

Annex 1 Statement of the Internal Control Coordinator¹

I declare that in accordance with the Commission's communication on clarification of the responsibilities of the key actors in the domain of internal audit and internal control in the Commission,² I have reported my advice and recommendations to the Director-General on the overall state of internal control in the DG.

I hereby certify that the information provided in Part 2 of the present AAR and in its annexes 2 to 6 is, to the best of my knowledge, accurate and exhaustive.

Brussels, 31 March 2011

Signed

*Wolfgang BURTSCHER
Internal Control Coordinator*

¹ In DG Research and Innovation, the Deputy Director General in charge of Framework Programme: Policy and Management is entrusted with the function of Internal Control Coordinator. The Director of Resources reports to him.

² SEC(2003)59 of 21.01.2003

Annex 2 Human and Financial resources by ABB activity

Code ABB Activity	ABB Activity	Human Resources by ABB activity		
		Establishment Plan posts	External Personnel	Total
AWBL-03	ERA Development	106	37	143
08 02	Cooperation - Health	77	27	104
08 03	Cooperation - Food, agriculture and biotechnology	55	20	75
08 04	Cooperation - Nanosciences, nanotechnologies, materials and new production technologies	62	29	91
08 05	Cooperation - Energy	40	17	57
08 06	Cooperation - Environment (including climate change)	58	31	89
08 07	Cooperation - Transport (including aeronautics)	41	14	55
08 08	Cooperation - Socio-economic sciences and the humanities	22	15	37
08 09	Cooperation - Risk-sharing Finance Facility (EIB)	2	1	3
08 10	Ideas	10	2	12
08 11	People	3	2	5
08 12	Capacities - Research infrastructures	17	6	23
08 13	Capacities - Research for the benefit of SMEs	14	3	17
08 14	Capacities - Regions of knowledge	5	5	10
08 15	Capacities - Research potential	5	5	10
08 16	Capacities - Science in society	30	15	45
08 17	Capacities - Activities of international cooperation	14	8	22
08 18	Capacities - Risk-sharing Finance Facility (EIB)	3	1	4
08 19	Coherent Development of Research Policies	16	12	28
08 20	Euratom - Fusion energy	98	14	112
08 21	Euratom - Nuclear fission and radiation protection	25	2	27
08 22	Completion of previous framework programmes and other activities	219	136	355
08 23	Research programme of the research fund for coal and steel	11	10	21
AWBL-01	Administrative support for DG Research and Innovation	158	75	233
AWBL-02	Coordination for DG Research and Innovation	165	71	236
	Total	1 256	558	1 814

Remarks:

- The above data rely on the snapshot of staff in active employment as of 31 December 2010. These data do not constitute full-time-equivalent units throughout the year. (Source: Sysper2 DWH)
- This table does not include resources transferred to DG EAC on 1st March 2010.

Annex 3 Financial Reports - DG RTD - Financial Year 2010**Table 1 : Commitments****Table 2 : Payments****Table 3 : Commitments to be settled****Table 4 : Balance Sheet****Table 5 : Economic Outturn Account****Table 6 : Average Payment Time Limits****Table 7 : Income****Table 8 : Recovery of undue Payments****Table 9 : Ageing Balance of Recovery Orders****Table 10 : Waivers of Recovery Orders****Table 11 : Negotiated Procedures (excluding Building Contracts)****Table 12 : Summary of Contracts (excluding Building Contracts)****Table 13 : Building Contracts****Table 14 : Contracts declared Secret**

Additional comments

Tables 1 and 2 include EU, EFTA, third countries' contribution as well as C4 and C5 credits together with commitments that can be implemented in 2010 (n+1) or until the end of FP7.

When we take into consideration only the credits that may not be carried forward to the next year, the implementation rates reach 99.9% as well for the commitments as for the payments.

Table 6 shows 8837 payments while RTD report shows 16994 because only payments with invoice or experts reimbursed by RTD are included, therefore payments to evaluators and expert meetings are excluded.

Tables 7 and 9 include Recovery Orders of a value of 8MEur to be deducted (1) and show the situation after the DG BUDG corrections.

For contract AIR1-CT92 0511 RO of 1.6MEur have been issued for each of the 6 consortium members, being jointly and severally liable. They all appear in the 2000 figures, although the actual debt is only 1.6MEur. Therefore 8MEur have to be deducted.

Concerning tables 11 and 12, please note that

- The number of open procedures in 2010 is in fact 15 instead of 20 in taking into account the lots attached to framework contracts and were 12 instead 13 in 2009 for the same reason. For the figures of 2009, please see also the additional comments in the RAA 2009.*
- One procedure in 2010 was first awarded but cancelled some weeks later and is therefore not enclosed in the data.*

Tables 13 and 14 have no data to be reported

TABLE 1: OUTTURN ON COMMITMENT APPROPRIATIONS IN 2010 (in Mio €)				
Chapter		Commitment appropriations authorised *	Commitments made	%
		1	2	3=2/1
Title 08 : Research				
08 01	Administrative expenditure of `Research¿ policy area	308.07	300.21	97.45 %
08 02	Cooperation ¿ Health	785.66	785.41	99.97 %
08 03	Cooperation ¿ Food, agriculture and fisheries, and biotechnology	219.24	219.17	99.97 %
08 04	Cooperation ¿ Nanosciences, nanotechnologies, materials and new production technologies	423.70	423.57	99.97 %
08 05	Cooperation ¿ Energy	154.23	154.18	99.97 %
08 06	Cooperation ¿ Environment (including climate change)	230.17	230.10	99.97 %
08 07	Cooperation ¿ Transport (including aeronautics)	367.96	367.82	99.96 %
08 08	Cooperation ¿ Socioeconomic sciences and the humanities	76.32	76.30	99.97 %
08 09	Cooperation ¿ Risk-sharing finance facility (EIB)	51.26	51.26	100.00 %
08 10	Ideas	0.05	0.05	91.17 %
08 11	People	3.71	3.56	95.74 %
08 12	Capacities ¿ Research infrastructures	217.79	217.74	99.98 %
08 13	Capacities ¿ Research for the benefit of small and medium-sized enterprises (SMEs)	18.17	18.17	100.00 %
08 14	Capacities ¿ Regions of knowledge	17.38	17.38	100.00 %
08 15	Capacities ¿ Research potential	32.08	32.08	100.00 %
08 16	Capacities ¿ Science in society	51.64	51.64	100.00 %
08 17	Capacities ¿ International cooperation activities	18.49	18.49	100.00 %
08 18	Capacities ¿ Risk-sharing finance facility (EIB)	30.76	30.76	100.00 %
08 19	Capacities ¿ Support for coherent development of research policies	2.70	2.69	99.36 %
08 20	Euratom ¿ Fusion energy	401.37	401.37	100.00 %
08 21	Euratom ¿ Nuclear fission and radiation protection	50.26	50.26	100.00 %
08 22	Completion of previous framework programmes and other activities	468.82	124.95	26.65 %
08 23	Research programme of the research fund for coal and steel	65.52	60.69	92.63 %
Total Title 08		3,995.36	3,637.84	91.05 %
Total DG RTD		3,995.36	3,637.84	91.05 %

* Commitment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous commitment appropriations for the period (e.g. internal and external assigned revenue).

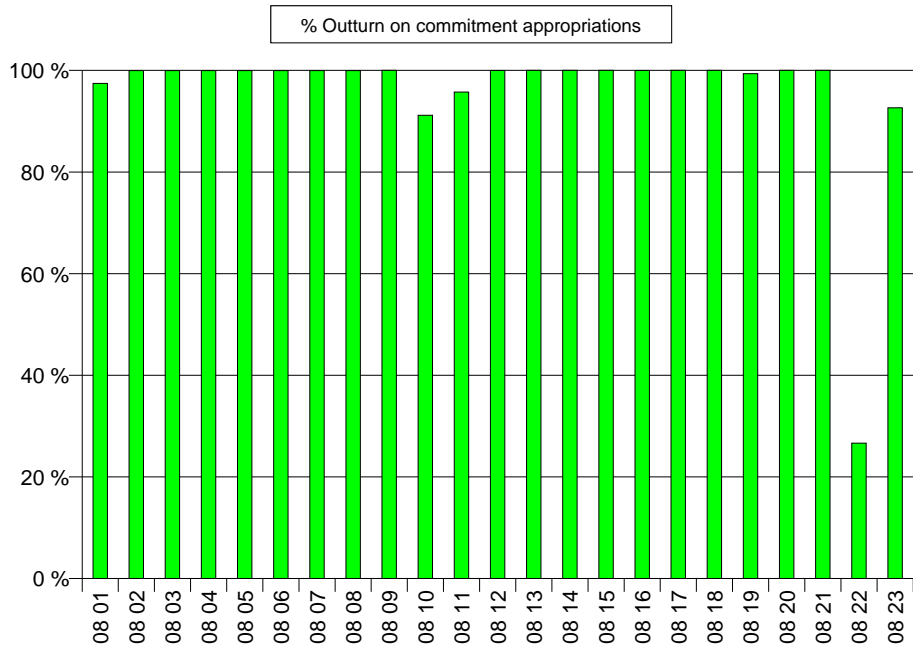


TABLE 2: OUTTURN ON PAYMENT APPROPRIATIONS IN 2010 (in Mio €)				
Chapter		Payment appropriations authorised *	Payments made	%
		1	2	3=2/1
Title 08 : Research				
08 01	Administrative expenditure of `Research` policy area	346.09	296.29	85.61 %
08 02	Cooperation ` Health	486.35	486.06	99.94 %
08 03	Cooperation ` Food, agriculture and fisheries, and biotechnology	158.00	157.93	99.96 %
08 04	Cooperation ` Nanosciences, nanotechnologies, materials and new production technologies	280.69	280.66	99.99 %
08 05	Cooperation ` Energy	122.55	122.48	99.94 %
08 06	Cooperation ` Environment (including climate change)	212.42	212.41	99.99 %
08 07	Cooperation ` Transport (including aeronautics)	328.00	327.64	99.89 %
08 08	Cooperation ` Socioeconomic sciences and the humanities	80.64	80.62	99.97 %
08 09	Cooperation ` Risk-sharing finance facility (EIB)	51.26	51.26	100.00 %
08 10	Ideas	0.15	0.06	43.89 %
08 11	People	3.85	3.82	99.30 %
08 12	Capacities ` Research infrastructures	97.44	97.44	100.00 %
08 13	Capacities ` Research for the benefit of small and medium-sized enterprises (SMEs)	14.49	14.37	99.11 %
08 14	Capacities ` Regions of knowledge	15.48	15.48	100.00 %
08 15	Capacities ` Research potential	36.49	36.49	100.00 %
08 16	Capacities ` Science in society	34.21	34.21	100.00 %
08 17	Capacities ` International cooperation activities	18.40	18.36	99.83 %
08 18	Capacities ` Risk-sharing finance facility (EIB)	30.76	30.76	100.00 %
08 19	Capacities ` Support for coherent development of research policies	3.52	3.43	97.42 %
08 20	Euratom ` Fusion energy	248.80	248.80	100.00 %
08 21	Euratom ` Nuclear fission and radiation protection	69.04	69.04	100.00 %
08 22	Completion of previous framework programmes and other activities	1,420.77	848.46	59.72 %
08 23	Research programme of the research fund for coal and steel	59.18	51.31	86.71 %
Total Title 08		4,118.56	3,487.37	84.67 %
Total DG RTD		4,118.56	3,487.37	84.67 %

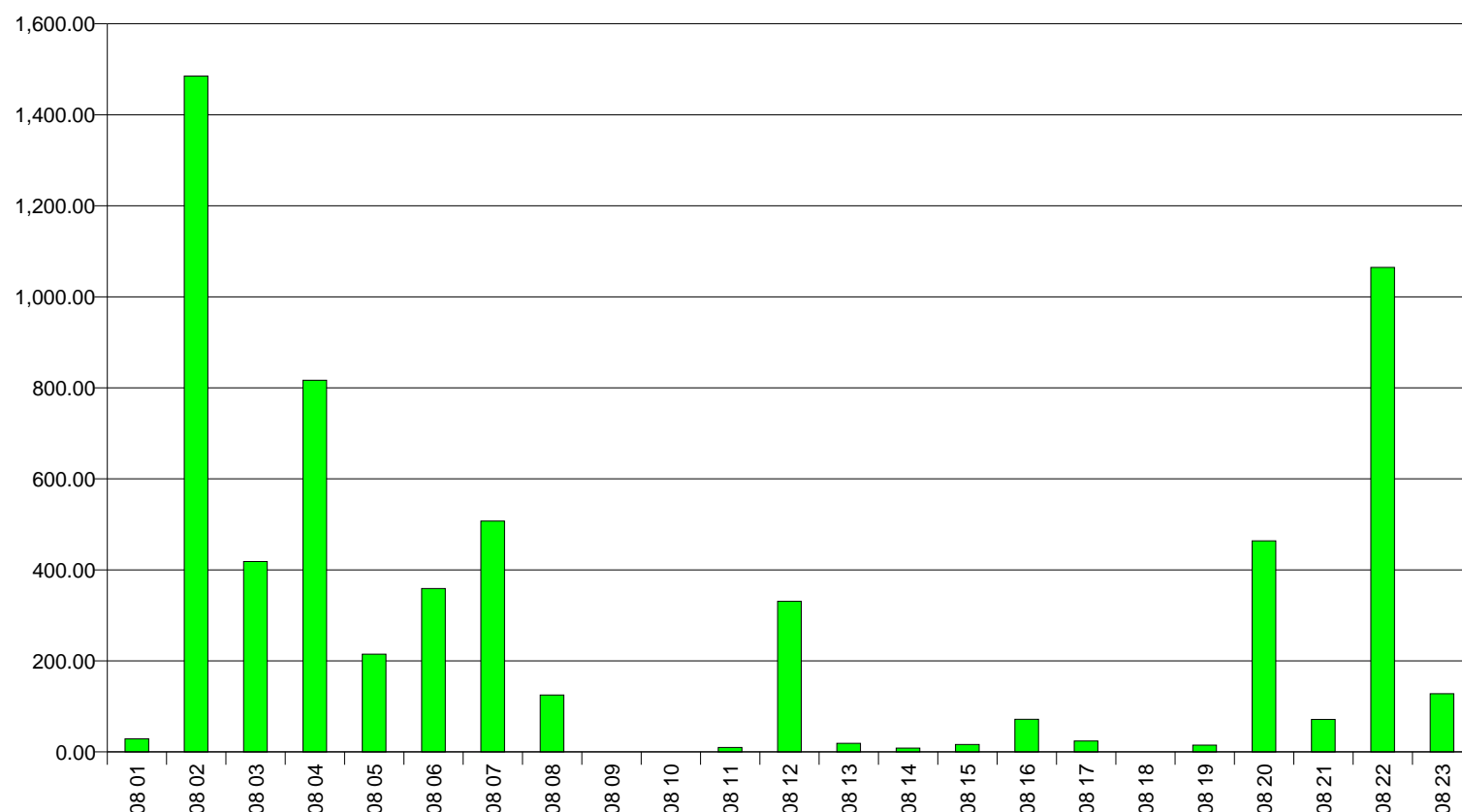
* Payment appropriations authorised include, in addition to the budget voted by the legislative authority, appropriations carried over from the previous exercise, budget amendments as well as miscellaneous payment appropriations for the period (e.g. internal and external assigned revenue).

% Outturn on payment appropriations



TABLE 3 : BREAKDOWN OF COMMITMENTS TO BE SETTLED AT 31/12/2010 (in Mio €)								
Chapter	2010 Commitments to be settled				Commitments to be settled from financial years previous to 2010	Total of Commitments to be settled at end of financial year 2010 (incl.corrections)	Total of Commitments to be settled at end of financial year 2009 (incl.corrections)	
	Commitments 2010	Payments 2010	RAL 2010	% to be settled				
	1	2	3=1-2	4=1-2/1	5	6=3+5	7	
Title 08 : Research								
08 01	Administrative expenditure of 'Research' policy area	299.98	271.16	28.82	9.61 %	0.00	28.82	38.02
08 02	Cooperation ' Health	785.41	119.92	665.50	84.73 %	819.56	1,485.06	1,187.14
08 03	Cooperation ' Food, agriculture and fisheries, and biotechnology	219.17	20.43	198.74	90.68 %	219.55	418.29	359.03
08 04	Cooperation ' Nanosciences, nanotechnologies, materials and new production technologies	423.57	72.50	351.07	82.88 %	465.75	816.82	674.28
08 05	Cooperation ' Energy	154.18	44.93	109.25	70.86 %	105.48	214.73	185.12
08 06	Cooperation ' Environment (including climate change)	230.10	95.60	134.50	58.45 %	224.41	358.91	342.65
08 07	Cooperation ' Transport (including aeronautics)	367.82	166.94	200.88	54.61 %	306.32	507.20	473.42
08 08	Cooperation ' Socioeconomic sciences and the humanities	76.30	13.03	63.26	82.92 %	61.80	125.06	130.04
08 09	Cooperation ' Risk-sharing finance facility (EIB)	51.26	51.26	0.00	0.00 %	0.00	0.00	0.00
08 10	Ideas	0.05	0.01	0.04	86.77 %	0.06	0.10	0.52
08 11	People	3.56	0.41	3.14	88.42 %	6.69	9.83	10.57
08 12	Capacities ' Research infrastructures	217.74	69.63	148.11	68.02 %	182.90	331.01	210.71
08 13	Capacities ' Research for the benefit of small and medium-sized enterprises (SMEs)	18.17	0.97	17.20	94.65 %	1.82	19.02	15.21
08 14	Capacities ' Regions of knowledge	17.38	13.38	4.01	23.04 %	4.29	8.30	6.40
08 15	Capacities ' Research potential	32.08	25.47	6.61	20.60 %	9.76	16.37	21.43
08 16	Capacities ' Science in society	51.64	11.28	40.36	78.16 %	31.31	71.67	55.78
08 17	Capacities ' International cooperation activities	18.49	8.45	10.04	54.28 %	13.85	23.89	23.79
08 18	Capacities ' Risk-sharing finance facility (EIB)	30.76	30.76	0.00	0.00 %	0.00	0.00	0.00
08 19	Capacities ' Support for coherent development of research policies	2.69	0.22	2.47	91.91 %	12.31	14.78	15.64
08 20	Euratom ' Fusion energy	401.37	38.00	363.37	90.53 %	100.52	463.89	312.01
08 21	Euratom ' Nuclear fission and radiation protection	50.26	30.73	19.53	38.85 %	51.83	71.36	90.19
08 22	Completion of previous framework programmes and other activities	124.95	42.53	82.42	65.96 %	982.32	1,064.74	1,948.42
08 23	Research programme of the research fund for coal and steel	60.69	22.59	38.10	62.77 %	89.71	127.81	120.38
Total Title 08		3,637.61	1,150.19	2,487.42	68.38 %	3,690.25	6,177.68	6,220.75
Total DG RTD		3,637.61	1,150.19	2,487.42	68.38 %	3,690.25	6,177.68	6,220.75

Breakdown of Commitments remaining to be settled (in Mio EUR)



Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

TABLE 4 : BALANCE SHEET RTD

BALANCE SHEET	2010	2009
A.I. NON CURRENT ASSETS	743,917,056.04	652,379,640.67
A.I.3. Long-term investments	147,512,543.91	189,062,517.40
A.I.5. LT Pre-Financing	536,311,749.32	400,809,681.85
A.I.6. LT Receivables	60,092,762.81	62,507,441.42
A.II. CURRENT ASSETS	1,949,874,516.28	1,889,896,830.97
A.II.2. Short-term Pre-Financing	1,241,468,836.33	1,266,256,891.90
A.II.3. Short-term Receivables	201,634,547.07	191,373,873.39
A.II.4. Short-term Investments	418,976,884.22	244,553,497.28
A.II.5. Cash and Cash Equivalents	87,794,248.66	187,712,568.40
ASSETS	2,693,791,572.32	2,542,276,471.64
P.III. CURRENT LIABILITIES	-830,656,841.34	-1,178,879,778.71
P.III.2. Short-term provisions	-19,372,995.00	-17,392,550.00
P.III.4. Accounts Payable	-811,283,846.34	-1,161,487,228.71
LIABILITIES	-830,656,841.34	-1,178,879,778.71
NET ASSETS (ASSETS less LIABILITIES)	1,863,134,730.98	1,363,396,692.93
P.I.1. Reserves	2,243,067.29	-2,870,096.08
P.I.2. Accumulated Surplus / Deficit	0.00	0.00
Non-allocated central (surplus)/deficit*	-1,865,377,798.27	-1,360,526,596.85
TOTAL	0.00	0.00

* This figure is a balancing amount presented here so as to reflect the fact that the accumulated result of the Commission is not attributed to each DG

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 5 : ECONOMIC OUTTURN ACCOUNT RTD

ECONOMIC OUTTURN ACCOUNT	2010	2009
II.1 SURPLUS/ DEF. FROM OPERATING ACTIVT	2,100,612,912.86	2,398,157,818.29
II.1.1. OPERATING REVENUES	-441,158,960.60	-344,303,308.04
II.1.1.1. Other operating revenue	-441,158,960.60	-344,303,308.04
II.1.2. OPERATING EXPENSES	2,541,771,873.46	2,742,461,126.33
II.1.2.1. Administrative Expenses	91,109,686.96	49,492,290.34
II.1.2.2. Operating Expenses	2,450,662,186.50	2,692,968,835.99
II.2. SURPLUS/DEF. NON OPERATING ACTIVIT	268,391,327.57	42,606,186.47
II.2. FINANCIAL OPERATIONS	-14,865,291.46	-4,682,716.68
II.2.1. Financial revenue	-31,955,220.30	-28,899,962.65
II.2.2. Financial expenses	17,089,928.84	24,217,245.97
II.2. OTHER NON OPERATING ACTIVITIES	283,256,619.03	47,288,903.15
II.2.4. Share of net surplus/def. associ	283,256,619.03	47,288,903.15
ECONOMIC OUTTURN ACCOUNT	2,369,004,240.43	2,440,764,004.76

It should be noted that the balance sheet and economic outturn account presented in Annex 3 to this Annual Activity Report, represent only the (contingent) assets, (contingent) liabilities, expenses and revenues that are under the control of this Directorate General. Significant amounts such as own resource revenues and cash held in Commission bank accounts are not included in this Directorate General's accounts since they are managed centrally by DG Budget, on whose balance sheet and economic outturn account they appear. Furthermore, since the accumulated result of the Commission is not split amongst the various Directorates General, it can be seen that the balance sheet presented here is not in equilibrium.

Additionally, the figures included in tables 4 and 5 are provisional since they are, at this date, still subject to audit by the Court of Auditors. It is thus possible that amounts included in these tables may have to be adjusted following this audit.

TABLE 6: AVERAGE PAYMENT TIME LIMITS FOR 2010 - DG RTD (*)

Legal Times							
Maximum Payment Time (Days)	Total Number of Payments	Nbr of Payments within Time Limit	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
24	1	1	100.00 %	24.00			
30	1265	1133	89.57 %	16.94	132	10.43 %	42.69
45	5147	4542	88.25 %	19.19	605	11.75 %	116.95
60	147	135	91.84 %	23.63	12	8.16 %	126.75
70	2	2	100.00 %	50.50			
75	7	7	100.00 %	10.71			
80	1	1	100.00 %	61.00			
90	1685	1238	73.47 %	45.70	447	26.53 %	187.81
105	582	551	94.67 %	55.69	31	5.33 %	145.23
Total Number of Payments	8837	7610	86.12 %		1227	13.88 %	
Average Payment Time	41.13			25.90			135.59

Target Times							
Target Payment Time (Days)	Total Number of Payments	Nbr of Payments within Target Time	Percentage	Average Payment Times (Days)	Nbr of Late Payments	Percentage	Average Payment Times (Days)
20	847	738	87.13 %	11.64	109	12.87 %	28.68
30	5654	4217	74.58 %	17.05	1437	25.42 %	71.93
45	69	69	100.00 %	11.10			
60	27	20	74.07 %	29.80	7	25.93 %	142.29
75	1658	1069	64.48 %	40.86	589	35.52 %	161.72
90	582	489	84.02 %	50.42	93	15.98 %	113.26
Total Number of Payments	8837	6602	74.71 %		2235	25.29 %	
Average Payment Time	41.13			22.75			95.42

Suspensions							
Average Report Approval Suspension Days	Average Payment Suspension Days	Number of Suspended Payments	% of Total Number	Total Number of Payments	Amount of Suspended Payments	% of Total Amount	Total Paid Amount
61	107	2827	31.99 %	8837	1,024,996,400.27	32.22 %	3,181,267,380.50

Late Interest paid in 2010			
DG	GL Account	Description	Amount (Eur)
DG RTD	65010000	Interest expense on late payment of charges	9 676.25
DG RTD	65010100	Interest on late payment of charges New FR	18 762.69
			28 438.94

(*) Table 6 shows 8837 payments while RTD report shows 16994 because only payments with invoice or experts reimbursed by RTD are included, therefore payments to evaluators and expert meetings are excluded.

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2010

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5		
Title 5: REVENUE ACCRUING FROM THE ADMINISTRATIVE OPERATION OF THE INSTITUTION								
52	REVENUE FROM INVESTMENTS OR LOANS GRANTED, BANK AND OTHER INTEREST	10,067,248.85	77,430.38	10,144,679.23	9,983,372.75	32,945.22	10,016,317.97	128,361.26
57	OTHER CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH THE ADMINISTRATIVE OPERATION OF THE INSTITUTION	8,256.63	0.00	8,256.63	8,256.63	0.00	8,256.63	0.00
59	OTHER REVENUE FROM ADMINISTRATIVE OPERATIONS	20,345.39	0.00	20,345.39	0.00	0.00	0.00	20,345.39
	Total Title 5	10,095,850.87	77,430.38	10,173,281.25	9,991,629.38	32,945.22	10,024,574.60	148,706.65
Title 6: CONTRIBUTIONS AND REFUNDS IN CONNECTION WITH COMMUNITY/EU AGREEMENTS AND PROGRAMMES								
60	CONTRIBUTIONS TO COMMUNITY/EU PROGRAMMES	357,683,823.60	2,062,772.10	359,746,595.70	355,407,939.26	2,062,772.10	357,470,711.36	2,275,884.34
61	REPAYMENT OF MISCELLANEOUS EXPENDITURE	52,641,393.00	596,123.79	53,237,516.79	52,530,400.39	570,123.79	53,100,524.18	136,992.61
66	OTHER CONTRIBUTIONS AND REFUNDS	24,069,517.16	21,603,653.82	45,673,170.98	18,230,147.90	3,277,322.35	21,507,470.25	24,165,700.73
	Total Title 6	434,394,733.76	24,262,549.71	458,657,283.47	426,168,487.55	5,910,218.24	432,078,705.79	26,578,577.68
Title 7: INTEREST ON LATE PAYMENTS AND FINES								
70	INTEREST ON LATE PAYMENTS	176,817.59	61,684.63	238,502.22	176,817.59	0.00	176,817.59	61,684.63
	Total Title 7	176,817.59	61,684.63	238,502.22	176,817.59	0.00	176,817.59	61,684.63

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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Report printed on 29/03/2011

TABLE 7 : SITUATION ON REVENUE AND INCOME IN 2010

Chapter	Revenue and income recognized			Revenue and income cashed from			Outstanding balance	
	Current year RO	Carried over RO	Total	Current Year RO	Carried over RO	Total		
	1	2	3=1+2	4	5	6=4+5	7=3-6	
Title 9: MISCELLANEOUS REVENUE								
90	MISCELLANEOUS REVENUE	632,457.68	17,906.39	650,364.07	452,622.89	17,906.39	470,529.28	179,834.79
	Total Title 9	632,457.68	17,906.39	650,364.07	452,622.89	17,906.39	470,529.28	179,834.79
Total DG RTD		445,299,859.90	24,419,571.11	469,719,431.01	436,789,557.41	5,961,069.85	442,750,627.26	26,968,803.75

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors

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**TABLE 8 : RECOVERY OF UNDUE PAYMENTS
(Number of Recovery Contexts and corresponding Transaction Amount)**

RECOVERY ORDERS ISSUED IN 2010 Year of Origin (commitment)	Error		Follow Up		Irregularity		OLAF Notified		No error / irregularity		TOTALS	
	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount	Nbr	RO Amount
1998	1	105,416.47									1	105,416.47
1999					4	125,018.56					4	125,018.56
2000					5	57,565.54					5	57,565.54
2001					2	60,575.00					2	60,575.00
2002					4	37,828.82					4	37,828.82
2003	7	70,865.70			43	852,927.88	2	61,931.00	12	760,633.78	64	1,746,358.36
2004	6	94,413.58			72	1,852,366.33			44	2,217,370.97	122	4,164,150.88
2005	13	126,244.61			50	1,245,994.44	2	25,901.57	44	1,773,429.71	109	3,171,570.33
2006	6	102,189.25	1	75.74	26	1,481,953.60			64	3,141,571.16	97	4,725,789.75
2007					11	154,561.64			30	464,339.64	41	618,901.28
2008					3	158,422.45			11	1,088,006.91	14	1,246,429.36
2009									2	92,501.57	2	92,501.57
No Link	22	330,697.70			37	1,492,820.70	1	225,260.60	51	58,245,225.97	111	60,294,004.97
	55	829,827.31	1	75.74	257	7,520,034.96	5	313,093.17	258	67,783,079.71	576	76,446,110.89

EXPENSES

	Error		Irregularity		No error / irregularity	
	Nbr	Amount	Nbr	Amount	Nbr	Amount
INCOME LINES IN INVOICES	2	-1,067.62	26	-844,808.47	5	-42,063.77

	Error		Irregularity		No error / irregularity		OLAF Notified	
	Nbr	Non-Eligible Amount	Nbr	Non-Eligible Amount	Nbr	Non-Eligible Amount	Nbr	Non-Eligible Amount
NON ELIGIBLE AMOUNT IN COST CLAIMS	106	3,570,193.06	774	24,008,040.95	1027	660,880,666.73	1	22,785.34

	Error		Irregularity		No error / irregularity	
	Nbr	Credit Note Amount	Nbr	Credit Note Amount	Nbr	Credit Note Amount
CREDIT NOTES	50	-10,091,171.14	8	-37,910.02	72	-5,762,784.85

Note : The figures are those related to the provisional accounts and not yet audited by the Court of Auditors. The provisional closure will be based on the recovery context situation at 28/02/2011.

TABLE 9: AGEING BALANCE OF RECOVERY ORDERS AT 31/12/2010 FOR RTD (*)

Year of Origin	Number at 01/01/2010	Number at 31/12/2010	Evolution	Open Amount (Eur) at 01/01/2010	Open Amount (Eur) at 31/12/2010	Evolution
1993	2	2	0.00 %	281,333.80	281,333.80	0.00 %
1994	2	2	0.00 %	128,379.65	125,615.54	-2.15 %
1995	7	7	0.00 %	1,051,570.00	1,051,570.00	0.00 %
1996	1	1	0.00 %	132,500.00	132,500.00	0.00 %
1999	1	1	0.00 %	52,420.00	0.00	-100.00 %
2000	8	7	-12.50 %	10,053,282.75	10,000,448.20	-0.53 %
2001	6	4	-33.33 %	474,128.21	316,121.27	-33.33 %
2002	10	8	-20.00 %	672,719.68	526,866.02	-21.68 %
2003	7	6	-14.29 %	365,968.56	267,199.78	-26.99 %
2004	2	2	0.00 %	212,703.00	212,703.00	0.00 %
2005	12	10	-16.67 %	1,130,972.34	1,033,515.11	-8.62 %
2006	10	7	-30.00 %	600,708.65	395,840.09	-34.10 %
2007	11	10	-9.09 %	1,421,920.06	1,349,876.06	-5.07 %
2008	17	9	-47.06 %	903,110.34	673,996.86	-25.37 %
2009	140	28	-80.00 %	6,972,473.80	2,090,915.53	-70.01 %
2010	1	124	12300.00 %	948.39	8,510,302.49	897242.07 %
Totals	237	228	-3.80 %	24,455,139.23	26,968,803.75	10.28 %

Those figures show all RO, whether they are due or not. At December 31, 2010, the number of due Recovery Orders open in DG RTD was 143 for an amount of 12 893 551€ (see also note in the general comments), as shown on the following tables

Year	December 2010 Number	Euro
1993	2	€ 281.334
1994	2	€ 125.616
1995	7	€ 1.051.570
1996	1	€ 132.500
2000	2	€ 1.979.841
2001	4	€ 314.117
2002	7	€ 531.902
2003	6	€ 261.550
2004	2	€ 208.578
2005	9	€ 1.074.503
2006	7	€ 388.019
2007	9	€ 1.182.012
2008	9	€ 534.284
2009	28	€ 2.004.574
2010	48	€ 2.823.153
Sum	143	€ 12.893.551

Status	Number	Euro
AO - Contested Claim	1	€ 24.965
AO - Decision after formal notice	15	€ 1.180.325
AO- New address	1	€ 5.713
AO - RO to be cancelled	14	€ 1.727.422
Total at RTD	31	€ 2.938.424
Status	Number	Euro
Bankruptcy	24	€ 1.541.062
BUDG - Central RO management (C5)	28	€ 1.410.229
Legal Service	60	€ 7.003.835
Total Other Services	112	€ 9.955.127
Grand total:	143	€ 12.893.551

(*) For contract AIR1-CT92 0511 RO of 1.6MEur have been issued for each of the 6 consortium members, being jointly and severally liable. They all appear in the 2000 figures, although the actual debt is only 1.6MEur. Therefore 8MEur have to be deducted.

TABLE 10 : RECOVERY ORDER WAIVERS IN 2010 >= EUR 100.000

	Waiver Central Key	Linked RO Central Key	RO Accepted Amount (Eur)	LE Account Group	Commission Decision	Comments
1	3233100038	3240802142	-131,297.09	Private Companies		
2	3233100304	3240307902	-126,041.66	Private Companies		

Total DG RTD	-257,338.75
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Number of RO waivers	2
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Commission decisions

RO 1 Commission decision "C(2010)325 "

RO 2 Commission decision "C(2010)7677 "

Justification

RO 1 Company in bankruptcy. Contact with the trustee Mr. Korteweg, W.W., Postbus 3045 6802 DA ARNHEM (no money can be distributed to any creditors)

RO 2 On 30/09/09 the SJ proposed to waive the debt on the grounds that the debt was old (2001) and impossible to recover.

TABLE 11 : CENSUS OF NEGOTIATED PROCEDURES - DG RTD - YEAR 2010**Contracts > 60.000**

Negotiated Procedure Legal base	Number of Procedures	Amount (€)
Art. 126 1b	1	105,000.00
Art. 126 1f	1	300,000.00
Total	2	405,000.00

TABLE 12 : SUMMARY OF PROCEDURES OF DG RTD EXCLUDING BUILDING CONTRACTS

Internal procedures > € 60,000	2009		2010	
Contract Class	Count	Amount (€)	Count	Amount (€)
Service	15	353,044,581.82	22	21,106,041.38
TOTAL	15	353,044,581.82	22	21,106,041.38
Procedure Type	Count	Amount (€)	Count	Amount (€)
Negotiated Procedure with at least one candidate (Art 129.3 IR)	1	372,811.82		
Negotiated Procedure without publication of a contract notice Art. 126 IR	1	383,920.00	2	405,000.00
Open Procedure (Art. 122.2 IR)	13	352,287,850.00	20	20,701,041.38
TOTAL	15	353,044,581.82	22	21,106,041.38

External procedures > € 10,000
Contract Class
TOTAL
Procedure Type
TOTAL

Additional comments

Concerning tables 11 and 12, please note that

- The number of open procedures in 2010 is in fact 15 instead of 20 in taking into account the lots attached to framework contracts and were 12 instead 13 in 2009 for the same reason. For the figures of 2009, please see also the additional comments in the RAA 2009.
- One procedure in 2010 was first awarded but cancelled some weeks later and is therefore not enclosed in the data.

TABLE 13 : BUILDING CONTRACTS

Total number of contracts :	0
Total amount :	

Legal base	Contract Number	Contractor Name	Description	Amount (€)
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No data to be reported

TABLE 14 : CONTRACTS DECLARED SECRET

Total Number of Contracts :	0
Total amount :	

Legal base	Contract Number	Contractor Name	Type of contract	Description	Amount (€)
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No data to be reported

Annex 4 Materiality criteria

Because of its multiannual nature, the effectiveness of the Research DGs' control strategy can only be fully measured and assessed at the final stages in the life of the framework programme, once the ex-post audit strategy has been fully implemented and systematic errors have been detected and corrected.

The control objective is to ensure for each FP that the residual error rate, i.e. the level of errors which remain undetected and uncorrected, does not exceed 2% by the end of the management cycle. This objective is to be reassessed annually, in view of the results of the implementation of the ex-post audit strategy and taking into account both the frequency and importance of the errors found as well as a cost-benefit analysis of the effort needed to detect and correct them.

Notwithstanding the multiannual span of their control strategy, the Director Generals of the Research DGs are required to sign a statement of assurance for each financial year. In order to determine whether to qualify this statement of assurance with a reservation, the effectiveness of the control systems in place needs to be assessed not only for the year of reference but also with a multiannual perspective, to determine whether it is possible to reasonably conclude that the control objectives will be met in the future as foreseen. In view of the crucial role of ex-post audits defined in the common FP6 and FP7 audit strategies, this assessment needs to check in particular whether the scope and results of the ex-post audits carried out until the end of the reporting period are sufficient and adequate to meet the multiannual control strategy goals.

Effectiveness of controls

The starting point to determine the effectiveness of the controls in place is the cumulative level of error expressed as the percentage of errors in favour of the EC, detected by ex-post audits, measured with respect to the amounts accepted after ex-ante controls.

However, to take into account the impact of the ex-post controls, this error level is to be adjusted by subtracting:

- Errors detected corrected as a result of the implementation of audit conclusions.
- Errors corrected as a result of the extrapolation of audit results to non-audited contracts with the same beneficiary.

This results in a residual error rate, which is calculated in accordance with the following formula:

$$resER\% = \frac{(repER\% * (P - A)) - (repERsys\% * E)}{P}$$

Where:

- | | |
|--------|--|
| resER% | is residual error rate, expressed as a percentage. |
| repER% | is the representative error rate, or error rate detected in the representative sample. |

- repERsys% is the systematic portion of the RepER, expressed as a percentage. The repER% is composed of two portions reflecting the systematic and non-systematic errors detected.
- P is the total EU contribution in Euros of the auditable population (as budgeted amounts at the level of participations in FP6, and as claimed EU contributions at the level of cost statements in FP7).
- A is the value of the EU contribution of all audited amounts, expressed in Euros.
- E is the total non-audited amounts in Euros of all audited beneficiaries (as budgeted amounts at the level of participations in FP6, and as claimed EU contributions at the level of cost statements in FP7).

The control objective is to ensure that the residual error rate on the overall population is below 2% at the end of the management cycle.

If the residual error is less than 2%, no reservation would be made.

If the residual error rate is between 2 and 5%, an additional evaluation needs to be made of both quantitative and qualitative elements in order to make a judgement as of the significance of these results, in accordance with the Commission guidelines for defining materiality, and to assess whether the measures in place are deemed sufficient in view of the control target.

In case the residual error is higher than 5%, a reservation would be made and an additional action plan should be drawn up.

These thresholds are consistent with those retained by the Court of Auditors for its annual assessment of the effectiveness of the controls systems operated by the Commission, where if the error rate exceeds 5% the Court's overall assessment is "unsatisfactory"; between 2% and 5% "partially satisfactory"; and below 2% "satisfactory". The alignment of criteria is intended to contribute to enhanced clarity and consistence during the Discharge discussions.

In case an adequate calculation of the residual error rate is not possible for a FP for reasons not involving control deficiencies,¹ the consequences are to be assessed quantitatively by estimating the likely exposure for the reporting year. The relative impact on the Declaration of Assurance would be then considered by analysing the available information on qualitative grounds and considering evidence from other sources and areas.

Adequacy of the audit scope

The quantity and adequacy of the (cumulative) audit effort carried out until the end of each year is to be measured by comparing the planned with the actual volume of audits completed. The data is to be shown per year and cumulated, in line with the current AAR presentation of error rates. The multiannual planning should be reported in sufficient detail to allow the reader to form an opinion on whether the strategy is on course as foreseen.

¹ Such as, for instance, during the first few years of implementation of the FP, when the limited number of auditable cost statements submitted do not allow for a sufficient number of representative audits to be completed in order to calculate the detected error rate.

The Director General should form a qualitative opinion to determine whether deviations from the multiannual plan are of such significance that they seriously endanger the achievement of the internal control objective. In such case, she or he would be expected to qualify his annual statement of assurance with a reservation.

A multiannual control strategy requires a multiannual perspective to assurance

It does not suffice to assess the effectiveness of controls during the period of reference to decide whether the statement of assurance should be qualified with a reservation because the control objective is set in the future. The analysis must also include an assessment of their likely performance in subsequent years and give adequate consideration to the risks identified and the preventive and remedial measures in place. This would then result in an assessment of the likelihood that the control objective will be met in the future.

Materiality is assessed for each Framework Programme

In any given year, DG Research and Innovation manages financial operations under the several Framework Programmes. Each is managed under different sets of regulatory and contractual provisions. Therefore, the assessment of the performance of the internal controls has to take into account these differences.

Annex 5 Internal Control Template for budget implementation

1. The control environment

Summary: Research Projects co-financed through the reimbursement of eligible costs

The control environment characterised by a large number of beneficiaries, each operating their own control system.

Key inherent control risks in this environment:

- Complex legal framework required to implement a system based on the reimbursement of 'actual eligible costs';
- Beneficiaries must allocate personnel cost and overheads via productive hours and time recording and deduct a range of ineligible items (VAT, duties, interest) from direct costs and overheads via management accounting in accordance with the complex contractual and regulatory provisions;
- Budgets allocated at the award stage are indicative only – amounts paid are always provisional and subject to recovery if not in line with actual costs;
- Given the large number of criteria to be complied with, and the relative lack of financial management expertise of the beneficiaries, errors are expected to be frequent.

Accountability structures:

- The Director-General reports to the College on the management of the DG in the Annual Activity Report, a declaration of assurance. Furthermore, he reports quarterly to the Commissioner on the use of resources, audit follow up and internal control issues, including an update of OLAF inquiries.
- DG Research and Innovation operates in a decentralised manner. The main bases for assurance are the reports on the functioning of internal control in each Directorate and the statements of assurance issued biannually by each Director. Those Directors responsible for implementing bodies (Article 185 Initiatives) retain the responsibility for providing assurance to the Director General on the regular and sound operation of the management and internal control systems of these bodies.
- The reliability of this information is supported by the results of a number of instruments and exercises aimed to monitor the effective implementation of controls throughout the DG. These instruments and exercises are carried out both within the Directorates and at DG level. Their results are reported by the Directors in the biannual report. They are monitored by the Risk Assessment unit who reports on the operation of the system. These are the bases for the Internal Control Coordinator advice and recommendations to the Director General.
- The Director General also monitors the activities of the Executive Agencies. The Agencies' annual reports are annexed to the parent DG Annual Activity Report; however the Executive Directors of the Agencies retain full responsibility and ownership of their respective declarations of assurance. Furthermore, the quarterly report to the Commissioner on the use of resources, audit follow up and internal control issues also encloses similar reports from the Executive Agencies.

- The Internal Control Coordinator certifies the accuracy and exhaustiveness of the information on management and internal control systems as well as its annexes.
- Finally, the Internal Audit Unit provides the Director General with independent, objective assurance services. Their outcome is reflected in the annual summary of their finding and observations and its opinion.

Management mode:

Direct centralised management. Grants are awarded directly to the beneficiary consortia. The coordinator of each consortium manages the distribution of funds.

Indirect centralised management. Budget implementation tasks have been delegated to entities legally distinct from the Commission. These include Executive Agencies, Joint Undertakings set up by the Communities and other bodies in which the Community participates under Article 185 TFEU (169 of the EC Treaty).

Grant period: Between x and y years (average x years)	0.5 - 6.75 (3.31)
Average value (in €)	3 581 435
Median value (in €)	2 967 837
Range of grants (in thousand €)	15 – 32 483
Percentage of grants under €1 million.	18,16%
Number of coordinators/beneficiaries:	705 / 8 477
Volume of transactions per year: (in thousand €)	2 524,91

2. Stages and actors and main issues addressed at each stage

The planning, programming, monitoring and reporting processes in place	The framework programmes, the specific programmes and the work programmes are the primary elements from which the objectives derive for multiannual and annual planning. The objectives are integrated into the Commission strategic planning and programming (SPP) cycle.
Selection process (of beneficiaries, intermediaries, agencies etc.), including preventive measures	<p>The evaluation of proposals - critical step within the ICS</p> <p>Proposals selected according to their research credentials (best value for public money).</p> <p>Key controls include the screening of submitted proposals for eligibility; the choice of independent expert evaluators, the evaluation by a minimum of three experts; and a panel review for quality control and ranking of proposals.</p> <p>Based on the prioritised list, the Commission establishes the final list of proposals and proceeds to negotiate the grant agreements with the successful applicants. The purpose of the negotiation is to clarify and adapt the work to be carried out and the operational objectives of the project, substantiate its costs and determine its duration and the maximum contribution from the EU budget. The Commission seeks to implement the advice of the independent expert evaluators and, where applicable, the recommendations resulting from the ethical review. This process generates significant efficiencies in the use of Community funds by discarding work</p>

	<p>which is not essential for the achievement of the scientific objectives of the project and ensuring that the budgeted costs are commensurate to the work to be carried out. Negotiation results are put forward to the Programme Committee, which must approve proposals over certain financial thresholds and funding levels.</p> <p>The grant agreements are then prepared for signature. This phase includes legal and financial verifications (the legal status of the beneficiary, its possible inclusion in the Early Warning System, its financial viability and its capacity to co-fund the project) as well as safeguarding measures (the provision of the Guarantee Fund).</p>
<p>Preventive and directive measures to improve the quality of financial management and provision of data by beneficiaries and intermediaries</p>	<p>The Commission has developed a specific communication strategy to ensure that both beneficiaries and the certifying auditors fully understand the contract requirements and provisions, in order to reduce the number of errors and omissions in the cost claims submitted to the Commission. This notably includes extensive guidance notes which are published on the Cordis website in addition to the legal basis and the implementing documents.</p> <p>In addition the two units responsible for ex-post audits in DG Research and Innovation actively participate in meetings and professional conferences to spread best practices and move towards a common understanding of some critical issues.</p>
<p>Detective and corrective controls: Verification of pre-financing, interim payments and key milestones</p>	<p>Beneficiaries submit progress reports, financial statements and an explanation on the use of resources. When required by the grant agreement, beneficiaries submit also a certificate on the financial statements (the audit certificate) issued by an independent external auditor (the certifying auditor).</p> <p>The certifying auditor checks whether the claims made are actual, correctly recorded in the accounts and in the eligible project period. The certifying auditor must be independent from the beneficiary and qualified to carry out statutory audits of accounting documents.</p>
<p>Detective and corrective controls: Checks and monitoring during the initial phases of the programme</p>	<p>Before a payment is authorised, all relevant operational and financial aspects are verified by at least two independent members of staff. Scientific/Project officers verify that the work carried out by the beneficiary is in all respects in compliance with the grant agreement by evaluating the project reports and deliverables. To do so, they may seek the advice of independent experts. Financial officers carry out accounting and arithmetical checks to ensure financial statements and audit certificates have been submitted in accordance with the provisions of the grant agreement. The authorising officer ascertains that these checks on the supporting documents have been done and validates the expenditure.</p> <p>When deemed necessary, "in depth" ex-ante desk checks are carried out. These include the verification of individual cost items against other sources of information (reconciliations, authorisation) based on third-party invoices or payslips provided by the beneficiary. Basic deficiencies in beneficiaries' understanding of the contract provisions can be detected and improved this way, with a resulting corrective effect on future claims.</p>

	<p>In the context of FP7, initiatives have been taken to reinforce the ex-ante controls even further. Mainly aimed at reducing the most common misunderstandings and errors among beneficiaries (eligible personnel and/or indirect costs), the Research DGs have introduced 'agreed upon procedures' for better audit certificates and the possibility of having an ex-ante certification of the beneficiary's accounting methodology, in terms of average personnel costs and/or overall cost accounting (including indirect costs). In addition, the Guarantee Fund has been set up to offset unrecoverable recovery orders.</p>
<p>Corrective controls and audit</p>	<p>Ex-post audits are a key element of the control strategy. The control objectives of the ex-post audit functions are two: (1) to provide an adequate indication of the effectiveness of ex-ante controls; and (2) to ensure the accuracy of the expenditure and, therefore, the legality and regularity of the underlying transactions, on a multiannual basis.</p> <p>This is achieved by auditing and, where necessary, adjusting a sizeable proportion of the expenditure (between 40 and 50%) and by checking compliance on the rest.</p> <p>The contracts to be audited are selected using a multiannual sampling strategy ensuring a comprehensive coverage of the audit population.</p> <p>The systematic, i.e. non-clerical, errors detected on the audited contracts are extrapolated to non-audited contracts. This will ensure, on a multiannual basis, that a substantial share of the expenditure is largely free from systematic errors.</p> <p>All audit results are implemented by the authorising officers. Errors detected are corrected by issuing recovery orders or deducing amounts wrongly paid from future payments to the same beneficiary.</p>

3. Supervision and monitoring of the internal control systems and audit follow up

Instruments used for the monitoring of the internal control, both within the Directorates and at DG level:

- The recording of exceptions. Each deviation from an established policy or procedure made under exceptional circumstances is documented, justified and approved at an appropriate level before action is taken. A registry is maintained and the relevant information systematically screened to identify significant risks (ICS 8).
- Recording and correction of internal control weaknesses. Managers and, in general all staff members, are instructed to notify any detected internal control weaknesses. These are reported and systematically screened to identify significant risks and introduce adequate remedial measures (ICS 12).
- Detected improprieties. In addition to reporting to the direct superior, they are communicated to the relevant members of staff. The "whistleblowing" policy requires any staff member who becomes aware of possible illegal activity or serious wrongdoing, to report it (ICS 2).
- Reporting under art 66.2 of the Financial Regulation. An authorising officer who considers that a decision which it is his responsibility to take is irregular or contrary to the principles of sound financial management is required to inform the delegating

authority in writing.

- The "surveillance" system is a systemic supervisory control which allows each Director to ensure that the defined procedures for operational, administrative activities and information systems development are effectively and continuously carried out throughout their Directorate (ICS 9).
- The systematic monitoring of the implementation of audit recommendations. It is aimed to ensure that the internal control weaknesses and risks identified by both external (the European Court of Auditors) and internal auditors (the Internal Audit Service and the Internal Audit Capability) are reported and adequately addressed; defining appropriate action to remedy systemic weaknesses and monitoring the implementation of action plans.
- Structured and documented reviews of the effectiveness of the internal controls in order to ensure that the control objectives are met on a continuous basis. It reports on the results of these reviews; and, when needed defines appropriate action to address detected weaknesses (ICS 15).
- Structured and documented risk management exercises aimed to identify and deal with all major risks and to lay down appropriate action to bring them to an acceptable level. These namely include an annual exercise for the preparation of the Management Plan (ICS 6).
- Direct observation. The monitoring not only takes place within structured administrative and reporting processes. Any relevant information which is brought to the attention of the intervening actors would be duly analysed and considered.

Annex 6 Implementation through national or international public-sector bodies or bodies governed by private law with a public service mission

European Joint Undertaking for ITER and the Development of Fusion Energy (F4E)

1. Programmes concerned.

Seventh EURATOM Framework Programme: thematic area "Fusion Energy research"

2. Annual budgetary amount entrusted.

The following budgetary amounts¹ have been entrusted to ITER and the Development of Fusion Energy:

- Commitment appropriations: €343 340 000 operational
- Commitment appropriations: €30 900 000 administrative
- Payment appropriations: €176 700 000 operational
- Payment appropriations: €30 900 000 administrative

3. Duration of the delegation.

35 years (parallel with the ITER International Agreement)

4. Justification of recourse to indirect centralised management.

Council Decision 2007/198/EURATOM (O.J. L90/2007, p.58)

5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc).

Not applicable

6. Synthetic description of the implementing tasks entrusted to these bodies.

See art. 1 Council Decision 2007/198/EURATOM.

¹ EU contribution only

Innovative Medicines Initiative (IMI)

1. Programmes concerned

Seventh Framework Programme: thematic area "Health' of the Specific Programme Cooperation"

2. Annual budgetary amount entrusted.

The following budgetary amounts² have been entrusted to IMI:

- Commitment appropriations: €8 644 744 operational
- Commitment appropriations: €1 305 840 administrative
- Payment appropriations: €20 503 104 operational
- Payment appropriations: €1 343 011 administrative

3. Duration of the delegation.

Until 31.12.2017

4. Justification of recourse to indirect centralised management.

An indirect centralised management by a Joint Undertaking within the meaning of Article 187 of the TFEU is the most flexible, effective and efficient mean to implement such a joint technology initiative, aiming at increasing the research investment in the biopharmaceutical sector in the Member States and countries associated to the Seventh Framework Programme by pooling resources and fostering collaboration between the public and private sectors.

5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc).

Not applicable

6. Synthetic description of the implementing tasks entrusted to these bodies.

See Article 2 of the Council Regulation setting up the IMI Joint Undertaking and Article 1 of the annexed Statutes³.

² Including EFTA contributions and transfers

³ Council Regulation (EC) No 73/2008 of 20.12.2007 setting up the Joint Undertaking for the implementation of the Joint Technology Initiative on Innovative Medicines, OJ L 30 of 04.02.2008.

Clean Sky

1. Programmes concerned.

2. Annual budgetary amount entrusted.

The following budgetary amounts⁴ have been entrusted to Clean Sky:

- Commitment appropriations: €125 375 703 operational
- Commitment appropriations: €2 532 350 administrative
- Payment appropriations: €100 000 776 operational
- Payment appropriations: €85 390 administrative

3. Duration of the delegation.

Until 31.12.2017

4. Justification of recourse to indirect centralised management.

Indirect centralised management by a Joint Undertaking in line with Article 187 of the Treaty was selected to accelerate the introduction of "green" technologies in aeronautics by forming a joint undertaking with industry. The large scale ensures a maximal synergy and additionality across all innovations, with involvement of all key players. The industry input ensures adaptation to changing market conditions.

5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc).

Not applicable

6. Synthetic description of the implementing tasks entrusted to these bodies.

See Article 2 of Regulation No. 71-2008 setting up the Clean Sky Joint Undertaking.

⁴ Including EFTA contributions and transfers

Fuel Cells and Hydrogen Joint Undertaking (FCH JU)

1. Programmes concerned

Seventh Framework Programme, in particular the Specific Programme "Cooperation" themes for "Energy", "Nanosciences, Nanotechnologies, Materials and New Production Technologies", "Environment (including Climate Change)" and "Transport (including Aeronautics)".

2. Annual budgetary amount entrusted.

The following budgetary amounts have been entrusted⁵ to FCH JU:

- Commitment appropriations: €94 248 686 operational
- Commitment appropriations: €2 977 406 administrative
- Payment appropriations: €43 242 936 operational
- Payment appropriations: €3 485 680 administrative

3. Duration of the delegation

Until 31.12.2017

4. Justification of recourse to indirect centralised management

Council Regulation (EC) No 521/2008.

Indirect centralised management by a Joint Undertaking in line with Article 187 of the Treaty on the Functioning of the European Union (TFEU) was selected with a view to increase the overall efficiency of research efforts and accelerate the development and deployment of fuel cells and hydrogen technologies, in the Members States and countries associated to the Seventh Framework Programme.

5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc)

Not applicable

6. Synthetic description of the implementing tasks entrusted to these bodies

See Article 2 of the Council Regulation (EC) No 521/2008⁶ and Article 1 of its Annex⁷.

⁵ Including EFTA contributions, other DGs' contributions, and transfers

⁶ Council Regulation (EC) No 521/2008 of 30.05.2008 setting up the Fuel Cells and Hydrogen Joint Undertaking, OJ L 153 of 12.06.2008

⁷ Statutes of the Fuel Cells and Hydrogen Joint Undertaking

Article 169 Initiative (Art. 185 of the Treaty on the Functioning of the European Union) – Eurostars

1. Programmes concerned.

Eurostars - a research and development programme undertaken by several Member States aimed at supporting research and development performing small and medium sized Enterprises.

Financed through FP7 Capacities programme.

2. Annual budgetary amount entrusted.

- Commitment appropriations from the 2010 financing decision: €16,8 million
- Payment appropriations from 2010 financing decision: €12,75 million

3. Duration of the delegation.

The financial contribution of the Community to Eurostars covers the period from 2008 till 2013. According to the Delegation Agreement, the delegation is expected to last till 31 December 2017.

4. Justification of recourse to indirect centralised management.

The use of indirect centralised management is foreseen in Decision 743/2008/EC of the European Parliament and of the Council of 9 July 2008 on the Community's participation in a research and development programme undertaken by several Member States aimed at supporting research and development performing small and medium-sized Enterprises (OJ L201/58 of 30.7.2008).

5. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc).

Eureka Secretariat (ESE); 107 Rue Neerveld; B-1200 Brussels Legal basis stipulating ESE as dedicated implementation structure: Decision 743/2008/EC of the European Parliament and of the Council of 9 July 2008 on the Community's participation in a research and development programme undertaken by several Member States aimed at supporting research and development performing small and medium sized Enterprises (OJ L 201/58 of 30.7.2008).

6. Synthetic description of the implementing tasks entrusted to these bodies.

The Eureka Secretariat (ESE) shall act as the dedicated implementation structure of the Eurostars Joint Programme and is in charge of the execution of the Programme. A more detailed list of tasks can be found in section 4 of Annex II to Decision 743/2008/EC of the European Parliament and of the Council.

European Metrology Research Programme (EMRP)

1. Programmes concerned.

Programme Cooperation - FP7

2. Annual budgetary amount entrusted.

- Commitment appropriations from the 2010 financing decision: €48 million
- Payment appropriations from the 2010 financing decision: €6 million

3. Duration of the delegation.

General agreement with EURAMET ends on 31 December 2017

4. Justification of the selection of the bodies (identity, selection criteria, possible indication in the legal basis, etc).

Decision No 912/2009/EC of the European Parliament and of the Council of 16 September 2009 on the participation by the Community in a European metrology research and development programme undertaken by several Member States.

5. Synthetic description of the implementing tasks entrusted to these bodies.

Annex II of the Decision No 912/2009/EC.

Annex 8 Objectives and Indicators by ABB Activity

POLICY AREA : RESEARCH			
GENERAL OBJECTIVE 1	To foster investment in research and the transition towards the knowledge-based economy in order to reinforce EU competitiveness		
Impact indicators	Latest known result	Milestone(s)	Target (result)
Gross Expenditure on R&D (GERD) as percentage of GDP (R&D intensity), and share of it financed by businesses ¹	1,90% of GDP (2008) 55% ² from business (2008)		To approach 3% of GDP, with 2/3 of it financed by businesses by 2020 (reference: 1,85% in 2000; 56,2% from business in 2000)
EU PCT ³ patent applications at international phase, designating the EPO as receiving office	-0,2 percentage points (2007): (31,3% EU vs. 31,1% US)		To reduce the gap between EU and US ⁴ (reference: 3,7 percentage points in 2000; 39,7% US vs. 36% EU)
Share of employment in high and medium-high-tech (H and MH) manufacturing and Knowledge Intensive Services (KIS) in total employment	39,7% in 2007 (6,8% in H+MH tech manuf. + 33% in KIS)		42% in 2013 (reference: 37,8% in 2000; 7,4% in H+MH tech manuf. + 30,4% in KIS)
Percentage of innovative companies cooperating with universities/HE or other PROs	With universities/HE: 8,8% With other PROs: 5,7% (EU-27) ⁵		With universities/HE: 12% With other PROs: 7% by 2013
EU share in world high-tech exports	-2,8 percentage points in 2008 (15% US vs. 17,8% EU)		To reduce the gap between EU and US (reference: 6,4 percentage points in 2000; 22,9% US vs. 16,4% EU)
GENERAL OBJECTIVE 2	To strengthen the S&T base of the ERA and improve the excellence of research in Europe through increased competition, pooling of resources and cross-border synergies		
Impact indicators	Latest known result	Milestone(s)	Target (result)
EU share of top 10% highly cited publications	(reference: 9,2 percentage points; 45,7% US vs. 36,5% EU) ⁶		To reduce the gap between EU and US ⁵ (reference: 11,4 percentage points ⁷ ; 48,9% US vs. 36,5% EU)
Number of EU universities with citations impact score >1,3 ⁸	30 ⁹		45 by 2013
GENERAL OBJECTIVE 3	To increase openness and attractiveness of the ERA and to maximize benefits from international cooperation		
Impact indicators	Latest known result	Milestone(s)	Target (result)
Share of co-publications with third countries in all EU publications	25,7% (EU-27, 2006)		30% by 2013 (21,6% , EU-27, 2000)
Net R&D expenditure inflows EU/US	-2,1 billion PPP\$ (EU-15, 2005)		To re-balance flows by 2013 (-0,2 billion PPP \$, EU-15, 1997)
EU share of R&D expenditure of affiliates of US parent companies abroad	62,5% in 2005		maintain the share (reference: 61% in 2000)

¹ Growth of R&D expenditure in real terms: 14,8% over 2000-2006 in EU (10,1% US; 21,9% Japan)

² This does not include the part of the business funding which is categorized under "funding from abroad"

³ Patent Cooperation Treaty

⁴ For all indicators which are expressed as "EU share in the world", the impact of the globalisation of the S&T landscape (which involves new S&T powers taking an increased share of the world total) has to be taken into account when setting the targets. In this context, a benchmark against the US, which is the other main knowledge-based economy, appears the most appropriate

⁵ This data refers to the period 2002-2004

⁶ Data refers to citations made during the years 2003-2006 to articles published in 2001-2003

⁷ Data refers to citations made during the years 2001-2004 to articles published in 2001

⁸ Impact compared to field average: this indicator compares the average number of citations to the "œuvre" (CPP) to an international reference value, namely the corresponding Average Field Citation Score (FCSm), by calculating the ratio of the two. Self-citations are excluded in the calculation of this ratio, to prevent ratios being affected by divergent self-citation behaviour

⁹ Based on all publications and citations in the period 1997-2006

ERA DEVELOPMENT		
SPECIFIC OBJECTIVE 1	To ensure an adequate supply of human resources for research and an open, attractive and single labour market for male and female researchers	
Result indicators	Latest known result	Target (result)
Number of Member States and Associated Countries having taken and reported new actions (through the Steering Group on Human Resources and Mobility) to enhance researchers' careers and mobility in line with the objectives of the Communication on a European Researchers' Partnership	89% of Member States and 50% of Associated Countries (EPR Report 2009)	75% of Member States by 2010
Proportion of women in the European researchers' workforce at all seniority levels	36% of academic researchers (2006) 18% of full professors (2006)	Approximately 50% by 2020 Approximately 50% by 2020
SPECIFIC OBJECTIVE 2	To develop world-class research infrastructures (including e-infrastructures) and ensure access to them	
Result indicators	Latest known result	Target (result)
Number of national roadmaps defining priorities for jointly setting-up European research infrastructures ¹⁰	17 finalised roadmaps	25 roadmaps out of 33 Member States and Associated Countries by 2013
Number of Research Infrastructures of world class relevance built and operated jointly at EU level	7 (12 under implementation) ¹¹	27 by 2013
SPECIFIC OBJECTIVE 3	To promote public-private cooperation and knowledge transfer	
Result indicators	Latest known result	Target (result)
Number of Member States and Associated Countries having taken and reported actions to improve knowledge transfer between public research organizations and industry in line with the Commission recommendation on management of the Intellectual Property by the Public Research Organizations	28, including 23 MS (i.e. all except BG, GR, PT and SL) and 5 AC (AL, IS, NO, CH, TU) in 2010	All Member States and Associated countries by 2011
Share of licence revenue from abroad as percentage of GDP	2008: EU-27: 0,197; US: 0,634; JP: 0,527; CN: 0,013	Reduce the gap with the US
SPECIFIC OBJECTIVE 4	To increase European coordination and integration of research funding	
Result indicators	Latest known result	Target (result)
Number of areas where Member States have decided to embark on joint programming	4 : Council Conclusions on research Joint Programming: initiative on combating Neurodegenerative diseases adopted on 3.12.2009/Council Conclusions on Joint Programming adopted on 12.10.2010	Three areas by 2013
SPECIFIC OBJECTIVE 5	To strengthen international cooperation in science and technology and the role and attractiveness of European research in the world	
Result indicators	Latest known result	Target (result)
International scientific co-publications (EU/ third countries) per million population	2008: EU-27: 265,5; US: 386,9; JP: 188,5; CN: 28,1	Reduce the gap with the US
SPECIFIC OBJECTIVE 6	To increase public support for research	
Result indicators	Latest known result	Target (result)
Higher education and governmental R&D expenditures (HERD + GOVERD) as percentage of GDP	2008: EU-27: 0,67; US: 0,65; JP: 0,68; CN: 0,41	1% by 2020

¹⁰ See Council Regulation on the Community legal framework for a European Research Infrastructure Consortium (ERIC), EC No 723/2009 of 25 June 2009

¹¹ Based on EIROforum organizations and ESFRI database

SPECIFIC OBJECTIVE 7	To enhance research capacity across Europe	
Result indicators	Latest known result	Target (result)
Amount of Structural funds allocated to RTDI as percentage of total Structural funds	14,4%	20% by 2015
SPECIFIC OBJECTIVE 8	To strengthen research institutions, including notably universities	
Result indicators	Latest known result	Target (result)
Number of EU universities with citations impact score > 1,3	30	45 by 2013
SPECIFIC OBJECTIVE 9	To improve framework conditions for private investments in R&D	
Result indicators	Latest known result	Target (result)
Business R&D expenditure (BERD) as percentage of GDP	2008: EU-27: 1,21; US: 2,01; JP: 2,69; CN: 1,13	2% by 2020
SPECIFIC OBJECTIVE 10	To strengthen research institutions, including notably universities	
Result indicators	Latest known result	Target (result)
Share of scientific publications with co-authors from at least two EU MS, as of percentage of total EU publications	14,4 (2009)%	30% by 2020

08 02 : COOPERATION — HEALTH		
SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in health with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	93% in 2010	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ¹²	29%	30% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ¹³	Data not yet available	75% ¹⁴ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research results in the area of health	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ¹⁵	29%	30% by 2013
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial or social impacts	Data not yet available	90% ¹⁶ by 2013
Percentage of industrial participation in the projects, of which SMEs	15,5% in 2010	18% of industrial participation by 2013
	10,51% in 2010	15% EU budget contribution to SMEs by 2013
Number of patent applications	Data not yet available	1 patent application per 4 projects by 2013
Number of publications in peer reviewed journals	Data not yet available	4 per completed project by 2013

¹² Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

¹³ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

¹⁴ On finished projects (not all projects will be finished by 2013)

¹⁵ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

¹⁶ On finished projects (not all projects will be finished by 2013)

SPECIFIC OBJECTIVE 3	To improve, via new types of Partnerships, research at EU and international levels regarding the drug development process and the fight against major diseases	
Result indicators	Latest known result	Target (result)
Average development and testing time for a new drug in the EU	13 to 15 years in 2010	11 to 13 years by 2015
Number of field tests ¹⁷ of vaccines and drugs against HIV/AIDS, malaria and Tuberculosis	60 ongoing field tests by the end of 2009: 23 in HIV/AIDS, 17 in malaria and 15 in Tuberculosis	Field tests, by 2018 of 140 vaccines and drugs against HIV/AIDS [60], malaria [40] and Tuberculosis [40]

08 03 : COOPERATION — FOOD, AGRICULTURE AND FISHERIES, AND BIOTECHNOLOGY

SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Food, agriculture and fisheries, and biotechnology" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	98% in 2010	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ¹⁸	35%	37% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ¹⁹	Data not yet available	75% ²⁰ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research results in the area of "Food, agriculture and fisheries, and biotechnology"	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ²¹	37%	54% by 2013
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	Data not yet available	80% ²² by 2013
Percentage of SME participation in the projects	8,45%	15% EU budget contribution to SMEs by 2013
Percentage of projects which generate one or more patent applications	Data not yet available	40-50% by 2013
Percentage of projects with publications in peer reviewed journals	Data not yet available	55% by 2013

08 04 : COOPERATION — NANOSCIENCES, NANOTECHNOLOGIES, MATERIALS AND NEW PRODUCTION TECHNOLOGIES

SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Nanosciences, nanotechnologies, materials and new production technologies" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	100% in 2010	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ²³	19%	19% by 2013

¹⁷ via the EDCTP European-Developing Countries Clinical Trials Partnership

¹⁸ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

¹⁹ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

²⁰ On finished projects (not all projects will be finished by 2013)

²¹ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

²² On finished projects (not all projects will be finished by 2013)

²³ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

Percentage of projects that achieved, or even exceeded, all expected objectives ²⁴	Data not yet available	75% ²⁵ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research results in the area of "Nanosciences, nanotechnologies, materials and new production technologies"	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ²⁶	18%	33% by 2013
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	Data not yet available	80% ²⁷ by 2013
Percentage of industrial participation in the projects, of which SMEs	35,6% in 2010	40% of industrial participation by 2013
	23,09%	15% EU budget contribution to SMEs by 2013
Percentage of projects which generate one or more patent applications	Data not yet available	40-50% by 2013
Average number of publications in peer reviewed journals per project	Data not yet available	5 publications per project by 2013

08 05 : COOPERATION — ENERGY		
SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Energy" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	78% in 2010	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ²⁸	34%	39% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ²⁹	100% up to 2010, based on 3 finished projects	60% ³⁰ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research results in the area of "Energy"	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ³¹	33%	35% by 2013
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	66% up to 2010 based on 3 finished projects	60% ³² by 2013
Percentage of industrial participation in the projects, of which SMEs	32,1% up to 2010 (inc. FCH JU: 23,6% in 2009)	40% of industrial participation by 2013
	17,56%	15% EU budget contribution to SMEs by 2013
Percentage of projects which generate one or more patent applications	Data not yet available	30% by 2013
Percentage of projects with publications in peer reviewed journals	Data not yet available	55% by 2013

²⁴ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

²⁵ On finished projects (not all projects will be finished by 2013)

²⁶ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

²⁷ On finished projects (not all projects will be finished by 2013)

²⁸ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

²⁹ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

³⁰ On finished projects (not all projects will be finished by 2013)

³¹ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

³² On finished projects (not all projects will be finished by 2013)

08 06 : COOPERATION — ENVIRONMENT (INCLUDING CLIMATE CHANGE)		
SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Environment (including climate change)" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	96% (November 2010)	90% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ³³	33%	35% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ³⁴	Data not yet available	75% ³⁵ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research in the area of "Environment (including climate change)"	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ³⁶	39%	45% by 2013
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	Data not yet available	90% ³⁷ by 2013
Percentage of SME participation in the projects	9,16%	15% EU budget contribution to SMEs by 2013
Percentage of projects which generate one or more patent applications	Data not yet available	15% by 2013
Percentage of projects with publications in peer reviewed journals	Data not yet available	90% by 2013

08 07 : COOPERATION – TRANSPORT (INCLUDING AERONAUTICS)		
SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Transport (including aeronautics)" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	95% after 2nd Call FP7	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ³⁸	33%	40% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ³⁹	Data not yet available	75% ⁴⁰ by 2013
SPECIFIC OBJECTIVE 2	To promote the use and dissemination of research results in the area of "Transport (including aeronautics)"	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ⁴¹	35%	40% by 2013

³³ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

³⁴ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

³⁵ On finished projects (not all projects will be finished by 2013)

³⁶ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

³⁷ On finished projects (not all projects will be finished by 2013)

³⁸ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent.

³⁹ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain;

⁴⁰ On finished projects (not all projects will be finished by 2013)

⁴¹ Based on the Consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent.

Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	Data not yet available	80% ⁴² by 2013
Percentage of industrial participation in the projects, of which SMEs	49,5% ⁴³	20% of industrial participation by 2013
	17,09%	15% EU budget contribution to SMEs by 2013
Percentage of projects which generate one or more patent applications	Data not yet available	10% by 2013
Percentage of projects with publications in peer reviewed journals	Data not yet available	20% by 2013

08 08 : COOPERATION – SOCIO-ECONOMIC SCIENCES AND THE HUMANITIES

SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in all top priority areas in "Socio-economic sciences and the humanities" with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	99% (November 2010)	100% by 2013
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ⁴⁴	30%	35% by 2013
Percentage of projects that achieved, or even exceeded, all expected objectives ⁴⁵	Data not yet available ⁴⁶	75% ⁴⁷ by 2013
Number of publications in peer reviewed journals	Data not yet available ⁴⁸	3 publications per project by 2013
SPECIFIC OBJECTIVE 2	To disseminate socio-economic sciences & humanities including foresight results to policy-makers	
Result indicators	Latest known result	Target (result)
Percentage of projects producing specific outputs disseminated to policy-makers	Data not yet available	75% ⁴⁹ by 2013

08 09 : COOPERATION — RISK-SHARING FINANCE FACILITY (EIB)

SPECIFIC OBJECTIVE 1	To increase the capacity of the EIB to manage a larger volume of riskier European RTD actions	
Result indicators	Latest known result	Target (result)
Volume of RSFF supported loans and guarantees provided to European research and technological and demonstration and innovation projects	€400 million ⁵⁰ at the end of 2010	Up to €800 million of FP7 contribution by 2013 to cover expected and unexpected losses of the loans
Amount of signed loans by the EIB	€6,08 billion at the end of 2010	Up to €8 billion of signed loans by 2013

⁴² On finished projects (not all projects will be finished by 2013)

⁴³ Based on EU financial contribution data as of 31/12/2009 (Source: Interim evaluation of EU FP7 transport research, notably within Theme 7 of the Cooperation Programme "Transport (including aeronautics)". European Policy Evaluation Consortium (EPEC), www.epec.info)

⁴⁴ Based on the "Consensus reports" for research projects established by the independent expert evaluators to rank the proposals. The scoring used for this indicator ranges from "very good" to "excellent" in this case.

⁴⁵ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain.

⁴⁶ The average duration of a project is between 3 and 5 years

⁴⁷ On finished projects (not all projects will be finished by 2013)

⁴⁸ The average duration of a project is between 3 and 5 years.

⁴⁹ On finished projects (not all projects will be finished by 2013)

⁵⁰ Primary credits including interest, not including EFTA and Third Country appropriations – since 2007.

08 10 : IDEAS

SPECIFIC OBJECTIVE 1		
To enhance the generation of excellent, innovative ideas in frontier research in Europe		
Result indicators	Latest known result	Target (result)
Number of international prizes and awards by grant holders ⁵¹	It is expected that the base line data be available at the end of 2011 when a substantial number of mid-term scientific reports will be on-hand and can be used to make reliable estimates	200 by 2020
Number of scientific publications by grant holders	It is expected that the base line data be available at the end of 2011 when a substantial number of mid-term scientific reports will be on-hand and can be used to make reliable estimates	~40-60 000 by 2020

08 11 : PEOPLE (This activity was transferred to DG Education and Culture during 2010)

SPECIFIC OBJECTIVE 1		
To realise free circulation of researchers as part of the 5th freedom		
Result indicators	Latest known result	Target (result)
Number of contacts ⁵² with EURAXESS Jobs Portal	> 36 000 unique visitors/month (for a total of > 377 000 page views ⁵³)	100 000 unique visitors/month by 2013
Number of individual contacts with EURAXESS Service Centres ⁵⁴	60 000 visitors/year (July 2010)	70 000 visitors/year by 2013
Number of countries involved in EURAXESS Link (Abroad) ⁵⁵	3 countries (USA, Japan, China)	7 by 2013

08 12 : CAPACITIES — RESEARCH INFRASTRUCTURES

SPECIFIC OBJECTIVE 1		
To optimise the access to research infrastructures in Europe		
Result indicators	Latest known result	Target (result)
Number of international scientific users having benefited from access to research infrastructures	On the basis of the estimated figures contained in the Grant Agreements, the current estimation would be 6 500 users/year at the end of FP7	Minimum of 30 000 users having direct access by 2013
Percentage of European research infrastructures having more than 50% of foreign users	32% in 2006 ⁵⁶	>32% by 2013
Percentage of users satisfied with services offered by research infrastructures participating in Integrating Activities ⁵⁷ ("good to very good" overall appreciation)	98%	>97%

⁵¹ The ERC will make a list of the international prizes and provide baseline figure for 2007 for EU researchers awarded such prizes.

⁵² Contacts = Unique Visitors. "Unique Visitor" refers to the number of visitors who visit a site during a certain period of reporting time (hours, days, one months); "unique visitors" can make more than one visit during a period, but they will only be counted once.

⁵³ Page Views refers to all complete pages displayed. Images, graphics and all other page components as well as pages accessed for indexing by search engines, robots and spiders etc, are not counted as page views.

⁵⁴ Former ERA-MORE Network, aiming at providing personalised and tailored assistance to researchers and their families (visa, housing, social security, taxation, fellowships...).

⁵⁵ Former ERA-Link: network aiming at linking European researchers abroad with the European Research Area

⁵⁶ Key Figures 2008 –p.121 – origin: Survey report available at http://ec.europa.eu/research/infrastructures/pdf/survey-report-july-2007_en.pdf

⁵⁷ Integrating activities aim to ensure that European researchers may have access to the best research infrastructures to conduct their research. Integrating activities also aim to better structure, on a European scale, the way research infrastructures operate, and to foster their joint development in terms of capacity and performance.

SPECIFIC OBJECTIVE 2		To encourage the creation of new research infrastructures of pan-European interest	
Result indicators	Latest known result	Target (result)	
Number of European research infrastructures identified in the ESFRI ⁵⁸ roadmap which have proceeded into the preparatory phase	45 at the end of 2010	44 by 2013	
Number of European research infrastructures identified in the ESFRI roadmap for which an agreement for the construction has been signed	12 at the end of 2010	17 by 2013	

08 13 : CAPACITIES — RESEARCH FOR THE BENEFIT OF SMALL AND MEDIUM-SIZED ENTERPRISES (SMES)			
SPECIFIC OBJECTIVE 1		To support SMEs in carrying out or outsourcing research and technological development	
Result indicators	Latest known result	Target (result)	
Number of SMEs/SME Associations investing in RTD through FP7	> 2 053 ⁵⁹ in 2010 (figure based on signed contracts)	> 20 000 by 2013	
Total budget spent by SMEs on outsourcing research in FP7	€520,4 million in 2010	€1.3 billion by 2013 ⁶⁰	
Percentage of SMEs having gained economic benefit from project participation	> 35% in 2010	100% by 2016	
SPECIFIC OBJECTIVE 2		To support the integration of national and regional programmes assisting SMEs in international RTD cooperation	
Result indicators	Latest known result	Target (result)	
Number of countries/regions involved in ERANETs (ERASME 2 and Cornet II)	15 countries in 2010 for Cornet II 16 countries for ERASME 2 in 2010	20 for Cornet II by 2010 25 for ERASME 2 by 2010	
Number of new transnational projects developed by ERANETs (Cornet II and ERASME 2) per call	Cornet II: 10 for call 9 (2010) ERASME 2: 12 for call 7 (2010)	Cornet II: 25 by 2010 ERASME 2: 40 by end 2010	

08 14 : CAPACITIES — REGIONS OF KNOWLEDGE			
SPECIFIC OBJECTIVE 1		To strengthen the research potential of European regions by developing or creating research driven clusters	
Result indicators	Latest known result	Target (result)	
Number of regions concerned by the support of existing clusters	100 in 2010	126 by 2013	
Number of regions concerned by the creation of new clusters	27 in 2010	28 by 2013	

08 15 : CAPACITIES — RESEARCH POTENTIAL			
SPECIFIC OBJECTIVE 1		To unlock and develop the research potential in the EU's convergence and outermost regions	
Result indicators	Latest known result	Target (result)	
Number of research centres in EU's convergence and outermost regions supported	126 projects (centres) have received funding under all relevant REGPOT calls in 2007, 2008, 2009 and 2010	140 centres by 2013	

⁵⁸ European Strategy Forum on Research Infrastructures (ESFRI) is a strategic instrument to develop the scientific integration of Europe and to strengthen its international outreach. ESFRI supports a coherent and strategy-led approach to policy-making on research infrastructures in Europe, and facilitates multilateral initiatives leading to the better use and development of research infrastructures, at EU and international levels.

⁵⁹ This figure refers to activity 8.13 Capacities-SMEs only

⁶⁰ €1,3 billion target includes expenses on Eurostars, support actions and public procurement under Research for the Benefit of SMEs/Associations, Capacities Specific Programme

08 16 : CAPACITIES — SCIENCE IN SOCIETY (SIS)		
SPECIFIC OBJECTIVE 1	To ensure that EU funded proposals comply with fundamental ethical principles	
Result indicators	Latest known result	Target (result)
Percentage of proposals passing the ethical review the first time	97,4% in 2010	100% by 2013
SPECIFIC OBJECTIVE 2	To promote a more open governance of scientific research, involving societal actors and organisations in research policy	
Result indicators	Latest known result	Target (result)
Number of members registered in SINAPSE ⁶¹	11 853 members (November 2010) 1 338 organisations (November 2010)	4 170 members by 2013 1 284 organisations by 2013
Percentage of Europeans considering that the public is sufficiently involved in decisions about science and technology	20% (EU-25) in 2005 ⁶²	22% by 2013
SPECIFIC OBJECTIVE 3	To modernise the management of universities, particularly in terms of increased autonomy	
Result indicators	Latest known result	Target (result)
Percentage of Member States providing institutional autonomy to universities	About 65% ⁶³	70% by 2013
SPECIFIC OBJECTIVE 4	To strengthen the role and participation of women in science in Europe and increase the number of young people entering careers in science, research and technology	
Result indicators	Latest known result	Target (result)
Number of tertiary graduates in science and technology	Physical sciences: 83 100 in 2007 ⁶⁴ Life sciences: 96 100 in 2007	Physical sciences: 99 935 by 2013 Life sciences: 105 340 by 2013
Proportion of scientists and engineers in the total labour force by sex in EU	Women EU-27 (2007): 1,7% Men EU-27 (2007): 3,6% ⁶⁵	1,7% of women by 2013 3,5% of men by 2013
Percentage of PhD graduates by sex in EU	Women EU-27 (2006): 45% Men EU-27 (2006): 55% ⁶⁶	% of female PhD by 2013: 50% % of male PhD by 2013: 50%
Percentage of women in Grade A positions in Europe	19% (2007)	25% by 2013
SPECIFIC OBJECTIVE 5	To promote an effective two-way communication between science and society	
Result indicators	Latest known result	Target (result)
Percentage of persons regularly reading articles on science in newspapers, magazines or on the Internet	19% (EU 25) in 2005 ⁶⁷	20% by 2013
Percentage of persons attending public meetings or debates about science or technology	2% (EU 25) in 2005 ⁶⁸	2,5% by 2013
Estimated cumulated audience of TV co-productions focused on science in the EU	64 million (documentaries) 240 million (Futuris video clips)	Target by 2013: 60 million viewers in the EU (per year)

⁶¹ SINAPSE (Scientific information and expertise for policy support in Europe) is an e-network whose basic aim is to make better use of expertise in policy-making and facilitate the emergence of new forms of governance by offering the possibility to easily involve a wide range of research actors (<http://ec.europa.eu/sinapse>)

⁶² Eurobarometer - Europeans, Science and Technology – June 2005 – p.98

⁶³ Key Figures 2008 – p.6

⁶⁴ Commission Staff Working Document – Progress Towards the Lisbon Objectives in Education and Training – Indicators and Benchmarks - 2009

⁶⁵ She figures 2009 – p.27

⁶⁶ She figures 2009 – p.49

⁶⁷ Eurobarometer - Europeans, Science and Technology – June 2005 – p.23. Updated figures will be available in the Eurobarometer 2010

⁶⁸ Eurobarometer - Europeans, Science and Technology – June 2005 – p.26

08 17 : CAPACITIES — INTERNATIONAL COOPERATION ACTIVITIES		
SPECIFIC OBJECTIVE 1	To increase cooperation between researchers in Europe and in third countries in the context of bilateral S&T cooperation agreements	
Result indicators	Latest known result	Target (result)
Participation ⁶⁹ of Third Countries with bilateral S&T cooperation agreements ⁷⁰ in the 7 th Framework Programme	6,6% in 2010	6% by 2013
SPECIFIC OBJECTIVE 2	To increase cooperation between researchers in Europe and in third countries in the context of bilateral S&T cooperation agreements	
Result indicators	Latest known result	Target (result)
Number of joint calls between Member States/Associated States research programmes in the field of international cooperation ⁷¹	4 in 2010	3 by 2011
Amount of joint trans-national funding mobilised for international cooperation ⁷²	€6,5 million in 2010	€15 million by 2011
SPECIFIC OBJECTIVE 2	To increase cooperation between researchers in Europe and in third countries in the context of bilateral S&T cooperation agreements	
Result indicators	Latest known result	Target (result)
Number of priorities identified through INCO-NET ⁷³ actions integrated into FP7 Thematic Work Programmes	34	50 by end of 2012

08 18 : CAPACITIES — RISK-SHARING FINANCE FACILITY (EIB)		
SPECIFIC OBJECTIVE 1	To increase the capacity of EIB to manage a larger volume of riskier European RTD actions	
Result indicators	Latest known result	Target (result)
Volume of RSFF supported loans and guarantees provided to European research infrastructures projects	€101 000 000 ⁷⁴ at the end of 2010	Up to €200 million by 2013 for covering of expected and unexpected losses of the loans
Amount of signed loans by EIB	€225 million at the end of 2010	Up to €2 billion of signed loans by 2013

08 19 : CAPACITIES — SUPPORT FOR COHERENT DEVELOPMENT OF RESEARCH POLICIES		
SPECIFIC OBJECTIVE 1	To increase the capacity of the EIB to manage a larger volume of riskier European RTD actions	
Result indicators	Latest known result	Target (result)
R&D intensity as percentage of GDP	1,9% GDP in 2008 (Reference: 1,85%, 2000)	3% of GDP by 2020
Global Expenditure on R&D (GERD) financed by government as percentage of GDP	0,64% GDP in 2008 (Reference: 0,64%, 2000)	1% of GDP by 2020
Global Expenditure on R&D (GERD) financed by business enterprise as percentage of GDP	1,04% GDP in 2008 (Reference: 1,04%, 2000)	2% of GDP by 2020

⁶⁹ Number of participations in FP7 projects resulting from calls included in Work Programmes related to the Specific Cooperation Programme

⁷⁰ In 2010, 19 S&T cooperation agreements in force between the EC and third countries (Argentina, Australia, Brazil, Canada, China, Chile, Egypt, India, Japan, Jordan, Korea, Mexico, Morocco, New Zealand, Russia, South Africa, Tunisia, Ukraine, the United States of America); all these countries have a BILAT project in place

⁷¹ Data based on ERA-NET and ERA-NET Plus actions

⁷² In 2010, 19 S&T cooperation agreements in force between the EC and third countries (Argentina, Australia, Brazil, Canada, China, Chile, Egypt, India, Japan, Jordan, Korea, Mexico, Morocco, New Zealand, Russia, South Africa, Tunisia, Ukraine, the United States of America); all these countries have a BILAT project in place

⁷³ This term includes 11 different regions: Western Balkan countries region, Mediterranean Partner countries region, Eastern European and Central Asia region, South Caucasus and Central Asia, Caribbean region, Pacific region, Gulf countries, Central America, Latin America region, Africa and the Caribbean Pacific region and Asia region

⁷⁴ Primary credits including interest, not including EFTA and Third Country appropriations – since 2007

percentage of innovative companies cooperating with universities/higher education institutes (HE) or other public research organisations (PRO)	With universities/HE: 8,8% Other PROs: 5,7% (EU 27) ⁷⁵	With universities/HE: 12% by 2010 Other PROs: 7% by 2010
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08 20 : EURATOM — FUSION ENERGY

SPECIFIC OBJECTIVE 1	To develop a prototype fusion power station that is safe, sustainable, environmentally responsible, and economically viable by advancing the knowledge base and realising ITER as the major step towards this goal	
Result indicators	Latest known result	Target (result)
Degree of realisation of ITER	<ul style="list-style-type: none"> Site preparation: 100% site levelling completed, temporary office building handed over to ITER Organisation, the first works for the excavation of the complex Tokamak building and for the first building to be constructed on the ITER site, the winding facility for the Poloidal Field Coils, started in July 2010. Important contracts signed, such as the Architect Engineer one (worth approximately €150 million) for ITER Buildings and Civil Infrastructures and the one (worth approximately €150 million) for the fabrication of ten winding packs for the ITER Toroidal Field (TF) Coils. 14 procurement arrangements have been signed between ITER and Joint Undertaking 'Fusion for Energy' for the value of about 70% of the expected EU in-kind contribution to ITER. Joint Undertaking 'Fusion for Energy' signed about 60 contracts and about 50 grants in preparation for the in-kind contributions to the ITER project. ITER Design review done, Baseline approved in July 2010. Formal request for the construction permit/license sent by ITER Organisation to French authorities in February 2008. 	Final schedule for ITER construction has not been adopted yet by the Council of the ITER International Organisation. The ITER Council decision on the project scope, schedule and costs is expected during 2010. Present estimates aim at completion of construction by the end of the decade, with progressive experimentation leading to full performance (burning plasma operations) starting within the next 5 to 6 years
Number of fusion researchers and engineers trained	Since the start of FP7, Goal Oriented Training projects of 3-year duration and Fusion Researcher Fellowships (2 years) have been launched for a total of 111 researchers and engineers, corresponding to 304 PPY of training	At least 150 researchers/engineers obtaining high-level skills and/or academic qualifications by 2011
Number of scientific publications by European fusion research laboratories	+/-2 000 articles published in the peer reviewed journals ⁷⁶	Maintain the level of publications at approximately 2 000 per year

08 21 : EURATOM — NUCLEAR FISSION AND RADIATION PROTECTION

SPECIFIC OBJECTIVE 1	To generate new knowledge in all top priority areas in nuclear fission and radiation protection	
Result indicators	Latest known result	Target (result)
Coverage of areas being granted highest priority in the Specific Programme	100%	100% by 2011
Percentage of proposals which successfully addressed the criteria of scientific and/or technological excellence ⁷⁷	61%	66% by 2011

⁷⁵ This data refers to the period 2002-2004 (Community Innovation Survey 4) as data collection for further CIS is still not completed

⁷⁶ Preliminary estimation

⁷⁷ Based on the consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is very good to excellent

Percentage of projects that achieved, or even exceeded, all expected objectives ⁷⁸	Data not yet available	75% ⁷⁹ by 2011
SPECIFIC OBJECTIVE 2	To promote transformation of research results into industrial applications and/or increased protection of man and the environment	
Result indicators	Latest known result	Target (result)
Percentage of proposals which successfully addressed the criterion of dissemination and use of project results ⁸⁰	68%	75% by 2011
Percentage of projects showing evidence that they will produce significant scientific, technical, commercial, social or environmental impacts	Data not yet available	90% ⁸¹ by 2011
Percentage of projects with publications in peer reviewed journals	Data not yet available	50% by 2011
Percentage of projects which generate one or more patent application ⁸²	Data not yet available	10% by 2011
Percentage of industrial participation in the projects ⁸³	Data not yet available	20% by 2011

08 22 : COMPLETION OF PREVIOUS FRAMEWORK PROGRAMMES AND OTHER ACTIVITIES		
SPECIFIC OBJECTIVE 1	To enhance previous Framework Programmes outputs through exploitation and dissemination of results	
Result indicators	Latest known result	Target (result)
Percentage of results published in the CORDIS database under FP6/FP5	33,04%	70% by 2013

08 23 : RESEARCH PROGRAMME OF THE RESEARCH FUND FOR COAL AND STEEL		
SPECIFIC OBJECTIVE 1	To enhance the generation of new knowledge in coal and steel with practical relevance at EU level	
Result indicators	Latest known result	Target (result)
Percentage of selected proposals with "very good to excellent" scientific and technical approach ⁸⁴	36,5% (2009 RFCS call)	80% by 2013
Percentage of selected proposals with a "very good to excellent" innovative content ⁸⁵	36,5% (2009 RFCS call)	80% by 2013
Percentage of selected proposals with "very good to excellent" Community added value ⁸⁶	53,8% (2009 RFCS call)	80% by 2013
SPECIFIC OBJECTIVE 2	To promote the transformation of research results into commercial and industrial applications	
Result indicators	Latest known result	Target (result)
Percentage of participation of industrial beneficiaries in RFCS ⁸⁷ projects	31,2% (2009 RFCS call)	60% by 2013

⁷⁸ This is a subset of successful projects: other projects might have achieved most of their objectives and therefore provide a valuable input to the research and innovation chain

⁷⁹ On finished projects (not all projects will be finished by 2011)

⁸⁰ Based on the consensus report for research projects established by the evaluators to rank the proposals. The scoring used for this indicator is "very good to excellent"

⁸¹ On finished projects (the majority of projects will not be finished by 2011)

⁸² In the field of Nuclear Fission and Radiation Protection, the intellectual property acquired during the project implementation could result in patent applications not only during the lifetime of the project and Euratom Framework Programme, but also in the 10-15 years after the end of the project

⁸³ Excluding Radiation Protection

⁸⁴ See results in Coal and Steel individual evaluation form (criterion 1)

⁸⁵ See results in Coal and Steel individual evaluation form (criterion 2)

⁸⁶ See results in Coal and Steel individual evaluation form (criterion 5)

⁸⁷ Research Fund for Coal and Steel