

RECOMMENDATIONS OF THE CPU¹ FOR THE EIGHTH FRAMEWORK PROGRAMME AND THE ERA²

20 January 2011

Summary

I. The CPU reaffirms the importance of the balance of European Community bottom-up and top-down programmes

- The CPU wishes to preserve and strengthen the cooperation component of the framework programme. It wants to:

- enhance the financial resource for this joint cooperation programme which makes it possible to strengthen European networks/consortiums for research and scientific strategy of the establishments of higher education;
- stress the importance of this transnational and multi-theme programme: the universities seek to work with the best teams from all the EU countries in the various fields;
- ensure a necessary balance between basic research and applied research.

- The CPU wishes to strengthen bottom-up programmes

Innovation results from complex mechanisms which however cannot be reduced to an imposed top-down framework. **The CPU should like to see a balance between top-down and bottom-up strategies:**

- the CPU advocates integrating and strengthening a bottom-up approach in the **cooperation programme** through the gradual introduction of blank calls for proposals which could eventually account for 50% of the programme;
- the CPU wishes to reduce the current ERC selection rate which it regards as too selective, in other words increase the number of proposals accepted while at the same time strengthen the ERC programme financially;
- the CPU supports **Marie Curie actions**, which are an indispensable instrument for researchers' careers:
 - the integration of the Marie Curie mobility programmes, which are essential for researchers' careers, within DG EAC should go hand in hand with maintaining research and employability, including for individual grants (experienced researchers and PhDs);
 - the financial resources allocated to this programme could be expanded and the development of this programme could be simplified, in particular through action aimed at a specific target group;
 - the CPU wants a geographic element taken into account in incoming and outgoing individual grants so as to make it possible to strengthen

¹ CPU, French rectors' conference

² European Research Area

and diversify partnerships with geographic areas favoured by some countries (e.g. for France: Mediterranean Africa).

- The CPU strongly favours a **European regional policy** in the service of research and innovation in the territories and would like to see the action of the structural funds reinforced and:
 - the retention after 2013 of an ambitious European regional policy for Europe as a whole so as to enable the regional players of the Union to implement their own territorial development strategies;
 - a substantial increase in the level of co-financing of ERDF projects in order to encourage universities to submit high-quality projects.

- **The Joint Programming Initiatives ought to be funded from national budgets only.**
The CPU does not want Community co-financing for these initiatives which must not be carried out at the expense of the specific cooperation programme.

II. The universities wish to participate in working out the strategy of the European Research Area (ERA) and the eighth FPRTD

The Commission proposes on the one hand to strengthen European research strategies to meet the great challenges ahead and to continue the strategy being pursued by the research infrastructure. In this context, the universities wish to be involved, through university conferences, in the bodies responsible for defining the strategies.

- **Joint Programming Initiatives**
 - The CPU would like to see national university representations integrated into foresight bodies:
 - within the Group for Joint Programming, if it continues to exist;
 - in the foresight bodies within the Joint Programming Initiatives (each joint programming initiative is organised according to its own terms and procedures).
 - With a view to facilitating access of the universities to joint programming initiatives, the CPU proposes to highlight and map out the main thrusts of university research (Technometrix study to be brought up to date and rendered more visible at national and European level).
- **Research infrastructure**
 - The CPU wants more transparent governance
 - The CPU wants enhanced open access

- **Links between universities and business**

While innovation arises from complex factors, it requires a closer and balanced partnership between the academic world and the business world. Bearing this in mind, the CPU favours:

- strengthening its communication with the European institutions on university/business links, in particular structures facilitating closer partnership between academia and business.
 - The CPU wishes to embark upon a dialogue on structures that enable the strengthening of relations between the universities and business such as the SATTs, the regional one-stop shop to upgrade public

research, or the SCF, the public structure model for using the results of research); to what extent can these structures be "Europeanised" and their visibility strengthened?

- establishing a more balanced relationship between SMEs and large undertakings;
 - facilitating the introduction of more balanced intellectual property rights and by improving legal certainty.
- **The CPU reaffirms its strong interest in better coordination among European programmes and among European, national and regional programmes.**

Better coordination among European programmes should make it possible to ensure continuity of the innovation chain.

- The CPU welcomes the fact that the future European regional policy meets the objectives of the 2020 EU innovation agenda.
- It reaffirms its strong interest in European regional policy and should like to see the universities being involved at the earliest possible stage in working out regional strategies;
- It reaffirms the importance of synergies among European programmes.

III. The CPU calls for simplification and harmonisation

- **Administrative simplification**

- The CPU has stated its position on simplification (see document enclosed as Annex 1)
 - The CPU is not in favour of adopting a results-based approach of European projects or a science-oriented approach whose utility it does not always perceive. The time sheet seems to be a favourite approach and for this reason the CPU is working out a proposal for a single and simplified time sheet for French universities through discussions with representatives of the European Commission;
 - The CPU favours an approach based on total costs.

- **Simplification and harmonisation**

- Simplification also involves endeavours to rationalise what is on offer from European programmes: joint programming initiatives, European alliances, ERA-NET projects, etc. The CPU is concerned that the increasing number of inter-governmental initiatives leads to more fragmentation of the European Research Area. It advocates simplification (limiting numbers) and harmonisation of the range of European programme instruments.

- **Rules of participation**

- Moving towards participation rules and justification tools that are common to the various European programmes, in particular in order to establish stronger synergy between them.

IV. The CPU highlights the importance of the knowledge triangle for universities

The knowledge triangle, with the universities at its centre, plays a crucial role in strengthening innovation processes and boosts regional "specialisation and growth". The CPU would like to see:

- more account being taken of the knowledge triangle in co-financing by the structural funds (coordination of ERDF and ESF support, etc.). Accordingly, the triangle meets three objectives:
 - balanced educational map for greater democratisation of higher education in the territories. For this reason, ESF resources should lend greater support to developing competencies.
 - networking among collaborative research players in the territory;
 - ensuring a basic research continuum up to the utilisation of research results.
- Taking account of the knowledge triangle in the impact aspects of the cooperation programme
- In general, the CPU wants more account to be taken of education in European projects. Education and training are the best channels for knowledge transfer and form the basis for research and innovation in the years to come.

FRENCH UNIVERSITIES, THE FP8 AND THE ERA

CONTEXT

By adopting the EU 2020 strategy, the European Commission established a framework for enhancing competitiveness and employment in Europe. To this end, it highlights innovation as an element underpinning this development. It is with this prospect in mind that the post-2013 programmes will be compiled: the eighth FPRTD, structural funds, mobility programme, etc. The EU 2020 communication³ of the European Commission contains proposals for orienting research on the basis of social challenges, establishing joint programming initiatives (JPIs) and strengthening public-private partnerships. The emphasis is clearly on research targeted on undertakings.

In this context, it is important that the universities come up with more proposals while post-2013 programming is under discussion. The universities need to define their position vis-à-vis European and national institutions and defend their standpoint.

First of all, the French universities draw attention to their specific character which involves the provision of education, the wide range of research subjects, the special status of their own staff, their role in accommodating mixed research units, and their interest in using the results of research. On account of these characteristic features, the French universities set great store by the knowledge triangle and the balance between the three components of this triangle which provides scope for the research / training / pedagogical innovation / economic innovation (transfer) continuum. This concept should be taken more into account in European programme strategies and the universities should play their part in it as major stakeholders.

Within this framework, the universities reiterate the importance they attach to enhancing coordination among the various Directorates-General of the European Commission involved in terms of greater synergy, co-financing and programmes as well as administrative rules.

Secondly, the universities are also very eager to see that a fair balance be established between the support mechanisms for targeted research and exploratory research, and they recall the importance of an equilibrium between top-down and bottom-up approaches.

The fact is that in the FP7 framework some instruments encompass pre-defined themes (top-down approach; for instance, the main part of the cooperation component, research infrastructure). The same applies to European alliances, the EIT and joint programming.

What remains as a bottom-up approach is essentially the Ideas (ERC) and People (Marie Curie actions) programmes and also the *Regions of Knowledge* programme.

The universities have the possibility of playing a role in the instruments of both approaches, a major asset to be retained.

³ http://europa.eu/press_room/pdf/complet_fr_barroso_-_europe_2020_-_fr_version.pdf

Thirdly, the EU is working out a strategic framework necessary to define the social challenges that can mobilise research stakeholders in Europe in the same way as the national and regional authorities. The French universities understand the need for an overall strategic framework but wish to preserve, at various territorial levels, a certain diversity of sources of funding within a policy with a fair mix of open and pre-defined subjects. They also wish to see account being taken of the fact that there are many stakeholders playing their part in defining research and innovation priorities.

I. FRAMEWORK PROGRAMME

The universities are concerned about the fact that researchers are somewhat disappointed about the calls for proposals under FP7. In order to turn this situation around and attract more applicants, some adjustment is desirable, in addition to the necessary simplifications called for all around.

1.1 Simplification

The universities have already clearly expressed their wish for a simplification of the processes regarding calls for proposals, implementation, follow-up and reporting on European projects.

Naturally, the universities are in favour of real costs which alone, unlike flat-rate costs, make it possible to identify actual expenditure linked to research and take account of differences from one country to another. Moreover, real costs make it possible to avoid an excessive discrepancy between costs actually incurred for a project and its funding.

However, with a view to simplification, the Council and a number of parliamentarians recommend that costs be refunded on the basis of the "science-based approach". While the EU ought to clarify this definition, the idea of an approach and refund based on results rather than on means would no doubt put the universities in a difficult position, leading to less involvement on their part. This would in any case hamper basic research. The universities take the view that research funding should not be based on results.

➤ Administrative simplification

- The CPU stated its position in favour of simplification (see document attached in Annex 1⁴)
 - The CPU is not in favour of a result-based approach to European projects or a science-based approach for which it still does not see the point. The time sheet seems to be a favoured option and this is why the CPU is working on a proposal for a single and simplified time sheet for French universities through consultation with the European Commission's representatives;

⁴ Annex 1

- The CPU is in favour of an approach based on total cost;
- The CPU wishes to see wider harmonisation of the rules for participating in ERDF and FPRTD projects;

Coordination/ harmonisation of the management and audit rules between the various DGs concerned would improve efficiency and clarity for the players and the auditors.

➤ **Simplification and harmonisation**

- Simplification can also be attained through moves towards rationalisation in the European programmes on offer: joint programming initiatives, European alliances, ERA-NET projects, etc. The CPU is concerned that the increasing number of inter-governmental initiatives leads to greater fragmentation of the European Research Area. The CPU advocates simplification (fewer in number) and harmonisation of the range of instruments of European programmes.
- The CPU would like to see greater complementarity between these Community programmes (ERDF/ FPRTD) and integration of incentives in Community projects to improve the pathways between these initiatives.

1.2 ERC

The universities support this programme which strengthens excellence. Research requires diversity and mechanisms underpinning the bottom-up approach. For this reason, the universities reaffirm their interest in the ERC programme while at the same time noting that it funds too few research projects that are very "basic/innovative/risky". Hence the CPU's desire for:

- reducing the current ERC selection level which is considered excessive, in other words increasing the number of projects accepted and at the same time financially strengthening the ERC programme;
- defining the outline for a third type of grant for 2011 for joint collaborative research projects, which may well encourage greater interdisciplinarity.

1.3 The cooperation programme

In response to the wish expressed by some to see the cooperation programme disappear in favour of JPIs, the universities reiterate their strong interest in this programme which they would like to see carried over into the eighth FPRTD as they set great store by this Community funding system, which forms the very basis of the ERA. Alongside this eagerness of the universities to maintain the cooperation programme, it recommends the following proposals for change:

- introduce "blank" calls for proposals in the existing subjects on the ANR model, which could eventually make up 50% of calls;
- it should be possible to move towards much greater interdisciplinarity;

- knowledge triangle strategies ought to be taken into account in the evaluation criteria, in particular as regards impact criteria.

1.4 Region of knowledge programme

This programme only funds the exchange of good practice between clusters specialised in the same subject in Europe.

- The annual theme is not conducive to diversity and complementarity between clusters;
- It would be advisable to go back to Community support for nascent knowledge according to a bottom-up approach.

These programmes could serve as pilot programmes in specific knowledge triangle actions at territorial level.

II. INFRASTRUCTURE

Research infrastructure is a basic ERA tool. Their determination and the drawing-up of the European road map (ESFRI), like that of national road map (TGIR), are of a pronounced political character (in France, permanent reference at SNRI). To date, the role of research bodies has been decisive in this regard as also in defining the preselected subjects of the "integrated initiatives" 13.

- In addition to strengthening Community co-financing, it is necessary to organise consultation among ERDF Operational Programme players of public authorities and research circles at territorial level (regional or inter-regional) to develop territorial strategies in terms of infrastructure taking account of all players present (including private ones) (cf section on ERDF);
- the universities reiterate their desire for more open calls for proposals;
- this programme should have more resources;
- a simplification of the I3 is desirable;
- the choice of the integration of teams in the ESFRI should be more transparent.

III. MOBILITY⁵

In the knowledge triangle, training, which is one of its three components, is specifically the domain of the universities. For this reason, the universities need to formulate a clear position on mobility.

The European Commission favours greater homogeneity in management between the different programmes now managed by DG EAC⁶ (Erasmus, Erasmus Mundus, Tempus, Comenius, Marie Curie). Harmonising programmes linked with research and higher education offers an opportunity to share the experience of DG EAC and DG RTD.

⁵ A more developed proposal will be integrated to this document late December

⁶ Directorate-General for Education and Culture (EAC)

- The transfer of Marie Curie actions to DG EAC should not entail a diminution of resources in the long term or a drop in the quality of managing these research actions. In moving towards greater synergy, the rules of participation should converge towards simplification;
- The ITNs⁷ of Marie Curie actions, precursors in the university/business relationship, should serve as models for questions regarding the employability of PhDs;
- The obstacles to mobility between the Member States should be removed (social security coverage, pension contributions, etc.).

The Marie Curie programmes could be simplified through actions targeting a particular category (a programme for PhD candidates, young researchers, experienced researchers, etc.). It would be good to increase the number of individual grants and not reduce them to the benefit of the co-funding programme which could be changed into a source for allocating grants to institutions.

- At geographic level and in order to guarantee cooperation between Europe and the rest of the world, formulas should be proposed to ensure a better balance between geographic areas for IIF and IOF programmes⁸;
 - geographic targets with quotas;
 - a system with calls targeted per geographic area;
 - system of evaluating projects according to geographic area, etc.

The CPU is currently drafting a more detailed document on this subject, which will be presented early January and integrated into this document.

IV. COORDINATION BETWEEN THE COOPERATION AND THE JOINT PROGRAMMING, ALLIANCES AND STRATEGIC PARTNERSHIPS FOR INNOVATION COMPONENTS

So far, 10 joint programming initiatives have been adopted by the Competition Council. At this stage, these JPIs are in fact exclusively inter-governmental initiatives to which the European Commission intends to contribute. These JPIs should issue calls for proposals and work out research strategy agendas (SRAs) which are integrated into national strategies. This raises a genuine problem with regard to the very concept of the ERA as the JPIs constitute a return to a national approach whereas the ERA recommends structuring at the widest European level. Under these circumstances, it is important to move joint programming to an earlier stage of the FPRTD and intergovernmental cooperation already existing (e.g. COST, CERN).

The definition and implementation of these JPIs remain insufficiently transparent for university players, in particular with regard to future legal status. Moreover, they form part of a top-down process with the risk that the universities become mere service providers.

⁷ ITN Initial Training Network

⁸IIF International Incoming Fellowships IOF International Outgoing Fellowships

- These JPIs, currently funded by the Member States involved alone, should not be established to the detriment of the cooperation programme and should not take away its *raison d'être*. This would be tantamount to a retrograde step in establishing the ERA, an area in which the universities are called upon to cooperate. Not everything ought to be dealt with within joint programming;
- It is necessary to ensure that the universities are represented in the future structures for European strategies in order to avoid that the JPIs result from the will of a couple of players and concentrate very substantial resources in the hands of a small number of teams.
- If the JPIs are focused on particular social challenges which have a wide impact in Europe, they must involve basic as well as applied research.
- Necessary clarifications between the JPIs and the Erat-Net
- In order to be more visible in this process, the CPU proposes to update an overview of the main thrusts of university research so as to be more easily identified at European level.

IV.1 Strategic innovation partnerships

In its Europe 2020 communication on Innovative Partnerships, the European announces its intention to set up major partnerships which will assume some joint programming initiatives, major thematic programmes, etc. These "super structures" could evolve to the detriment of the cooperation programme component (currently consideration is being given to the subjects of Health, the Environment, KBBE). Several entities are involved in these partnerships: industry, research bodies, national alliances, etc.

- What are the links between the CPU's positions within the French alliances?
- How can one ensure that the players of European research are properly represented in the governance of these partnerships?
- What can be done to ensure that these partnerships fully support the innovation chain?

IV.2 European alliances

At this moment, there is a "European energy alliance" (part of the set plan). While the JPIs set the conditions to meet the social challenges, it is the European alliances who will be in the front line.

- Ensuring that the universities participate in the governance and planning of the alliances

Again, it should be borne in mind that limiting FP8 to European coordination of national programmes would call into question the structuring efforts that have been at least since FP6. It would mean the end of endeavours to build the European Research Area.

V. BUSINESS-UNIVERSITY LINKS

The aim is to analyse and initiate a debate on structures enabling a sustainable and balanced partnership between the socio-economic and industrial world. We should therefore work towards establishing framework conditions:

- Strengthening communication with the European institutions on university-business links, in particular on structures enhancing the partnership between academia and business
- Initiating an examination of the SATT model, the regional one-stop shop to make use of public research. These SATTs, entities for speeding up technological transfer, governed by private law, seek to manage and utilise intellectual property for the PRES (drawing up and negotiating research contracts with industry, development and utilisation of industrial property portfolio, etc.), guiding and funding the creation of companies, guiding the SMEs in their relations with laboratories, making the competencies and know-how of laboratories available. They should constitute a bridge between research and the world of economics.
- Public structure model for implementation and serving as a university-business interface
- To what extent these structures could be "Europeanised", made more visible and structural for the business-university relationship.
- The rules of intellectual property should be reviewed to improve the ability of the universities to be in control of making the best use of their results and ensure that there is a genuine balance between academic and industrial players. Financing of business chairs at the universities.
- If IAPP⁹ or CIP¹⁰ calls for proposals were integrated within the framework programme, this would enable the universities and researchers to strengthen their strategic position vis-à-vis business.

Joint Technology Initiatives & Joint Undertaking

The JTIs and JUs meet the needs of industry and concern few university teams who have not been involved in their establishment and in the introduction of SRAs, which weakens their position in responding to calls for proposals. These European industrial groupings outsource their R&D by subcontracting it to public research through these programmes and having it financed to the tune of 50% from the public purse in the Member States of these JTIs.

Moreover, some universities, who still play a minority role in this type of programme, are not in a position to negotiate effectively, in particular on the pivotal issues of the budget and intellectual property right to the results.

⁹ Industry-Academia Partnerships and Pathways (IAPP) (Marie Curie programme)

¹⁰ CIP: Competitiveness and Innovation Framework Programme, runs by DG Enterprise.

Depending on each case and on the projects negotiated, the academic partners do not retain the intellectual property right to the results to the benefit of industry. In other words, these programmes basically benefit industry.

- Establishing the right conditions to ensure that the universities are involved and/or informed at an earlier stage of the process.

V. European regional policy (ERDF/ ESF)¹¹

The French universities can mainly¹² benefit from the European structural funds in two aspects of regional policy:

- on the one hand, regional competitiveness and employment, which is a component that supports all the regions in strengthening competitiveness and employment and for which each French region has its own operational programme comprising research and innovation priorities;
- on the other hand, territorial cooperation, encompassing three programmes enabling co-financing of transborder, transnational (13 large areas in Europe), and inter-regional (in the whole of the European Union) projects.

The structural funds are of crucial importance to the universities and the pivotal role they play in regional and macro-regional economic life both as pillars of knowledge and as levers for technology transfer.

The CPU recognises the important role of the structural funds and Community programmes which encourage the establishment of regional strategies conducive to encouraging consultation among local and regional authorities, universities, centres of competitiveness and companies, all of which stand to benefit from Community funds (structural funds, FPRTD, CIP).

At present the universities do not benefit as much as they might from these funding opportunities and that there is considerable inequality in their degree of involvement in the process of working out the programmes.

The CPU recommends the non-opposition of excellence and local development: the universities wish to reconcile excellence and innovation at the local scale. The policies of excellence support the local policies of innovation as well. The local economic development is the anchor of excellence. This is why the universities wish a strengthening of the coherence in the development of European, national and regional strategies.

¹¹ The CPU held a seminar in Nancy on 1 December 2010 on the subject of the structural funds, bringing together the universities, regional councils, DATAR and the European Commission. The main recommendations will be incorporated in this document at the end of December 2010.

¹² Except for the regions at the very periphery which benefit from the convergence objective.

Given the current circumstances, we make the following recommendations:

- ***Strengthening the resources allocated to the structural funds***
 - the universities are pleased to see that the structural funds seek to enhance the capacity of territorial players to attain the objectives of the Europe 2020 strategy on the basis of their own guidelines and strengths.
 - the universities favour an increase in the level of co-financing of ERDF projects, as an incentive for proposing quality projects;
 - in particular, they call for the continuation and strengthening of the regional competitiveness and employment objective for the European Union as a whole, given its importance for establishing regional strategies (sustainable environment, innovation and inclusive society).

- ***Strengthening consultation among the regions, all local players and the universities***

Convergence between establishments of higher education, public authorities and the socio-economic partners of a territory in international politics is now essential.

The universities' participation in this policy can nowadays only be established on the basis of shared territorial objectives translated into multilateral and formally agreed actions and programmes.

- These structural funds serve the research and innovation strategy of the territories. Because of the importance of the role of the universities in research and innovation, the universities should be more closely and systematically involved in working out operational programmes. This approach is relevant in particular as the future post-2013 regional policy will have to meet the objectives of the 2020 agenda (innovation).

- ***Need to take the knowledge triangle into account***

The knowledge triangle, as the model for a public-private partnership with strategies and actions in research, innovation and education, facilitates a complementary approach among these three pillars that are indelibly linked to one another. It requires the involvement of the three players (public authorities, universities and other research organisations and business) and plays an essential role in strengthening the innovation process while giving a strong impetus towards regional specialisation and growth.

It pursues several objectives:

- balanced range of courses to make education in the territories more democratic;
- cooperative research networking in the territory;
- securing the continuum from basic research all the way to the utilisation of research results without jeopardising basic research.

It is therefore important that a part of the structural funds be allocated to complementary mechanisms underpinning the knowledge triangle: there can be no innovation without research and higher education and training are the best channels for the transfer of knowledge, an indispensable condition for innovation-based regional development.

- The structural funds must be strengthened as a source to finance capacity building in the regions and should be based on knowledge triangles;
- Part of the structural funds could be earmarked for complementary mechanisms underpinning the knowledge triangle. Accordingly, the regional competitiveness and employment component ought to co-finance innovative training initiatives in higher education. This could also be supported from the ESF, whose objectives should be extended to include the development of competencies.
- ***Smart specialisation and support for regional innovation strategies***

Under this concept, the structural funds should enhance complementarity among the regions by supporting the strategies formulated by the universities and business in consultation with territorial players. Smart specialisation requires a bottom-up approach, collaboration to identify the most promising areas of regional development, and an innovation strategy.

The universities reaffirm their fundamental role in smart specialisation. The success of smart specialisation depends on the quality of the universities' relations with business and the local authorities.

- With this in mind, it is necessary to rank priorities of excellence in the light of regional strengths.

The universities, for their part, will make their strong points in research better known.

CONCLUSIONS

It is necessary to ensure a balance between instruments with a top-down and those with a bottom-up approach, which is the only way to avert a decline of research and concomitantly of innovation.

It is also important to preserve the cooperation programme, get the universities involved at an earlier stage of joint programming initiatives and strategic partnerships for innovation.

It is also important to reaffirm the key role which the universities play in knowledge communities capable of generating innovation and strengthening the framework conditions to ensure equal importance for the three sides of the knowledge triangle.

Finally, greater simplification of European programmes and complementarity among them

will ensure easier and understandable access.

Communication on the FP7 simplification Contribution from the French universities

Introduction

Beyond simplification, the crucial point for French universities remains the clarity and consistency rules. The effort towards simplification is highly appreciated. However, the suggested paths exposed in the communication not only endanger some principles of the ERA but also question the current trend of modernisation of the Universities started in France. The principle threats are summarized below

Strand 1: Streamlining proposal and grant management under the existing rules

1- User support, guidance, transparency, IT tools and processes:

The French universities agree on reducing the average time-to-grant and time-to-pay.

2- Uniform application of rules:

This standardization to all the participants doesn't seem to be a good choice. The universities have different specificities from industries or SMEs. It is important to take these specificities into account in the rules of participation. The standardization of the financing rates (75% for the public partners, 50% for the private partners) could put the universities at a disadvantage because the WTO imposes this 50% limit to the private sector. Furthermore, the existing rules seem to be simple and understandable enough.

3- Optimising the structure and timing of calls for proposals

4- Adapting size of consortia

5- More extended use of practice

Strand 2: Adapting the rules under the current cost-based system

1- Broader acceptance of usual accounting practices

The correspondents agree, but ask for a particular attention on the justification of the salaries. Very few research organisms have an integrated working-time registration system, and this shouldn't become the unique possibility to justify the personnel costs. There's a strong need of flexibility and understanding from the auditing services.

2- Average personnel costs

What seems important to us is not to change from a system to another one, but rather to simplify the justification procedure (e.g.: time sheet)

This approach is incompatible with current EU legislation. Further, it seems to us that the EC goes back to former Framework Programmes, whilst it encouraged at the beginning of the FP7 all the stakeholders to work towards real cost model.

The French universities are doing a great effort to comply with this EC exigency. It would be a bad signal to question this approach and to adopt an average cost system.

The correspondents think that the **actual** personnel costs are easier to take into account. The main problem is the justification of these costs. It would be more judicious to keep the actual costs because the methodology certification processes of the costs are long and expensive. They also have to be updated very often, which could be a repulsive factor for the participation of the universities. The actual personnel costs combined with simplified justification procedure (either proposed by the European Commission, or set up with the Commission, or both) would be clearer and more reassuring for the universities.

The possibility to keep both the actual and average costs is also considered.

3- Limiting the variety of rules

- *Reduce the number of combinations:* this is not the main obstacle to the participation.
- *Reduce the number of methods for determining indirect costs:* the correspondents are not in favour of such a reduction, the Commission would then have to accept more particular cases, which will make the demands more complex and could cause a lack of motivation.

4- Interest on pre-financing

Most of the universities are unable to respond to that recent demand of the Commission. The correspondents are favourable to the deletion of this obligation, or to the setting-up of a more flexible register of the exceptions, in which the French universities would be included *de facto*.

5- More lump-sum elements in the current cost-based approach

The French universities are not favourable to the setting-up of lump-sums, unless they're linked to a non-demand of justification. Such an approach raises a series of issues:

- What about the notion of risk in research?
- No more indirect costs
- The Commission comes back to the full cost absorption method
- Reimbursements of the lump-sums: no simplification expected, problematic concerning the salaries (levelling down of the budgets, problem of the timesheets)

The lump-sum system is already in place partially in FP7, and its results are not satisfactory. Amongst others:

- the lump sum system disconnect the research projects from its real cost; while the EC insisted in the FP7 to link projects and cost. As previously said, this step back would be difficult to understand; while we are convinced that adopting a

more global approach for budget (full cost system, with co-financing) as more pedagogic aspects and allow raising awareness on the real cost of RTD and co-financing /participation through co-funding of projects' partners.

- the lump sum system lead to diminish the budget associated to the project. Further, this system is difficult to apply, as there is no balance between RTD costs amongst EU member states, between ICPC, etc. The risk is that the teams with higher costs (e.g.: located in more 'expensive' countries) will have less interests to participate to FP projects

6- Accelerating project selection

The correspondents are favourable to this proposition.

Strand 3: Moving towards result based instead of cost-based funding

This is unacceptable as:

- the risk for universities due to the uncertainty of funding without guarantee of financial support could lead to diminish the involvement of most of the university teams.
- if public funding doesn't fund anymore risky, challenging and basic research projects, out of which results can be difficult to assess at least in mid-term, no other possible source of funding will remain to finance basic research project. This will also endanger the ERC.
- the notion of success and results is theme-dependant, and no criteria exists to be applied to the different scientific disciplines. This will also lead to diminish the ambition and the challenging aspects of the submitted projects

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We very strongly question this approach which questions the funding principles of the European Research area, based on the excellence of research. The competition and emulation among teams also arise from challenging, breakthrough and challenging ideas that are incompatible with a result-based approach. Furthermore, the notion of risk is intrinsic to research,; and even if a project doesn't deliver expected results, this doesn't mean that it fails.

Finally, we think that it is up to the private sector to finance this kind of project, where risk is less high.

1- Project specific lump-sums

3- The adoption of lump-sum system is already in place partially in FP7, and its results are not satisfactory. Amongst others:

- the system doesn't prevent the Marie Curie fellows to fill in time sheets; hence question regarding simpler control
- the ICPC partners scarcely adopt them

- the lump sum system disconnect the research projects from its real cost; while the EC insisted in the FP7 to link projects and cost. As previously said, this step back would be difficult to understand; while we are convinced that adopting a more global approach for budget (full cost system, with co-financing) as more pedagogic aspects and allow raising awareness on the real cost of RTD and co-financing /participation through co-funding of projects' partners.

the lump sum system lead to diminish the budget associated to the project. Further, this system is difficult to apply, as there is no balance between RTD costs amongst EU member states, between ICPC, etc. The risk is that the teams with higher costs (e.g.: located in more

2- Publication of calls with pre-defined lump-sums

This system can discourage the researcher

3- High-trust award approach

What would be the "high-trust" organisms? Such a rule, if it is set-up, should apply in a fair way to all the research organisms, whatever their size or previous participation to European projects is.

Miscellaneous:

- During the negotiation phase, separate budgets between the partners of the grant agreement and the third parts shouldn't be demanded. This new rule weighs down the task of the universities at this stage of the project.
- It would be interesting to check whether both the two stage submission/evaluation and the use of lump-sums/flat-rates schemes have indeed alleviated the bureaucratic burden on project selection/management and see which lessons learnt can be drawn.