



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Industry, Research and Energy

2009/0169(COD)

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DRAFT REPORT

on the proposal for a decision of the European Parliament and of the Council on participation by the Community in a Joint Baltic Sea Research and Development Programme (BONUS-169) undertaken by several Member States (COM(2009)0610 – C7-0263/2009 – 2009/0169(COD))

Committee on Industry, Research and Energy

Rapporteur: Lena Ek

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). Suggested corrections of this kind are subject to the agreement of the departments concerned.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on participation by the Community in a Joint Baltic Sea Research and Development Programme (BONUS-169) undertaken by several Member States (COM(2009)0610 – C7-0263/2009 – 2009/0169(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2009)0610),
 - having regard to Article 251(2) and Articles 169 and 172(2) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C7-0263/2009),
 - having regard to the Communication from the Commission to the European Parliament and the Council entitled "Consequences of the entry into force of the Treaty of Lisbon for ongoing interinstitutional decision-making procedures" (COM(2009)0665),
 - having regard to Article 294(3) and Articles 185 and 188(2) of the Treaty on the Functioning of the EU,
 - having regard to the opinion of the European Economic and Social Committee,,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinion of the Committee on the Environment, Public Health and Food Safety (A7-0000/2010),
1. Adopts the position at first reading hereinafter set out;
 2. Calls on the commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 2. Instructs its President to forward its position to the Council, to the Commission and to the national Parliaments.

Amendment 1

Proposal for a decision

Title

Text proposed by the Commission

Amendment

DECISION OF THE EUROPEAN

DECISION OF THE EUROPEAN

PARLIAMENT AND OF THE COUNCIL

on participation by the Community in a
Joint Baltic Sea Research and
Development programme (**BONUS-169**)
undertaken by several Member States

PARLIAMENT AND OF THE COUNCIL

on participation by the Community in a
Joint Baltic Sea Research and
Development programme (**BONUS**)
undertaken by several Member States

Or. en

Justification

Adapting the legal base to the new numbering after the entry into force of the Lisbon Treaty.

(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)

Amendment 2

Proposal for a decision

Recital 15

Text proposed by the Commission

(15) At the end of the strategic phase, the Commission, assisted by independent expert should ***evaluate the maturity and the readiness of the initiative to enter*** the implementation phase.

Amendment

(15) At the end of the strategic phase, the Commission, assisted by independent expert should ***assess the quality of the strategic phase and, if appropriate, suggest improvements. The transition to the implementation phase should be seamless and without unnecessary delays.***

Or. en

Justification

At the end of strategic phase, the Commission should assess the overall quality of strategic phase in a fluent way and without unnecessary delays, suggesting, if appropriate, possible improvements.

Amendment 3

Proposal for a decision Recital 24

Text proposed by the Commission

(24) In order to efficiently implement **BONUS-169**, during the implementation phase, financial support should be granted to participants in **BONUS-169** projects selected at the central level under the responsibility of the BONUS EEIG following calls for proposals.

Amendment

(24) In order to efficiently implement **BONUS**, during the implementation phase, financial support should be granted to participants in **BONUS** projects selected at the central level under the responsibility of the BONUS EEIG following calls for proposals. ***The grant of such financial support to participants in BONUS and its payment should be transparent and unbureaucratic.***

Or. en

Justification

In line with overall rules of FP7, the grant of financial support to participants shall be as transparent and non-bureaucratic as possible.

Amendment 4

Proposal for a decision Recital 28

Text proposed by the Commission

(28) In line with the objectives of the Seventh Framework Programme, participation by any other countries in **BONUS-169** should be possible where such participation is provided by the relevant international agreement and where both the Commission and the participating Member States agree to it. In accordance with the Seventh Framework Programme, the Community should have the right to agree on the conditions relating to its financial contribution to **BONUS-169** with regard to the participation by other countries in accordance with the rules and

Amendment

(28) In line with the objectives of the Seventh Framework Programme, participation by any other countries in **BONUS**, ***especially by the Russian Federation but also by other countries of the Baltic Sea basin***, should be possible where such participation is provided by the relevant international agreement and where both the Commission and the participating Member States agree to it. In accordance with the Seventh Framework Programme, the Community should have the right to agree on the conditions relating to its financial contribution to **BONUS** with regard to the participation by other

conditions set out in this Decision.

countries in accordance with the rules and conditions set out in this Decision.

Or. en

Justification

A large part of the Baltic Sea basin lies within boundaries of the Russian Federation, thus having a significant direct influence on the ecosystem of the sea. Researchers from the Russian Federation have been already actively involved in previous ERA-NET Baltic Sea projects and this cooperation should be encouraged, bearing in mind, that cooperation in the field of environment and research is one of the cornerstones of the EU-Russia partnership agreement. Other countries of the Baltic Sea basin should be invited to join the program as well.

Amendment 5

Proposal for a decision

Recital 30

Text proposed by the Commission

(30) It is essential that the research activities carried out under **BONUS-169** conform to *basic* ethical principles, **including those reflected in Article 6 of the Treaty on the European Union and in the Charter of Fundamental Rights of the European Union**, and follow the principles of gender mainstreaming and gender equality.

Amendment

(30) It is essential that the research activities carried out under **BONUS** conform to ethical principles **in accordance with the general principles laid down in the Seventh Framework Programme**, and follow the principles of gender mainstreaming, gender equality **and sustainable development**.

Or. en

Justification

Ethical principles are part of Decision No 1982/2006/EC (hereinafter "Seventh Framework Programme"). Sustainable development as the overarching aim of FP7 should be also mentioned.

Amendment 6

Proposal for a decision

Article 2 - paragraph 3 - introductory part

Text proposed by the Commission

3. The strategic phase of the Programme shall last up to **two years**. It shall prepare the implementation phase. During the strategic phase, BONUS EEIG shall carry out the following tasks:

Amendment

3. The strategic phase of the Programme shall last up to **one year**. It shall prepare the implementation phase. During the strategic phase, BONUS EEIG shall carry out the following tasks:

Or. en

Justification

Current ongoing BONUS+ projects are due to end in the end of 2011 thus creating a time gap between the end of BONUS+ and the start of the new BONUS program. Therefore the strategic phase should be shortened, in order to allow the start of the implementation phase from the beginning of 2012.

Amendment 7

Proposal for a decision

Article 2 - paragraph 4

Text proposed by the Commission

4. The implementation phase shall last for a minimum of five years. During the implementation phase **at least three** calls for proposals shall be published with a view to funding projects which address the objectives of the **BONUS-169**. These calls shall be targeted at multi-partner and trans-national projects, and include research, technological development, training and dissemination activities. Projects shall be selected according to the principles of equal treatment, transparency, independent evaluation, co-financing, no-profit, financing not cumulated with other Community sources, as well as the principle of non-retroactivity.

Amendment

4. The implementation phase shall last for a minimum of five years. During the implementation phase **the** calls for proposals shall be published with a view to funding projects which address the objectives of the **BONUS**. These calls shall be targeted at multi-partner and trans-national projects, and include research, technological development, training and dissemination activities. Projects shall be selected according to the principles of equal treatment, transparency, independent evaluation, co-financing, no-profit, financing not cumulated with other Community sources, as well as the principle of non-retroactivity.

Justification

The numbers of calls for proposals may depend on the results of the strategic phase and therefore should not be specified in the text.

Amendment 8

Proposal for a decision

Article 3 - paragraph 3 - introductory part

Text proposed by the Commission

The Community financial contribution for the implementation phase shall be provided under the following conditions:

Amendment

The Commission shall before the end of the strategic phase assess the following:

Or. en

Justification

The Community financial contribution shall not be conditional, thus creating an interruption between the first and second phase.

Amendment 9

Proposal for a decision

Article 3 - paragraph 3 - point a

Text proposed by the Commission

(a) a positive evaluation of the strategic phase carried out by the Commission with the assistance of independent experts; this evaluation shall cover the progress made towards the achievement of objectives and deliverables set out in Article 2(3) and Annex I;

Amendment

(a) the outcomes of the strategic phase described in Article 2(3); as well as the progress made towards the achievement of objectives and deliverables set out in Annex I, section 2;

Or. en

Justification

The Commission should assess the strategic process referred to in Article 2(3) and Annex I, section 2.

Amendment 10

Proposal for a decision

Article 3 - paragraph 3 - point e

Text proposed by the Commission

(e) a commitment by each participating State to contribute its share of the financing to ***BONUS-169*** and the payment ***of cash and the effective provision of in kind infrastructure contribution when this is requested; these commitments shall be included in a financing plan agreed by the competent national authorities in order to contribute to the joint execution of the BONUS-169 implementation phase;***

Amendment

(e) a commitment by each participating State to contribute its share of the financing to ***BONUS*** and the ***effective*** payment ***of their financial contribution, in particular the funding of participants in the BONUS projects selected following the calls for proposals;***

Or. en

Amendment 11

Proposal for a decision

Article 10

Text proposed by the Commission

The Commission shall communicate all relevant information to the European Parliament, the Council and the Court of Auditors. The Participating States shall submit to the Commission, through the BONUS EEIG, any additional information requested by the European Parliament, the Council and the Court of Auditors concerning the financial management of the BONUS EEIG.

Amendment

The Commission shall communicate all relevant information to the European Parliament, the Council and the Court of Auditors. The Participating States shall submit to the Commission, through the BONUS EEIG, any additional information requested by the European Parliament, the Council and the Court of Auditors concerning the financial management of the BONUS EEIG ***that is consistent with the overall reporting requirements set out in Article 13.***

Justification

If the European Parliament, the Council or the Court of Auditors needs additional information concerning the financial management, the Participating States must provide such information in accordance with the overall reporting requirements set out in Article 13.

Amendment 12

**Proposal for a decision
Article 11**

Text proposed by the Commission

Any Member State and any country associated to the Seventh Framework Programme may join **BONUS-169** in accordance with the criteria set out in Article 3(1) and 3points (e) and (f) of Article 3(4). Member States and countries that have joined **BONUS-169** shall be regarded as Participating States for the purposes of this Decision.

Amendment

Any Member State and any country associated to the Seventh Framework Programme may join **BONUS** in accordance with the criteria set out in Article 3(1) and points (e) and (f) of Article 3(3). Member States and countries that have joined **BONUS** shall be regarded as Participating States for the purposes of this Decision.

Justification

Technical adjustments.

Amendment 13

**Proposal for a decision
Annex I - section 1 - point g**

Text proposed by the Commission

(g) launch **at least three** cross-thematic, strategically focussed and multi-partner joint calls for proposals

Amendment

(g) launch cross-thematic, strategically focussed and multi-partner joint calls for proposals

Justification

The numbers of calls for proposals may depend on the results of the strategic phase and therefore should not be specified in text.

Amendment 14

**Proposal for a decision
Annex I - section 2.2 - paragraph 1**

Text proposed by the Commission

The BONUS EEIG shall send to the Commission the deliverables set out in the following paragraphs no later than **18** months from the start of the strategic phase.

Amendment

The BONUS EEIG shall send to the Commission the deliverables set out in the following paragraphs no later than **9** months from the start of the strategic phase.

Or. en

Justification

The BONUS EEIG shall send the deliverables of the strategic phase to the Commission before the end of this phase. Since the duration of the strategic phase has been shortened to one year (see AM 8), the due date of deliverables should be shortened as well.

Amendment 15

**Proposal for a decision
Annex I - section 2.2.3 - point h**

Text proposed by the Commission

(h) developing a financing structure of funding **BONUS-169** project, **based on a pool of funds consisting of cash contributions of the Participating States and of the Community;**

Amendment

(h) developing a financing structure of funding **BONUS** projects;

Or. en

Justification

The system of contributions during the implementation phase is described in Annex I, Section 3.4.

Amendment 16

**Proposal for a decision
Annex I - section 3**

Text proposed by the Commission

Provided that the results of the evaluation and the ex-ante audit of BONUS EEIG are positive, the Commission and the BONUS EEIG shall conclude the Implementation Agreement.

Amendment

The Commission and the BONUS EEIG shall conclude the Implementation Agreement ***as described in Article 3(3)(a)***.

Or. en

Justification

Conditions of the agreement between the Commission and BONUS EEIG are described in Article 3(3)(a).

Amendment 17

**Proposal for a decision
Annex I - section 3.1**

Text proposed by the Commission

During the implementation phase, ***at least three*** joint calls for proposals shall be published and implemented in view of funding strategically targeted ***BONUS-169*** projects addressing the objectives of the initiative. The topics shall originate from the ***BONUS-169*** Strategic Research Agenda, respect as much as possible the established roadmap and cover research, technological development, and training and/or dissemination activities.

Amendment

During the implementation phase, joint calls for proposals shall be published and implemented in view of funding strategically targeted ***BONUS*** projects addressing the objectives of the initiative. The topics shall originate from the ***BONUS*** Strategic Research Agenda, respect as much as possible the established roadmap and cover research, technological development, and training and/or dissemination activities.

Or. en

Justification

The numbers of calls for proposals may depend on the results of the strategic phase and therefore should not be specified in text.

Amendment 18

**Proposal for a decision
Annex I - section 3.2 - paragraph 2**

Text proposed by the Commission

Legal entities from Member States and associated countries may receive **BONUS-169** funding. Any consortium submitting a proposal for a **BONUS-169** project may include participants from a non-Member State provided that it can realistically ensure that it disposes of the resources needed to fully cover the costs for its participation. ***BONUS funding to such a participant could be justified on a case-by-case basis if its contribution to the project is absolutely essential for the project's successful outcome.***

Amendment

Legal entities from Member States and associated countries may receive **BONUS** funding. Any consortium submitting a proposal for a **BONUS** project may include participants from a non-Member State provided that it can realistically ensure that it disposes of the resources needed to fully cover the costs for its participation.

Or. en

Justification

One of the goals of BONUS is to support research cooperation with other Member and non-Member States, especially the Russian Federation. BONUS funding to participants from the Russian Federation should be, in line with general provisions, unbureaucratic and efficient.

Amendment 19

**Proposal for a decision
Annex I - section 3.4 - paragraph 2**

Text proposed by the Commission

The Community financial contribution and the cash contribution of the Participating States to **BONUS-169** shall be pooled and administered centrally by the BONUS

Amendment

As a general rule, the Community financial contribution and the cash contribution of the Participating States to **BONUS** shall be pooled and administered centrally by the BONUS EEIG ("**real**

EEIG.

common pot"). However, in justified cases, a Participating State may devote its cash contribution exclusively to domestic research ("virtual common pot").

Or. en

Justification

The Community financial contribution and the cash contribution of the Participating States to BONUS-169 shall be generally pooled and administered centrally by the BONUS EEIG. However, if - because of legal or constitutional requirements - a Participating State cannot transfer its cash contribution to the common pot, then in such cases a cash contribution from this Participating State only to domestic research should be possible.

Amendment 20

**Proposal for a decision
Annex II - paragraph 1**

Text proposed by the Commission

1. The **BONUS** shall be managed by BONUS EEIG through its Secretariat. BONUS EEIG **shall establish** the following structures for the purposes of **BONUS**: Steering Committee, Secretariat, Advisory Board, Forum of Sector Research, and the Forum of Project Coordinators.

Amendment

1. The **BONUS** shall be managed by BONUS EEIG through its Secretariat. BONUS EEIG **has established** the following structures for the purposes of **BONUS**: Steering Committee, Secretariat, Advisory Board, Forum of Sector Research, and the Forum of Project Coordinators.

Or. en

Justification

Relevant structures have already been established.

EXPLANATORY STATEMENT

Already for some years, the Baltic Sea has become the "inland sea" of European Union, thus requiring a common action on Community level to tackle these common European challenges and to support Baltic Sea regions sustainable development. While many research activities are taking place in the Baltic Sea Region, for a large part these activities remain uncoordinated, fragmented and too dependent on the limited research possibilities available at national, regional or local level. Thus, there is a definite need of a jointly agreed regional action plan.

Although the Baltic Sea is one of the most scientifically investigated sea areas in the world and the Baltic Sea environmental research community has access to a number of programmes under the EU RTD Framework Programme, there is clearly a lack of trans-boundary research consultation, planning, coordination and concerted action and currently no jointly implemented scheme exists, that would be specifically tailored to address the environmental challenges of the Baltic Sea region itself.

In order to achieve a durable coordination and cooperation among the Baltic Sea Member States' scientific communities, 8 EU Baltic Sea Member States (Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden, from now on the "Participating States") have initiated a Joint Baltic Sea Research Programme (BONUS), with participation of the Community, based on Article 185 of the Treaty on the Functioning of the European Union (former Article 169 of the EC Treaty). BONUS will integrate the national research programmes and activities of the Participating States into a single joint research programme, in particular supporting the research and environmental objectives of the Baltic Sea Strategy, the Marine and Maritime Strategy and the Water Framework Directive.

One of the main purposes of this initiative is to help the establishment and structuring of ERA in the Baltic Sea Region. BONUS will follow-up previous programs BONUS ERA-NET (2004-2006) and ERA-NET PLUS (2007-2011), increasing the level of integration and removing barriers between nationally funded research systems of Participating States. BONUS is expected to make a significant contribution to the implementation of the above-mentioned Baltic Sea strategies and policies.

The objectives of BONUS are coherent with the overarching aim of Seventh Framework Programme (FP7) Specific Programme "Cooperation" - namely to contribute to sustainable development - as well as with specific aims of environmental research, *inter alia* prevention of environmental risks, management of marine environments, conservation and sustainable management of natural and man-made resources and biodiversity.

The Participating States have agreed that the dedicated implementation structure of BONUS will be a European Economic Interest Grouping, namely Baltic Organisations Network for Funding Science (BONUS EEIG), established in Helsinki, Finland.

The rapporteur welcomes the Commission proposal to make a financial contribution of up to € 50 million for the duration of whole BONUS Programme (7 years). The rapporteur underlines, that the implementation of BONUS should be as simple, quick and efficient as possible, avoiding unnecessary burdens and red tape.

The rapporteur stresses the importance of involvement of researchers from the Russian Federation. A large part of the Baltic Sea basin lies within boundaries of Russian Federation, thus having a significant direct influence on the ecosystem of the sea. Researchers from

Russian Federation have been already actively involved in previous ERA-NET Baltic Sea projects and this cooperation should be encouraged, bearing in mind that cooperation in the field of environment and research is one of the cornerstones of EU-Russia partnership agreement.

The Commission proposal for the participation by the Community in BONUS is also in accordance with the wish of Parliament to improve the coordination of research activities between Member States and on Community level within the scope of FP7 and to avoid fragmentation and overlapping competencies. BONUS deserves special attention, as it can be a valuable forward-looking model for other forms of future regional research cooperation with common European value, such as those in the regions of the Danube, the Mediterranean Sea, the North Sea etc.

The rapporteur fully agrees with the Commission, that the BONUS program and its administrative architecture should be fully in line with principles of the Seventh Framework Program. The rapporteur also notes, that, *inter alia*, the Seventh Framework Program encourages funding schemes with more flexibility and freedom, to support the different actions, and that stronger management autonomy should be granted to participants¹ and emphasises, that it will be necessary to be able to adjust the scale and form of financial participation on a case-by-case basis². Accordingly, a tailored solution to the present problems within the framework of FP7 is needed and several ways to manage collaborative research projects are possible. In the view of the rapporteur, two aspects of the structure of BONUS - namely the two phase system and use of common pot - need a flexible and specifically designed approach

Strategic / implementation phase

According to the Commission proposal, BONUS should be implemented in two distinct phases ("two phase structure"): an initial strategic phase, lasting two years, during which appropriate consultation platforms for active stakeholder involvement will be set-up, a Strategic Research Agenda prepared, and precise Implementation Modalities will be further broadened; followed by an implementation phase of a minimum of five years, during which a minimum of three joint calls will be launched in view of funding strategically targeted BONUS Projects specifically addressing the objectives of the initiative.

The rapporteur stresses, that the importance of the strategic phase should in any case not be underestimated, because it helps to create the most suitable and tailored architecture of the project and delivers valuable input to the implementation phase. However, it is vital that the implementation of the two phase structure should not create an abrupt interruption of the programme between the first and second stage since this would have negative impact on substantial research.

The use of the two phase structure is a novelty, because it has never been used in Article 169 (new Article 185) programs. The rapporteur accepts in line with the Commission and the Participating States this new tailored approach. The rapporteur also appreciates the success of previous BONUS ERA-NET and ERA-NET PLUS programs, with its remarkable results and excellent evaluation and notes, that it provides a good basis to assume, that the strategic phase

¹ 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) (OJ L 412, 30.12.2006, p. 1), recital 24

² *Ibid.*, Annex III

can be concluded in less than two years time. This is a vital point, since the two years duration of the strategic phase might not be exactly compatible with the current programme. All ongoing BONUS projects are due to end in 2011, thus creating a gap between the end of current ERA-NET PLUS and the start of implementation of the new BONUS. This may have a very negative impact to the functioning and potential of the research groups (currently 16 groups with more than 400 researchers).

As a result, the rapporteur proposes a streamlined transfer from strategic to implementation phase, with assessment of the quality of strategic phase and possible suggestions for improvements. Secondly, the rapporteur suggest a shorter timeframe for the strategic phase, in order to allow the start of implementation phase from the beginning of 2012 and to reduce the risk of shrinkage of scientific capacity due to its late initiation.

Real / virtual common pot

In the Commission's proposal all participating states are obliged to contribute to a real common pot, out of which the research activities will be funded. In the Commission's view, the use of a real common pot is the one and only way to operate collaborative projects and to ensure true financial integration with European 'added value'.

While a common pot, from a Community point of view, is indeed preferable, there might be certain legal and constitutional problems in some Participating States to transfer research funds abroad.

As a possible solution, the rapporteur suggests that the Community financial contribution and the cash contribution of the Participating States to BONUS shall, as a general rule, be pooled and administered centrally by the BONUS EEIG. However, if because of legal or constitutional requirements a Participating State cannot transfer its cash contribution to the common pot, a cash contribution from this Participating State only to domestic research should be a possible solution. The existing experience, as well as independent observations of Joint Baltic Sea Research programs (currently with 32% EU contribution) give good reason to believe that simultaneous use of real and virtual common pot would not endanger the overarching principle of scientific excellence.