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Committee on Regional Development

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OPINION

of the Committee on Regional Development

for the Committee on Industry, Research and Energy

on the proposal for a decision of the European Parliament and of the Council concerning the seventh framework programme of the European Community for research, technological development and demonstration activities (2007 to 2013)
(COM(2005)0119 – C6-0099/2005 – 2005/0043(COD))

Draftsman: Alyn Smith

PA_Leg

SHORT JUSTIFICATION

The European Commission points out in the opening paragraphs of its Explanatory Memorandum "Knowledge is at the core of the Lisbon agenda and underpins all its elements. Research and technology are, together with education and innovation, the components of the Triangle of Knowledge."

In the Community Strategic Guidelines the Commission states that synergy between cohesion policy and the Seventh Framework Programme for RTD (FP7) and the Framework Competitiveness and Innovation Programme (CIP) is vital.

Structural funds play a substantial role in promoting research, particularly in the areas of building and renovating infrastructures and networks, innovative business start-ups and the modernisation of SMEs. Over the next programming period 2007 -2013 this role will without doubt increase as all policies adapt and fine tune their actions in line with the needs of Lisbon and Gothenburg.

However, there is a dichotomy between the aim of regional policy to reduce disparities between the richer and poorer regions of the Union, contribute to the Lisbon strategy and implement the national reform programmes, and the fact that research and high tech activities are highly concentrated within the core regions of the EU. Thus, the Commission tells us¹ "approximately half of public and private research expenditure goes to just 30 regions out of a total of 254". Furthermore, disparities between regions in business research expenditure are even wider.

It is easy to construe these differences as being totally contradictory but to do so would be an error. The two policies are in fact complementary and this becomes clear when one considers the overall purpose of European research policy which is to ensure that Europe is and remains in the forefront of scientific discovery, and advanced technology. These being the aims, investments oriented towards centres of excellence have to take into account that they also depend on the infrastructure and human resources, policy environment and the level of investments by companies and that these can be developed by transnational cooperation.

On the other hand, regional policy managers apply diametrically opposed criteria in deciding if and how funds should be spent on research. There is no need for two or more countries to be involved, there is no need for the research centres concerned to be among the top institutes or organisations in Europe. It may even be true to say that the opposite is true. From a regional point of view, research centres lagging behind because of years of under investment and dilapidated infrastructure should qualify for more regional assistance in order to allow them to catch up the more advanced regions, and it is this fundamental principle that militates against any fusion or confusion of regional fund money used for research and the research budget itself. The separation of the two budgets is, in your draftsman's view, indispensable to ensuring the two aims of the Union. Namely, on the one hand to ensure the predominance of European research in the global economy and on the other to assist those regions with a potential for research, to improve their performance through well targeted investment. This

¹ Commission Memo /05/209 of 15 June 2005

two policy approach will enable the Union to expand the number of centres of excellence and thereby increase the overall power of European research to contribute to the restructuring of the European economy, the creation of sustainable jobs, and a clean and sustainable environment. It is therefore your draftsman's opinion that the present budgetary structure should remain unchanged as it is this structure which will ensure that those regions which are lagging behind, particularly in the new Member States but not exclusively, obtain optimal assistance in this important area.

The European Commission proposal for the 7th Framework Programme is built on four pillars, namely Cooperation, Ideas, People and Capacities. It is this latter heading with its budget allocation of 7.536bn euro, which is of primary interest to regional policy as it is this programme which specifically deals with measures targeted at:

- Research infrastructures
- Research for the benefit of SMEs
- Regions of knowledge
- Research potential of Convergence Regions
- Science in society
- International co-operation

Following enlargement and its immediate effects on the distribution of wealth throughout the Union and the geographic repartition of centres of research excellence, measures targeted at developing or investing in the research potential of convergence regions are of prime importance.

Actions in this domain will compromise support to:

- Trans-national two-way secondments of research staff in the convergence regions
- The acquisition and development of research equipment in selected centres
- The organisation of workshops and conferences to facilitate knowledge transfer
- "Evaluation facilities" for research centres in the Convergence Regions to obtain an international independent expert evaluation of their research quality and infrastructures

A total budget of 558m euro has been allocated to this strand representing the major share of Research funds available to the regions.

The proposed support however stimulates your draftsman to make the following observation.

The development of regions of knowledge by encouraging and supporting the creation of 'regional research driven clusters' can be misunderstood. As explained above the idea of research driven clusters is based on the EU Research policy's principle of excellence. Whilst the existence of such clusters can have an indirect impact upon the proclaimed aims of the EU's regional policy, the regions of knowledge would support this principle of excellence by enabling policy learning and mentoring on cluster development in all regions.

Major actions aimed at giving regions benefiting from the regional competitiveness and employment objective, under the proposed new structural funds regulations, still need assistance, in order to be able to continue developing the research capabilities that many of

them had successfully launched when they benefited from objective one status under the present regulations and in particular assistance to SMEs.

The 7th Framework Programme recognises the need to strengthen the innovative capacity of European SMEs and the contribution they make 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.

Specific actions to support SMEs will be carried out in the entire field of science and technology, with financial means allocated through two schemes: These are:

- Research for SMEs to support small groups of innovative SMEs to solve common or complementary technological problems
- Research for SME associations

This has been allocated a budget of 1.914bn euro.

The Competitiveness and Innovation Programme (CIP) will also provide support to networks of intermediaries and national schemes for actions to encourage and facilitate the participation of SMEs in the framework programme, and the participation of SMEs will be encouraged and facilitated, and their needs taken into account, across all parts of FP7. Synergies between FP7 and CIP should promote regional leveraging of research outcomes.

Your draftsman is also of the opinion that research on many aspects of urban development is called for in FP7.

While your draftsman is generally satisfied with the proposal of the Commission, any diminution in the overall funding levels for the EU's research and development effort whether under FP7 or under the EU's regional policy is entirely undesirable because of the long-term significance of R&D for the economic growth of regions, the Member States and the EU collectively.

Nevertheless, your draftsman considers that the following improvements could be made:

AMENDMENTS

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

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1
Recital 1

¹ Not yet published in OJ.

(1) The Community has the objective of strengthening the scientific and technological bases of the Community industry and to assure a high level of competitiveness. To this end, the Community shall promote all the research activities deemed necessary, in particular by encouraging undertakings, including small and medium sized enterprises (“SMEs”), research centres and universities in their research and technological development activities.

(1) The Community has the objective of strengthening the scientific and technological bases of the Community industry and to assure a high level of competitiveness. To this end, the Community shall promote all the research activities deemed necessary, ***in order to respond to major challenges in European society, as well as to improve innovation, and research into energy sources and into the demographic changes in Europe***, in particular by encouraging undertakings, including ***industry***, small and medium sized enterprises (“SMEs”), research centres and universities in their research and technological development activities.

Justification

The first paragraph of 7FP has to incorporate references to the greatest challenges of today's Europe

Amendment 2
Recital 2

(2) The central role of research in ensuring competitiveness and economic growth was recognised by the European Council of Lisbon which highlighted knowledge and innovation as the heart of the economic progress, including growth of employment in Europe.

(2) The central role of research in ensuring competitiveness and economic growth was recognised by the European Council of Lisbon which highlighted knowledge and innovation as the heart of the economic progress, including growth of employment in Europe ***and territorial cohesion***.

Justification

Consistent with the Lisbon European Council.

Amendment 3
Recital 5

(5) Taking into account the research needs of all Community policies and building upon *wide-spread* support from European industry, the scientific community, universities, and other interested circles, the Community should establish the scientific and technological objectives to be achieved under its seventh Framework Programme in

(5) Taking into account the research needs of all Community policies and building upon *widespread* support ***from all European regions, including those affected by specific constraints, and*** from European industry, the scientific community, universities, and other interested circles, the Community should establish the scientific and

the period 2007 to 2013.

technological objectives to be achieved under its seventh Framework Programme in the period 2007 to 2013.

Justification

The effectiveness of the programme and the research needs implied in the development of a European Research Area depend on strong support from all stakeholders, not least at regional level.

Amendment 4
Recital 15

(15) Under “Capacities”, the use and development of research infrastructures should be optimised; innovative capacities of SMEs and their ability to benefit from research should be strengthened; the development of regional research-driven clusters should be supported; the research potential in the EU’s convergence and outermost regions should be unlocked; science and society should be brought closer together for the harmonious integration of science and technology in European society; and horizontal actions and measures in support of international *co-operation* should be undertaken.

(15) Under “Capacities”, the use and development of research infrastructures should be optimised; innovative capacities of SMEs and their ability to benefit from research should be strengthened; the development of regional research-driven clusters should be supported; the research potential in the EU’s convergence and outermost regions should be unlocked, ***in keeping with Article 299(2) of the Treaty***; science and society should be brought closer together for the harmonious integration of science and technology in European society; and horizontal actions and measures in support of international *cooperation* should be undertaken.

Justification

Consistent with the Treaty provisions on the outermost regions (Article 299(2)).

Amendment 5
Recital 17

(17) The seventh Framework Programme complements 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, competitiveness and innovation, industry, employment and

(17) The seventh Framework Programme complements 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, competitiveness and innovation, industry, employment and

environment.

environment. **Framework programme activities aimed at the regions are a genuine regional development tool. Under no circumstances should they replace the Structural Funds or the Cohesion Fund, but rather should be used to complement them.**

Justification

It is important to point out that the combined action of a range of European funds is central to the development of Europe's regions. Assistance under the seventh RDFP and the Structural Funds constitutes an essential regional prime mover and must be encouraged.

Amendment 6

Recital 18

(18) Innovation and SME-related activities supported under this Framework Programme should be complementary to those undertaken under the framework programme for Competitiveness and Innovation.

(18) Innovation and SME-related activities supported under this Framework Programme should be complementary to those undertaken under the framework programme for Competitiveness and Innovation. **To that end, intellectual property should be protected more securely, and action intensified at European level to combat pirating and counterfeiting, which severely damage the innovation capacities of European SMEs.**

Justification

It is estimated that about 100 000 jobs a year in Europe are wiped out by counterfeiting. The fact that pirating and counterfeiting adversely affect SMEs and employment has to be taken into account. It follows that if intellectual property were protected more securely, SMEs could be more competitive and invest on a larger scale in innovation.

Amendment 7

Recital 19

(19) Given the widely supported enlarged scope of the Framework Programme actions, the leverage effect of funding in national and private investments, the need to enable the Community to meet new science and technology challenges, the vital role the Community intervention plays in making the European research system more efficient and effective, the contribution of a larger seventh

(19) Given the widely supported enlarged scope of the Framework Programme actions, the leverage effect of funding in national and private investments, the need to enable the Community to meet new science and technology challenges, the vital role the Community intervention plays in making the European research system more efficient and effective, the contribution of a larger seventh

Framework Programme to the reinvigoration of the Lisbon strategy, there is a pressing need to double the EU research budget.

Framework Programme to the reinvigoration of the Lisbon strategy, there is a pressing need to double the EU research budget. ***An ambitious budget is essential in order to attain the goals of the framework programme and will enable all of the actions proposed to be carried out, including the measures intended to enhance the regional dimension of research. The complementary relationship between regional policy and research policy might thus serve to encourage the regions to invest in research and help promote balanced European territorial development.***

Justification

Actions under the seventh Framework Programme complement other EU policies and have a key role to play in regional development. Some measures, for example the 'Regions of Knowledge' or the actions aimed at SMEs, are directly relevant to Europe's regions; if the budget earmarked for the seventh Framework Programme were to be scaled down, the danger would be that the appropriations for these policies might be cut or even done away with altogether.

Amendment 8 Recital 21

(21) Since the objective of the actions to be taken in accordance with Article 163 of the Treaty in contributing towards the creation of a knowledge-based society and economy in Europe cannot be sufficiently achieved by the Member States and can therefore be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this seventh Framework Programme does not go beyond what is necessary in order to achieve those objectives.

(21) Since the objective of the actions to be taken in accordance with Article 163 of the Treaty in contributing towards the creation of a knowledge-based society and economy in Europe cannot be sufficiently achieved by the Member States and can therefore be better achieved at Community level, ***in closer partnership with the European regions***, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. In accordance with the principle of proportionality, as set out in that Article, this seventh Framework Programme does not go beyond what is necessary in order to achieve those objectives.

Justification

In keeping with Article 163 and with the scope of Article 5, as well as to make the programme more efficient and effective, Europe's regions need to be more fully involved.

Amendment 9
Recital 24 a (new)

(24a) The Seventh Framework Programme has to benefit, from an increased complementarity with the Structural Funds through the Member States' funding schemes.

Justification

Research and Innovation strands in structural funds, 7FP, CIP have to be complementary.

Amendment 10
Recital 24 b (new)

(24b) The Seventh Framework Programme must ensure synergy and complementarity with EU-initiatives on Innovative Actions (future Framework Programme for Competitiveness and Innovation, CIP)

Justification

Research and Innovation strands in structural funds, 7FP, CIP have to be complementary.

Amendment 11
Article 2, paragraph 2, subparagraph 1 a (new)

The trans-national condition shall not apply to actions to assist the convergence regions or the statistical effect regions to improve their research capabilities and infrastructures.

Amendment 12
Article 2, paragraph 5

(5) Capacities: supporting key aspects of European research and innovation capacities such as research infrastructures; regional *research driven* clusters; the development of a full research potential in the Community's convergence and outermost regions; research for the benefit of small and *medium sized* enterprises (SMEs); "Science in Society" issues; horizontal activities of international cooperation.

(5) Capacities: supporting key aspects of European research and innovation capacities such as research infrastructures; regional *research-driven* clusters; the development of a full research potential in the Community's convergence and outermost regions, ***in accordance with Article 299(2) of the Treaty***; research for the benefit of small and *medium-sized* enterprises (SMEs); "Science in Society" issues; horizontal activities of international cooperation.

Justification

Legal clarification regarding applicability to the outermost regions.

Amendment 13
Article 7, paragraph 1 a (new)

1a. Evaluation of the Framework Programme and monitoring of the Framework targets must be based on objective statistics. The Commission shall work with Eurostat to gather and disseminate regional and national statistics to the interested institutions, regions and Member States.

Justification

Member States have to be encouraged to use the regional competitiveness and employment research and innovation budgets.

Amendment 14
Annex 1, I Cooperation, paragraph 10

In order to strengthen the diffusion and use of the output of EU research, the dissemination of knowledge and transfer of results, including to policy makers, will be supported in all thematic areas, including through the funding of networking initiatives, seminars and events, assistance by external experts and information and electronic services in particular CORDIS. Actions to support innovation will be taken under the Competitiveness and Innovation Programme. Support will also be provided to initiatives aiming at engaging the dialogue on scientific issues and research results with a broad public beyond the research community, and in the field of scientific communication and education. Ethical principles and gender aspects will be taken into account.

In order to strengthen the diffusion and use of the output of EU research, the dissemination of knowledge and transfer of results, including to policy makers, will be supported in all thematic areas, including through the funding of networking initiatives, ***the creation of registers of researchers, registers of research results and registers of research capabilities at regional level***, seminars and events, assistance by external experts and information and electronic services in particular CORDIS. Actions to support innovation will be taken under the Competitiveness and Innovation Programme. Support will also be provided to initiatives aiming at engaging the dialogue on scientific issues and research results with a broad public beyond the research community, and in the field of scientific communication and education. Ethical principles and gender aspects will be taken into account. ***In addition to the authorities of the Member States, the regional***

authorities should also be given information regarding which organisations submit applications and participate, within their territory, as an incentive for them to adopt a strategic approach in respect of the 7th Framework Programme, including the dissemination of economic benefits, measures to ensure complementarity with regional programmes and exchanges of experience regarding the programme.

Justification

Support should also be given to the establishment of registers at regional level.

Amendment 15

Annex 1, I Cooperation, Co-ordination of non-Community research programmes, paragraph 2, indent 2

- Providing **additional** EU **financial** support, to those participants that create a common fund for the purpose of joint calls for proposals between their respective national and regional programmes (“ERA-NET PLUS”).

- Providing EU support, **in addition to other EU instruments such as the Structural Funds**, to those participants that create a common fund for the purpose of joint calls for proposals between their respective national and regional programmes (“ERA-NET PLUS”).

Justification

Member States have to be encouraged to use the regional competitiveness and employment research and innovation budgets.

Amendment 16

Annex 1, I Cooperation, *Coordination* of non-Community research programmes, paragraph 3, indent 5

- Critical mass, with regard to the size and the number of programmes involved, the similarity of activities they cover.

- Critical mass, with regard to the size **or regional scope** and the number of programmes involved, the similarity of activities they cover.

Justification

The amendment proposed takes account of greater territorial cohesion under the Lisbon strategy.

Amendment 17

Annex 1, I Cooperation, Section 1: Health, Activities, bullet 3, indent 1

- Translating clinical outcome into clinical practice. To understand clinical decision-making and how to translate outcomes of clinical research into clinical practice and especially addressing the specificities of children, women and elderly population.

- Translating clinical outcome into clinical practice. To understand clinical decision-making and how to translate outcomes of clinical research into clinical practice and especially addressing the specificities of children, women and elderly population; ***the development of telemedical applications for geographically isolated populations of the European Union, especially in island and mountainous regions.***

Justification

The population of remote EU regions (especially island and mountainous regions) may be included among the population groups whose specificities are to be especially addressed with a view to optimising the delivery of health care. The objective is to support tele-medical applications for remote populations in the European Union.

Amendment 18

Annex 1, I Cooperation, Section 1: Health, Activities, bullet 3, indent 2

- Quality, efficiency and solidarity of health systems including transitional health systems. To translate effective interventions into management decisions, to ensure an adequate supply of human resources, to analyse factors influencing equity of access to high quality health care, including analyses of changes in population (e.g. ageing, mobility and migration, and the changing workplace).

- Quality, efficiency and solidarity of health systems including transitional health systems. To translate effective interventions into management decisions, to ensure an adequate supply of human resources, to analyse factors influencing equity of access to high quality health care, including analyses of changes in population (e.g. ageing, ***geographical isolation***, mobility and migration, and the changing workplace).

Justification

Among the factors which influence equity of access to high quality health care, apart from ageing, mobility and migration, reference should be made to the geographical isolation of certain EU regions.

Amendment 19

Annex 1, I Cooperation, Section 7: Transport, Activities, bullet 2, indent 2

- *Encouraging modal shift and decongesting transport corridors*: development of innovative, intermodal and interoperable regional and national transport networks, infrastructures and systems in Europe; cost internalisation; information exchange between vehicle/vessel and transport infrastructure; optimisation of infrastructure capacity.

- *Encouraging modal shift and decongesting transport corridors*: development of innovative, intermodal and interoperable regional and national transport networks, infrastructures and systems in Europe; cost internalisation; information exchange between vehicle/vessel and transport infrastructure; ***the creation of information and feedback mechanisms for those directly affected, especially transport undertakings, local government bodies and the public concerned***; optimisation of infrastructure capacity, ***and especially improved access to geographically remote European regions***.

Justification

A permanent information and feedback mechanism for those directly affected (carriers, local government bodies and local residents' associations) may contribute to a rational and consistent use of transport axes, networks and infrastructures by taking into account all the views and interests of stakeholders, which are frequently incompatible.

The optimisation of transport infrastructures must also take into account the geographical specificities of geographically isolated regions.

Amendment 20

Annex I, I Cooperation, Section 7: Transport, Activities, bullet 2, indent 4 a (new)

- ***Quality of mobility and user satisfaction: improving services, networks, and infrastructure so as to make them more comfortable and attractive; improving integrated systems and providing services and capacities geared to demand, whether of an individual nature or from specific groups (older people, women, etc.).***

Justification

In view of changing population trends and the new mobility needs in present-day European society, it is necessary to anticipate changes in the sensibilities and perceptions of surface transport users (comfort, preferences, etc.).

Amendment 21

Annex 1, I Cooperation, Section 8: Socio-Economic Sciences and the Humanities, Activities, bullet 3

- Major trends in society and their implications: such as demographic change including ageing and migration; lifestyles, work, families, gender issues, health and quality of life; criminality; the role of business in society and population diversity, cultural interactions and issues related to protection of fundamental rights and the fight against racism and intolerance.

- Major trends in society and their implications: such as demographic change including ageing and migration, ***the development of regions within Europe as it exists today***; lifestyles, work, families, gender issues, health and quality of life; criminality; the role of business in society and population diversity, cultural interactions and issues related to protection of fundamental rights and the fight against racism and intolerance.

Justification

The development of the ‘Europe of the regions’ should be included ‘major trends in society’ and their implications, in addition to demographic change.

Amendment 22

Annex I, I Cooperation, Themes, 8. Socio-Economic Sciences and the Humanities, Activities, paragraph 7 a (new)

- ***Urban research: to better understand thematic (environment, transport, social, economic etc.) and spatial (urban, regional) interactions in the city and to develop (1) innovative planning mechanisms to address the issues in an integrated and sustainable manner and (2) innovative governance processes to enhance citizens' participation and the cooperation between public and private actors, to better understand the roles of European cities in a global context (urban competitiveness), to support local authorities in improving social cohesion and fighting exclusion in cities where inequalities grow despite economic development .***

Amendment 23

Annex 1, IV Capacities, paragraph 1, indent 5

- Bringing science and society closer together for the harmonious integration of science and technology in European society.

- Bringing science and society closer together for the harmonious integration of science and technology in European society.
Instructing existing information EU, help

desks at national or regional level to provide all the information on the Framework Programme, the Competitiveness and Innovation Programme and the Structural Funds required by SMEs, industry and research institutions.

Justification

Existing information help desks should receive guidance and information so that they can be of service to SMEs, industry and educational institutions.

Amendment 24

Annex 1, IV Capacities, paragraph 1, indent 6

- Horizontal actions and measures in support of international co-operation.

- Horizontal actions and measures in support of international ***co-operation***, including cross-border co-operation and measures on an interregional level.

Justification

The same principle that goes for international co-operation has to be used for cross-border and interregional co-operation.

Amendment 25

Annex 1, IV Capacities, paragraph 1, indent 6 a (new)

- Kick-starting actions, i.e. through the Regions of Knowledge programme, for which the mainstream funding can be taken over by the Structural Funds.

Justification

The Capacities Programme and more specifically the Regions of Knowledge programme has to be in line with funding possibilities afterwards by the Structural funds.

Amendment 26

Annex 1, IV Capacities, Research infrastructures, rationale paragraph 3

The EU can and should play a catalysing and leveraging role by helping to ensure wider and more efficient access to, and use of, the infrastructures existing in the different Member States, by stimulating the development of these infrastructures in a coordinated way and by fostering the

The EU can and should play a catalysing and leveraging role by helping to ensure wider and more efficient access to, and use of, the infrastructures existing in the different Member States, by stimulating the development of these infrastructures in a coordinated way and by fostering the

emergence of new research infrastructures of pan-European interest in the medium to long term.

emergence of new research infrastructures of pan-European interest in the medium to long term. ***Particular attention should be paid to the needs of the convergence and outermost regions. A differential aid rate is to be used when projects from these regions are selected.***

Justification

In the context of research infrastructures, must be paid to the particular circumstances of the convergence and outermost regions.

Amendment 27

Annex 1, IV Capacities, Research infrastructures, Activities, bullet 2, indent 1

- construction of new infrastructures and major updates of existing ones to promote the creation of new research infrastructures, based on the work conducted by ESFRI notably, and which may be decided on the basis of Article 171 of the Treaty or on the basis of Specific Programme Decisions in accordance with Article 166 of the Treaty.

- construction of new infrastructures and major updates of existing ones to promote the creation of new research infrastructures, based on the work conducted by ESFRI notably, ***taking into account the needs of researchers in convergence regions and isolated regions as regards local high level research infrastructures***, and which may be decided on the basis of Article 171 of the Treaty or on the basis of Specific Programme Decisions in accordance with Article 166 of the Treaty.

Justification

It is very important that new, high-level infrastructures be constructed and that existing ones be updated in countries or regions which do not have such infrastructures for their researchers, by incorporating them in the ESFRI's roadmap for European research infrastructures which require Community support.

Amendment 28

Annex 1, IV Capacities, Research infrastructures, Activities, bullet 2, final sentence

As far as the construction of new infrastructures is concerned, an efficient coordination of the Community financial instruments, Framework Programme and Structural Funds in particular, will be ensured.

As far as the construction of new infrastructures is concerned, an efficient coordination of the Community financial instruments, Framework Programme and Structural Funds in particular, will be ensured, ***bearing particularly in mind the need for regions which do not have adequate research infrastructures to coverage, with regions with more advanced***

research infrastructures..

Justification

The funding of the construction of new research infrastructures through both the Framework Programme and the Structural Funds suggests that account should also be taken of the regional convergence factor in the Community Framework Programme, so that convergence regions which do not have adequate research infrastructures do not diverge still further from regions with more advanced research infrastructures.

Amendment 29

Annex 1, IV Capacities, Research for the benefit of SMEs, Activities, paragraph 2 a (new)

The Structural Funds regulation provides the possibility of offering financial assistance for support systems for SMEs similar to the Knowledge voucher system, currently in use in some Member States. The Knowledge voucher system is one of the actions that Member States can take to develop the research capacity of SMEs.

Justification

Introducing the possibility for Member States and regions to use Structural Funds in a similar way to the way Knowledge vouchers, are used in some Member States and as proposed in the EP resolution on the Regulation on the European Regional Development Fund (ERDF).

Amendment 30

Annex 1, IV Capacities, Regions of Knowledge, Rationale, paragraph 1, subparagraph 1

Regions are increasingly recognised as important players in the EU's research and development landscape. Research policy and activities at regional level often rely on the development of "clusters" associating public and private actors.

Regions are increasingly recognised as important players in the EU's research and development landscape. Research policy and activities at regional, ***interregional and cross-border*** level often rely on the development of "clusters" associating public and private actors.

Justification

Within regional policy, cross-border and interregional policy have distinct features and have a particular importance for EU integration, trying to surpass the Member States' borders.

Amendment 31

Annex 1, IV Capacities, Regions of Knowledge, Rationale, paragraph 1, subparagraph 2

The Pilot Action on "Regions of Knowledge" demonstrated the dynamic of

The Pilot Action on "Regions of Knowledge" demonstrated the dynamic of

this evolution and the necessity to support and encourage the development of such structures.

this evolution and the necessity to support and encourage the development of such structures. ***Closer co-ordination with the ERA-NET scheme will improve the new Regions of Knowledge project.***

Justification

The ERA-NET scheme is already foreseeing regional cooperation. Regions of Knowledge actions should be as complementary as possible with the regional strand in ERA-NET actions.

Amendment 32

Annex 1, IV Capacities, Regions of Knowledge, Rationale, paragraph 2 a (new)

Attention must be paid to the specific case of co-operation between adjacent border regions, as it was under the Interreg III programmes, and as laid down under the rules governing the territorial objective. The Regions of Knowledge programme must incorporate solutions for cross-border problems as well as mechanisms to encourage cross-border regional co-operation in research irrespective of whether the regions concerned fall under either the convergence or the regional competitiveness objective.

Justification

In regional policy, cross-border regional policy has distinct features and has a particular meaning for EU integration.

Amendment 33

Annex 1, IV Capacities, Regions of Knowledge, Activities, paragraph 2

In the context of the specific activity of “Regions of Knowledge” synergies will be sought with the EU’s regional policy, in particular with regard to convergence and outermost regions.

In the context of the specific activity of “Regions of Knowledge” synergies will be sought with the EU’s regional policy, in particular with regard to convergence and outermost regions. ***In the context of this synergy, additional financial resources shall be mobilised from the Structural Funds and, possibly, from the European Investment Bank in order to strengthen regional technology transfer infrastructures, in particular science and***

technology parks, innovation centres and innovation zones, ‘incubators’ and technology cells.

Justification

It is well established that there is a gap at the intermediate stage of technology transfer, i.e. between the completion of purely research work and ascertaining the commercial viability of the research result. There are at present many regional infrastructures which support the transfer of technology but face severe funding problems. The combined use of research funds and Structural Funds and a possible contribution from the EIB Group are therefore decisive in achieving the objectives of the framework programme.

Amendment 34

Annex I, IV Capacities, Regions Of Knowledge, Activities, paragraph 2 a (new)

These synergies shall not finance the same eligible expenses and shall safeguard the decentralised governance of the delivery mechanism of the EU's regional policy. Funding of research and innovation by the structural funds will be focused on (1) research infrastructure (innovation centres, technology parks, etc.), (2) innovative projects (technology transfer, information technologies, start-ups and applied research projects) and (3) the environment for innovation (funding for small and medium-sized enterprises not within FP7 and CIP).

Amendment 35

Annex 1, IV Capacities, Regions of Knowledge, Activities, paragraph 2 a (new)

With these synergies, the same eligible expenditure will not be covered and the decentralised management of the allocation mechanism for the EU's regional policy will be safeguarded. The funding of research and innovation under the Structural Funds will focus on

- 1) research infrastructures (innovation centres, technology parks, etc.),***
- 2) innovative projects (technology transfer, information technologies, the setting up of new enterprises, applied research***

programmes and the application of research results in pilot or innovative projects), and

3) the framework conditions for innovation (the funding of small and medium-sized undertakings outside the framework of FP7 and the CIP).

Justification

The rapporteur's amendment is very apposite; however, funding for research and innovation under the Structural Funds for innovative projects should also include the application of research results in pilot or innovative projects.

Amendment 36

Annex 1, IV Capacities, Regions of Knowledge, Activities, paragraph 2 b (new)

Synergies shall also be sought with the programme on competitiveness and innovation in order to promote the regional marketing of R&D in conjunction with industry and the private sector generally.

Justification

The rapporteur's amendment is very apposite, but should also contain cooperation with the private sector in general, and not be restricted to industry.

Amendment 37

Annex 1, IV Capacities, Research potential, Activities, bullet 1 a (new)

• support for existing and emerging centres of excellence in convergence regions and outlying regions of the European Union, including their 'mentioning' by partner organisations with a high research level until a critical mass of researchers is created in selected centres of the convergence regions.

Justification

Given the nature of research and the current state of the development of the EU owing to enlargement, there clearly exists a scattered research potential, 'trapped' in poor regions. Emphasis should therefore be given to promoting the mobility of this potential towards existing European centres of excellence and to strengthening both existing and emerging centres of excellence in convergence regions and in outlying regions of the European Union.

Amendment 38

Annex I, IV Capacities, Research Potential, Activities, paragraph 1, indent 4 a (new)

- ***Mentoring of regions with less developed research profiles by highly developed ones.***

Amendment 39

Annex I, IV Capacities, Research potential, Activities, paragraph 2

Strong synergies will be sought with the EU's regional policy. Actions supported under this heading will identify needs and opportunities for reinforcing the research capacities of emerging and existing centres of excellence in convergence regions which may be met by Structural and Cohesion funds.

Strong synergies will be sought with the EU's regional policy. Actions supported under this heading will identify needs and opportunities for reinforcing the research capacities of emerging and existing centres of excellence in convergence regions which may be met by Structural and Cohesion funds. ***The concept of excellence should not, however, be equated solely with high tech: traditional sectors should also be eligible for support in regions less outstanding where research is concerned.***

Justification

The forms of synergy being sought with regional policy have to imply that all sectors must be eligible for funding under the seventh Framework Programme. High-tech sectors are generously encouraged, and the more traditional sectors, which account for a great many jobs, must likewise be entitled to support.

Amendment 40

Annex I, IV Capacities, Research Potential, Activities, paragraph 2a (new)

Synergies will also be sought with the Competitiveness and Innovation programme in order to promote the regional commercialisation of R&D in collaboration with industry.

Amendment 41

Annex III, Funding Schemes, Indirect Actions, point (a), paragraph 6 a (new)

***6a. Support for the full exploitation of the research potential of European regions
Facilitating access to funding of regional research-based clusters and of the research potential of convergence regions and***

outlying EU regions. As part of the specific mechanism, additional resources from the Structural Funds and the European Investment Bank Group may be mobilised in the form of loans, trusts, venture capital, sureties, portfolios of securities and support for organisational and technical capabilities.

Justification

The experience of the EIB Group in managing risk-sharing mechanisms is valuable in expanding financial support for European research. Indirect financial support mechanisms are indispensable, not only for conducting large-scale research projects (especially joint technological initiatives) - as provided for by the new 'risk-sharing finance facility' - but also to strengthen regional research and innovation structures and the research potential of European regions.

Amendment 42

Annex III, Funding Schemes, Indirect Actions, point (b), paragraph 2

The Community will implement the funding schemes in compliance with the provisions of the regulation adopted pursuant to Article 167 of the Treaty, the relevant State Aid instruments in particular the Community framework for state aid to research and development, as well as international rules in this area. In compliance with this international framework, it will be necessary to be able to adjust the scale and form of financial participation on a case-by-case basis, in particular if funding from other public sector sources is available, including other sources of Community financing such as the European Investment Bank (EIB).

The Community will implement the funding schemes in compliance with the provisions of the regulation adopted pursuant to Article 167 of the Treaty, the relevant State Aid instruments ***focusing on the orientation towards research and innovation activities***, in particular the Community framework for state aid to research and development, as well as international rules in this area. In compliance with this international framework, it will be necessary to be able to adjust the scale and form of financial participation on a case-by-case basis, in particular if funding from other public sector sources is available, including other sources of Community financing such as the European Investment Bank (EIB).

Justification

The new State Aid regulations as being proposed by the European Commission provide specifically for a redeployment towards research and innovation activities in Member States.

Amendment 43

Annex III, Funding Schemes, Indirect Actions, point b), paragraph 3

In addition to direct financial support to participants, the Community will improve their access to EIB loans through the "Risk-Sharing Finance Facility" by providing a grant to the Bank. The Community grant shall be used by the Bank, in addition to its own funds, to cover the provisioning and capital allocation for its loan financing. Subject to and in accordance with modalities to be established by the regulation adopted pursuant article 167 of the Treaty and the Council decisions adopting the specific programmes, this mechanism will enable broader EIB lending to European RTD actions (such as joint technology initiatives, large projects-including Eureka projects, and new research infrastructures).

In addition to direct financial support to participants, the Community will improve their access to EIB loans through the "Risk-Sharing Finance Facility" by providing a grant to the Bank. The Community grant shall be used by the Bank, in addition to its own funds, to cover the provisioning and capital allocation for its loan financing. Subject to and in accordance with modalities to be established by the regulation adopted pursuant article 167 of the Treaty and the Council decisions adopting the specific programmes, this mechanism will enable broader EIB lending to European RTD actions (such as joint technology initiatives, large projects-including Eureka projects, and new research infrastructures). ***Regional development actors should be consulted in the development of this "Risk-Sharing Finance Facility" to leverage private-sector investment into R&D projects.***

Amendment 44

Annex III, Funding Schemes, Indirect Actions, point (b), paragraph 4

In the case of participants to an indirect action established in a region ***lagging in development (convergence regions and outermost regions)***, complementary funding from the Structural Funds will be mobilised wherever possible and appropriate. In the case of participation of entities from the candidate countries, an additional contribution from the pre-accession financial instruments could be granted under similar conditions. As regards actions in the "research infrastructures" part of the "capacities" programme of the 7th Framework Programme, the detailed funding arrangements for these will be defined with a view to ensuring that there is effective complementarity between community research funding and other EU and national instruments, notably the Structural Funds.

In the case of participants to an indirect action established in a region complementary funding from the Structural Funds will be mobilised wherever possible and appropriate, ***taking into account the needs of the regions concerned. This is to be done in accordance with the priorities laid down in the national programmes as well as the Commission's priorities for the implementation of the Structural Funds.*** In the case of participation of entities from the candidate countries, an additional contribution from the pre-accession financial instruments could be granted under similar conditions. As regards actions in the "research infrastructures" part of the "capacities" programme of the 7th Framework Programme, the detailed funding arrangements for these will be defined with a view to ensuring that there is effective complementarity between community

research funding and other EU and national instruments, notably the Structural Funds.

PROCEDURE

Title	on the proposal for a decision of the European Parliament and of the Council concerning the seventh framework programme of the European Community for research, technological development and demonstration activities (2007 to 2013)
References	(COM(2005)0119 – C6-0099/2005 – 2005/0043(COD))
Committee responsible Date announced in plenary	ITRE 27.4.2005
Committee asked for its opinion Date announced in plenary	REGI 27.10.2005
Enhanced cooperation	-
Draftsman Date appointed	Alyn Smith 5.10.2005
Discussed in committee	22.11.2005
Date amendments adopted	24.1.2005
Result of final vote	for: 48 against: 1 abstentions: 0
Members present for the final vote	Alfonso Andria, Stavros Arnautakis, Elspeth Attwooll, Jean Marie Beaupuy, Rolf Berend, Jana Bobošíková, Graham Booth, Bernadette Bourzai, Giovanni Claudio Fava, Hanna Foltyn-Kubicka, Iratxe García Pérez, Eugenijus Gentvilas, Lidia Joanna Geringer de Oedenberg, Ambroise Guellec, Zita Gurmai, Gábor Harangozó, Marian Harkin, Jim Higgins, Alain Hutchinson, Carlos José Iturgaiz Angulo, Mieczysław Edmund Janowski, Gisela Kallenbach, Tunne Kelam, Miloš Koterec, Constanze Angela Krehl, Jamila Madeira, Yiannakis Matsis, Miroslav Mikolášik, Francesco Musotto, James Nicholson, Lambert van Nistelrooij, Jan Olbrycht, Markus Pieper, Francisca Pleguezuelos Aguilar, Alyn Smith, Grażyna Staniszevska, Margie Sudre, Kyriacos Triantaphyllides, Oldřich Vlasák, Vladimír Železný
Substitutes present for the final vote	Simon Busuttill, Ole Christensen, Den Dover, Jillian Evans, Emanuel Jardim Fernandes, Mirosław Mariusz Piotrowski, László Surján, Manfred Weber
Substitutes under Rule 178(2) present for the final vote	Adamos Adamou