

# EUROPEAN PARLIAMENT

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*Committee on Budgets*

**2005/0186(CNS)**

23.6.2006

## **OPINION**

of the Committee on Budgets

for the Committee on Industry, Research and Energy

on the proposal for a Council decision concerning the specific programme:  
“Ideas” implementing the 7th Framework Programme (2007-2013) of the  
European Community for research, technological development and  
demonstration activities  
(COM(2005)0441 – C6-0382/2005 – 2005/0186(CNS))

Draftswoman: Marilisa Xenogiannakopoulou

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## SHORT JUSTIFICATION

### 1. Main elements of the proposal

The proposal for the specific programmes is based on Title XVIII of the Treaty, Articles 163 to 173, and in particular Article 166(3) concerning implementation of the Framework Programme through specific programmes.

The Commission intends to set up an executive agency which will be entrusted with certain tasks required to implement the “Cooperation”, “People” and “Capacities” specific programmes. This approach will also be taken for the implementation of the “Ideas” programme.

The **Ideas programme** will provide a pan-European mechanism to support the truly creative scientists, engineers and scholars, whose curiosity and thirst for knowledge are most likely to make the unpredictable and spectacular discoveries that can change the course of human understanding.

The “Ideas” programme adopts the term “*frontier research*” which reflects a new understanding of basic research. At the forefront of creating new knowledge, “frontier research” is an intrinsically risky endeavour that involves the pursuit of fundamental advances in science, technology and engineering, without regard for established disciplinary boundaries or national borders.

The programme will follow an “investigator driven” approach, allowing researchers the scope to propose their own topics. Grants will be provided for individual teams, leaving the flexibility for a team to consist of any grouping of researchers appropriate for the conduct of the projects, from one single institution to several institutions, in one country or across national borders. In all cases, scientific excellence and not administrative requirements should drive the formation of the teams. The programme will ensure differentiation from national funding actions in basic research by its strategic objectives and European scope.

The creation of a European Research Council (ERC) for implementing the Ideas programme represents a new departure. Two key structural components of the ERC will be established - an independent Scientific Council and a dedicated implementation structure, which will be responsible for programme execution, as provided for in the annual work programme. The mandate of the Scientific Council will include scientific strategy, monitoring and quality control, communication and dissemination.

The Commission will adopt the work programme as proposed by the Scientific Council. If the Commission is unable to adopt the work programme as proposed, for example because the latter does not correspond to the objectives of the programme, or does not conform to Community legislation, the Commission will be required to state its reasons publicly. This procedure is designed to ensure that the operation of the ERC, according to the principles of autonomy and integrity, are fully respected.

## 2. Recommendations by the draftswoman

For reasons of coherence, the draftswoman proposes the same set of amendments to all 7 specific research programmes.

A standard amendment refers to the multiannual financial framework and the need to respect the ceiling of heading 1 a.

The following proposed amendments include the idea of sound financial management and efficient implementation of the actions financed under the specific programme.

In order to improve the financial monitoring of Community financed research activities, the draftswoman considers that the Commission should inform the budgetary authority on the implementation of the specific programmes on a regular basis and provide prior information whenever it intends to depart from the breakdown of expenditure stated in the general budget.

### 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:

#### Draft legislative resolution

##### Amendment 1 Paragraph 1 a (new)

***1a. Considers that the indicative financial reference amount indicated in the legislative proposal must be compatible with the ceiling of heading 1a of the new multiannual financial framework (MFF) and points out that the annual amount will be decided within the annual budgetary procedure in accordance with the provisions of point 38 of the IIA of 17 May 2006;***

##### *Justification*

*Standard amendment.*

#### Proposal for a decision

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Text proposed by the Commission<sup>1</sup>

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Amendments by Parliament

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<sup>1</sup> OJ C 49, 28.2.2006, p. 37.

Amendment 2  
Article 2, paragraph 1 a (new)

***The Commission shall take all necessary steps to verify that the actions financed are carried out effectively and in compliance with the provisions of the Financial Regulation.***

Amendment 3  
Article 2, paragraph 1 b (new)

***The overall administrative expenditure of the programme including internal and management expenditure for the Executive Agency should be proportional to the tasks provided for in the programme concerned and is subject to the decision of the budgetary and legislative authorities.***

*Justification*

*The appropriations allocated to the Executive Agency should comply with the provisions of the Code of conduct on the setting up of an Executive agency and Council Regulation N°58/2003 laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programs. This will ensure appropriate financing of the actions of the programme.*

Amendment 4  
Article 2, paragraph 1 c (new)

***Budget appropriations shall be used in accordance with the principle of sound financial management, namely in accordance with the principles of economy, efficiency and effectiveness, as well as the principle of proportionality.***

Amendment 5  
Article 7 a (new)

*Article 7a*

***The Commission shall provide prior information to the budgetary authority whenever it intends to depart from the breakdown of expenditure stated in the remarks and annex of the annual budget.***

*Justification*

*This procedure was introduced as a result of an agreement between the Committee on Budgets and the Commission in October 1999. The draftsman considers that the procedure should be maintained to improve the follow-up of the use of funds in the specific programmes of FP7.*

Amendment 6

Article 8, paragraph 6 a (new)

***6a. The evaluation report shall contain an assessment of the soundness of financial management. It shall contain an evaluation of the efficiency and regularity of the budgetary and economic management of the programme.***

## PROCEDURE

<b>Title</b>	Proposal for a Council decision concerning the specific programme: "Ideas" implementing the 7th Framework Programme (2007-2013) of the European Community for research, technological development and demonstration activities
<b>References</b>	COM(2005)0441 – C6-0382/2005 – 2005/0186(CNS)
<b>Committee responsible</b>	ITRE
<b>Opinion by</b> Date announced in plenary	BUDG 17.11.2005
<b>Enhanced cooperation – date announced in plenary</b>	
<b>Drafts(wo)man</b> Date appointed	Marilisa Xenogiannakopoulou 20.9.2004
<b>Previous drafts(wo)man</b>	
<b>Discussed in committee</b>	22.6.2006
<b>Date adopted</b>	22.6.2006
<b>Result of final vote</b>	+: 16 –: 0 0: 0
<b>Members present for the final vote</b>	Herbert Bösch, Simon Busuttil, Bárbara Dührkop Dührkop, Markus Ferber, Ingeborg Gräßle, Nathalie Griesbeck, Anne E. Jensen, Wiesław Stefan Kuc, Janusz Lewandowski, Vladimír Maňka, Antonis Samaras, Esko Seppänen, Nina Škottová, Helga Trüpel, Yannick Vaugrenard, Ralf Walter
<b>Substitute(s) present for the final vote</b>	
<b>Substitute(s) under Rule 178(2) present for the final vote</b>	
<b>Comments (available in one language only)</b>	...