

GENERAL PROVISIONS FOR PARTICIPANTS

Any company, university, research centre, organisation or individual, legally established in any country, may participate in a collaborative project (known as an indirect action) provided that the minimum conditions laid down in the Rules for Participation in FP7 (RFP), Chapter II, Section 1, p.12, have been met, including any additional conditions laid down by specific programmes or individual work programmes (see Article 12 of RFP). Please note:

- An individual defined as a legal entity is any natural person, or any legal person created under the national law of its place of establishment, or under Community law or international law, which has legal personality and which may, acting under its own name, exercise rights and be subject to obligations;
- In addition to the minimum conditions laid down in the RFP, specific programmes or work programmes may lay down conditions regarding the minimum number of participants, or additional conditions on the type of participant or place of establishment.

ELIGIBLE COUNTRIES

While FP7 participants can in principle be based anywhere, there are different categories of country which may have varying eligibility for different specific and work programmes:

- *MEMBER STATES* - The EU-25;
- *ASSOCIATED COUNTRIES* - with science and technology cooperation agreements that involved contributing to the framework programme budget;
- *CANDIDATE COUNTRIES* - currently recognised as candidates for future accession;
- *THIRD COUNTRIES* - the participation of organisations or individuals established in countries that are not Member States, candidates or associated should also be justified in terms of the enhanced contribution to the objectives of FP7.

ELIGIBLE CONSORTIA

In most cases EU research funding through FP7 is to be sought by building a consortium in order to submit a project proposal in response to a call. The eligibility of these consortia also varies according to different conditions related to the type of action of instrument. These instruments are set out in Annex III 'Funding Schemes', of the RFP, while the minimum conditions for eligibility are detailed in Articles 5 to 10 and summarised as follows:

INDIRECT ACTIONS (COLLABORATIVE PROJECTS)

At least three legal entities (defined as organisations or individual researchers as above) must participate, each of which is established in a Member State or Associated country, and no two of which are established in the same Member State or Associated country. All three legal entities must be independent of each other in accordance with Article 6 of the RFP, meaning they are not subsidiaries of the same organisation or of each other.

INDIRECT ACTIONS CONCERNING INTERNATIONAL COOPERATION PARTNER COUNTRIES

While participants from non-EU or Associated countries are still eligible consortium members for most projects, special conditions apply for collaborative projects addressing the participation of international cooperation partner countries in parity with Member States or Associated countries. These minimum conditions, mainly relevant to the International Cooperation activities under the specific programme for Capacities, as identified in the work programme, are the following:

- At least four legal entities must participate;
- at least two of the legal entities referred to in point (a) must be established in Member States or Associated countries, but no two may be established in the same Member State or Associated country;
- at least two of the legal entities referred to in point (a) must be established in international cooperation partner countries, but no two may be established in the same international cooperation partner country;

(d) All four legal entities referred to in point (a) must be independent of each other in accordance with Article 6 of the RFP.

COORDINATION AND SUPPORT ACTIONS, AND TRAINING AND CAREER DEVELOPMENT OF RESEARCHERS

For coordination and support actions, and actions in favour of training and career development of researchers, the minimum condition shall be the participation of one legal entity.

INVESTIGATOR-DRIVEN "FRONTIER" RESEARCH PROJECTS

For indirect actions to support investigator-driven 'frontier' research projects funded in the framework of the European Research Council, the minimum condition shall be the participation of one legal entity established in a Member State or in an Associated country.

SOLE PARTICIPANTS

Where the minimum conditions for an indirect action are satisfied by a number of legal entities, which together form one legal entity, the latter may be the sole participant in an indirect action, provided that it is established in a Member State or Associated country. The participation of natural persons will ensure that the creation and development of scientific excellence and ability are not limited to Community funding of projects involving only legal persons, ensuring also the participation of SMEs that are not legal persons.

APPOINTMENT OF INDEPENDENT EXPERTS

The Commission shall appoint independent experts to assist with evaluations required under the Seventh Framework Programme, and its specific programmes. For coordination and support actions, referred to in Article 17, independent experts shall be appointed only if the Commission deems it appropriate. Independent experts shall be chosen considering the skills and knowledge appropriate to the tasks assigned to them.

Independent experts shall be identified and selected on the basis of calls for applications from individuals and calls addressed to national research agencies, research institutions or enterprises with a view to establishing lists of suitable candidates. The Commission may, if deemed appropriate, select any individual with the appropriate skills from outside the lists.

Appropriate measures shall be taken to ensure reasonable gender balance when appointing groups of independent experts.

When appointing an independent expert, the Commission shall take all necessary steps to ensure that the expert is not faced with a conflict of interests in relation to the matter on which the expert is required to provide an opinion.

The Commission shall adopt a model appointment letter, hereinafter 'the appointment letter', which shall include a declaration that the independent expert has no conflict of interest at the time of appointment and that he undertakes to inform the Commission if any conflict of interest should arise in the course of providing his opinion or carrying out his duties. The Commission shall conclude an appointment letter between the Community and each independent expert.

The Commission shall publish periodically in any appropriate medium the list of the independent experts that have assisted it for each specific programme.

CALLS FOR PROPOSALS

The Commission shall issue calls for project proposals (or for indirect actions) in accordance with the requirements laid down in the relevant specific programmes and work programmes. The first of these is expected at the beginning of 2007.

In order to reduce unnecessary workload and simplify proposals, FP7 will introduce two-stage submission and evaluation procedures:

Where a call for proposals specifies a two-stage submission procedure, only those proposals that pass the evaluation criteria for the first stage shall be requested to submit a complete proposal in the second stage.

Where a call for proposals specifies a two-step evaluation procedure, only those proposals that pass the first step, based on the evaluation of a limited set of criteria, shall go forward for further evaluation.

BUDGET

The amended FP7 proposals from the European Commission, following the budget agreement between the European Council and European Parliament amount to a total of **EUR 50,521 million**, partitioned among the specific programmes as follows:

Cooperation EUR 32,292 million
Ideas EUR 7,460 million
People EUR 4,727 million
Capacities EUR 4,291 million
JRC (non-nuclear) EUR 1,751 million
Euratom (to 2011) EUR 2,751 million

For more details see the revised budget breakdown at: <http://cordis.europa.eu/fp7/budget.htm>

FUNDING SCHEMES

Across all these themes, support to trans-national cooperation will be implemented through:

- *Collaborative research;*
Collaborative projects, Networks of Excellence, Co-ordination/support actions, actions to promote and develop human resources and mobility
- *Joint Technology Initiatives;*
Mainly resulting from the work of European Technology Platforms
- *Co-ordination of research programmes;*
ERA-NET scheme and Treaty Article 169

These schemes will be used, either alone or in combination, to fund actions implemented throughout the Framework Programme.

Where different funding schemes can be used, the work programmes may specify the funding scheme to be used for the topic on which proposals are invited.

RESEARCH THEMES

In the Commission's proposal for FP7 the four specific programmes handle research themes in different ways:

Cooperation / Collaborative research projects will be selected under sub-programmes in nine defined themes, largely representing continuity with the seven thematic priorities of FP6.

European Joint Technology Initiatives will be selected from the strategic research agendas defined by individual technology platforms.

Ideas / The European Research Council (ERC) will support 'researcher led' basic research across all scientific and technological areas.

People / Marie Curie actions to support individual researchers will operate horizontally across all research themes.

Capacities / Activities to support research infrastructures, SMEs, international cooperation, regional capabilities and 'science in society' will also be identified across all research areas.

FP7 themes - Cooperation

The proposals for the Cooperation programme define research themes broadly so that during the lifetime of FP7, the priorities can be adapted to evolving research needs. Special attention will be paid to the horizontal integration of scientific priority areas that cut across themes. Furthermore, a multi-disciplinary approach will be encouraged by joint cross-thematic approaches to research and technology subjects relevant to more than one theme. The nine themes are:

- Health - particularly translational research developing basic discoveries into clinical applications and the development of sustainable and efficient healthcare systems.
- Food, agriculture and biotechnology - aiming to build a European "knowledge based bio-economy" to meet demand for safer and healthier food and sustainable use and production of renewable bio-resources.
- Information and communication technologies (see also FP7 on ISTWeb) - enhancing the different technology pillars (nano-electronics, communication networks, mixed realities, etc.), integrating technologies (home environment, robotic systems, etc.), and developing societal, content-related applications that support business, industry and public confidence.
- Nanosciences, nanotechnologies, materials and new production technologies - aims to transform European industry from a resource-intensive to a knowledge-intensive industry.
- Energy - emphasising research on renewables and on low CO2 emitting power generation. Under the Euratom Treaty< link to euratom.htm>, the EU will also continue to support fusion energy research, and research on nuclear fission and radiation protection, both indirectly through collaborative projects and directly through the activities of the Joint Research Centre (JRC).
- Environment (including climate change) - highlights research related to predicting climate change and developing earth observation.
- Transport (including aeronautics) - to support the development of integrated, "greener" and "smarter" pan-European transport systems and supporting the Galileo initiative.
- Socio-economic sciences and the humanities - aiming at shared understanding of the complex and interrelated socio-economic challenges Europe is facing (such as growth, employment and competitiveness, social cohesion and sustainability, quality of life and global interdependence).
- Security and Space - according to the Council's agreement of July 2006, the area of 'security and space' will be split into two separate themes. Security research will develop technologies and knowledge needed to ensure the security of European citizens. Space research will include applications such as GMES to benefit citizens as well as increasing competitiveness of the European space industry.

Noting that existing security related research activities in Europe suffer from fragmentation and a lack of critical mass and interoperability, the proposed focus of security research at Community level is on activities of clear added value to the national level, improving coherence and reinforcing competitiveness.

One objective of space research within FP7 is to contribute to the development of a European Space Policy, complementing efforts by Member States and by other key players, including the European Space Agency (ESA). The EU's contribution in this field would be the definition of common objectives, the coordination of activities, avoiding duplications and maximising interoperability, and the definition of standards. A European Space policy would be aimed at public authorities and decision-makers as well as European industry.

FINANCIAL RULES - FORMS OF GRANTS

Three forms of grants are proposed for the Community financial contribution:

- *reimbursement of eligible costs*,
- *lump sums*, and
- *flat-rate financing* (the latter can be based on scale of unit costs but also includes flat rates for indirect costs).

These may be used to cover the entire Community financial contribution for a funding scheme or more than one may be used in combination.

For most funding schemes, reimbursement of eligible costs will continue to be the preferred method, particularly at the beginning of FP7. Lump sum and flat rate financing will be introduced gradually and if successful will be used more extensively.

For frontier research actions, the ERC's Scientific Council will propose appropriate funding modalities within the terms established by the RFP and the Financial Regulation.

REPORTING AND REIMBURSEMENT OF ELIGIBLE COSTS

The definition of eligible costs has been simplified and the three cost reporting models used in previous framework programmes have been abandoned. This means that participants can charge all their direct and indirect costs and have the option of a flat rate for indirect costs. Costs will be determined according to the usual accounting and management principles of the participants to achieve the project objectives based on principles of economy, efficiency and effectiveness.

The Community financial contribution will cover:

- a maximum of 50% of eligible costs minus receipts both for research and for demonstration activities, with a top up of a maximum of 25% for research activities for SMEs, public bodies, secondary and higher education establishments and non-profit research organisations;
- 100% of 'frontier research' actions for all entities.
- up to 100% for all other activities, including coordination and support actions, and training and career development of researchers, for all entities.

The maxima indicated above are applied to all eligible costs even where part of the reimbursement of costs, or even the full funding of the project, is based on lump sums or flat rates.

For Networks of Excellence, a special lump sum is proposed, with a fixed amount per researcher per year. Portions of the lump sum would be paid periodically according to indicators showing progressive implementation of the Joint Programme of Activities (JPA).

DISSEMINATION AND IPR

The coherence of dissemination and publication requirements has been improved, with prior notification of the Commission for publication of results eliminated.

For intellectual property rights (IPR) FP7 aims for as much continuity as possible with FP6. The main changes, to allow more flexibility and based on experience from the implementation of FP6, are:

- (a) Remove most of the obligations for participants to finalise conditions prior to their accession to the EC contract, and
- (b) Remove most obligations to request prior approval from the Commission for publication, transfers of ownership and provision of access rights to third parties, where all other partners agree.

Changes to the definitions are:

- 'background' replaces 'pre-existing know-how' and no longer includes side-ground,
- 'foreground' replaces 'knowledge'.

The new arrangements for IPR under FP7 are summarised in the table below:

	Access rights to background	Access rights to foreground resulting from the project
For carrying out the project	Yes, if a participant needs them for carrying out it own work under the project	
	Royalty-free unless otherwise agreed before acceding to the grant agreement	Royalty-free
For use (exploitation + further research)	Yes, if a participant needs them for carrying out it own work under the project	
	Either fair and reasonable condition or royalty free-to be agreed	

There will still be the possibility to exclude background and to define terms and conditions other than those established by the RFP, but this will now permit adjustments by participants as their project progresses. For joint ownership a default regime will facilitate the exploitation of jointly owned results in the absence of a clear agreement between parties. Where a participant does not wish to protect knowledge (or foreground) it can offer the other participants the option of ownership before offering this to the Commission. It will also be possible for a participant to offer exclusive access rights to a third party if all the other participants agree to waive their rights to access.

Foreground will become the property of the Community in the following cases:

- Coordination and support actions consisting in a purchase or service subject to the rules on public procurement set out in the Financial Regulation;
- Coordination and support actions relating to independent experts.

Foreground from all other indirect actions shall be the property of the participants carrying out the work generating that foreground.

If employees or other personnel working for a participant are entitled to claim rights to foreground, the participant must ensure that it is possible to exercise those rights in a manner compatible with its obligations under the grant agreement.

Where several participants have jointly carried out work generating foreground and where their respective share of the work cannot be ascertained, they shall have joint ownership of such foreground.

Where no joint ownership agreement has been concluded regarding the allocation and terms of exercising that joint ownership, each of the joint owners shall be entitled to grant non-exclusive licenses to third parties, based on prior notice and reasonable compensation.

In general, restrictions on transfer of ownership and access rights have been loosened in order to encourage use and dissemination of results.

CONSORTIUM AGREEMENT

Save where otherwise provided in the call for proposals, all legal entities wishing to participate in an indirect action shall draw up an agreement, hereinafter 'the consortium agreement', to govern the following:

- The internal organisation of the consortium;
- The distribution of the Community financial contribution;
- Additional rules on dissemination and use including intellectual property rights arrangements, as appropriate;
- The settlement of internal disputes.