Corrigendum to Council Decision 2006/974/EC of 19 December 2006 on the specific programme: 'Capacities' implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 to 2013)

(Official Journal of the European Union L 400 of 30 December 2006)

Decision 2006/974/EC should read as follows:

COUNCIL DECISION

of 19 December 2006

on the specific programme: 'Capacities' implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 to 2013)

(Text with EEA relevance)

(2006/974/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 166(4) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament [1],

Having regard to the opinion of the European Economic and Social Committee [2],

Whereas:

(1) In accordance with Article 166(3) of the Treaty, Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) [3] (hereinafter referred to as 'the Framework Programme') is to be implemented through specific programmes that define detailed rules for their implementation, fix their duration and provide for the means deemed necessary.

(2) The Framework Programme is structured in four types of activities: trans-national cooperation on policy-defined themes (Cooperation), investigator-driven research based on the initiative of the research community (Ideas), support of training and career development of researchers (People), and support of research capacities (Capacities). Activities under 'Capacities' as regards indirect actions should be implemented by this specific programme.

(3) The rules for the participation of undertakings, research centres and universities and for the dissemination of research results, for the Framework Programme (hereinafter referred to as 'the rules for participation and dissemination') should apply to this specific programme.

(4) The Framework Programme should complement the activities carried out in the Member States as well as other Community actions that are necessary for the overall strategic effort for the implementation of the Lisbon objectives, alongside in particular those on structural funds, agriculture, education, training, culture, competitiveness and innovation, industry, health, consumer protection, employment, energy, transport and environment.

(5) Innovation and SME-related activities supported under this Framework Programme should be complementary to those undertaken under the Framework Programme for Competitiveness and Innovation which will contribute to closing the gap between research and innovation, and promote all forms of innovation.

(6) Implementation of the Framework Programme may give rise to supplementary programmes involving the participation of certain Member States only, the participation of the Community in programmes undertaken by several Member States, or the setting up of joint undertakings or other arrangements within the meaning of Articles 168, 169 and 171 of the Treaty.

(7) This specific programme should provide a contribution to the European Investment Bank (EIB) for the constitution of a 'Risk-sharing finance facility' in order to improve access to EIB loans.

(8) As provided for under Article 170 of the Treaty, the Community has concluded a number of international agreements in the field of research and efforts should be made to strengthen international research cooperation with

[1] Opinion of 30 November 2006 (not yet published in the Official Journal).
[2] OJ C 185, 8.8.2006, p. 10.
[3] OJ L 412, 30.12.2006, p. 1.

a view to further integrating the Community into the world-wide research community. Therefore, this specific programme should be open to the participation of countries having concluded agreements to this effect and should be also open on the project level, and on the basis of mutual benefit, to the participation of entities from third countries and of international organisations for scientific cooperation.

(9) Research activities carried out within this programme should respect fundamental ethical principles, including those which are reflected in the Charter of Fundamental Rights of the European Union.

(10) The implementation of the Framework Programme should contribute towards promoting sustainable development.

(11) Sound financial management of the Framework Programme and its implementation should be ensured in the most effective and user-friendly manner possible, while ensuring legal certainty and the accessibility of the programme for all participants, in compliance with Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ([1]) and Commission Regulation (EC, Euratom) 2342/2002 ([2]) laying down detailed rules for the implementation of that Financial Regulation and any future amendments.

(12) Appropriate measures — proportionate to the European Communities' financial interests — should be taken to monitor both the effectiveness of the financial support granted and the effectiveness of the utilisation of these funds in order to prevent irregularities and fraud and the necessary steps should be taken to recover funds lost, wrongly paid or incorrectly used in accordance with Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests ([3]), Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities ([4]) and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF) ([5]).

(13) Since the measures necessary for the implementation of this Decision are essentially management measures, they should therefore be adopted by the management procedure provided for in Article 4 of Council Decision 1999/468/EC of 28 June 1999, laying down the procedures for the exercise of implementing powers conferred on the Commission ([6]). On the other hand research involving the use of human embryos and human embryonic stem cells raises specific ethical issues, as described in Article 4 of this Decision. Therefore, measures for the financing of such projects should be adopted by the regulatory procedure provided for in Article 5 of Decision 1999/468/EC.

(14) The 'Capacities' specific programme should have its own budget line in the General Budget of the European Communities.

(15) In the implementation of this programme adequate attention needs to be paid to gender mainstreaming, as well as to, *inter alia*, the working conditions, transparency of recruitment processes, and career development as regards the researchers recruited on projects and programmes funded under the actions of this programme, for which the Commission Recommendation of 11 March 2005 on the European Charter for Researchers and on a Code of Conduct for the Recruitment of Researchers offers a reference framework, while respecting its voluntary nature,

HAS ADOPTED THIS DECISION:

Article 1

The specific programme 'Capacities' for Community activities in the area of research and technological development, including demonstration activities, hereinafter the 'specific programme' is hereby adopted for the period from 1 January 2007 to 31 December 2013.

Article 2

The specific programme shall support the activities for 'Capacities', supporting key aspects of European research and innovation capacities as follows:

(a) research infrastructures;

(b) research for the benefit of small and medium-sized enterprises (SMEs);

(c) regions of knowledge;

(d) research potential;

(e) science in society;

(f) support for the coherent development of research policies;

(g) activities of international cooperation.

([1]) OJ L 248, 16.9.2002, p. 1.
([2]) OJ L 357, 31.12.2002, p. 1. Regulation as last amended by Regulation (EC, Euratom) No 1248/2006 (OJ L 227, 19.8.2006, p. 3).
([3]) OJ L 312, 23.12.1995, p. 1.
([4]) OJ L 292, 15.11.1996, p. 2.
([5]) OJ L 136, 31.5.1999, p. 1.
([6]) OJ L 184, 17.7.1999, p. 23. Decision as amended by Decision 2006/512/EC (OJ L 200, 22.7.2006, p. 11).

Implementation of this specific programme may give rise to supplementary programmes involving the participation of certain Member States only, the participation of the Community in programmes undertaken by several Member States, or the setting up of joint undertakings or other arrangements within the meaning of Articles 168, 169 and 171 of the Treaty.

The objectives and the broad lines of these activities are set out in Annex I.

Article 3

In accordance with Annex II of the Framework Programme, the amount deemed necessary for the execution of the specific programme shall be EUR 4 097 million, of which less than 6 % shall be for the Commission's administrative expenditure. An indicative breakdown of this amount is given in Annex II.

Article 4

1. All research activities carried out under the specific programme shall be carried out in compliance with fundamental ethical principles.

2. The following fields of research shall not be financed under this programme:

— research activity aiming at human cloning for reproductive purposes,

— research activity intended to modify the genetic heritage of human beings which could make such changes heritable ([1]),

— research activities intended to create human embryos solely for the purpose of research or for the purpose of stem cell procurement, including by means of somatic cell nuclear transfer.

3. Research on human stem cells, both adult and embryonic, may be financed, depending both on the contents of the scientific proposal and the legal framework of the Member State (s) involved.

Any application for financing for research on human embryonic stem cells shall include, as appropriate, details of licensing and control measures that will be taken by the competent authorities of the Member States as well as details of the ethical approval(s) that will be provided.

As regards the derivation of human embryonic stem cells, institutions, organisations and researchers shall be subject to strict licensing and control in accordance with the legal framework of the Member State(s) involved.

([1]) Research relating to cancer treatment of the gonads may be financed.

4. The fields of research set out above shall be reviewed for the second phase of this programme (2010 to 2013) in the light of scientific advances.

Article 5

1. The specific programme shall be implemented by means of the funding schemes established in Annex III to the Framework Programme.

2. Annex III to this specific programme sets out the arrangements for a grant to the European Investment Bank for the establishment of a risk-sharing finance facility.

3. Annex IV to this specific programme sets out a possible initiative for the joint implementation of national research programmes that could be the subject of a separate decision on the basis of Article 169 of the Treaty.

4. The rules for participation and dissemination shall apply to this specific programme.

Article 6

1. The Commission shall draw up a work programme for the implementation of the specific programme, setting out in greater detail the objectives and scientific and technological priorities set out in Annex I, the funding scheme to be used for the topic which proposals are invited, and the timetable for implementation.

2. The work programme shall take account of relevant research activities carried out by the Member States, associated countries and European and international organisations, and the achievement of European added value as well as the impact on industrial competitiveness and the relevance for other Community policies. It shall be updated where appropriate.

3. Proposals for indirect actions under the funding schemes shall be evaluated and projects selected considering the criteria set out in Article 15(1a) of the rules for participation and dissemination.

4. The work programme may identify:

(a) organisations that receive subscriptions in the form of a membership fee;

(b) support actions for the activities of specific legal entities.

Article 7

1. The Commission shall be responsible for the implementation of the specific programme.

2. The management procedure laid down in Article 8(2) shall apply for the adoption of the following measures:

(a) the work programme referred to in Article 6 including the funding schemes to be used, the content of the calls for proposals and the evaluation and selection criteria to be applied;

(b) any adjustment to the indicative breakdown of the amount as set out in Annex II;

(c) the approval of the funding of activities referred to in points (a) to (g) of Article 2, where the estimated amount of the Community contribution under this programme is equal to, or more than, EUR 0,6 million;

(d) the drawing up of the terms of reference for the evaluations provided for in Articles 7(2) and 7(3) of the Framework Programme.

3. The regulatory procedure laid down in Article 8(3) shall apply for the approval of the funding of activities involving the use of human embryos and human embryonic stem cells.

Article 8

1. The Commission shall be assisted by a Committee

2. Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply.

The period laid down for in Article 4(3) of Decision 1999/468/EC shall be set at two months.

3. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply.

The period laid down for in Article 5(6) of Decision 1999/468/EC shall be set at two months.

4. The Commission shall regularly inform the Committee of the overall progress of the implementation of the specific programme, and shall provide it with timely information on all RTD actions proposed or funded under this programme as specified in Annex V.

5. The Committee shall adopt its rules of procedure.

Article 9

The Commission shall arrange for the independent monitoring, assessment and review provided for in Article 7 of the Framework Programme to be conducted concerning the activities carried out in the fields covered by the specific programme.

Article 10

This Decision shall enter into force on the third day following its publication in the *Official Journal of the European Union*.

Article 11

This Decision is addressed to the Member States.

Done at Brussels, 19 December 2006.

For the Council

The President

J. KORKEAOJA

ANNEX I

SCIENTIFIC AND TECHNOLOGICAL OBJECTIVES, BROAD LINES OF THE THEMES AND ACTIVITIES

INTRODUCTION

This specific programme will enhance research and innovation capacities throughout Europe and ensure their optimal use. This aim will be achieved through:

— optimising the use and development of research infrastructures,

— strengthening innovative capacities of SMEs and their ability to benefit from research,

— supporting the development of regional research-driven clusters,

— unlocking the research potential in the EU's convergence and outermost regions,

— bringing science and society closer together for the harmonious integration of science and technology in European society,

— supporting the coherent development of research policies, and

— actions and measures in support of international cooperation.

The principle of sustainable development and gender equality will be duly taken into account. Furthermore, considerations of the ethical, social, legal and wider cultural aspects of the research to be undertaken and its potential applications, as well as socioeconomic impacts of scientific and technological development and foresight, will where relevant form a part of the activities under this specific programme.

Actions for the coordination of non-Community programmes may be undertaken in this specific programme making use of the ERA-NET scheme and the participation of the Community in jointly implemented national research programmes (Article 169 of the Treaty) as described in the Cooperation specific programme.

Synergies and complementarities will be sought with other community policies and programmes such as Community's regional and cohesion policy, the Structural Funds, the Competitiveness and Innovation programme and relevant Education and Training Programmes ([1]).

Ethical aspects

During the implementation of this specific programme and in the research activities arising from it, fundamental ethical principles are to be respected. These include, *inter alia*, the principles reflected in the Charter of fundamental Rights of the EU, including the following: protection of human dignity and human life, protection of personal data and privacy, as well as animals and the environment in accordance with Community law and the latest versions of relevant international conventions, guidelines and codes of conduct, e.g. the Helsinki Declaration, the Convention of the Council of Europe on Human Rights and Bio-medicine signed in Oviedo on 4 April 1997 and its Additional Protocols, the UN Convention on the Rights of the Child, the Universal Declaration on the human genome and human rights adopted by UNESCO, UN Biological and Toxin Weapons Convention (BTWC), International Treaty on Plant Genetic Resources for Food and Agriculture, and the relevant World Health Organisation (WHO) resolutions.

Account will also be taken of the Opinions of the European Group of Advisers on the Ethical Implications of Biotechnology (1991 to 1997) and the Opinions of the European Group on Ethics in Science and New Technologies (as from 1998).

In compliance with the principle of subsidiarity and the diversity of approaches existing in Europe, participants in research projects must conform to current legislation, regulations and ethical rules in the countries where the research will be carried out. In any case, national provisions apply and no research forbidden in any given Member State or other country will be supported by Community funding to be carried out in that Member State or country.

([1]) With a view to facilitating the implementation of the programme, for each meeting of the programme committee as defined in the agenda, the Commission will reimburse, in accordance with its established guidelines, the expenses of one representative per Member State, as well as one expert/adviser per Member State for those agenda items where a Member State requires specific expertise.

Where appropriate, those carrying out research projects must seek the approval of the relevant national or local ethics committees prior to the start of the RTD activities. An ethical review will also be implemented systematically by the Commission for proposals dealing with ethically sensitive issues or where ethical aspects have not been adequately addressed. In specific cases an ethical review may take place during the implementation of a project.

No funding will be granted for research activities that are prohibited in all the Member States.

The Protocol on protection and welfare of animals annexed to the Treaty requires the Community to pay full regard to the welfare requirements of animals in formulating and implementing Community policies including research. Council Directive 86/609/EEC of 24 November 1986 on the approximation of laws, regulations and administrative provisions of the Member States regarding the protection of animals used for experimental and other scientific purposes [1] requires that all experiments be designed to avoid distress and unnecessary pain and suffering to the experimental animals; use the minimum number of animals; involve animals with the lowest degree of neurophysiological sensitivity; and cause the least pain, suffering, distress or lasting harm. Altering the genetic heritage of animals and cloning of animals may be considered only if the aims are ethically justified and the conditions are such that the animals' welfare is guaranteed and the principles of biodiversity are respected.

During the implementation of this programme, scientific advances and national and international provisions will be regularly monitored by the Commission so as to take account of any developments.

Research on ethics related to scientific and technological developments will be carried out in the 'Science in society' part in this programme.

1. RESEARCH INFRASTRUCTURES

Objective

Optimising the use and development of the best research infrastructures existing in Europe, and helping to create in all fields of science and technology new research infrastructures of pan-European interest needed by the European scientific community to remain at the forefront of the advancement of research, and able to help industry to strengthen its base of knowledge and its technological know how.

Approach

For Europe to become the most competitive and dynamic knowledge based economy in the world, modern and effective research infrastructures are critical in achieving science and technology leadership. Research infrastructures play a key role in the creation of knowledge and technology and in their diffusion, application and exploitation, thus fostering innovation and contributing to the development of the European Research Area. Access to them is more and more indispensable in all fields of science and technology and for evidence-based policy-making. Many Research Infrastructures have evolved from large facilities dedicated almost exclusively to a specific discipline, into service facilities for a broad variety of scientific communities. Enabled by information and communication technology, recent concepts of infrastructure are also expanding to include distributed systems of hardware, software and contents with an enormous cumulative value as repositories of knowledge in many diverse disciplines.

The proposed action will in particular contribute to the development, exploitation and preservation of knowledge, through its support to research infrastructures based both on a bottom-up, excellence-driven approach and a targeted approach. The strategic upgrade of information and communication based e-Infrastructures and virtual infrastructures is also seen as a driver in changing the way science is conducted. Member States will remain central in the development and financing of infrastructures.

The term 'Research infrastructures' in the context of the Community Framework Programme for research and technological development refers to facilities, resources or services that are needed by the research community to conduct research in all scientific and technological fields. This definition covers, including the associated human resources:

— major equipment or set of instruments used for research purposes,

— knowledge-based resources such as collections, archives, structured information or systems related to data management, used in scientific research,

[1] OJ L 358, 18.12.1986, p. 1. Directive as last amended by Directive 2003/65/EC of the European Parliament and of the Council (OJ L 230, 16.9.2003, p. 32).

— enabling Information and Communication Technology-based infrastructures such as grid, computing, software and communications,

— any other entity of a unique nature that is used for scientific research.

Only research infrastructures or networks of research infrastructures with clear interest for the European scientific community (academic, public and industrial), in terms of performance and access, can be considered for support. They must contribute significantly to the development of European research capacities.

Regarding thematic research infrastructures in the 'Cooperation' specific programme, overall coordination will be ensured by this programme.

Activities

The activities will cover the following lines of action:

— optimising the utilisation of existing research infrastructures and improving their performance,

— foster the development of new research infrastructures (or major upgrades to existing ones) of pan-European interest, building primarily on the work of ESFRI (European Strategy Forum on Research Infrastructures),

— support measures including support to emerging needs.

1.1. *Existing research infrastructures*

The research infrastructure actions will aim at strengthening European capacities and performance of specific research infrastructures, and increasing user communities' involvement in opportunities offered by research infrastructures and their commitment towards investment in top-level research. The activities will consist of the support to an optimisation of the European Research Infrastructures through 'Integration' of capacities and efforts, leading to the most effective use of facilities, resources and services in all fields of science and technology and fostering 'Transnational Access' to existing infrastructures.

1.1.1. Integrating Activities

World-class research infrastructures need huge and long-term investments in resources (human and financial). They should be used and exploited by an as large as possible community of scientist and customer industries on a European scale. In addition, the optimisation and reinforcement of the Research Infrastructures capacities and performance at Community level need to be continuously promoted and improved to respond to emerging and growing scientific needs. This can be better achieved through the stimulation of their use and development, including upgrades, in a coordinated way.

The Community should contribute to this objective through the promotion of Integrating Activities. They will ensure that European researchers, including researchers from industry, including SMEs and peripheral and outermost regions, may have access to the best research infrastructures to conduct their research, by supporting the integrated provision of infrastructure related services to the research community at European level and at international level where appropriate. Integrating activities should also aim at structuring better, on a European scale, the way research infrastructures operate, and at fostering their joint development in terms of capacity and performance.

Integrating Activities for existing research infrastructures will be implemented through:

— 'bottom-up' calls to catalyse the mutual coordination and the pooling of resources among infrastructures operators with the aim of fostering a culture of cooperation between them. Such activities should also aim at structuring better, on a European scale, the way research infrastructures operate and the way they can be accessed by potential users, at fostering their joint development in terms of capacity and performance and at promoting their coherent and cross-disciplinary use,

— 'targeted calls' when such focused actions will be clearly beneficial to support potentially important research infrastructures in the long term, and speeding up their emergence at Community level. They will be implemented in close cooperation with the activities taking place in the thematic areas to ensure that all the actions undertaken at European level in the Community framework respond to the needs for research infrastructures in their respective area. Domains can already be identified ([1]) for better use and strengthening of existing European infrastructures, fulfilling long-term strategic needs of academic, public and industrial research stakeholders and the society at large, such as for life sciences and its applications, information and communication technologies, the development of industrial research including metrology, support for sustainable development and in particular in the area of environment, and for social sciences and humanities.

1.1.2. ICT based e-Infrastructures

The deployment of e-Infrastructures provides essential services for the research communities, based upon complex processes designed to bring the power of distributed ICT based resources (computing, connectivity, instrumentation) to virtual communities. The reinforcement of a European approach and of related European activities in this domain can make a significant contribution to boosting European research potential and its exploitation, consolidating e-Infrastructures as a cornerstone of the European Research Area, a 'forerunner' of cross discipline innovation and a driver in changing the way science is conducted. It may also contribute to integrate research teams from peripheral and outermost regions.

The activities proposed for e-Infrastructure, based on targeted calls for proposals, will aim at fostering the further development and evolution of high-capacity and high-performance communication (GÉANT) and grid empowered infrastructures as well as of European high-end computing capabilities stressing the need to support the reinforcement of world class distributed supercomputing facilities, data storage and advanced visualisation facilities. The activities will also aim at fostering the adoption by user communities where appropriate, enhancing their global relevance and increasing the level of trust and confidence, building on the achievements of GÉANT and grid infrastructures and based on open standards for interoperability.

It will be necessary to support in a coordinated way digital libraries, archives, data storage, data curation and the necessary pooling of resources, at European level, to organise the data repositories for the scientific community and future generations of scientists. The aspects of enhanced trust and confidence of the data layer of the e-Infrastructures will be addressed. The activities proposed will also aim at anticipating and integrating new requirements and solutions to facilitate the emergence of large-scale test-beds designed to experiment with new disruptive technologies and to address new user requirements, including e-learning. The eIRG (e-Infrastructure Reflection Group) will assist on a regular basis with strategic recommendations.

1.2. *New research infrastructures*

This specific programme will help to promote the creation of new research infrastructures (including major upgrades of existing ones) focusing mainly on preparatory phases and on 'unique' infrastructures with a crucial and pan-European impact for the development of relevant scientific fields in Europe.

1.2.1. Design Studies for new research infrastructures

To promote the creation of new research infrastructures, though a bottom-up approach of calls for proposals, by funding exploratory awards and feasibility studies for new infrastructures.

1.2.2. Support to construction of New Infrastructures

To promote the creation of new research infrastructures in accordance with the principle of 'variable geometry', building primarily upon the work conducted by ESFRI on the development of a European roadmap for new research infrastructures. The work programme will identify priority projects for possible Community support.

The activity related to the construction of new infrastructures will be implemented in a two-stage approach on the basis of a list of criteria established in the Framework Programme.

([1]) Also identified by ESFRI.

— Stage 1: supporting the preparatory phase

This first stage will involve calls restricted to the priority projects identified by the work programme. The preparatory phase would involve the preparation of the detailed construction plans, of the legal organisation, of the management and multiannual planning of the forecasted research infrastructure and the final agreement between stakeholders. During this preparatory phase the Commission will act as a 'facilitator', in particular, in facilitating financial engineering mechanisms for the construction phase.

— Stage 2: supporting the construction phase

In the second stage, building on the achieved technical, legal, administrative and financial agreements, using notably the complementarity between national and Community instruments (such as the Structural funds or the European Investment bank) and taking into account, where appropriate, the potential for scientific excellence of the convergence regions as well as the outermost regions, the construction plans would be implemented with the possible involvement of private financial institutions. The Framework Programme financial support for the construction phase may be provided to those priority projects for which there is a critical need for such support. In these cases, decisions will be taken through a mechanism that will depend on the nature and the level of funding required (e.g. direct grant; European Investment Bank loans, the access to which may be facilitated through the risk-sharing finance facility (Annex III); Article 171 of the Treaty).

1.3. *Support Measures, including support to emerging needs*

Strong coordination within the EU in formulating and adopting a European policy on Research Infrastructures is key to the success of this activity. Throughout the whole programme there will therefore be measures to support such coordination, including supporting the development of international cooperation.

These activities would be carried out mainly following periodic calls for proposals. They would be aimed at stimulating, in particular, the coordination of national programmes through ERA-NET actions, at supporting analysis of emerging needs, at supporting the work of ESFRI and eIRG, at the effective implementation of the programme (e.g. supporting conferences, expert contracts, impact studies, etc.) as well as the international dimension of the activities carried out under this specific programme. In the context of international cooperation, the activities carried out under this specific part of the capacity programme will also allow to identify the needs of specific third countries and mutual interests on which specific cooperation actions could be based and, on the basis of targeted calls, to develop cross-links between key research infrastructures in third countries and those within the European Research Area.

2. RESEARCH FOR THE BENEFIT OF SMEs

Objectives

Strengthening the innovation capacity of European SMEs and their contribution to the development of new technology based products and markets by helping them outsource research, increase their research efforts, extend their networks, better exploit research results and acquire technological know how bridging the gap between research and innovation.

Approach

SMEs are at the core of European industry. They should be a key component of the innovation system and in the chain of transformation of knowledge into new products, processes and services. Faced with an increasing competition in the internal market and globally, European SMEs need to increase their knowledge and research intensity, enhance the exploitation of research, expand geographically their business activities and internationalise their knowledge networks. Most Member States' actions relevant to SMEs do not encourage and support trans-national research cooperation and technology transfer. Actions at EU level are necessary to complement and enhance the impact of actions undertaken at national and regional level.

Specific actions will be implemented to support SMEs or SME associations in need of outsourcing research: mainly low-to medium-technology SMEs with little or no research capability. Research-intensive SMEs may participate as providers of research services or outsource research to complement their core research capability. These actions will be carried out in the entire field of science and technology with a bottom-up approach. Actions will include support of demonstration and other activities to facilitate the exploitation of research results, ensuring complementarity with the Competitiveness and

Innovation Programme. The evaluation of the project proposals will take due account of the expected economic impact for the SMEs. Financial means will be allocated through two schemes: Research for SMEs and Research for SME associations.

The first targets mainly low- to medium-technology SMEs with little or no research capability, but also research intensive SMEs who need to outsource research to complement their core research capability. The second targets SME associations which are normally best placed to know or identify the common technical problems of their members, to act on their behalf, and to promote the effective dissemination and take-up of the results.

Coordination and support actions under 'Research for the benefit of SMEs' will include the coordination of national/regional programmes targeting SMEs and supporting best practice, dissemination and exploitation of results, enhancing access of SMEs to the Seventh Framework Programme and assessing the impact.

Actions could also build upon relevant national research programmes, complementing the research activities below ([1]).

In addition to these specific actions, the participation of SMEs across the Framework Programme will be encouraged and facilitated. The research needs and potential of SMEs are duly taken into account in developing the content of the thematic areas of the 'cooperation' programme, which will be implemented through projects of different sizes and scope depending on the field and topic.

During the implementation of the Community RTD Framework Programme, complementarity and synergy will be ensured with the actions of the Competitiveness and Innovation Framework Programme to encourage and facilitate the participation of SMEs in the Community RTD Framework Programme.

Activities

The following two SME specific schemes will be implemented:

Research for SMEs

This scheme supports small groups of innovative SMEs to solve common or complementary technological problems. Projects, which are relatively short term, must be centred on the innovation needs of the SMEs which outsource research to RTD performers and must demonstrate a clear exploitation potential for the SMEs concerned.

Research for SME associations

This scheme supports SME associations to develop technical solutions to problems common to a large number of SMEs in specific industrial sectors or segments of the value chain through research needed, for example, to develop or conform to European norms and standards, and to meet regulatory requirements in areas such as health, safety and environmental protection. Projects, which can have a duration of several years, must be driven by the SME associations which outsource research to RTD performers for the benefit of their members and must involve a number of individual SMEs.

Common features of the schemes

— Other enterprises and end-users can participate in the schemes if it is in the interest of the SMEs or the SME associations.

— The projects should include, in addition to research, activities to promote the take-up and effective exploitation of the research results, such as, testing, demonstration, training, technology transfer, knowledge management and IPR protection. For Research for SME associations, projects should also include activities to disseminate effectively the research results to the members of the SME associations, and if appropriate, more widely.

— Special rules will apply for ownership and access rights for the two schemes.

([1]) This could include possible joint implementation of programmes targeting research performing SMEs, building on Eureka.

The clear focus will be to support research projects. In addition, support will be granted to national schemes providing financial means to SMEs or SME associations to prepare proposals for actions under 'Research for the benefit of SMEs' with the aim of encouraging the establishment of new national schemes or expansion of the existing ones.

3. REGIONS OF KNOWLEDGE

Objectives

Strengthening the research potential of European regions, in particular by encouraging and supporting the development, across Europe, of regional 'research-driven clusters' associating universities, research centres, enterprises and regional authorities.

Approach

Regions are increasingly recognised as important players in the EU's research and development landscape. At the same time evidence indicates that investment in R & D improves regional attractiveness while increasing competitiveness of local businesses. R & D intensive clusters rang among the best drivers of such investment activity resulting in direct gains in local competitive advantage with beneficial effects in terms of growth and jobs. The 2003 Pilot Action Regions of Knowledge ([1]) confirmed the importance of such clusters and the interest to support and encourage their development.

This action will enable European regions to strengthen their capacity for investing in RTD, while maximising their potential for a successful involvement of their stakeholders in European research projects and facilitating the emergence of clusters, thereby promoting regional development in Europe. Actions will facilitate the creation of regional clusters which contribute to the development of the European Research Area. Increased and more focused use of Structural Funds for R & D investment and activities will be also pursued by improving synergies between regional and research policies primarily by producing regional research strategies which regional authorities can integrate into their economic development strategy.

Attention will be paid specifically to cooperation between adjacent regions in different Member States.

'Regions of knowledge' aims at supporting the definition and implementation of optimal policies and strategies for the development of R & D driven clusters. In particular it will improve the relevance and effectiveness of regional research agendas through mutual learning; promote and strengthen cooperation between clusters; and contribute to strengthening the sustainable development of existing R & D driven clusters as well as foster seed-beds to create new ones, in particular in emerging Regions of knowledge. Support will be provided in particular for demand-driven and problem-oriented projects addressing specific technological areas or sectors ([2]).

This action will apply to all regions, including Convergence ([3]) ones.

Activities

Projects would normally involve regional authorities, regional development agencies, universities, research centres, and industry as well as where appropriate technology transfer, financial or civil society organisations. Regions of knowledge projects will cover the following activities:

— Analysis, development and implementation of research agendas of regional or cross-border clusters and cooperation between them. These will include analysis as well as an implementation plan focusing on R & D capacity and priorities. Projects will use foresight, benchmarking or other methods, demonstrating expected benefits, such as strengthened links between clusters involved, optimised involvement in European research projects and higher impacts on regional development. They could also prepare for interregional pilot actions. These activities aim in particular at encouraging improved complementarity between Community regional funds and other Community and national funds.

([1]) A pilot action on 'Regions of knowledge' was introduced into the 2003 Community budget at the initiative of the European Parliament. This was followed by another Call for proposals under the Sixth Community Framework Programme for RTD (2004) under the 'Coherent development of policies' programme.

([2]) This does not exclude the combination of different technological areas where relevant.

([3]) Convergence regions are those set out in Article 5 of Council Regulation (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999 (JO L 210, 31.7.2006, p. 25, corrigendum OJ L 239, 1.9.2006, p. 248). This includes 'convergence' objective regions, regions eligible for funding from the Cohesion fund, and outermost regions.

— 'Mentoring' of regions with a less developed research profile by highly developed ones based on R & D focused cluster building. Transnational regional consortia will mobilise and associate research actors in academia, industry and government to deliver 'guidance' solutions with and for technologically less developed regions.

— Initiatives to improve integration of research actors and institutions in regional economies, through their interactions at cluster level. These will include transnational activities to improve links between research stakeholders and the local business communities as well as relevant activities between clusters. With the aim of demonstrating benefits of integration, these activities could contribute to the identification of RTD complementarities.

Support will also be provided for activities to promote systematic mutual information exchange as well as interactions between similar projects and where appropriate, with actions of other relevant Community programmes (e.g. analysis and synthesis workshops, round-tables, publications), emphasising the involvement notably of candidate and Associated Countries as well as Member States which joined the EU after 1 May 2004.

4. RESEARCH POTENTIAL

Objective

Stimulating the realisation of the full research potential of the enlarged Union by unlocking and developing existing or emerging excellence in the EU's convergence regions and outermost regions, and helping to strengthen the capacities of their researchers to successfully participate in research activities at Community level.

Approach

In order to support the realisation of the full research potential of the enlarged Union, a dedicated action will seek to unlock the potential of research groups, in particular in the convergence regions and outermost regions of the European Union, that are currently not using their possibilities to the full or that are in need of new knowledge and support to exploit their potential. The actions will very much build on past and existing measures such as the European Centres of Excellence in the then Acceding and Candidate Countries in the Fifth Community Framework Programme and Marie Curie Host fellowships for Transfer of Knowledge. They will also complement efforts to be undertaken by the European Social Fund under the new Cohesion Policy (2007 to 2013) focusing on developing human potential for research at national level in the eligible areas.

By focusing on the strengthening and expansion of the collaborations of such research groups with research centres in other EU Member States or associated countries, an important contribution will be made to unlocking their potential and with that to their long-term sustained development. Through optimising their international exposure and recognition, leadership potential and quality of their scientists, the visibility of these research groups will be increased and their participation in the European Research Area facilitated.

Activities

The action will favour in particular strategic partnerships, including twinning, between research groups both from public and private sector, in the convergence regions or outermost regions of the EU, selected on the basis of quality and high potential, with well established research groups elsewhere in Europe. Particular emphasis will be put on the expected longer-term effects of the partnership both at EU and regional level. With a view to realising their full potential (i.e. to strengthen their knowledge, to develop additional competence including in research management, or to gain visibility), the action will comprise support to the selected research groups in the qualifying regions in the frame of the research programmes developed within the strategic partnerships for:

— exchange know-how and experience through trans-national two-way secondments of research staff between the selected centres in the qualifying regions and one or more partner organisations in another EU Member State or associated country, with in-built obligatory return mechanisms for seconded staff originating from the selected centres in the qualifying regions,

— the recruitment by the selected centres, of existing or emerging excellence, of incoming experienced researchers, including managers, for involvement in transfer of knowledge and/or in the training of researchers, including as a means to particularly encourage the return of nationals having left the country,

— the acquisition and development of certain research equipment and the development of a material environment for the selected centres of existing or emerging excellence in support of the research programmes developed within the strategic partnership,

— the organisation of workshops and conferences to facilitate knowledge transfer at regional, national and international level involving both the selected centres' own research staff and invited researchers, from other countries in the frame of the development of the selected centres' international training capacity and reputation; participation of the research staff of the centres selected under the scheme at international conferences or short term training events, for knowledge sharing, network building and to expose them to a more international environment,

— dissemination and promotional activities to ensure increased visibility of the selected centres and their activities.

In addition, and independently of this support measures, the action will provide evaluation facilities through which any research centre in the qualifying regions, whether or not applying for funding, can obtain an international independent expert evaluation of the level of their overall research quality and infrastructures. This evaluation would be carried out by high-level, independent international experts nominated by the Commission.

5. SCIENCE IN SOCIETY

Objective

With a view to building an open, effective and democratic European Knowledge society, the aim is to stimulate the harmonious integration of scientific and technological endeavour and associated research policies in the European social web, by encouraging at European scale reflection and debate on science and technology, and their relation with the whole spectrum of society and culture.

Approach

'Science in society' represents a significant expansion and extension of the pilot work undertaken in the Sixth Framework Programme, commensurate with the raised ambition of the European research policy.

The development of European societies largely depends on their capacity to create, exploit and disseminate knowledge and, from there, continuously to innovate. Scientific research, as part of the 'knowledge triangle' of research, education and innovation, plays a major role in this regard, and should remain one of the driving forces in promoting growth, welfare and sustainable development.

To achieve this aim, it is imperative that a social and cultural environment conducive to successful and exploitable research be created. This means that legitimate societal concerns and needs are taken on board, entailing an enhanced democratic debate with a more engaged and informed public, and better conditions for collective choices on scientific issues, and the possibility for civil society organisations to outsource research in relation to their concerns. It should also establish a climate favourable to scientific vocations, a new surge of research investments and the subsequent dissemination of knowledge upon which the Lisbon strategy is built. This activity will also aim at the full integration of women into the scientific world.

This section of the Capacities programme will then focus on the development of a set of conditions by which such a conducive environment becomes the norm rather than the exception in Europe.

The risk of a scientific divide within our societies needs to be addressed in the first place. It separates those who do not have access to relevant knowledge from the few who do; those who are not able to influence policy-making in research from those who are. This leads to the ambiguous feelings expressed by citizens regarding the potential benefits from science and technology, and their effective subordination to public scrutiny. On the one hand, they readily invite more research to address the outstanding problems of the present time (diseases, pollution, epidemics, unemployment, etc) and to better anticipate their possible impacts in the future. On the other hand, they cannot help showing distrust for certain uses of science and possible interferences of vested interests in decision-making processes.

Among the causes for an often less than satisfactory integration of science in society are the following:

— insufficient public participation in priority-setting and in establishing science policy directions, which would allow a wider debate on possible associated risks and consequences,

— growing reservations with regard to certain scientific developments, the feeling of lack of control, and open questions concerning the respect of fundamental values,

— the perceived isolation of the world of science from the everyday realities of economic and social life,

— questioning the objectivity of scientific evidence made available to public policy-making,

— insufficient quality of scientific information available to the public.

The chosen approach aims to:

— render more inclusive and transparent the mechanisms for access to, and validation of the expertise necessary to underpin more robust policies,

— set landmarks for an ethically sound research endeavour in the light of fundamental rights,

— allow Europe to play a more active role on the world stage, in the debate and promotion of shared values, equal opportunities and societal dialogue,

— bridge the gap between those who have a scientific education and those who do not, promote a taste for scientific culture in the direct neighbourhood of all citizens (calling upon cities, regions, foundations, science centres, museums, civil society organisations, etc.),

— encourage a societal dialogue on research policy, and stimulate civil society organisations to become more involved in research activities,

— explore ways to improve governance of the European research and innovation system,

— provide an image of science and researchers which is meaningful to all, especially to young people,

— promote the progress of women in scientific careers and better use their professional and scientific talents for the benefit of all,

— renew science communication, favouring modern means to achieve higher impact, helping scientists to work closely with media professionals.

'Science in society' will be implemented through:

— policy-related actions and research supported directly from this theme,

— cooperation between Member States, identifying common goals, and reinforcing national practices, in the spirit of the open method of coordination,

— promoting, supporting and monitoring the uptake and impact of 'Science in society' issues in other parts of the Framework Programme ([1]). The overall coordination of issues related to Science in society both across the Framework Programme and within other relevant Community activities (e.g. relating to education and culture) will be ensured by this theme.

Three action lines will be pursued.

First action line: A more dynamic governance of the science and society relationship

Strengthening and improving the European science system

There is such an expectation placed upon the European science system to sustain our innovation potential that society must gain a deeper insight into its constituents, its own economy, its regulations and its habits. Three aspects of broad significance, focusing on the actors and dynamics of the European Research Area, will be tackled:

— improving the use, and monitoring the impact, of scientific advice and expertise for policy-making in Europe (including risk management), and developing practical tools and schemes (e.g. electronic networks),

([1]) Include the running of the ethical review procedures for proposals addressing sensitive issues under the 'Cooperation' specific programme.

— promoting trust and self-regulation in the scientific community,

— encouraging the debate on information dissemination, including access to scientific results and the future of scientific publications, taking also into account measures to improve access by the public.

Broader engagement to anticipate and clarify political, societal and ethical issues

Society's aspirations and concerns, and fundamental ethical principles, need to be better integrated throughout the research process, creating a more secure and constructive environment for researchers and for society as a whole. Three aspects come into play, as follows:

— broader engagement on science-related questions,

— conditions for an informed debate on ethics and science,

— greater emphasis on discussion within the research community of the social aspects of research.

Better understanding of the place of science and technology (S & T) in society

In order to address the relationship between science and society through sound policies, the knowledge accumulated in the history, S & T heritage, sociology and philosophy of sciences needs to be expanded, consolidated and spread at European level. To this end, scholars from these disciplines should form networks to structure research and debates capable of revealing the real participation of science in building a European society and identity, stressing in particular:

— relationships between science, democracy and law,

— research on ethics in science and technology,

— the reciprocal influence of science and culture,

— the role and the image of scientists,

— public understanding of science and promotion of public debate.

The evolving role of universities

Work will aim at supporting the appropriate reforms enabling universities to fully play their role in the creation, dissemination and sharing of knowledge, together with industry and society at large (in line with Community initiatives on university-based research). The emphasis will be on:

— defining better framework conditions for more efficient university research,

— promoting the establishment of structured partnerships with the business sector, having regard to universities' research management capacities,

— reinforcing knowledge-sharing between universities and society at large.

Second action line: Strengthening potential, broadening horizons

Gender and research

Based on policy orientations contained in the Commission staff working paper and Council conclusions [1] and other relevant Community policy orientations, a framework for positive actions will be implemented to reinforce the role of women in scientific research, and to enhance the gender dimension of research. This framework will provide the context for policy debate, monitoring, coordination and underpinning research. It will comprise:

— strengthening the role of women in scientific research and in scientific decision-making bodies,

[1] 'Women and science: excellence and innovation — gender equality in science' — SEC(2005) 370; Council conclusions of 18 April 2005.

— gender dimension of research,

— mainstreaming gender in Community research policy and programmes.

Young people and science

Activities will be designed to attract more people from all backgrounds into scientific careers, foster links across generations, and raise the level of scientific literacy generally. European exchanges and cooperation will concentrate on science teaching methods adapted to young audiences, support for science teachers (concepts, materials), developing the linkages between schools and professional life. In addition, events with a broad European scope may be supported which bring together distinguished scientists — as 'role models' — and aspiring young scientists. Underpinning research will be addressed, taking into account social contexts and cultural values. Three aspects have been retained:

— supporting formal and informal science education in schools as well as through science centres and museums and other relevant means,

— reinforcing links between science education and science careers,

— research and coordination actions on new methods in science education.

Third action line: Science and society communicate

Activities will promote effective two-way communication channels that enable the public and policy-makers to engage with science, and scientists to engage with the public. The approach will favour closer cooperation and exchange of best practice between scientists and media professionals, but also a greater involvement of target groups, namely children and young people, researchers going to the public, and the specialised press. The effort will focus on:

— the provision of reliable and timely scientific information for the press and other media,

— training actions to bridge the gap between the media and the scientific community,

— encouraging a European dimension at science events targeting the public,

— promoting science by audio-visual means via European co-productions and the circulation of science programmes,

— promoting excellent trans-national research and science communication by the means of popular prizes,

— research aimed at enhancing inter-communication concerning science, both in its methods and its products, to raise mutual understanding between the scientific world, and the wider audience of policy-makers, the media and the general public.

6. SUPPORT FOR THE COHERENT DEVELOPMENT OF RESEARCH POLICIES

Objective

Enhancing the effectiveness and coherence of national and Community research policies and their articulation with other policies, improving the impact of public research and its links with industry, and strengthening public support and its leverage effect on investment by private actors.

Approach

The activities undertaken in this part will support the coherent development of research policies, complementing the coordination activities under the Cooperation programme, and contributing to Community policies and initiatives (e.g. legislation, recommendations and guidelines) that aim to improve the coherence and impact of Member States' policies.

These activities will contribute to the implementation of the Lisbon strategy, in particular to the 3 % investment in research objective, by assisting Member States and the Community in developing more effective research and development policies. The aim is to improve public research and its links with industry and foster private investment in research by strengthening

public support and its leverage effect on private investment. This calls for adaptability of research policies, the mobilisation of a broader range of instruments, coordination of efforts across national boundaries and the mobilisation of other policies to create better framework conditions for research.

Activities

Two action lines will be pursued ([1]):

First action line: Monitoring and analysis of research-related public policies and industrial strategies, including their impact

The objective is to provide information, evidence and analyses in support of the design, implementation, evaluation and trans-national coordination of public policies. This will include:

— an information and intelligence service (Erawatch) to support evidence-based research policymaking and to contribute to the realisation of the European Research Area (ERA) by providing a better understanding of the nature, constituent elements and evolution of national and regional research policies, initiatives and systems. This will include regular analyses, from a European perspective, of issues relevant to research policymaking, notably: factors driving the evolution of research systems and their implications for policies and governance structures; emerging issues/challenges and policy options; and a review at the European level of Member States' progress towards ERA and the 3 % objective,

— an industrial research investment monitoring activity to provide a self-consistent and complementary source of information to help steer public policy and to allow firms to benchmark their R & D investment strategies, *inter alia*, **in sectors of key interest to the EU economy**. This will include periodic scoreboards of firm-and sector-level R & D investment, surveys of private R & D investment trends, analysis of factors affecting R & D investment decisions and practices of firms, analysis of economic impacts, and assessment of policy implications,

— development and analysis of indicators on research activity and its impact on the economy. This will include the preparation and publication of national and regional science and technology key figures and scoreboards using official statistical indicators wherever appropriate; the assessment of the strengths and weaknesses of Member States' R & D systems; and the analysis of the EU's position and performance in scientific and technological research.

These activities will be carried out in collaboration with the Joint Research Centre as well as through studies and expert groups.

Second action line: Coordination of research policies

The aim is to strengthen, on a voluntary basis, the coordination of research policies via:

— actions to support the implementation of the open method of coordination, and

— trans-national cooperation initiatives undertaken at national or regional level on issues of common interest, involving where appropriate other stakeholders (including industry, European organisations and civil society organisations).

These activities will address issues of common interest related to research and other relevant policies that should be mobilised for the realisation of the ERA and the attaining of the EU 3 % research investment goal. They will: contribute to the development of more effective national and regional policies through mutual learning and peer-review; encourage concerted or joint initiatives between groups of countries and regions interested in areas involving a strong trans-national dimension or spill-over; and where appropriate, identify issues requiring complementary and mutually reinforcing action at Community and Member States' level.

Initiatives undertaken by several countries and regions may cover activities such as peer-review of national and regional policies, exchange of experience and personnel, joint evaluations and impact assessments, and the development and implementation of joint initiatives.

([1]) The activities related to strengthening and improving the European science system, such as questions of scientific advice and expertise and contributing to 'better regulation', are addressed by the Science in society part of this specific programme.

7. ACTIVITIES OF INTERNATIONAL COOPERATION

Objective

To become competitive and play a leading role at world level, the European Community needs a strong and coherent international science and technology policy. The international actions carried out under the different programmes within the Framework programme will be implemented in the context of an overall international cooperation strategy.

This international policy has three interdependent objectives:

— to support European competitiveness through strategic partnerships with third countries in selected fields of science and by engaging the best third country scientists to work in and with Europe,

— to facilitate contacts with partners in third countries with the aim of providing better access to research carried out elsewhere in the world,

— to address specific problems that third countries face or that have a global character, on the basis of mutual interest and mutual benefit.

Approach

In order to identify and establish the priority areas of research of mutual interest and mutual benefit with targeted third countries (International Cooperation Partner Countries [1]) for the specific international cooperation actions of the Cooperation specific programme ongoing policy dialogues and partnership networks will be enhanced with the different regions in these third countries to provide input to help implement these actions. Coherence of national activities on international scientific cooperation will be enhanced by supporting the coordination of national programmes (of Member States and Associated countries) through multilateral coordination of national RTD policies and activities. Cooperation with third countries in the Framework Programme will be targeted in particular at the following groups of countries [2]:

— candidate countries [3],

— Mediterranean partner countries (MPC), Western Balkans countries (WBC) [4] as well as the Eastern European and Central Asian countries [5] (EECA),

— developing countries, focusing on the particular needs of each country or region concerned [6],

— emerging economies [6].

The theme-oriented international cooperation research actions are carried out under the Cooperation specific programme. The international actions in the area of human potential are carried out under the People specific programme. Horizontal support actions and measures with a focus other than a specific thematic or interdisciplinary area covered in the 'Cooperation' programme will be implemented, and could be supplemented, in a limited number of cases, by specific cooperation actions of mutual interest. The overall coordination of the international cooperation actions under the different programmes will be strengthened with a view to ensuring a coherent approach and developing synergies with other Community instruments (e.g. IPA, European Neighbouring Policy Instrument, ALA Regulation, and Development Aid schemes). Taking into account the experience gained through INTAS and building on its work in the framework of cooperation with the Eastern European and Central Asian countries, activities providing continuity will be undertaken through this programme and the 'Cooperation' and 'People' programmes.

The Commission will ensure the coordination of international cooperation activities throughout the entire Framework Programme including policy dialogue with partner countries, regions and international forums.

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(1) See Rules for participation.

(2) At present nine Mediterranean Partner Countries and six countries of Eastern Europe and Central Asia are part of the European Neighbouring Policy.

(3) Other than associated Candidate Countries.

(4) Other than associated potential Candidate Countries.

(5) Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyz Republic, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

(6) Noting that Latin America includes both developing countries and emerging economies.

Activities

The main activities to develop jointly agreed international scientific cooperation policies are:

Bi-regional coordination of S & T cooperation including priority setting and definition of S & T cooperation policies

Community S & T cooperation for priority setting will be based on a comprehensive policy dialogue with partner countries and regions in recognition of their socio-cultural conditions and research capacities. This dialogue for S & T cooperation is carried out at multiple levels, such as through international fora (the various UN conventions), institutionalised bi-regional dialogues ([1]) including: Asia-Europe Meetings (ASEM); Latin America, Caribbean and EU (EU-LAC); the Mediterranean and Western Balkan Partnerships; the EU-ACP (African, Caribbean and Pacific) States and Eastern Europe and Central Asia ([2]), and bilateral and multilateral agreements as well as through informal trans-regional meetings of scientists and other societal partners.

The highest priority will be given to the strengthening of bi-regional/bilateral dialogues to guide and set the framework for international S & T cooperation and joint identification of research areas for mutual interest and benefit. Such dialogue and partnership in S & T constitutes the most effective way of achieving globally and mutually agreed objectives, with respect to regional and country level specific needs. Consequently, international S & T cooperation in the Framework Programme will be governed in a coherent way through integrated research policy formulation resulting from these dialogues and from S & T agreements ([3]).

These initiatives will be implemented through specific international cooperation activities that will develop the bi-regional dialogue in close consultation with Member States, Associated Countries and International Cooperation Partner Countries.

This priority setting and the definition of S & T Cooperation policies will have direct and measurable impacts on the other activities foreseen for International S & T Cooperation under the Capacities specific programme, namely: enhancement and development of S & T Agreements, S & T Cooperation Partnerships and a positive synergistic effect on the coordination of national policies and activities on international S & T cooperation.

Within the framework of S & T Agreements, in accordance with the defined priorities, the identification of new, emerging elements deserving actions and endorsement at political level to be implemented by the themes will be given priority.

In addition, the participation of scientists in national research programmes of third countries will allow the full exploitation of the possibilities of the S & T Agreements and will allow the scientists to acquire knowledge of third country research systems and their cultures in a reciprocal way. For this, the Framework Programme will cover the cost of research participation of scientists from Member States and associated countries in the national research programmes of the third countries where there is mutual interest and benefit. Such collaboration will take place on a competitive basis.

The joint projects developed within above dialogues and S & T cooperation Agreements will be needs-driven and will have significant size in terms of partnerships, competences and financing as well as having an important socioeconomic impact. The projects will be targeted specifically on the priorities identified through the policy dialogue of S & T cooperation within the regional fora, and there will be specific calls per region or groups of International Cooperation Partner Countries. The output of these dialogues will contribute to the determination of the priorities and needs for the specific international cooperation actions in the different themes in the Cooperation specific programme.

Bilateral coordination for the enhancement and development of S & T partnerships

The realisation of identified priorities will be further elaborated and turned into actions by setting up equitable S & T Cooperation Partnerships regrouping multiple stakeholders (partners from research, industry, government and civil society) for research capacity building and research actions. These have proved to be the most suitable mechanism to mobilise the strengths of these partners synergistically. These Partnerships will require pluridisciplinary approaches to tackle diverse needs on a global, regional and/or country level.

([1]) Bi-regional dialogue in this context means the dialogue between the Member States, the EC and the third countries concerned.

([2]) Which also could involve the International Science and Technology Centre (ISTC) and the Science and Technology Centre (STCU).

([3]) Considering the Community's interests, agreements have been concluded with all major industrialised or emerging economy partners, and with almost all countries included in the European Neighbourhood Policy.

The development of S & T Partnerships will be based on bi-regional leadership and coordination of political initiatives in defined priority areas. These will be operated by steering groups composed by a limited number of representatives from each region, open to all partners in the regions concerned, taking into account their interests and research capacities. These partnerships will promote joint research activities and permanent policy dialogue on the efficiency and effectiveness of the cooperation implemented as well as on identification of future needs.

Supporting coordination of national policies and activities of Member States and associated countries on international S & T cooperation

In order to promote/encourage an effective and efficient international scientific Community cooperation strategy at EU level, a continuous coordination of national policies is essential to realise commitments undertaken through the S & T bi-regional and bilateral dialogues.

This coordination will reinforce the efficiency and impact of the ongoing bilateral S & T cooperation initiatives between Member States and International Cooperation Partner Countries and enhance the positive synergies between them. It will also enhance complementarities between Community and Member States S & T cooperation activities.

Furthermore it will support the implementation of a 'shared vision' by facilitating innovative programmatic approaches and working more closely among and with Member States in developing and implementing a coherent cooperation in EU science and technology.

ANNEX II

INDICATIVE BREAKDOWN OF THE AMOUNT (in EUR million)

Research infrastructures ([1])	1 715
Research for the benefit of SMEs	1 336
Regions of knowledge	126
Research potential	340
Science in society	330
Coherent development of research policies	70
Activities of international cooperation	180
Total	4 097

([1]) Including a contribution of up to EUR 200 million to the European Investment Bank for its Risk-Sharing Finance Facility, as referred to in Annex III. An amount in the order of EUR 100 million will be committed in annual instalments for the period 2007 to 2010

ANNEX III

RISK-SHARING FINANCE FACILITY

In accordance with Annex II, the Community will provide a contribution (coordination and support action) to the European Investment Bank (EIB) which will be a risk-sharing partner for the risk-sharing finance facility (RSFF). RSFF, which will be co-funded by the Community and the EIB, is aimed at fostering private sector investment across Europe in research, technological development and demonstration (RTD) as well as innovation.

The Community contribution will increase the capacity of the Bank to manage risk, thus allowing for (i) a larger volume of EIB lending and guarantee operations for a certain level of risk, and (ii) the financing of riskier European RTD actions that would not be possible without such Community support, thus helping overcome market deficiencies. It will aim at:

— adding value in areas where the market cannot provide the required funding, and

— providing catalytic effect in leveraging private investment.

The Community contribution will be committed to RSFF in line with the provisions set out in Annex II.

The EIB will lend funds raised from international financial markets and provide guarantees to its financing partners in accordance with its standard rules, regulations and procedures.

It will use this 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.

Based on its financial evaluation, the EIB will assess the level of financial risks and decide the value of the provision and capital allocation.

The risk assessment and grading, and the resulting decisions on provisioning and capital allocation, will follow standard procedures of the Bank, under its Structured Finance Facility, approved and monitored by its shareholders and as updated and modified from time to time. They will not be altered as a result of the Community contribution.

The risk to the Community budget is limited to the amounts paid or committed to be paid. There will be no contingent liability for the Community budget, as any remaining risk is borne by the EIB.

The Community contribution will be disbursed annually based on a multiannual plan and taking into account the evolution of demand. The annual amount will be established in the work programme, on the basis of the activity report and forecasts presented by the EIB.

The agreement to be concluded with the EIB, following close consultations with Member States, will establish terms and conditions under which the Community funds can be used as provisions and capital allocation. It will include the following terms and conditions:

— The eligibility of Community RTD actions. By default, the development of research infrastructures funded by the Community under this Specific programme shall be automatically eligible. Legal entities established in third countries other than Associated Countries are also eligible if they participate in the Seventh Framework Programme indirect actions and their costs are eligible for Community funding. Other research infrastructures of European interest could also be considered.

  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, may benefit from this facility for the funding of their activities in eligible actions.

  Innovation activities of a commercial nature are eligible for RSFF only via the use of the EIB's own contribution.

— In accordance with the Regulation on Rules for Participation adopted pursuant to Article 167 of the Treaty, the agreement will also establish procedures for the Community to object, in duly justified cases, to the use of the Community contribution by the EIB.

— The rules for defining the share of the financial risk that will be covered by the Community contribution and the risk threshold beyond which the EIB can use the Community contribution as well as sharing of corresponding income.

  The level of the Community contribution 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 % to 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.

— The arrangements by which the Community will monitor the EIB lending and guarantee operations related to the Community contribution, including operations through the EIB financing partners.

The EIB may use the Community contribution only for operations approved between the date of entry into force of this specific programme and 31 December 2013.

Interests and incomes generated by the Community contribution during this period shall be reported annually by the EIB to the Commission, which shall inform the European Parliament and the Council. In accordance with Article 18(2) of the Financial Regulation, they shall be considered as assigned revenues to the RSFF and entered into the budget.

When adopting the work programme, the Commission may decide to reallocate, for the purpose of any other indirect actions of the 'Research Infrastructure' of this specific programme, any amount not used by RSFF and, therefore, recovered from the EIB, after mid-term evaluation referred to in Annex II of the Framework Programme. The mid-term evaluation will include an external assessment of the impact of the RSFF.

The Commission will closely monitor the effective use of the Community Contribution, including ex-post assessments of the successful features of the action, and 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 pursuant to Article 173 of the Treaty.

ANNEX IV

JOINT IMPLEMENTATION OF NON-COMMUNITY RESEARCH PROGRAMMES

One initiative for the joint implementation of national research programmes is identified below, on an indicative basis, and could be the subject of a separate decision on the basis of Article 169 of the Treaty. Further initiatives may be identified and proposed during the implementation of the Seventh Framework Programme.

Were such a decision to be taken, a dedicated implementation structure would be set up, together with the organisational structure and appropriate governance bodies necessary for the implementation of the action. In accordance with Annex II, the Community could provide financial support to the initiative up to the amount set out in Annex II and could participate actively in the implementation by the means which are most appropriate for the action.

Article 169 (EC Treaty) initiative in the field of Research Performing SMEs

The aim will be to launch and implement a joint R & D programme for the benefit of research performing SMEs with the objective of boosting their research and innovation capability. Building on Eureka, it will stimulate and support transnational R & D projects led by such SMEs. This initiative complements other SME-targeted actions carried out in the context of the Seventh Framework Programme.

The Community will provide financial support for the initiative and will participate in the implementation by the means which are most appropriate for the action.

ANNEX V

INFORMATION TO BE PROVIDED BY THE COMMISSION IN ACCORDANCE WITH ARTICLE 8(4)

1. Information on actions, enabling the monitoring of the entire lifetime of each proposal, covering in particular:

   — submitted proposals,

   — evaluation results for each proposal,

   — grant agreements,

   — completed actions.

2. Information on the outcome of each call and implementation of actions, covering in particular:

   — the results of each call,

   — the outcome of negotiations on grant agreements,

   — implementation of actions, including payment data and outcome of actions.

3. Information on programme implementation, including relevant information at the level of the Framework Programme, the specific programme and each activity.

   This information (in particular, on proposals, their evaluation and grant agreements) should be provided in a uniform structured electronically-readable and treatable format accessible through an IT-based information and reporting system which readily enables data analysis.