

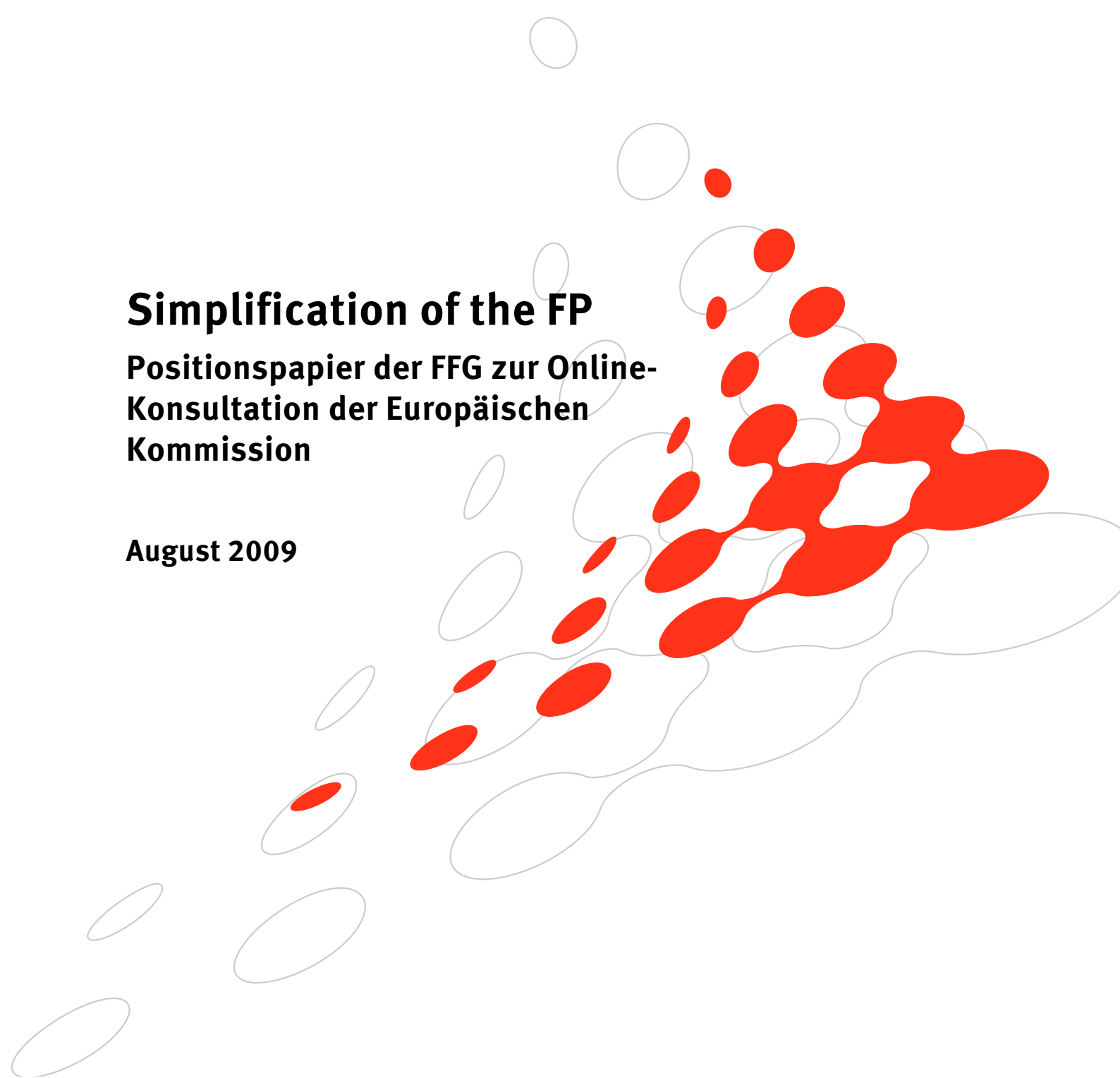


**FFG**

# **Simplification of the FP**

**Positionspapier der FFG zur Online-Konsultation der Europäischen Kommission**

**August 2009**



## Ideas of Simplification – online consultation

(<http://ec.europa.eu/yourvoice/ipm/forms/dispatch?form=SimpleIdeas>)

Vorschläge des Bereichs EIP/FFG zur Vereinfachung der Forschungsrahmenprogramme nach den Vorgaben der „Online consultation“ der Europäischen Kommission aufgeteilt in:

1. Suggestions for simplification *within the current legal framework*
2. Suggestions for simplification requiring a *change to the legal framework*

### 1.

#### **Suggestions for simplification within the current legal framework**

- Call deadlines: Setting the deadlines of most Calls, concentrated in a period of one-two months is very resource demanding for researchers/organisations who want to apply in different Themes. The Deadlines of the Themes should be more spread out in the year. Furthermore, setting a Deadline around major (religious) holiday periods (e.g. 5th January, or 2 days after Easter) is not only contra-productive but eventually insulting to some researchers.
- Grant agreement preparation: various procedures concerning GPFs by different DGs or Units – harmonisation would help a lot.
- Unique Registration Facility (URF):
  - Unclear definition of “public body” and due to this there are problems with the classification of organisations as public bodies. Clarification would be possible through the publication of the (internal) papers of the Commission (Common Validation Rules for Legal Entities) concerning the interpretation of the Rules for Participation.
  - the validation of partners in projects during the negotiation phase of the projects often takes a very long time – this has to be fastened as it is often a reason why the negotiations take that long (long time-to-contract)
  - the validation procedure especially for SMEs takes a very long time – this could be fastened by a unit inside URF especially for SMEs

- a lot of Certificates on the Methodology (CoM and CoMAv) were received by the Central Validation Unit of the URF but have not been approved/not approved by now – a faster certification process is needed in these cases to gain legal security for those organisations when it comes to reporting.
  - The validation data base itself is full of errors and it takes a very long time to have the errors fixed – this shall be fastened.
- Negotiation Facility (NEF): Some problems with NEF (e.g. PIC changed overnight, calculation of indirect costs (flat rate) wrong, PO sees different information as the Coordinator,...) – they have to be fixed quickly as the tool is needed permanently.
- Subcontracting: It is frequently experienced as difficult issue - this notion may further increase during FP7 (rules getting “stricter”? -> ex post audits) – this notion should be cleared up. There should be a clear definition from which quantitative amount onwards there have to be 3 offers.
- Bank guarantees: They are still in some cases requested by the EC. This is in contradiction to the promised simplification and is a problem especially for SMEs due to high costs.
- Reporting:
  - Technical Reporting: 2 different Cost reporting tools (FORCE / NEF) depending if the EC project is done under the responsibility of the DG INFSO or the other DGs. FORCE is a new tool whereas NEF is already known by participants from the negotiation phase. The use of only one tool (NEF) would be favourable.
  - Cost Reporting: The complicated cost reporting that is now in place requires a lot of resources and effort, both by project partners and project officers, in nitpicking and micromanagement. A more extensive use of lump sum funding should be used (for amounts calculated on basis of detailed budget plans).
- Different interpretation throughout the Commission: An internal harmonisation of the interpretation of rules within the Commission would be very helpful in order to have the legal security that the same issue will be handled in the same way by different DGs.
- Reporting and Audits: Reporting and audits often cause problems – record shows that reporting requirements differ from project/financial officer to project/financial officer, what makes it very difficult to benefit from experience.

- Ex-post audits: Although the number of audits would be expected to decrease in FP7 due to the “simplification” measures, recent developments (ex-post-audits for FP6 and earlier FPs) seem to indicate that audits could become a major issue of “obstacles”/”deterrents” in FP7.
  - The procedure of the ex post audits in FP6 also caused major problems as there were unclear and general guides on the one hand and very detailed, in depth (on-the-spot Commission) audits on the other hand. To avoid discrepancies between rules, official guides and internal guides of the auditors in FP7 it would be extremely useful to receive the auditor’s internal guidance notes employed when implementing an ex post or on-the-spot audit in FP7.
- Amendments: Amendments of the Grant Agreement often take a long time (many months) – this should work faster.
- Reachability of Commission Officers: Optimising the reachability of POs would help a lot – together with a functioning proxy system.
  - Notification after change of PO is needed because this leads to confusion and endless forwarding of Emails.
- NCP list: Update of the current NCP list on EC Website would be very helpful for the beneficiaries.
- Excellent proposals: In several cases excellent proposals (i.e. evaluated with 14,5 points) are not funded due to lack of budget. The possibility of increasing the budget by up to 10%, given to the Commission and announced in each Call Fiche, has never been used to fund such excellent proposals.
- Simplification of access: As the preparation phase of excellent proposals often exceeds the time a call is open it would be very helpful for the proposers to be able to get in advance draft versions of Work Programmes by official means. It would also be very helpful to have final draft versions of Work Programmes well in advance of the opening of a call. The restrictive policy of the EC in releasing drafts of the Work Programme is increasingly becoming a hurdle as the official release date of around 3 months before the deadline is usually too late to prepare a competitive proposal. Researchers thus have to rely on other channels; but there is unequal access to drafts of Work Programmes throughout Europe. (“Simplification of access”)

## 2.

### Suggestions for simplification requiring a change to the legal framework

- Unique Registration Facility (URF): Clearer definition of “public body” in the Rules for Participation is needed for the validation; English and German Version are different to French Version.<sup>1</sup>
- Subcontracting: It is frequently experienced as very difficult issue - this notion may further increase during FP7 (rules getting “stricter”? -> ex post audits) – there should be a quantitative limit (e.g. upper limits for minor tasks).<sup>2</sup>
- Reporting: Cost reporting of personnel costs: one main rule for the eligibility of costs says that “*they must be determined in accordance with the usual accounting and management principles and practices of the beneficiary*” (Art. II.14.d) ECGA). Very often organisations have to adapt their internal organisational rules to fit with the other ECGA requirements, e.g. they can’t use their usual personnel cost reporting they always use (national projects, e.g. average costs) if they are not in line with specific FP7 rules. This causes a lot of problems during FP6 ex post audits. Solution: organisations may really use their usual practice – it could be checked during ex post audits, if the organisations also use their “usual organisational rules” in e.g. national projects.<sup>3</sup>
- Audit: To avoid discrepancies between rules, official guides and internal guides of the auditors in FP7 it would be very useful to make the regulations as clear as the internal “on-the-spot”-audit guidance notes.<sup>4</sup>
- Single Enquiry Office: A great advancement would be the instalment of a single enquiry office which is authorised to give **legally binding** answers to legal and financial questions. At the moment there are only some services which are not allowed to give legal binding answers (e.g. the Research Enquiry Service gives only answers with disclaimer).
  - There are different interpretations by different DGs concerning legal questions – this problem could be resolved by installing a single contact point.<sup>5</sup>

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<sup>1</sup> Adaptation of the Rules for Participation (Regulation (EC) No 1906/2006), Article 2 is needed.

<sup>2</sup> Adaptation of Grant Agreement Annex II.7.3 is needed.

<sup>3</sup> Adaptation of the Rules for Participation (Regulation (EC) No 1906/2006), Article 31 3 a) and c) is necessary.

<sup>4</sup> Adaptation of Grant Agreement Annex II.14 – II.19 is needed.

<sup>5</sup> Adaptation of Rules for Participation (Regulation (EC) No 1906/2006) or the Decision concerning the Seventh Framework Programme (Decision No 1082/2006/EC) is needed.

- Harmonisation: The legal and financial rules for FP7, CIP and the Structural Fund concerning research activities should be harmonised; this would help participants to use their resources for complementary financing of their research activities.  
The large number of different Grant Agreements (FP7 Cooperation, People, ERC, Joint Undertakings, CIP etc.) with sometimes similar main rules, but often different detailed rules, is hard to manage for organisations, especially for SMEs which normally don't have the corresponding legal capacity.
  - Overheads in particular cases: for the JTI “Innovative Medicines Initiative” (IMI), only 20 % overheads are funded as opposed to the 60 % flat rate available to universities and SMEs in FP7, which poses a significant problem for organizations involved.
  - Possible solution: Increasing the use of lump sums (based on fair calculations) throughout all FP instruments.<sup>6</sup>
- Indirect costs: Detailed requirements for the use of the indirect cost calculation method (ICM) “simplified method” – especially for SMEs it is hard to follow the rules (Grant Agreement) and to know if they are allowed to use this ICM or not – this notion shall be cleared up in detail.<sup>7</sup>

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<sup>6</sup> E.g. Decision concerning the Seventh Framework Programme (Decision No 1082/2006/EC), the Decision establishing a Competitiveness and Innovations Framework Programme (Decision No 1639/2006/EC) and the Regulation (EC) laying down general provisions for the European Regional Development Fund, the European Social Fund and the Cohesion Fund (Regulation (EC) No 1083/2006).

<sup>7</sup> Adaptation of Grant Agreement Annex II.15.2 a) is needed.