EUROPEAN PARLIAMENT 2009 - 2014

Committee on Budgets

2011/0401(COD)

3.7.2012

DRAFT OPINION

of the Committee on Budgets

for the Committee on Industry, Research and Energy

on the proposal for a regulation of the European Parliament and of the Council establishing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020)
(COM(2011)0809 – C7-0466/2011 – 2011/0401(COD))

Rapporteur: Carl Haglund

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AMENDMENTS

The Committee on Budgets calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution
Paragraph 1a (new)

Text proposed by the Commission	*Amendment*
	1a. Points out that the financial envelope specified in the legislative proposal constitutes only an indication to the legislative authority and that it can not be fixed until agreement is reached on the proposal for a regulation laying down the multiannual financial framework for the years 2014-2020;

Or. en

Amendment 2

Draft legislative resolution
Paragraph 1b (new)

Text proposed by the Commission	*Amendment*
	1b. Recalls its resolution of 8 June 2011 on Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe[1]; reiterates that, regardless of realisable savings and re-allocations, sufficient additional resources are needed in the next MFF in order to enable the Union to fulfil its existing policy priorities and the new tasks provided for in the Treaty of Lisbon, as well as to respond to unforeseen events;

challenges the Council, in case it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;

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[1] ***Texts adopted, P7_TA(2011)0266.***

Or. en

Amendment 3

Draft legislative resolution
Paragraph 1c (new)

Text proposed by the Commission	*Amendment*
	1c. Recalls, furthermore, its position that next MFF should see a greater concentration of budgetary resources in areas that stimulate economic growth and competitiveness, such as research and innovation according to the principles of European added value and excellence;

Or. en

Amendment 4

Proposal for a regulation
Recital 5

Text proposed by the Commission	*Amendment*
(5) The European Parliament has called for a radical simplification of Union research and innovation funding in its ***Resolution*** of 11 November 2010[1], has highlighted the importance of the Innovation Union to transform Europe for post-crisis world, in its resolution of 12 May 2011[2], has drawn attention to important lessons to be learned following the interim evaluation of the	(5) The European Parliament has called for a radical simplification of Union research and innovation funding in its ***resolutions*** of 11 November 2010[1] ***and 11 June 2011[2]***, ***that emphasisied that any increase of funds should be coupled with a radical simplification of funding procedures***, has highlighted the importance of the Innovation Union to transform Europe for

Seventh Framework Programme in its resolution of 8 June 2011[3] and has supported the concept of a common strategic framework for research and innovation funding in its resolution of 27 September 2011[4].

post-crisis world, in its resolution of 12 May 2011[3], has drawn attention to important lessons to be learned following the interim evaluation of the Seventh Framework Programme in its resolution of 8 June 2011[4] and has supported the concept of a common strategic framework for research and innovation funding in its resolution of 27 September 2011[5].

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1 P7 TA(2011)0401.

2 P7 TA(2011)0236.

3 P7 TA(2011)0256.

4 P7 TA(2011)0401.

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1 P7 TA(2011)0401.

2 P7 TA-PROV(2011)0266.

3 P7 TA(2011)0236.

P7 TA(2011)0256.

5 P7 TA(2011)0401.

Or. en

Amendment 5

Proposal for a regulation
Recital 11

Text proposed by the Commission

(11) Horizon 2020 - the Framework Programme for Research and Innovation in the European Union (hereinafter 'Horizon 2020'), focuses on three priorities, namely generating excellent science in order to strengthen the Union's world-class excellence in science, fostering industrial leadership to support business, including small and medium-sized enterprises (SME) and innovation and tackling societal challenges, in order to respond directly to the challenges identified in the Europe 2020 strategy by supporting activities covering the entire spectrum from research to market. Horizon 2020 should support all stages in the innovation chain, especially activities closer to the market including innovative financial instruments, as well as

Amendment

(11) Horizon 2020 - the Framework Programme for Research and Innovation in the European Union (hereinafter 'Horizon 2020'), focuses on three priorities, namely generating excellent science in order to strengthen the Union's world-class excellence in science, fostering industrial leadership to support business, including small and medium-sized enterprises (SME) and innovation and tackling societal challenges, in order to respond directly to the challenges identified in the Europe 2020 strategy by supporting activities covering the entire spectrum from research to market. Horizon 2020 should, ***without distorting competition,*** support all stages in the innovation chain , especially activities closer to the market including

non-technological and social innovation, and aims to satisfy the research needs of a broad spectrum of Union policies by placing emphasis on the widest possible use and dissemination of knowledge generated by the supported activities up to its commercial exploitation. The priorities of Horizon 2020 should also be supported through a programme under the Euratom Treaty on nuclear research and training.

innovative financial instruments, as well as non-technological and social innovation, and aims to satisfy the research needs of a broad spectrum of Union policies by placing emphasis on the widest possible use and dissemination of knowledge generated by the supported activities up to its commercial exploitation. The priorities of Horizon 2020 should also be supported through a programme under the Euratom Treaty on nuclear research and training.

Or. en

Amendment 6

Proposal for a regulation
Recital 15

Text proposed by the Commission	*Amendment*
(15) Simplification is a central ***aim*** of Horizon 2020 which should be fully reflected in its design, rules, financial management and implementation. Horizon 2020 should aim to attract the strong participation of universities, research centres, industry and specifically SMEs and be open to new participants, as it brings together the full range of research and innovation support in one common strategic framework, including a streamlined set of forms of support and uses rules for participation with principles applicable to all actions under the programme. Simpler funding rules should reduce the administrative costs for participation and will contribute to a reduction of financial errors.	(15) Simplification is a central ***requirement*** of Horizon 2020 which should be fully reflected in its design, rules, financial management and implementation. Horizon 2020 should aim to attract the strong participation of universities, research centres, industry and specifically SMEs and be open to new participants, as it brings together the full range of research and innovation support in one common strategic framework, including a streamlined set of forms of support ***that take due regard of the nature of the activities and of their closeness to the market*** and uses rules for participation with principles applicable to all actions under the programme. Simpler funding rules should reduce the administrative costs for participation and will contribute to a reduction of financial errors.

Or. en

Amendment 7

Proposal for a regulation
Recital 18

Text proposed by the Commission	*Amendment*
(18) It is appropriate to ensure a correct closure of Horizon 2020 and its predecessor programmes, in particular regarding the continuation of multi-annual arrangements for their management, such as the financing of technical and administrative assistance.	(18) It is appropriate to ensure a correct closure of Horizon 2020 and its predecessor programmes, in particular regarding the continuation of multi-annual arrangements for their management, such as the financing of ***strictly necessary*** technical and administrative assistance.

Or. en

Amendment 8

Proposal for a regulation
Recital 26

Text proposed by the Commission	*Amendment*
(26) To achieve maximum impact, Horizon 2020 should develop close synergies with other Union programmes in areas such as education, space, environment, competitiveness and SMEs, the internal security, culture and media and with the Cohesion Policy funds and Rural Development Policy, which can specifically help to strengthen national and regional research and innovation capabilities in the context of smart specialisation strategies.	(26) To achieve maximum impact, Horizon 2020 should develop close synergies with other Union programmes in areas such as education, space, environment, competitiveness and SMEs, the internal security, culture and media and with the Cohesion Policy funds and Rural Development Policy, which can specifically help to strengthen national and regional research and innovation capabilities in the context of smart specialisation strategies. ***These synergies should not compromise the principle of excellence that Horizon 2020 should pursue.***

Or. en

Amendment 9

Proposal for a regulation
Recital 27

Text proposed by the Commission	*Amendment*
(27) SMEs constitute a significant source of innovation and growth in Europe. Therefore a strong participation of SMEs, as defined in Commission Recommendation 2003/361/EC of 6 May 2003, is needed in Horizon 2020. This should support the aims of the Small Business Act.	(27) SMEs constitute a significant source of innovation and growth in Europe. Therefore a strong participation of SMEs, as defined in Commission Recommendation 2003/361/EC of 6 May 2003 ***for all Union programmes for support***, is needed in Horizon 2020. This should support the aims of the Small Business Act.

Or. en

Amendment 10

Proposal for a regulation
Recital 31a (new)

Text proposed by the Commission	*Amendment*
	(31a) The spending of EU and Member States' funds on research and innovation should be better coordinated in order to assure complementarity, better efficiency and visibility, as well as to achieve better budgetary synergies.

Or. en

Amendment 11

Proposal for a regulation
Recital 32a (new)

Text proposed by the Commission	*Amendment*
	(32a) Horizon 2020 should ensure utmost transparency, accountability and democratic scrutiny of innovative financial instruments and mechanisms that involve the Union budget, especially as regards their contribution, both expected and achieved, to reaching Union objectives.

Or. en

Amendment 12

Proposal for a regulation
Article 4

Text proposed by the Commission	*Amendment*
Horizon 2020 shall play a central role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth by providing a common strategic framework for the ***Union's*** research and innovation ***funding***, thus acting as a vehicle for leveraging private investment, creating new job opportunities and ensuring Europe's long-term sustainable growth and competitiveness.	Horizon 2020 shall play a central role in the delivery of the Europe 2020 strategy for smart, sustainable and inclusive growth by providing a common strategic framework for ***funding excellent*** research and innovation, thus acting as a vehicle for leveraging private investment, creating new job opportunities and ensuring Europe's long-term sustainable growth and competitiveness.

Or. en

Amendment 13

Proposal for a regulation
Article 5 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Horizon 2020 shall contribute to building an economy based on knowledge and innovation across the whole Union by leveraging sufficient additional research, development and innovation funding. Thereby, it shall support the implementation of the Europe 2020 strategy and other Union policies, as well as the achievement and functioning of the European Research Area (ERA). The relevant performance indicators are set out in the introduction of Annex I.	1. Horizon 2020 shall contribute to building an economy based on knowledge and innovation across the whole Union by leveraging sufficient additional research, development and innovation funding. Thereby, it shall support the implementation of the Europe 2020 strategy and other Union policies, as well as the achievement and functioning of the European Research Area (ERA). ***It is estimated that by 2030 Horizon 2020 is expected to generate an extra 0.92 per cent of GDP, 1.37 per cent of exports, -0.15 per cent of imports, and 0.40 per cent of employment.*** The relevant performance indicators are set out in the introduction of Annex I.

Or. en

Amendment 14

Proposal for a regulation
Article 6 – paragraph 3 – subparagraph 2

Text proposed by the Commission	*Amendment*
This funding in two multiannual allocations shall cover:	This funding in two multiannual allocations shall cover:
(a) in the first allocation, the ongoing developments of the current Knowledge and Innovation Communities (hereinafter KICs) and ***seed money for*** the launch of ***the second wave of*** three new KICs;	(a) in the first allocation, the ongoing developments of the current ***three*** Knowledge and Innovation Communities (hereinafter KICs) and the launch of three new KICs;
(b) in the second allocation, the ongoing developments of the KICs already launched ***and the seed money for the***	(b) in the second allocation, the ongoing developments of the ***six*** KICs already

launch of the third wave of three new KICs;	launched;

Or. en

Amendment 15

Proposal for a regulation
Article 6 – paragraph 3 – subparagraph 3

Text proposed by the Commission	*Amendment*
The second allocation shall be made available following the review set out in Article 26(1) taking into account in particular:	The second allocation shall be made available following the review set out in Article 26(1) taking into account in particular:
(a) the agreed timing of the creation of ***the third wave of*** KICs;	(a) the agreed timing of the creation of ***new*** KICs;
(b) the programmed financial needs of the existing ones according to their specific development;	(b) the programmed financial needs of the existing ones according to their specific development;
(c) the contribution of the European Institute of Innovation and Technology and its KICs to the Horizon 2020 objectives.	(c) the contribution of the European Institute of Innovation and Technology and its KICs to the Horizon 2020 objectives.

Or. en

Amendment 16

Proposal for a regulation
Article 6 – paragraph 4 – subparagraph 1

Text proposed by the Commission	*Amendment*
4. The financial envelope of Horizon 2020 may cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of Horizon 2020 and the achievement of its objectives, in particular studies and meetings of experts, as far as	4. The financial envelope of Horizon 2020 may cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are ***strictly*** required for the management of Horizon 2020 and the achievement of its objectives, in particular studies and meetings of

they are related to the objectives of Horizon 2020, expenses linked to information technology networks focusing on information processing and exchange, together with all other technical and administrative assistance expenses incurred by the Commission for the management of Horizon 2020.

experts, as far as they are related to the objectives of Horizon 2020, expenses linked to information technology networks focusing on information processing and exchange, together with all other technical and administrative assistance expenses incurred by the Commission for the management of Horizon 2020. ***Technical and administrative assistance expenses shall not exceed 7% of the financial envelope.***

Or. en

Amendment 17

Proposal for a regulation
Article 6 – paragraph 5

Text proposed by the Commission	*Amendment*
5. In order to respond to unforeseen situations or new developments and needs, and to take into account the provisions of paragraph 3 of this article, the Commission may, following the interim evaluation of Horizon 2020 as referred to in Article 26(1)(a) of this Regulation, within the annual budgetary procedure review the amounts set out for the priorities in paragraph 2 and the indicative breakdown by specific objectives within these priorities set out in Annex II and transfer appropriations between the priorities and specific objectives up to 10 % of the total initial allocation of each priority and up to 10 % of the initial indicative breakdown of each specific objective. This does not concern the amount set out for the direct actions of the Joint Research Centre in paragraph 2 ***or the contribution to the European Institute of Innovation and Technology set out in paragraph 3.***	5. In order to respond to unforeseen situations or new developments and needs, and to take into account the provisions of paragraph 3 of this article, the Commission may, following the interim evaluation of Horizon 2020 as referred to in Article 26(1)(a) of this Regulation, within the annual budgetary procedure review the amounts set out for the priorities in paragraph 2 and the indicative breakdown by specific objectives within these priorities set out in Annex II and transfer appropriations between the priorities and specific objectives up to 10 % of the total initial allocation of each priority and up to 10 % of the initial indicative breakdown of each specific objective. This does not concern the amount set out for the direct actions of the Joint Research Centre in paragraph 2.

Or. en

Amendment 18

Proposal for a regulation
Article 18 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The integrated approach set out in paragraphs 1 and 2 is expected to lead to ***around*** 15% of the total combined budget for the specific objective on "Leadership in enabling and industrial technologies" and the priority "Societal challenges" going to SMEs.	3. The integrated approach set out in paragraphs 1 and 2 is expected to lead to ***(i) not less than*** 15% of the total combined budget for the specific objective on "Leadership in enabling and industrial technologies" and the priority "Societal challenges" going to SMEs, ***and (ii) 50% of participating SMEs introducing innovations new to the company or the market (covering the period of the project plus three years).***

Or. en

Amendment 19

Proposal for a regulation
Article 19 – paragraph 3 – point (c)

Text proposed by the Commission	*Amendment*
(c) the long-term commitment from all partners based on a shared vision and clearly defined objectives.	(c) the long-term ***financial*** commitment from all partners based on a shared vision and clearly defined objectives.

Or. en

Amendment 20

Proposal for a regulation
Article 26 – paragraph 1 – point (b)

Text proposed by the Commission	*Amendment*
(b) Not later than end 2017, and taking into account the ex-post evaluation of the Seventh Framework Programme to be completed by the end of 2015 and the review of the European Institute of Innovation and Technology, the Commission shall carry out, with the assistance of independent experts, an interim evaluation of Horizon 2020, its specific programme, including the European Research Council, and the activities of the European Institute of Innovation and Technology, on the achievements (at the level of results and progress towards impacts) of the objectives of Horizon 2020 and continued relevance of all the measures, the efficiency and use of resources, the scope for further simplification, and Union added value. That evaluation shall also take into consideration aspects relating to ***access to funding opportunities for participants*** in all regions, for SMEs and for promoting gender balance. That evaluation shall additionally take into account the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth and results on the long-term impact of the predecessor measures.	(b) Not later than end 2017, and taking into account the ex-post evaluation of the Seventh Framework Programme to be completed by the end of 2015 and the review of the European Institute of Innovation and Technology, the Commission shall carry out, with the assistance of independent experts, an interim evaluation of Horizon 2020, its specific programme, including the European Research Council, and the activities of the European Institute of Innovation and Technology, on the achievements (at the level of results and progress towards impacts) of the objectives of Horizon 2020 and continued relevance of all the measures, the efficiency and use of resources, the scope for further simplification, and Union added value. That evaluation shall also take into consideration aspects relating to access to funding opportunities ***for extending the excellence of the Union's science and innovation base*** in all regions, for SMEs and for promoting gender balance. That evaluation shall additionally take into account the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth and results on the long-term impact of the predecessor measures.

Or. en

Amendment 21

Proposal for a regulation
Annex I – Part I – point (d)

Text proposed by the Commission	*Amendment*
(d) *Research infrastructure* shall develop European research infrastructure for 2020 and beyond, foster ***their innovation potential*** and human capital, and complement this with the related Union policy and international cooperation.	(d) *Research infrastructure* shall develop ***world-class*** European research infrastructure for 2020 and beyond, foster ***and extend the excellence of the Union's science and innovation base*** and human capital, and complement this with the related Union policy and international cooperation. ***Appropriate recourse shall be made to the 'Union loan and guarantee service for research and innovation'in order to leverage additional resources for these investments and promote effective industry-academia links.***

Or. en

Amendment 22

Proposal for a regulation
Part I – point 4.1 – paragraph 3

Text proposed by the Commission	*Amendment*
Europe must establish an adequate, stable base for building, maintaining and operating research infrastructures if its research is to remain world-class. This requires ***substantial and effective*** cooperation between Union, national and regional funders for which strong links with the cohesion policy will be pursued to ensure synergies and a coherent approach.	Europe must establish an adequate, stable base for building, maintaining and operating research infrastructures if its research is to remain world-class. This requires ***that appropriate resources from the 'Union loan and guarantee service for research and innovation' are made available in order to leverage additional resources for these investments and promote effective industry-academia links. Effective*** cooperation between Union, national and regional funders for which strong links with the cohesion policy will be pursued to ensure synergies and a coherent approach.

Or. en

Amendment 23

Proposal for a regulation
Part I – point 4.1 – paragraph 4

Text proposed by the Commission	*Amendment*
This specific objective addresses a core commitment of the *Innovation Union* flagship initiative, which highlights the crucial role played by world-class research infrastructures in making ground-breaking research and ***innovation possible***. The initiative stresses the need to pool resources across Europe, and in some cases globally, in order to build and operate research infrastructures. Equally, the *Digital Agenda for Europe* flagship initiative emphasises the need to reinforce Europe's e-infrastructures and the importance of developing innovation clusters to build Europe's innovative advantage.	This specific objective addresses a core commitment of the *Innovation Union* flagship initiative, which highlights the crucial role played by world-class research infrastructures in making ground-breaking research and ***in reinforcing and extending the excellence of the Union's science and innovation base***. The initiative stresses the need to pool resources across Europe, and in some cases globally, in order to build and operate research infrastructures. Equally, the *Digital Agenda for Europe* flagship initiative emphasises the need to reinforce Europe's e-infrastructures and the importance of developing innovation clusters to build Europe's innovative advantage.

Or. en