



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 23 May 2005**

**9131/05**

**RECH 112  
COMPET 99**

**NOTE**

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from : the Presidency  
to : Coreper/Council

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Subject : Proposal for decisions concerning the Seventh Framework Programme for Research and Technological development (2007-2013) – Building the Europe of Knowledge  
- Orientation debate at the Council ("Competitiveness") on 7 June 2005

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**I. INTRODUCTION**

Following the presentation and first exchange of views at the Council ("Competitiveness") of 18 April 2005, the Council preparatory bodies have undertaken a more detailed examination of the Commission proposal for the (EC) Seventh Framework Programme (FP7)<sup>1</sup>, focussing on the sections on collaborative research ("Cooperation") and human resources ("People").

The Presidency has set out to respect as far as possible the indicative timetable to enable the decisions, in codecision with the European Parliament, to be taken by mid 2006. It acknowledges, however, that a number of issues, notably those related to an agreement on the long term financial perspectives, could have repercussions on the timetable for examining the proposal. In addition, it should be emphasised that, at this stage, several delegations' views are of a preliminary nature, pending the completion of their internal consultations.

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<sup>1</sup> Doc. 8087/05 RECH 80 ATO 45 COMPET 68 CODEC 266.

It is further recalled that the FP7 proposals are to be considered in parallel with the proposal concerning the Competitiveness and Innovation Programme (CIP) and that the more detailed modalities for the implementation of FP7 will be set out in the Decisions on the Specific Programmes and Rules for Participation for which Commission proposals are expected in September 2005.

## II STATE OF PLAY AND QUESTIONS FOR DISCUSSION

In the Presidency's view, and following the Council discussions of 18 April 2005, there is a large measure of agreement on the overall structure and choice of the main themes of FP7. While the technical examination of the scientific content of the priority themes of the proposal is still on-going, the Presidency considers that Ministers could provide helpful and concrete guidance to the technical examination by concentrating on a number of issues which have arisen from the discussions on the "Cooperation" and "People" sections of the proposal. These are set out below.

### a) Scientific content - Themes

Whilst the technical examination of the FP7 themes<sup>1</sup> is still on-going, in the Presidency's view, bearing in mind the clarifications from the Commission, the main thrust of the scientific content has met with broad support. Regarding the organisation of the themes, the question has been raised, as to whether the theme "Security and space" should be split into its two constituent components. In addition, it has emerged in the discussions that further analysis and information from the Commission might be needed on how to manage certain cross-cutting aspects (such as research responding to emerging needs) within the themes and on how to ensure a coordinated and cohesive approach vis-à-vis, notably, basic research activities ("Ideas") and the proposed European Research Council (ERC).

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<sup>1</sup> "Health", "Food, agriculture and biotechnology", "Information and communication technology", "Nanosciences, nanotechnologies, materials and new production technologies", "Energy", "Environment (including climate change)", "Transport (including aeronautics)", "Socio-economic sciences and the humanities", "Security and space".

**Can Ministers confirm that the organisation of the priority themes and their main scientific content is broadly acceptable, subject to the finalisation of the on-going technical examination? Should "space" and "security" be maintained as a single theme as proposed, subject possibly to specifying separate budgets in the Specific Programme?**

**b) Joint Technology Initiatives**

There is a large degree of continuity with FP6 as regards the types of activities and funding schemes proposed for FP7. In addition, the Commission proposes, in a limited number of cases, setting up long term large-scale and multi-financed public-private initiatives in the form of "Joint Technology Initiatives". These initiatives, mainly resulting from the work of European Technology Platforms, would notably combine private sector investment and national and European public funding and loan finance from the European Investment Bank.<sup>1</sup> Joint Technology Initiatives would involve specific (legal) structures to be decided separately on the basis of, for example, Article 171 of the Treaty. A further Commission communication on this topic is envisaged in June 2005, in response to a request made by the last European Council.

In general, delegations agree to the objectives of Joint Technology Initiatives, i.e. the need for public-private partnerships and the close involvement of industry in research and technological development. However, a number of delegations question the need for a new mechanism to achieve this goal, over and above collaborative research projects based on calls for proposals.

**Under what conditions should the "traditional" types of actions, in particular collaborative research projects, be complemented with Joint Technology Initiatives proposed by the Commission? What should be the criteria for their selection and what should be their main guiding principles to be reflected in the Framework Programme Decision?**

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<sup>1</sup> At this stage, the Commission envisages such initiatives in the fields of innovative medicine, nanoelectronics, embedded systems, aeronautics and air traffic management, hydrogen and fuel cells, and global monitoring for environment and security

c) **Small and Medium Sized Enterprises**

In addition to the specific measures targeting SMEs under the "Capacities" section of FP7 proposal, the "Cooperation" section has been designed in such a way as to attract SMEs and facilitate their full participation in the collaborative research projects, taking into account also the envisaged simplification measures particularly relevant for SMEs.

A number of delegations, stressing the importance of industry and particularly SME involvement in FP7, suggest introducing a quantitative target for SME participation in collaborative research activities (15% in FP6). Consideration should also be given to other specific measures for encouraging SME participation. The need for close coordination and complementarity between FP7 and CIP is also regarded as essential.

**Does the (thematic) content of the FP7 proposal, as well as the envisaged overall simplification of procedures, provide an adequate basis for achieving a high level of participation by SMEs in the programme, subject to details being elaborated in the Specific Programmes, Rules for Participation and work programmes? Should there be further guiding principles set out in the Framework Programme Decision to this effect? What would be the merits of a possible quantitative target, in line with the FP6 approach, for SME participation?**

d) **Dissemination and technology transfer**

The Commission proposes that the dissemination of knowledge and transfer of results, including to policy makers, will be supported in all thematic areas through various measures and that actions to support innovation will be taken under CIP.

Some delegations consider that the FP7 provisions on dissemination should be developed in more detail.

**Bearing in mind that the details of dissemination will be set out in the Rules for Participation, are there any further main principles for the dissemination and technology transfer that should be enshrined in the Framework Programme Decision?**

e) **Human resources**

In the Presidency's view, the proposed actions on human resources ("People") which follow directly from FP6 activities have been favourably received by delegations. Several delegations have, however, stressed the importance of reinforcing industry-academia mobility and pathways. As to the new element proposed by the Commission, i.e. Community co-financing of regional, national and international programmes, delegations have requested further clarification from the Commission. Delegations generally are of the view that the emphasis of this part of the programme should remain on the Marie Curie Fellowships which have proved their worth.

**Can it be confirmed that the broad lines of action in the "People" section of the proposal are acceptable, including the proposed possibility for co-financing regional, national and international programmes in this area?**

f) **Management and implementation aspects**

The Commission has proposed a substantially increased budget for FP7 as well as an extended duration (7 years) compared to FP6. The Commission maintains that there is sufficient flexibility, notably within the priority themes, to accommodate emerging topics of scientific, industrial or policy interest, to be managed through the usual procedures, involving Programme Committees, with the Commission also ensuring the cohesive overall management of the various programmes. Moreover, an interim evaluation with the assistance of independent experts is proposed. In the Commission's staff working document "Simplification of the seventh framework programme" and the Commission's communication "Building the ERA of knowledge for growth", further suggestions are put forward regarding the management aspects.

Whilst recognizing the Commission's prerogatives as regards the programme management and acknowledging that a full appreciation of management aspects will only be possible after a complete examination of the Commission's proposal, a number of delegations consider that, in particular, the higher level of ambition and the proposed longer duration of FP7 require more detailed elaboration of the implementation and management principles in the FP7 decision.

**Bearing in mind that the more detailed modalities of the programme management will be set out in the Specific Programme Decisions, what are the broader principles that should be taken into account at the level of the Framework Programme regarding its coherent, efficient and flexible management and its possible revision during its implementation?**

### **III CONCLUSION**

The Council is called upon to have an exchange of views on the topics set out above with a view to providing guidance to those undertaking the technical examination in the Council bodies concerned. In the light of the Council discussions, the Presidency envisages drawing up, by the end of June 2005, a revised draft text of the proposal ("Cooperation" and "People" sections) as a basis for future work.

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