessary to allow for the new contractors to form teams, train their personnel and bring themselves up to date with the services to be provided. This parallel running is necessary to ensure the opening of the market to potentially new firms and to guarantee stability during the hand-over from the previous contractors to the new ones. More significant developments are foreseen for 2010.

The main CORDIS activities for the Framework Programmes are listed below.

- CORDIS online (editorial, news, promotion):
  - Maintaining the CORDIS site, focusing on all activities of the Framework Programmes.
  - Editorial support (e.g. animation, coordination, guidance) to information providers from the various EU services funded by the Framework Programmes to populate and update the CORDIS information services.
  - Editorial activities to inform on the implementation of the Framework Programmes, in particular the launch of forthcoming calls for proposals.
  - Daily publishing of CORDIS news (e.g. on events, calls for proposals, results, etc.).
  - Production and publishing of information relating to calls for proposals under the Framework Programmes, including calls for proposals.
  - Collection and dissemination of project results, including editorial support.
  - Editorial support (e.g. animation, coordination, guidance) toward national and regional contact points (cf. EURAXESS, ERAWATCH, NCP – National contact points) of the Framework Programmes.
  - Improving multilingual coverage (for elements such as CORDIS top pages, guidance, help, FAQ)
  - Governance via editorial committees and advisory groups.
  - Promotion and marketing activities of the CORDIS services in various conferences, exhibitions and official events focusing on R&D.

- Publications
  - Printing and dissemination to subscribers, including management of distribution lists, user surveys (dissemination mainly using CORDIS electronic notification service, print on demand and cost recovery for additional copies).
  - Production of posters, flyers, and factsheets.
- Value added information services for the Framework Programmes
  - Corrective and evolutionary maintenance of the core services offered as part of CORDIS for supporting the Framework Programmes:
    - Tool for creating information and call pages for Framework Programme calls for proposals, including front end to the preparation of proposals and their submission via EPSS;
    - Front end for the Framework Programme expert registration system;
    - Front end to the National Contact Points located in the Member States, Associated Countries and Third Countries (where relevant);
    - Web content management environment for empowerment of information providers;
    - Improvement of the facilities for interacting with users, such as rating, pooling, collaborative environments and online statistics;
    - Information systems developed at the request of Framework Programme stakeholders, such as ERAWATCH and EURAXESS;<sup>7</sup>
    - Electronic notifications system made available to subscribers according to their subscriptions: News, News Express, Events, Partners, press releases, CORDIS Wire (the online submission of information by affiliated CORDIS users);
    - Online Forums;
    - Front end and data warehouse containing public data relating to Framework Programme activities (such as contacts, projects, partners, public results and acronyms), including interfaces with upstream systems (e.g. the FP7 common data warehouse);
    - User-searchable online archives;
    - RSS and web services for syndication with upstream and downstream partners, in particular, easing better integration with Europa and reuse of CORDIS content by multipliers and other sites;

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<sup>7</sup> Projects conducted outside the budget allocated will be charged to the requestor and the corresponding costs recovered by the Publications Office.

- Search engine, improvement of search strategies, display, accessibility and handling of results, including Europa search integration;
  - Recasting the software architecture and modules to cope with the standards and procedures of the new hosting environment;
- Improved ergonomics, accessibility (e.g. WAI compliance) and usability of the CORDIS website.
- Improving multilingual support in CORDIS:
  - Integration with automatic translation facilities;
  - Interfaces with multilingual thesauri;
  - Improved navigation using multilingual taxonomies.
- EU Bookshop - CORDIS (Collection of EU funded R&D reports and publications)
  - Collection of R&D reports and publications according to Framework Programme model grant agreement provisions;
  - Cataloguing and production of bibliographical notices for each R&D report and publication;
  - Uploading of resulting notices and publications in the EU Bookshop catalogue and repository;
  - Customising a Corporate EU Bookshop dedicated to R&D reports and publications;
  - RSS and web services for syndicating R&D publication records into other electronic dissemination systems.
- Management and Operational Services
  - Hosting the CORDIS website and all associated services, including telecommunications.
  - Migration of CORDIS (software, content, user data, certificates, etc.) to a more generic hosting environment (Internet Service Provider), such as the Data Centre of the European Commission – Directorate-General for Informatics. Testing of the new infrastructure, stress testing, rerouting of web and e-mail addresses to ensure seamless migration and zero interruption of the service for information providers and end-users.
  - Monitoring (internal and external) of the CORDIS service to ensure availability, stability, performance and security in conformance with the CORDIS hosting – Service Level Agreement. Migration of the monitoring to the new hosting environment.
  - Providing user support to end users and information providers.

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- Conducting and following up on user satisfaction surveys.
- Providing statistics on usage, response time, availability, and updates, for each of the services hosted by CORDIS. Migration of the statistics according to the new hosting environment.

CORDIS timetable for the tendering procedure and migration to new hosting environment:

Years	2008				2009				2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Tasks												
Operation of existing contracts												
CORDIS ex-ante study												
Tendering procedure												
Hand over / take over new contractors												
Migration ICA2 / CMS 2												
Recasting CORDIS architecture												
Migration to new hosting environment												
New hosting environment operational												

## **A4.2 THE ERA-NET SCHEME**

The objective of the ERA-NET scheme is to develop and strengthen the coordination of national and regional research programmes through two specific actions:

'ERA-NET actions' - which provide a framework for actors implementing public research programmes to coordinate their activities. This will include support for new ERA-NETs as well as for the broadening and deepening of the scope of existing ERA-NETs, e.g. by extending their partnership, as well as opening mutually their programmes;

'ERA-NET Plus actions'- In a limited number of cases, additional EU financial support can be provided to facilitate joint calls for proposals between national and/or regional programmes.

Under the ERA-NET scheme, national and regional authorities identify research programmes they wish to coordinate or open up mutually. The participants in these actions are therefore programme 'owners' (typically ministries or regional authorities defining research programmes) or programme 'managers' (such as research councils or other *research funding* agencies managing research programmes).

The networking and mutual opening of research programmes require a progressive approach. The ERA-NET scheme therefore has a long-term perspective and it is flexible in order to allow for the different ways in which public research funding is organised in different Member or Associated States.

### **A4.2.1 Approach**

As a result of the ERA-NET scheme, progress has been made in reducing fragmentation across the European Research Area (ERA). Organisations from all Member and Associated Countries participate actively in the scheme:

- Since the introduction of the scheme in FP6, some 80 ERA-NET actions have been funded (through Coordination Actions), involving hundreds of national research programmes<sup>8</sup>.
- These ERA-NET actions cover a wide range of research fields such as transport, energy, environment, industrial technologies, plant and human health, astrophysics and social sciences. In addition, several ERA-NET actions have been set up to address more horizontal topics such as international cooperation, SMEs, the promotion of gender balance in research and metrology. For a full list of projects, see <http://cordis.europa.eu/coordination/projects.htm> .

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<sup>8</sup> ERA-NET actions cover both national and regional research programmes. To avoid repetition, the term 'national research programme' will be used in this section to refer to both national and regional research programmes.

Under FP7, the ERA-NET scheme is continued and reinforced:

- New ERA-NET actions will be supported.
- FP6 ERA-NET actions may re-apply to receive Commission support to extend and/or reinforce their integration.
- In a new module, called 'ERA-NET Plus', the Commission will support the organisation of joint calls between national research programmes by 'topping-up' joint trans-national funding with Community funding.

In contrast to FP6, the ERA-NET scheme is no longer a 'stand-alone' action in FP7. It is an implementation tool, which will be used mainly in the context of the Cooperation specific programme, but also in the Parts of the Capacities Programme<sup>9</sup>.

#### **A4.2.2 Content of Call 2009**

For 2009, the ERA-NET scheme will be mainly implemented through a coordinated call<sup>10</sup> for proposals, open for the activities or topics explicitly specified in this work programme (or in the Capacities work programme) at the level of its various Themes. The selected proposals will be funded by the relevant Themes.

##### ***A4.2.2.1 Activity: ERA-NET actions***

###### *Eligibility / Funding Scheme*

The aim of ERA-NET actions is to network research programmes carried out at national or regional level, with a view to their mutual opening and the development and implementation of joint activities.

*"Research programmes carried out at national or regional level"* refers to entire research programmes, parts of such programmes or similar initiatives. Such programmes shall have all of the following characteristics:

- a) To be strategically planned (i.e. be composed of a number of research projects focused on a defined subject area or set of problems, that are scheduled to run for a set period of time and that have a co-ordinated management).
- b) To be carried out at national or regional level.
- c) To be either financed or managed directly by national or regional public bodies, or by structures (e.g. agencies) closely related to, or mandated by, public authorities.

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<sup>9</sup> Since both the Cooperation and the Capacities Specific Programmes foresee the use of ERA-NET / ERA-NET Plus, 'Cooperation themes' will be used in this Work Programme to cover themes in the Cooperation and the Parts of the Capacities Specific Programmes.

<sup>10</sup> The 2009 ERA-NET coordinated call is expected to be published in November 2008, when the present work programme will be also updated.

Activities under the ERA-NET scheme will be established by means of Coordination and Support Actions (CSA). In contrast to FP6, specific support actions to prepare for full ERA-NET actions will not be available. However, Cooperation Themes may call for specific supporting CSAs to prepare ERA-NET proposals for well defined topics.

The Community contribution shall take the form of a grant consisting of a reimbursement of the eligible costs related to the action.

The minimum number of participants in an ERA-NET consortium is three independent legal entities which finance or manage publicly funded national or regional programmes. Each of these must be established in a different Member State or Associated country.

Eligible partners for ERA-NET actions are:

- Programme owners: typically national ministries/regional authorities responsible for defining, financing or managing research programmes carried out at national or regional level.
- Programme 'managers' (such as research councils or funding agencies) or other national or regional organisations that *implement* research programmes under the supervision of the programme owners.
- Programme owners (typically national ministries/regional authorities) which do not have a running or fully fledged research programme at the moment of submitting an ERA-NET proposal, but which are planning, and have committed, to set up such a programme, are also eligible if their participation is well justified and adds value to the overall programme coordination. As such, countries or regions which have less diverse research programmes (in particular new Member States and candidate Associated countries) will find their involvement in the ERA-NET scheme greatly facilitated.

Please note that research organisations or universities which are not programme owners or managers are not eligible partners for ERA-NET actions.

In addition, other private legal entities (e.g. charities) which manage research programmes may participate if their participation is well justified and adds value to the overall programme coordination.

Participants are encouraged, as appropriate, to adopt a global approach in their proposals, involving also non-European research programmes in the activities undertaken by ERA-NET actions.

Sole participants (as referred to in Article 10 of the Rules for Participation) may be eligible if the above-mentioned specific criteria for eligible ERA-NET partners are respected. A sole participant shall explicitly indicate which of his 'members' forming a sole legal entity is either a programme owner or programme manager in the proposed action and indicate for these members, the respective national/regional programmes which are at the disposal of the proposed ERA-NET action.

Technical content/scope

ERA-NET actions can cover the networking of national research programmes in all fields of science and technology, including multi- and trans-disciplinary fields of research.

The networking of programmes may involve several levels of cooperation and coordination, depending on the degree of maturity of the network. The use of the ERA-NET scheme should make this evolution possible and should adopt a step-by-step approach.

In this respect, a four step approach covering the following activities could be envisaged:

- 1) Information exchange
- 2) Definition and preparation of joint activities
- 3) Implementation of joint activities
- 4) Funding of joint trans-national research.

ERA-NET actions should be ambitious and should aim to reach level 4. They should result in concrete progress towards the opening up of, or cooperation between, the participating research programmes. The cooperation should be sustained, such that it will continue beyond the duration of the ERA-NET action itself.

Activities funded

Activities eligible for funding correspond to the four steps identified in the *'technical content/scope'* section above. More specifically, these include:

(i) Information exchange

This step aims to gather information on the structure and programmes covered by each national research system. It could also improve communication, develop better reciprocal knowledge and promote trust-building among programme owners or managers in similar scientific and technological areas through a mutual learning process, and the systematic exchange of information and good practices.

(ii) Definition and preparation of joint activities

This key part of the action should analyse the information gathered in step 1 and identify the type of cooperation and the areas which will be addressed.

This step should aim to prepare actively and define activities under steps 3 and 4.

It should result in an **Action plan**, which sets out common strategic issues and prepares for a concrete implementation of joint activities.

(iii) Implementation of joint activities

Experience from FP6 has shown that much of the added value in co-ordinating national programmes is gained by trying to implement joint activities, even if in a pilot form.

ERA-NET actions are therefore encouraged to develop and implement, from an early stage in the project, common, joint, strategic activities such as:

- Clustering of nationally-funded research projects, to develop complementarities or mutual reinforcement of ongoing nationally-funded research programmes.
- Multinational project evaluation procedures (common evaluation criteria and methods of implementation). This could contribute in the long-term to the integration of evaluation practices across national research systems (covering proposal, project and programme evaluation).
- Schemes for joint training activities, such as co-supervised theses and international PhD schemes, to help support a wider cooperation in research.
- Schemes for the mutual opening of facilities or laboratories in one country for scientists from another.
  
- Converging schemes for programme monitoring and evaluation, including joint monitoring or evaluation.
  
- Schemes for personnel exchange, in the context of the above activities.
  
- Specific cooperation agreements or arrangements between participating programmes. These would prepare the ground for further trans-national research programmes and ensure that legal barriers are removed.

#### (iv) Funding of joint trans-national research

The strongest form of programme networking implies the funding and implementation of a joint programme of trans-national research projects or actions. This is likely to involve the setting-up of a common strategy, a joint work programme, common (mutually open) or joint calls for proposals or tenders, a common trans-national evaluation system and a common plan for dissemination of results or experiences. In such schemes, projects funded out of a common or joint call for proposals should involve at least two teams from two different countries.

In this step, other ways of implementing joint research actions could also be developed or explored. For example, a complex or very ambitious research agenda could be divided in various parts, which are each addressed through differentiated national calls. Results would then be shared.

#### Expected Impact

The ERA-NET scheme aims to reduce the fragmentation of the European Research Area by increasing coordination between national research programmes across the EU Member and Associated States.

ERA-NET actions allow Member States and Associated countries to avoid overlap between their programmes and to develop expertise from mutual learning.

In general, ERA-NET actions should not cover very limited research areas. They should not overlap with other ongoing ERA-NET actions or create further fragmentation. Complementarities to, or coordination with, FP7 activities should be ensured where possible.

ERA-NET actions will result in concrete cooperation between research programmes, such as their networking, their mutual opening and the development and implementation of joint programmes and activities.

The level of ERA-NET actions will depend on their previous experience:

- ERA-NETs launched under FP6 wishing to submit a new proposal under FP7 must include a strong coordination action, directly focusing on steps 3 and 4. As such, these proposals shall aim to broaden the partnership and/or deepen the coordination between the relevant national programmes in the concerned field. In particular, a global approach including non-European research programmes is encouraged.
- New ERA-NET actions, which address topics that were not covered in FP6, should address steps 1 to 3 as a minimum, but are encouraged to aim at the 'four step approach' described above.

The scheme will also enable national or regional systems to collectively take on tasks that they would not have been able to tackle independently.

ERA-NET actions are expected to have a lasting impact. The cooperation developed should provide reliable indications that it could continue beyond the Community funding.

Furthermore, it would be an advantage if the lessons learned and knowledge gathered are disseminated in the European Research Area with a particular focus on new Member States.

In addition to the general impact described above, more specific expected benefits of ERA-NET actions include:

- Achieving critical mass, to ensure the better use of scarce resources.
- Joining forces to provide common answers to common research problems.
- Addressing global issues, common to many EU Member or Associated States.
- Addressing specific geographical issues common to a number of EU Member or Associated States.
- Developing common governance principles (e.g. with respect to ethics, good practices).
- Bring together national programmes which deal with cooperation with third countries, and enable them to speak with a 'single voice'.
- Adopt a global approach, including non-European research programmes, to the activities covered by ERA-NET actions.

#### ***A4.2.2.2 Activity: ERA-NET PLUS actions<sup>11</sup>***

Under ERA-NET Plus actions, the Commission provides an incentive to the organisation of joint calls between national or regional research programmes by 'topping-up' joint trans-national funding with Community funding. These joint calls will entail the award of grants to third parties participating in calls for proposals launched under the ERA-NET Plus actions.

These actions require programme owners or programme managers from at least 5 different Member or Associated States to plan a single joint call with a clear financial commitment from the participating national or regional research programmes.

#### ***Funding Scheme***

As for ERA-NET actions, ERA-NET Plus actions will be supported through Coordination and Support Actions.

The Community will top up the total of the national contributions to the joint call with additional funding for RTD activities. The Community contribution will be limited to a maximum of 33% of the total contributions to the joint call budget. The combined national/regional and Community contributions to the joint calls have to reach at least EUR 5 million.

The Community contribution shall take the form of a grant. This grant will combine the reimbursement of eligible costs<sup>12</sup> (as limited portion covering the activities linked to the preparation and coordination of the joint call) *and* an agreed proportional contribution to the national pooling of funds (for activities relating to the funding of selected trans-national projects).

In accordance with the Decisions concerning the 7<sup>th</sup> Framework Programme<sup>13</sup> and the 'Cooperation' Specific Programme<sup>14</sup>, the provisions of Article 120(2) of the Council Regulation on the Financial Regulation applicable to the general budget of the European Communities<sup>15</sup> and Article 184a of the Commission Regulation laying down detailed rules for the implementation of Council Regulation on the Financial Regulation applicable to the general budget of the European Communities,<sup>16</sup> shall not be applicable with regard to the financial support provided by the participants in the ERA-NET Plus actions to third parties participating in projects selected following calls for proposals launched under these actions.

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<sup>11</sup> The section concerning 'ERA-NET Plus' actions is included for completeness of information, although ERA-NET Plus topics are not currently foreseen in the 2009 work programme..

<sup>12</sup> NB: No further supporting costs will be eligible once a 'selection decision' has been taken by the consortium as a result of the joint call.

<sup>13</sup> OJ L 412, 30.12.2006, p. 1 Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006

<sup>14</sup> OJ L 400, 30.12.2006, p. 86

<sup>15</sup> Council Regulation No. 1605/2002 of 25.6.2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L248, 16.09.2002, p1), as amended by Council Regulation No 1995/2006 of 13 December 2006 (OJ L390, 30.12.2006, p1).

<sup>16</sup> Commission Regulation No, 2342/2002 of 23.12.2002 laying down detailed rules for the implementation of Council Regulation No. 1605/2002 (OJ L357, 31.12.2002, p1) as last amended by Regulation No. 478/2007 of 23.04.2007 (OJ L111, 28.04.2007, p13).

The total duration of a given ERA-NET Plus action and of the resulting projects should normally not exceed 5 years.

Specific Eligibility criteria for ERA-NET Plus actions

ERA-NET Plus proposals must meet the following eligibility criteria:

- A single joint call should be planned with a clear financial commitment from the participating national or regional programmes<sup>17</sup>.
- Eligible participants are the same as for ERA-NET actions with the exception that programme owners, which do not have yet a running or fully fledged research programme at the moment of submitting a proposal, are not eligible for ERA-NET Plus actions. Furthermore, a consortium must include programme owners or programme managers from at least 5 different Member or Associated countries.
- The same additional participants as for ERA-NET actions are eligible, beyond the number of 5 minimum programme owners or managers.
- The total planned budget of the joint call shall have a minimum financial volume of EUR 5 million.
- A common peer review mechanism for evaluating the proposals submitted to the joint call shall be foreseen.
- Each project financed out of the joint call shall be trans-national (i.e. minimum of two partners from different countries).
- A fixed common set of general evaluation/selection criteria (excellence, European added value, etc.) should be part of the common evaluation criteria of the joint call organised by the national programmes.

Detailed rules for participation in the funded trans-national projects shall be defined by the call organisers themselves (e.g. participating national programmes).

Expected Impact

ERA-NET Plus actions aim to facilitate the launching of joint calls for proposals between EU Member or Associated countries, based on their European added value. In special cases, they may also facilitate the transition of an ERA-NET towards an Article 169 initiative, where the criteria for the latter are met.

The EU added value will be a critical criterion to evaluate the impact of ERA-NET Plus actions and will depend on the area/topic covered by the research programmes participating in the joint call. Therefore the following criteria should help to identify the impact of ERA-NET Plus actions offering best prospects for sufficient European added value:

**Relevance to EU objectives:** The field of the potential topic should be of major interest for the Community as a whole.

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<sup>17</sup> Proposals must demonstrate that national research programmes are committed to support the call. Selected proposals will have to provide evidence that a commitment has been made by the relevant research programmes.

**Framework Programme relevance:** As regards '**objective**': Demonstration that an ERA-NET Plus action in that topic shall allow the Community to reach one of its objectives: enhance coordination of national programmes. As regards '**content**': The field of the potential topic shall be covered by the Framework Programme both in terms of scientific content and of budget allocation.

**Pre-existing basis:** The ERA-NET Plus action should build on a pre-existing basis or coordination experience between national programmes in the topic identified.

**Critical mass:** ERA-NET Plus actions will enable national programmes to address together with the Community programmes research areas, that due to the nature of the field are better addressed jointly or fields which would/could not have been addressed independently.

**Instrument relevance:** Demonstration that ERA-NET Plus is the most appropriate instrument to allow the achievement of the Framework Programme goals in terms of non Community programme coordination (i.e.: avoiding fragmentation, etc.). Demonstration that implementing an ERA-NET Plus action in a given field is more appropriate to coordination goals than other FP7 funding

ERA-NET Plus actions are expected, where appropriate, to facilitate the development of a more global approach to the topics addressed, involving also non European research programme.

ERA-NET Plus actions are expected to have a lasting impact. The cooperation developed should provide reliable indications that it could continue beyond the joint call supported by the Community funding.

#### **A4.2.3 External expertise**

A budget of EUR 100 000 is foreseen for appointed external experts that will be involved in the evaluation of proposals submitted under the coordinated call on ERA-NET and, where appropriate, for reviewing running projects.

**External Expertise for JTIs Stock-Taking Expertise:** With the JTIs now in the first stages of implementation, it is timely to take of the lessons learnt and improvements that can be made for the future. There is a window to carry out such work between now and end-2009 so that the findings can be fed into the Mid-Term Review of FP7. Such work can also be valuable in the context of the hearings being led by the Secretariat General in the context of the mid-term review of the Financial Perspectives. At the same time, the inter-institutional debate on JTIs is also beginning to focus on the lessons to be drawn from the process with the first initiatives.

Independent, external expertise will be important to ensure the transparency of the process and will enhance its credibility. Based on the experience of the Expert Group on Networks of Excellence, it is estimated that a budget of EUR 50 000 would be required for this exercise<sup>18</sup>.

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<sup>18</sup> In accordance with Articles 14(c), 17 and 27(5) of Regulation (EC) No 1906/2006 of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the 7th Framework Programme and for the dissemination of research results (2007-2013).

**Call title: ERA-NET Call 2009**

Call identifier: FP7-ERANET-2009-RTD

- Expected date of publication: 28 November 2008
- Deadline: 21 April 2009, at 17:00:00, Brussels local time.

**Indicative budget and Topics<sup>19</sup>:**

A sum of up to EUR 11.0 million<sup>20</sup>, provided by the Themes concerned, is currently foreseen in this coordinated call for ERA-NET actions identified by Cooperation Themes in this work programme<sup>21</sup>.

*Table 1 – Overview of Activities and Topics which are part of the FP7-ERANET-2009 –RTD co-ordinated call.*

THEME/Activity	Topic identifier	TITLE	Budget <sup>13</sup>
<b>COOPERATION SPECIFIC PROGRAMME</b>			EUR million
<b>1. HEALTH</b>			
1.2.3.2 - HIV/AIDS, malaria and tuberculosis	HEALTH-2009-2.3.2-6	ERA-NET for stepping up European cooperation in HIV/AIDS research	2.0
<b>2. FOOD, AGRICULTURE AND FISHERIES, AND BIOTECHNOLOGY</b>			
2.1.4 - Socio-economic research and support to policies	KBBE-2009-1-4-08	ERA-NET - Agricultural Research for Development	2.0
2.1.4 - Socio-economic research and support to policies	KBBE-2009-1-4-09	ERA-NET - Organic Agriculture	
<b>6. ENVIRONMENT</b>			
6.1.1 Climate change, pollution and risks	ENV.2009.1.1.6.4	ERA-NET on climate change impacts and responses	2.0
6.2.2 Sustainable management of resources	ENV.2009.2.2.1.2	Towards integrated European marine research strategy and programmes	2.0
<b>8. SOCIOECONOMIC SCIENCES AND HUMANITIES</b>			
8.8 Horizontal Actions	SSH-2009-8.3	ERA-NET in the field of statistics	1.5
8.8 Horizontal Actions	SSH-2009-8.4	ERA-NET in the field of economic research	1.5

<sup>19</sup> Under the condition that the preliminary draft budget for 2009 is adopted without modifications by the budget authority.

<sup>20</sup> The budget for this call is indicative. Following the evaluation of proposals, the final budget awarded to the call, as well as the repartition of the sub-budgets, may vary by up to 10% of the total value of the call.

<sup>21</sup> Before the actual publication date of the call, the present fiche will be amended to include possible additional topics from the 2009 NMP work programme, which is scheduled to be adopted in autumn 2008.

### ***Eligibility Criteria for ERA-NET proposals***

The aim of ERA-NET actions is to network research programmes carried out at national or regional level, with a view to their mutual opening and the development and implementation of joint activities. Such programmes shall have all of the following characteristics:

- a) To be strategically planned (i.e. be composed of a number of research projects focused on a defined subject area or set of problems, that are scheduled to run for a set period of time and that have a co-ordinated management).
- b) To be carried out at national or regional level.
- c) To be either financed or managed directly by national or regional public bodies, or by structures (e.g. agencies) closely related to, or mandated by, public authorities.

The minimum number of participants in an ERA-NET consortium is three independent legal entities which finance or manage publicly funded national or regional programmes. Each of these must be established in a different Member State or Associated country.

Eligible partners for ERA-NET actions are:

- Programme owners: typically national ministries/regional authorities responsible for defining, financing or managing research programmes carried out at national or regional level.
- Programme 'managers' (such as research councils or funding agencies) or other national or regional organisations that *implement* research programmes under the supervision of the programme owners.
- Programme owners (typically national ministries/regional authorities) which do not have a running or fully fledged research programme at the moment of submitting an ERA-NET proposal, but which are planning, and have committed, to set up such a programme, are also eligible if their participation is well justified and adds value to the overall programme coordination. As such, countries or regions which have less diverse research programmes (in particular new Member States and candidate Associated countries) will find their involvement in the ERA-NET scheme greatly facilitated.

Please note that research organisations or universities which are not programme owners or managers are not eligible partners for ERA-NET actions.

In addition, other private legal entities (e.g. charities) which manage research programmes may participate if their participation is well justified and adds value to the overall programme coordination.

Sole participants (as referred to in Article 10 of the Rules for Participation) may be eligible if the above-mentioned specific criteria for eligible ERA-NET partners are respected. A sole participant shall explicitly indicate which of his 'members' forming a sole legal entity is either a programme owner or programme manager in the proposed action and indicate for these members, the respective national/regional programmes which are at the disposal of the proposed ERA-NET action.

### ***Evaluation Criteria for ERA-NET proposals***

For the evaluation of ERA-NET proposals, the general criteria and thresholds applicable to Coordination and Support Actions given in Annex 2, are complemented as follows:

*1. Scientific and/or technological excellence - Quality of coordination (Threshold 3/5)*

The management should be supported by a suitable governance structure involving the participating organisations at an appropriate level.

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*2. Quality and efficiency of the implementation (Threshold 3/5)*

In reference to the applicable work programme, does the proposed ERA-NET / ERA-NET Plus action pool the necessary resources between national programmes and the Community and does it represent the most appropriate type of public funding for this pre-defined area?

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*3. Potential impact (Threshold 3/5)*

The participants should be the key actors within their national or regional research systems. The ERA-NET activities should lay the foundations for a durable cooperation between the partners involved.

Is there a clearly identified and agreed European added value through a variable geometry approach?

A reserve list may be produced of proposals that pass the evaluation, but fall below the available budget.

Evaluation procedure :

- The evaluation will follow a single stage procedure.
- Proposals will not be evaluated anonymously.
- Proposals may be evaluated remotely.

Indicative timetable:

- Evaluation in June 2009
- Opening of negotiations in September 2009
- Selections from January 2010
- Grant agreements from February 2010

Consortia agreements:

- Consortia Agreements are recommended.

The forms of grant and maximum reimbursement rates which will be offered are specified in Annex 3 to the Cooperation work programme.

*(end of call fiche)*

**A4.3 SUPPORT FOR COORDINATION AND COOPERATION WITH AND BETWEEN INTERGOVERNMENTAL AND OTHER HIGH-LEVEL SCIENTIFIC AND RESEARCH ORGANISATIONS IN THE EU, IN THE CONTEXT OF THE ERA.**

**NOT OPEN IN 2009**

No call for proposals or call for tenders is foreseen in this work programme for the above action.

**A4.4 STRENGTHENED COORDINATION WITH EUREKA**

The Specific Cooperation Programme will support coordination activities aimed at increasing complementarities and synergy between EUREKA and the Framework Programme in areas of common interest. The Community is a member of EUREKA. All EUREKA members contribute to the budget of the EUREKA Secretariat.

The following activities are foreseen:

- Creating and strengthening synergies between the Framework Programme and EUREKA in order to carry out initiatives across the full spectrum of the research and innovation cycle in a complementary and/or cooperative manner.
- Continuing the exchange of technical information, mainly in the stimulation of 'brokerage events', notably for the benefit of research and innovation in SMEs and the exchange of expertise in project and impact evaluation.

Membership contribution from the Commission to the EUREKA Secretariat<sup>22</sup> is about EUR 2 million for the duration of the 7<sup>th</sup> Framework Programme. The contribution in 2009 will be up to EUR 350 000.

**A4.5 SCIENTIFIC AND TECHNOLOGICAL COOPERATION ACTIVITIES CARRIED OUT IN COST**

COST is a long-standing, bottom-up mechanism that facilitates coordination and exchanges between nationally funded scientists and research teams in a variety of research fields. During the 6<sup>th</sup> Framework Programme, COST underwent significant reforms as a result of which it can now contribute cost-effectively to research coordination within the European Research Area.

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<sup>22</sup> As Coordination and support action – subscription, to be implemented in accordance with Article 14(d) of Regulation (EC) No 1906/2006 of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the 7th Framework Programme and for the dissemination of research results (2007-2013), and in accordance with Article 108(2)(d) of the Financial Regulation and Article 160a of the detailed rules of the implementation of the Financial Regulation.

The Community's funding to COST under FP7 is specified in the Cooperation Specific Programme<sup>23</sup>, whereby the Community's grant will be at least EUR 210 million and up to EUR 250 million for COST, subject to a mid-term evaluation. This grant is subject to an agreement between the Commission and the European Science Foundation<sup>24</sup>, the legal entity designated by COST as its implementing agent and communicated to the Commission by the General Secretariat of the Council.

#### **A4.5.1 Renewed Support to COST Activities**

The first two instalments of the FP7 COST grant, of EUR 30 million each, covered two consecutive 12-month periods, spanning until 1 June 2009. Similarly in 2009, the grant agreement will be extended for a further 12 months until 1 June 2010, with a complementary Community financial contribution of EUR 30 million.

Reinforced coordination among the activities of the European Science Foundation, COST and the Framework Programme will also be sought in areas of common interest. The partnership between the Commission and COST will be further developed.

#### **A4.5.2 Provision for COST Grant Mid-term Evaluation**

According to the provisions of the Cooperation Specific Programme, the grant agreement between the Commission and the legal entity designated by COST as its implementing agent is subject to a mid-term evaluation.

To fulfil this obligation, it is foreseen to create an ad-hoc expert group<sup>25</sup> for which a budget of EUR 50 000 is earmarked.

#### **A4.6 RISK-SHARING FINANCE FACILITY**

In accordance with Annex III of the Specific Programme, the Community will provide a contribution to the European Investment Bank (EIB). This support will contribute to the Community's objective to foster private sector investment in research, technological development and demonstration (RTD) as well as innovation through a Community contribution to the Risk-Sharing Finance Facility (RSFF), a new financing instrument established by the European Investment Bank with the support of the EC.

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<sup>23</sup> As Coordination and support action – named beneficiary, to be implemented in accordance with Article 14(a) of Regulation (EC) No 1906/2006 of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007-2013).

<sup>24</sup> The European Science Foundation is established in 1 Quai Lezay Marnesia, Strasbourg, CEDEX 67080, France

<sup>25</sup> As Coordination and support action – expert group, to be implemented in accordance with Article 14(c), 17 and 27(5) of Regulation (EC) No 1906/2006 of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007-2013).

Private investment in research and innovation in Europe is below the level necessary to achieve the ambitions of the Lisbon agenda and the Barcelona objective. In addition to grants, other mechanisms are being increasingly used to leverage private investment by firms, to mobilise the financial markets and to diversify funding sources for European RTD actions.

Improving access to loans for RTD actions requires public support to overcome market deficiencies for the financing of riskier European RTD actions.

#### **A4.6.1 Approach**

Within the framework of a maximum contribution of EUR 1 billion for the period 2007-2013, the Community has provided its first contribution (Coordination and Support Action) to the EIB for RSFF for a maximum amount of EUR 200 million for the period 2007-2008, EUR 160 millions of which coming from the Cooperation Specific Programme. For the period of 2009 it is expected that the EU will transfer EUR 150 million to the EIB, out of which EUR 120 million from the Cooperation Specific Programme. The Bank is the sole beneficiary of this Community action. Pursuant to a decision by the EIB Board of Directors, endorsed by the Bank's Governors on 9 June 2006, the EC contribution will be matched by an equivalent amount from the EIB (up to EUR 1 billion).

The level of the Community risk coverage for each operation shall depend on the financial risk evaluation carried out by the EIB. The level of total provisioning and capital allocation for the majority of RSFF operations is expected to fall within the range of 15%-25% of the nominal value of such operations. In no case shall the level of total provisioning and capital allocation amounts of the Community contribution exceed 50% of the nominal loan or guarantee value. There will be risk sharing under each operation, according to the methodology established in the Agreement to be concluded between the Commission and the EIB. The percentage of risk covered by the Community contribution for each operation will be variable and will depend, inter alia, on the risk grading of such operation as well as its maturity.

The cooperation agreement between the European Community (EC) and the European Investment Bank (EIB) in respect of the Risk-Sharing Finance Facility (RSFF) – the RSFF Cooperation agreement – was approved by the Commission (Commission Decision C(2007)2181 – 25/05/2007) and signed on 5 June 2007 by Commissioner Janez Potočnik and President Philippe Maystadt.

This Agreement, defines terms and conditions related to RSFF and, in particular, to the use of the Community contribution in RSFF, the risk -sharing methodology, the indicative annual budget, the reporting conditions, the governance, the rules for establishment of network of financial intermediaries in all Member States and Associated countries and its relating conditions.

As the interest builds up and financing applications emerge, the EIB has launched the appraisal of potential projects according to its usual rules and criteria.

### ***International Cooperation***

In accordance with the provisions of the Specific Programme, the EIB may only use the Community contribution to RSFF to cover risk of operations limited to those borrowers or beneficiaries of guarantees from legal entities from third countries other than Associated countries who participate in FP7 projects and whose costs are eligible for Community funding.

### ***Dissemination actions***

Throughout 2007 the EIB has carried out an intensive awareness raising campaign which has been launched with the Community financial assistance in 2006 (FP6 SSA). Such awareness raising actions will continue in 2009, with special focus on the most research intensive sectors in Europe.

RSFF will involve development of financial engineering solutions adapted to the needs of European RTD actions. Such solutions will be implemented and tested by the EIB and its financing partners.

Case studies of such solutions, i.e. risk-sharing arrangements with financing partners and new products developed specifically for RSFF will be published on the EIB dedicated RSFF website.

A workshop for representatives of the banking sector in Member States and Associated countries has been held in July 2007 to disseminate such financial engineering solutions and seek other cooperation opportunities. Initiatives of this kind will be continued in 2009, both at European and national level.

### ***Contacts with potential clients***

The launch of RSFF dedicated website and other awareness raising activities started in 2006 are expected to result in applications for financing from promoters of European RTD actions. In parallel, the EIB loan officers will launch contacts with highly research intensive companies explaining the existence of new financing options made possible by RSFF.

RSFF will be offered in all Member States and Associated countries in order to ensure that all legal entities, irrespective of size (including SMEs and research organisations, including universities) in all Member States and Associated Countries, may benefit from this facility for the funding of their activities in eligible actions. This will entail the identification by the EIB of at least one financial intermediary partner active in each Member state and Associated Country. While there is no reason to anticipate any difficulty in this regard, the attention of the Member States and Associated Countries is drawn to the fact that, in case of such difficulty arising (meaning, no financial intermediary partner interested to join EIB network for RSFF purpose), there will be a dependence on the best efforts of the Member States and Associated Countries themselves to ensure that there is no consequential damage to the interests of participants in their countries.

### ***Addressing the financing needs of the Technology Platforms and Joint Technology Initiatives***

Having identified in 2006 the most dynamic and active Technology Platforms the Commission and the EIB will continue to follow their individual development and monitor the implementation of their strategic research agendas to search for financing needs which the Bank could address. In some cases customised products, individual or wholesale, will be developed, if necessary in cooperation with other financial institutions.

The Commission and the EIB will follow the development of Joint Technology Initiatives, advising the stakeholders on options available to optimise their financing packages. This may involve bridge financing as well as individual customised financing solutions, specifically adapted to the financing needs.

### ***Implementation arrangements for SMEs***

The EIB can only be directly involved in operations with financing requirements in excess of EUR 7.5 million. Smaller requests will be directed to financing partners established in Member States or Associated countries with whom the EIB has or will develop risk sharing arrangements, including Framework Facilities designed to provide intermediated financing, to smaller projects, notably those promoted by SMEs.

A Framework Facility is a line of credit advanced by the EIB to banks or other intermediary institutions which on-lend the proceeds to finance small and medium-size investments.

The deployment of Risk-Sharing Framework Facilities across the EU will be staged, involving, during an initial phase, a limited number of leading EIB partner banks, based in Member State or Associated Countries representing a significant RSFF market potential and operating through important EU-wide networks. In a subsequent phase, a more wide-spread coverage of EU markets will be achieved by approaching, in a systematic manner, other financing partners throughout the EU, in view of setting up Risk-Sharing Framework Facilities covering respective markets.

Risk-Sharing Framework Facilities will be set up either through the introduction of risk sharing arrangements in existing credit lines or through new facilities or intermediaries. Alternative framework financing concepts could also be envisaged.

### ***Governance***

RSFF is managed by the EIB in accordance with its own rules and procedures, with due regard to terms and conditions of the RSFF Cooperation Agreement between the Commission and the Bank. RSFF implementation and in particular the use of the Community Contribution will be supervised by a Steering Group, consisting of at least four representatives, at the Director level, from the Commission and the Bank respectively.

The Commission will continue to closely monitor the effective use of the Community Contribution, including ex-post assessments of the successful features of the action, and to regularly report to the Programme Committee. In addition, the Commission will include main

findings in this respect to the annual report on research and technological development activities, which it will send to the European Parliament and the Council.<sup>26</sup>

In addition, and in compliance with the mid-term evaluation referred to in Annex II of the Framework Programme, the Commission will provide at that time a report containing information on the participation per type of legal entities, the fulfilment of the FP7 selection criteria, the kind of projects supported and the demand for the instrument concerned, the duration of the authorisation procedure, the project results, and the funding distribution.

#### **A4.6.2 Selection of Projects for Financing and the Eligibility Criteria**

The EIB has been recognised as a beneficiary of the Community action in the Council and Parliament decision adopting the 7<sup>th</sup> Framework Programme.

In accordance with the principles established in the Specific Programme the EIB will use the Community contribution on a 'first come, first served basis,' as provisions and capital allocation within the Bank to cover part of the risks associated with its operations supporting eligible European RTD actions.

*The EC contribution to RSFF may only be used to support activities which can be classified as 'fundamental research', 'industrial research' or 'experimental development' as defined in the Community Framework for State Aid for Research and Development and Innovation. Prototypes and pilot projects, which are part of 'experimental development', may be eligible if they fulfill the conditions specified therein.* Innovation activities intended to prepare the commercial use of research results (such as training, technology management and transfer) are eligible if they are linked to and complementary to research, technological development and demonstration activities, the later constituting the bulk of any eligible European RTD action.

The RSFF Cooperation Agreement with the Bank comprises a list of investment costs consistent with the above mentioned definitions in the Community Framework for State Aid for Research and Development and Innovation.

The RSFF Cooperation Agreement with the Bank also comprises a list of exclusions from financing with support of the Community contribution, reflecting political agreement between the Commission; the Member States and the European Parliament as documented in the 7th Framework Programme and the Specific Programme 'Cooperation'.

#### **A4.6.3 The Commission Right to Object to the Use of the Community Contribution**

The Commission has a right to express its opinion on each and every financial operation proposed by the EIB to its Board for decision under (Article 21 of the EIB Statute). Where the Commission delivers an unfavourable opinion, the EIB Board may not grant the loan or guarantee concerned, unless it votes unanimously in its favour, the Commission nominee abstaining. Should the Bank proceed with financing despite the Commission's negative opinion the Community contribution to RSFF may not be used.

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<sup>26</sup> Pursuant to Article 173 of the EC Treaty.

In accordance with Rules of Participation, the Commission may object, in duly justified cases, the use of the Community contribution for provisioning and capital allocation against a loan or a guarantee proposed by the EIB. If such a case arises the Commission may conduct an independent, internal or external, review of such a case.

All Themes of this Work Programme will contribute on a proportional basis, except the Socio-economic Sciences and the Humanities theme, which does not contribute to RSFF

In compliance with Annex II to the 7<sup>th</sup> Framework Programme, the Community financial contribution to RSFF from the abovementioned contributing Themes of the Cooperation Programme will be of an amount of up to EUR 400 million until 2010.

This planning will be revised, and if appropriate, adapted each year, taking into account the evolution of demand for RSFF operations and the results of the evaluation of the Council and the European Parliament under the procedure described in Article 7(2) of the 7<sup>th</sup> Framework Programme on the basis of a report by the Commission containing information on the participation of SMEs and universities, the fulfilment of the FP7 selection criteria, the duration of the authorisation procedure, the project results, and the funding distribution. The Community financial contribution to RSFF from the Cooperation Programme may reach a maximum amount of EUR 800 million for 2007-2013.

The first payment to the EIB was made at the beginning of the summer 2007 for an amount of EUR 50 million, EUR 14 million of which coming from the Cooperation Specific Programme. In compliance with the provisions of the RSFF Cooperation agreement, an additional payment of 77.2 million was carried out before the end of 2007 justified by the level of the demand, reducing therefore the transfer foreseen in 2008. As far as the Cooperation Specific Programme is concerned the remaining payment appropriations for the period 2007-2008 is equal to EUR 72.1 million.

From 2009 on it is foreseen to proceed annually with an equal amount of commitment and payment of the Community contributions to RSFF, based on an the EIB's activity and forecast report and its request for the amount of the contribution estimated necessary for the following year. Following mid-term evaluation, however, the payment may be made in (several) instalments to ensure the maximum match between funds paid to the EIB and used for provisions and capital allocation.

#### **A4.6.4 Community Contribution to RSFF in 2009**

In view of the satisfactory build-up of the RSFF portfolio in 2007 and a promising pipeline of potential projects to be financed in 2008 the Commission will commit, in 2009, an amount of EUR 153.6 million, with EUR 122.88 million coming from the Cooperation Specific Programme.

#### **A4.6.5 Process for Recovering and Reallocating Unused Community Funds**

In order to mitigate the risk of accumulation of unused funds the multi-annual planning will be adjusted on the basis of reports including pipeline report (summary of information on projects considered for financing) and demand forecasts. Amounts committed but not paid to

the EIB – i.e. not used for the operations of RSFF – will be reallocated to other activities of the contributing themes.

Notwithstanding the above and unless the Council adopting the 8<sup>th</sup> Framework Programme decides otherwise the Commission will recover from the Bank any unused funds of the Community contribution (including interest and income) which on the 31 December 2013 have not been used or committed to be used or are required to cover eligible costs The mid-term evaluation will include an external assessment of the impact of the RSFF.

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**A4.8 FINANCIAL OVERVIEW FOR GENERAL ACTIVITIES FOR 2009**

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- *THE FOLLOWING PROVIDES A FINANCIAL OVERVIEW FOR 2009 OF THE ACTIVITIES WHICH ARE FUNDED ACROSS THE COOPERATION PROGRAMME:*

<i>– ACTIVITY</i>	<i>– FUNDING FOR 2009 *</i>
<i>– A4.1 CORDIS</i>	<i>– EUR 11.5 MILLION</i>
<i>– A4.2 ERA-NET SCHEME (CROSS-THEMATIC)</i>  <i>A4.2.2.1 ERA NET Actions and</i> <i>A4.2.2.2 ERA-NET Plus Actions</i>  <i>A4.2.3 External expertise**</i>	<i>– EUR 0.20 MILLION</i>  <i>broken down as follows:</i>  <i>EUR 0 million</i>  <i>EUR 0.20 million</i>
<i>– A4.3 RESEARCH ORGANISATIONS</i>	<i>– EUR 0 MILLION</i>
<i>– A4.4 EUREKA</i>	<i>– EUR 0.35 MILLION</i>
<i>– A4.5 COST</i>	<i>– EUR 30.00 MILLION</i>
<i>– A4.6 RSFF</i>	<i>– EUR 122.88 MILLION</i>
<i>–</i>	<i>–</i>
<i>– TOTAL:</i>	<i>– EUR 164.93 MILLION</i>

- \* Under the condition that the preliminary draft budget for 2009 is adopted without modifications by the budget authority.

\*\* Including the provision for external expertise for the JTI stock-taking exercise and the COST mid-term review (A4.5.2).

### **Budget Figures in This Work Programme**

All budgetary figures given in this work programme are indicative. Following the evaluation of proposals the final budget awarded to actions implemented through calls for proposals may vary:

- by up to 10% of the total value of the indicated budget, and
- any repartition of the call budget may also vary by up to 10% of the total value of the indicated budget.

The final budgets for evaluation, monitoring and review may vary by up to 20% of the indicated budgets for these actions. The final budgets for all other actions not implemented through calls for proposals may vary by up to 10% of the indicated budget for these actions.