

# STAKEHOLDERS' WORKSHOP ON FURTHER SIMPLIFICATION

## Conference Report

*Brussels,  
20 October 2017*

Organised by the Common Support Centre,  
Business Processes unit,  
European Commission, DG Research & Innovation.

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## **Executive summary**

Research and Innovation plays a capital role in helping Europe to achieve its policy goals, and specially to create sustainable growth and jobs. For reaching our policy goals, we need to attract the best scientists and the most innovative companies. This requires a programme with clear and simple rules, efficient and speedy processes.

Simplification has been at the heart of Horizon 2020, which has been a pioneer among EU funded programmes, as shown in the presentation "Simplification as a priority for the European Commission, in view of the Post-2020 Multiannual Financial Framework Package and the revised Financial Regulation". The drive for simplification should continue, and there is a lot to be done in view of the upcoming Framework Programme.

The main aim of this workshop was opening a dialogue with stakeholders on further simplification of the different processes related to the programme implementation in view of FP9. The first step of an open discussion to be continued in the coming months intimately linked to the preparation of FP9.

Conference participants included 45 external participants representing 29 European research organisations, as well as the Court of Auditors. An additional 40 viewers followed the event live via web-streaming.

The event was very successful, the audience was highly interested and involved in the debate, and participants confirmed their satisfaction with the radical simplification under H2020. While there is room and willingness to progress into further simplification, this is considered mainly as part of programme implementation, rather than through the development of new rules for participation including the funding model.

Accountability and audits are among the areas where some changes leading to substantial progress seem feasible. A thorough analysis of the proposal submission and the evaluation processes could also lead to further simplification measures. The current reporting system and the requirements regarding dissemination and exploitation were also discussed in detail. In relation to the Funding Model and the Grant Agreement, stakeholders recommended improving the AGA and guide for applicants, over the path of standardisation, and reduction of existing grant agreements.

The conference conclusions distil and condense the feedback received during the different sessions of the workshop, and set out the direction in which further steps could be taken towards further simplification, in the context of the preparation of the next research and innovation programme.

## 1. Operational Conclusions

The workshop was concluded by Anna Panagopoulou and Kurt Vandenberghe who thanked all participants for getting engaged in this dialogue with stakeholders, NCPs, and other external counterparts to be continued in the coming months. They highlighted the need to continue investing on research and innovation to promote sustainable growth in the EU. FP9 shall bring new innovation, obviously in its design and contents, as well as on implementation and rules for participation.

The following points provide an overview of the main issues and recommendations emanating from the workshop. A more detailed presentation of issues discussed in the parallel sessions is included in section 4, and Annex 3 of this report.

- Participants expressed their appreciation for the simplification measures introduced throughout H2020, and the need to consolidate them.
- Although there is room and willingness to progress into further simplification, participants were supportive of changes coming from programme implementation elements, rather than from drastic changes of the current rules for participation.
- In particular, external stakeholders strongly recommend keeping the existing funding model, with a single funding rate per project and a flat rate for the indirect costs, despite the fact that they involve significant administrative burden.
- The Model Grant Agreement is positively perceived, though more efforts are needed for simpler navigation and interface. A more user-friendly, web-based Annotated Grant Agreement (AGA) will be made available by the Commission.
- Stakeholders welcome testing simplified forms of funding, such as the Lump Sum pilot, or the use of unit costs for personnel costs. However, they are cautious regarding a broad extension of the simplified cost options under FP9. There is clear preference for continuation of cost reimbursement
- Beneficiaries ask for broader acceptance of usual cost-accounting practices and for the introduction of the single audit principle/cross-reliance on audits. However, no concrete ideas and suggestions were brought forward on the practical implementation of these principles. The issue is earmarked to continue the discussion in the coming months. Therefore, the Commission will set up a dedicated Experts Group
- Further shortening of the TTG, project reporting and improvements to the submission and evaluation processes, are among the areas where there seem to be larger margin for simplification at implementation level. The Commission and stakeholders agreed to undertake a thorough assessment of these processes in view of getting them more agile.

- There is a shared perception by beneficiaries and the Commission that the current reporting system does not automatically lead to the highest quality dissemination and exploitation. Innovative channels for dissemination and exploitation are needed to boost R&I dissemination and exploitation.

## **2. About the conference**

The Stakeholders' Workshop on "Ideas for further simplification of the implementation of the R&I Framework Programmes" took place on 20 October 2017.

Building upon the conference on simplification that Commissioner Moedas had in February 2017, the event was designed as the first step of a dialogue with stakeholders, on further simplification of the different processes related to the programme implementation in view of FP9.

### **2.1. Conference objectives**

The main purpose of the meeting was having an open discussion with practitioners at working level, going through the technical details of the processes, documentation and guidance for R&I grant implementation, in the context of the preparation of the 9<sup>th</sup> Framework Programme.

### **2.2. Conference format**

The conference took the form of full 1-day event. It combined plenary and parallel sessions, in view of allowing an in depth assessment and discussion on the processes and different elements of the Programme implementation:

- a plenary session in the morning: including an opening address, delivered by Anna Panagopoulou, Director of the Common Support Centre/DG RTD, followed by presentations on "Simplification: a priority for the European Commission" by Olivier Waelbroeck, Director of DG BUDG, and the "Lump Sum Pilot" by Peter Haertwich, DG RTD/Common Support Centre;
- 2 parallel sessions in the morning: *"Easing access to FP9"* and *"Ex-ante and ex-post control"*;
- 2 parallel sessions in the afternoon: *"Reducing administrative burden"* and *"Can the existing Funding Model be further simplified?"*;
- conclusion and closing remarks, given by Kurt Vandenberghe, Director of Policy Development and Coordination, and Anna Panagopoulou.

A summary of the discussions and conclusions of the different sessions is presented in the following chapters. For more detailed information, Annex 3 contains the presentation of conclusions by each rapporteur.

The event may be viewed here: <https://livestream.com/corlive2/events/7827355>

### 2.3. Participants

The Commission's invitation to the selected stakeholders was accepted by a large majority of them, so that the event was very well attended. The participants represented 29 European umbrella organisations representing the actors in Horizon 2020 (universities, research organisations, industry, SMEs). Representatives of the European Court of Auditors were also present.

The full list of onsite participants is attached (Annex 2). An additional 40 viewers followed the event live via web-streaming.

### 3. Morning Plenary Session

The Opening Address was given by **Anna Panagopoulou** who set the scene of the workshop. She stressed the major simplification steps already made in the context of H2020, a front-runner programme at Commission level. However, there are many areas in H2020 with potential for improvements towards FP9. She underlined that the Commission is interested in receiving stakeholder feedback, and that the workshop was the first step of a process in view of the preparation of FP9, and encouraged the audience to share their views.

**Olivier Waelbroeck**, from the Directorate General of Budget spoke about the Simplification as a priority for the European Commission, in view of the Post-2020 Multiannual Financial Framework Package and the revised Financial Regulations.

He stressed the Commission's objective of reducing the complexity of the rules, in particular complying with reporting and monitoring requirements, that leads to significant delays in project execution. Experience demonstrates that the complexity of the rules leads to more errors and cost for final recipients, increasing the risks of non-compliance.

H2020 was recognised as a front-runner on simplification, which has inspired a substantial number of simplification measures that are now being extended to other EU-funded programmes, such as the e-governance or the single web portal.

He presented the "Omnibus proposal" focused on Simplification and Flexibility, whose adoption by the European Parliament and the Council is expected by the end of 2017. The main simplification objectives and the concrete changes to the EU Financial Rules, that it will bring can be summarised as follows:

- *Simpler rules for recipients of EU funds*: remove non-cumulative award check for low-value grants, remove non-profit principle, increase the use of lump sums, recognise volunteer work
- *Single audit principle, from multiple layers of controls to cross reliance*: rely more on procedures used by the EU Commission's implementing partners (where they guarantee an equivalent protection of EU financial interest)
- *Alignment of rules across EU funded programmes and funds*: Apply a single set of rules to combinations of measures or instruments
- *Performance based payments*: base payments on output and results achieved

Increasing interoperability of different instruments & management modes was underlined as a major challenge for the Commission in the coming years. This will require facilitating combination and synergies between Structural funds, EU financial Instruments & EFSI, and Financial instruments and

grants. A single set of simpler rules applicable to all EU-funded programmes is a necessary enabler to progress in the path of simplification.

In view of the on-going work for the preparation of FP9, and in particular of the Rules for Participation, Olivier Waelbroeck stressed the following guiding principles: Future financial rules should not duplicate the Financial Regulation; Overregulation should be avoided to preserve flexibility and adjustment capacity to evolution; the use of simplified costs options should be promoted and combination of funds should be facilitated.

**Peter Haertwich** from the Common Support Centre presented the main elements and methodology of the Lump Sum pilot. In the debate that followed the presentation, stakeholders recognised the potential that this simplified form of funding could bring to the research arena. Nevertheless, they recommended getting a good understanding of its practical implementation, prior to a more extensive use under FP9.

#### **4. Main outcomes of the parallel sessions**

The parallel session "**Easing Access to FP9: Simplifying proposal Submission, Novel Ways to Evaluation and Selection, Towards a more efficient Grant**" was animated by Alan Cross from DG RTD, with Katie Price (League of European Research Universities, LERU) as rapporteur. The session reviewed these processes, putting the main focus on the following issues:

- *Submission*: There was a mixed reception of the idea of 2-stage submission mainly depending on its real value according to thematic areas and the quality of feedback received from stage 1. In relation to the templates, participants called for more guidance, similar to the existing one for MSCA and ERC.
- *Evaluation*: Existing award criteria are positively perceived by beneficiaries, although it was proposed considering weighting according to areas and instruments. On the contrary, the average quality of feedback is put into question, and it is recommended to consider improvement measures. Other issues discussed regarding evaluation included multi-step evaluation process, blind evaluation and interaction between applicant and experts.
- *Grant agreement preparation*: It is recognised as a critical stage in the process and measures to improve are welcomed by beneficiaries.

In addition, several new ideas were put on the table, such as the continuous submission for bottom up programmes, or novel forms of proposing other than by written.

The parallel session "**Ex-ante and ex-post control: Accepting usual accounting practices of the beneficiaries**" was animated by Marina Zanchi from DG RTD/CSC with Muriel Attané (European Association of Research & Technology Organisations, EARTO) as rapporteur. Main issues discussed included:

- *Accepting beneficiary's usual accounting practices*: Although it offers substantial potential for simplification it would require require a resource-intensive ex-ante certification of beneficiaries' accounting practices. Internal invoices is a good example of the limitation imposed to the simplification by the actual cost requirements.
- *Cross reliance on audits*: the implementation of cross-reliance with national audits would require one set of rules. A possible base to overcome the non-existence of a single set of

rules could be the reciprocity developed through a bilateral agreement between MS, which unfortunately, does not exist today.

- *Other ideas to explore* included synergies between multiple layers of controls, certificate on Financial Statement and improvement of quality.

In general, stakeholders are very keen to be involved in exploring possible measures of simplification in this issue.

The parallel session "**Reducing administrative burden: How to develop efficient reporting, dissemination & exploitation?**" was animated by Isabel Vergara and Ioannis Sagias from DG RTD/CSC with Annika Eberstein (DIGITAL EUROPE) as rapporteur. The main issues discussed and conclusions include the following:

- *Deliverables*: Participants agreed that no single policy can be applied in this respect. The amount and type of deliverable per project will depend on the funding model. In any case, there is a perception that the average (current) number of deliverables per project could be reduced.
- *Reporting needs*: There was a general agreement among participants that the Commission should provide clear guidance in this field.
- *Definition of impact*: The definition currently applied should be extended beyond economic impact, to include societal aspects as well. Furthermore, the re-definition of KPIs is crucial to distinguish deliverables and outputs.
- *Reporting on dissemination and exploitation*: There is a shared perception by beneficiaries and the Commission that the current reporting system does not automatically lead to the highest quality dissemination and exploitation. Participants called for a more structured reporting in this field.
- *Innovative channels for dissemination and exploitation* are needed to boost R&I dissemination and exploitation. The possibility of using Coordination & Support Actions to disseminate portfolios of project results could be explored.

The parallel session "**Can the Existing Model be further simplified?**" was animated by Reinhard Schulte from DG RTD/CSC with Enora Pruvot (European University Association, EUA) as rapporteur. Main issues discussed and conclusions can be summarised in the following points:

- On the *Funding Model*, and whether it should be further simplified: the single funding rate and a flat rate for indirect costs are recognised as good improvements regarding simplification, despite the fact that they still involve significant administrative burden, and imply some complexity for the eligibility of some costs (e.g.: personnel and infrastructure costs). It is recommended to look for an easier acceptance of some internal costs (such as large research infrastructure).
- The *Annotated Grant Agreement* is positively perceived, though more efforts are needed for simpler navigation and interface. Additional shorter and more accessible information targeting newcomers should also be developed.

Generally speaking, the use of more "simplified forms of funding" is positively perceived, though as options for beneficiaries. There is a general agreement among beneficiaries, that "one-size-fits-all" does not generally work. Implementation of unit costs for personnel cost of researchers seems difficult; however the discussion would need more fine-tuning.

## **5. Conclusions and closing session**

**Kurt Vandenberghe** (DG RTD) underlined the need to continue investing on research and innovation: H2020 has proven to be an asset to promote sustainable growth in the EU as highlighted in the Council Conclusions. He referred that, although the Lamy report stresses the big progress made in simplification through H2020, there is room for further simplification. The path towards simplification is not always simple and easy, and indeed "simple does not equal simplistic". Nevertheless, simplifying the funding landscape is one of the big challenges for FP9.

FP9 is expected to be a more mission oriented R&I programme compared to its predecessors. This will require defining impacts, less prescriptive call for proposals, fewer research topics, room for more experimentation, and a trade-off between flexibility and harmonisation.

Evaluation has to be modernised, and probably be shaped to the different programme pillars, and in this respect, the evaluation of the mission oriented part of the work programme should be carefully thought and designed to achieve its specific objectives.

He concluded with a reference to the simplification potential in the field of audits. There seems to be an agreement, that there is margin for further simplification in relation to audits. However, the first step into this direction would be having a common understanding of what do we mean by "acceptance of the own cost-accounting practices".

**Anna Panagopoulou** closed the event with the following reflections:

The Stakeholders' workshop is a first step in the dialogue with stakeholders, NCPs, and other external counterparts, to be continued in the coming months.

FP9 shall bring new innovation, obviously in its design and contents, as well as on its implementation and rules for participation.

Accountability is crucial. A thorough assessment and common understanding of what needs to be done in the field of audits should probably be one of the priorities for further simplification in view of the upcoming 9<sup>th</sup> Framework Programme.

Additional priorities for future assessment highlighted during the event included improving the evaluation process and enlarging the services offered via the Participant Portal. The Commission, she added, will continue analysing these issues together with the stakeholders.

## Annex 1: EVENT PROGRAMME

### Stakeholders Workshop on ideas for further simplification of the implementation of the R&I Framework Programmes

Brussels 20 October 2017

**Venue:** Committee of the Regions, Jacques Delors Building, rue Belliard 99 – 101, Room JDE 52, 1040 Brussels

**Programme:**

09.30 Registration & Welcome coffee

10.00 Opening address (A. Panagopoulou, DG RTD)

10.10 *“Simplification: a priority for the European Commission”*  
(O. Waelbroeck, DG BUDG)

10.30 Session 1: *“The Lump Sum Pilot”* (P. Haertwich, DG RTD)

11.15 Morning breakout sessions:

Stream I: *“Easing access to FP9”: Simplifying Proposal submission, Novel ways to evaluation and selection, Towards a more efficient Grant preparation”* (A. Cross, DG RTD)

Rapporteur: Katie Price (League of European Research Universities, LERU)

Stream II: *“Ex-ante and ex-post control: Accepting usual accounting practices of the beneficiaries?”* (M. Zanchi, DG RTD)

Rapporteur: Muriel Attané (European Association of Research & Technology Organisations, EARTO)

12.45 Networking lunch

14.00 Afternoon breakout sessions:

Stream I: *“Reducing administrative burden”: How to develop efficient reporting, dissemination, exploitation”* (I. Vergara & I. Sagias, DG RTD)

Rapporteur: A. Eberstein (DIGITAL EUROPE)

Stream II: *“Can the existing Funding Model be further simplified?”* (R. Schulte, DG RTD)

Rapporteur: Enora Pruvot (European University Association, EUA)

- 15.30 Coffee break
- 16.00 Plenary session: Reports from parallel sessions by rapporteurs
- 16.30 Conclusions and Closing (K. Vandenberghe, DG RTD)

### ***Outline of Parallel Sessions:***

#### **“The Lump Sum Pilot”**

The Lump Sum pilot will soon be launched under H2020. The pilot will test two options for lump sum funding in 2018, in view of drawing lessons for FP9.

At the moment in which the work programme 2018-2020 has just been adopted, and the calls to which the two topics belong, are to be launched, an open discussion on the practical functioning of this cost reimbursement scheme seems very appropriate.

#### **“Easing access to FP9”: Simplifying Proposal submission, Novel ways to evaluation and selection, Towards a more efficient Grant preparation”**

Preparation and submission of proposals is still perceived as burdensome, in particular by newcomers and small actors. Stakeholders should express their view on the current requirements for proposals and identify possibilities for further reduction of the effort for preparing and submitting proposals.

The quality, speed and feedback to applicants in the evaluation process are subject to some criticism by stakeholders. Participants of the workshop should be asked to express their views on these concerns and to present ideas for further improvements.

#### **“Ex-ante and ex-post control: Accepting usual accounting practices of the beneficiaries?”**

There is an intensive debate regarding the most appropriate (and less burdensome) approaches to control. In particular, the concepts of cross-reliance on audits and of acceptance of beneficiaries' usual accounting practice require clarification for practical implementation. Listening to stakeholders' views and expectations in this respect could be an extremely useful input to consider for the preparation of FP9.

#### **“Reducing administrative burden”: How to develop efficient reporting, dissemination, exploitation**

The aim of the upcoming Framework Programme is adapting reporting and monitoring requirements, limiting when possible the number of KPIs, building on existing indicators, and focusing on impact indicators. A balance between (necessary) reporting, and no increase of the administrative burden has to be found.

Dissemination and exploitation of research results should be a key activity of all projects to maximise the added value of the R&I programme. Besides the work to be undertaken by individual projects, there is margin for the valorisation of portfolios of results. A dissemination and communication strategy should be part of each project, and followed through each milestone. However, stories to be told should be accessible to non-scientists: Which are the stakeholders' views to incentivise the report on impacts?

### **“Can the existing Funding Model be further simplified?”**

H2020 achieved a major progress simplifying the funding rules taking into account stakeholders' views. However, the question, on if and how the existing Funding Model can be further simplified is extremely appropriate at the moment of discussing how FP9 should be built.

In particular, the AGA (Annotated Grant Agreement) is recognised by different stakeholders a major achievement of H2020. However, there is certainly margin to improve it, as well as the support given to beneficiaries for its correct use via the Participant Portal. The objective of this session is having a discussion on the existing AGA and other documentation and guidance and how to improve it.

Furthermore, besides the General MGA, there is a relatively large number of specific MGAs for actions falling under other frameworks (ERC MGAs, ERA-NET MGAs, SME Instrument MGAs, etc.): Is this a useful approach for beneficiaries? Should we aim at a reduction of the number of grant agreements?

## Annex 2: List of participants

Stakeholder organisation/	Participant
ACARE - Advisory Council for Aviation Research and Innovation in Europe	Ms Sylvie Regnier
ACARE - Advisory Council for Aviation Research and Innovation in Europe	M. Ruben Alblas
AENEAS	Mr Jan van den Biesen
ASD – AeroSpace & Defence Industries Association of Europe	M. Thibaud Labreton
ASD – AeroSpace & Defence Industries Association of Europe	Ms Véronique Robineau
BUSINESSEUROPE	M. Jan Bambas
Cefic - European Chemical Industry Council	M. Henk Pool
Cefic - European Chemical Industry Council	Mr. Thierry Collard
CERN - European Organization for Nuclear Research	M. Pablo Garcia Tello
Coimbra group	Ms Doris Alexander
Coimbra group	Ms Angela Noble
DIGITALEUROPE	Ms Annika Eberstein
EARMA - European Association of Research Managers and Administrators	Ms Esther Philips
EARMA - European Association of Research Managers and Administrators	M. Nik Claesen
EARTO - European Association of Research and Technology Organisations	Ms Muriel Attané
EARTO - European Association of Research and Technology Organisations	Ms Sophie Viscido
ECIU - European consortium of Innovative Universities	Ms Olga Wessels
ECRA - European Climate Research Alliance	M. Valerio Abbadessa
ECRA - European Climate Research Alliance	Ms Annika Thies
EFPIA - European Federation of Pharmaceutical Industries and Associations	M. Nicholas Creff
EIRMA - European Industrial Research Management Association	Ms Elisa Gastaldi
EIROforum - European Intergovernmental Scientific Research Organisations	M. Domagoj Stritof
EIROforum - European Intergovernmental Scientific Research Organisations	M. Pablo Tello
ERRIN - European Regions Research and Innovation Network	Ms Anett Ruszanov
ERTRAC - European Road Transport Research Advisory Council	M. Xavier Aertsens
EUA - European University Association	Ms Enora Pruvot
EUA - European University Association	Ms Veronika Kupriyanova
EUCAR (European Council for Automotive R&D)	M. Stefan Deix
EURESEARCH	Ms Christine Poupa
European Court of Auditors	Ms Daniela Hristova
European Court of Auditors	M. Vazquez Rivera Juan
European Court of Auditors	Ms Charline Binard
EYIF - European Young Innovators Forum	M. Louis Papaemmanuel
IDEA	Ms Eva Haas
IGLO	Ms Inga Benner

Stakeholder organisation/	Participant
IGLO	Ms Natacha Wittorski
LERU - League of European Research Universities	Ms Katie Price
LERU - League of European Research Universities	M. Christian Jäger
Science Europe	Ms Mathilde Reumaux
Science Europe	Dr Anne Hoener
SEA Europa	M. Dario Bazargan
TAFTIE - The European Network of Innovation Agencies	Ms Martina Krepelkova
THALES Group	Ms Laila Gide
The Guild	M. Martijn Gerretsen
The Guild	M. Helmut Schaschl

## **Annex 3: Conclusions from the Parallel Sessions by rapporteurs**

Stream I - Parallel session 1: "Easing Access to FP9: Proposal submission, Novel ways to evaluation & selection, Towards a more efficient Grant Preparation"



### **Main issues discussed**

#### **2-stage submission: mixed reception**

- depending on thematic area: TTI, effort 1st stage, level of prescription in topic
- real chance in stage 2
- useful (individual) feedback stage 1

#### **Templates: mixed reception**

- need for more guidance (GfA like in MSCA, ERC)
- need to show how impact is differentiated in WP

#### **Award criteria: positive**

- 3 crit. OK, consider weighting according to area/instr.

#### **Feedback: criticism**

- perceived quality issues (SME, MSCA mentioned)
- reasons for rejecting high-scoring proposals
- individual feedback at stage 1 preferred
- resubmission needs attention

2

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## Main issues discussed

### Multistep evaluation process: **mixed opinions**

- to cover all areas of expertise required
- bigger pool of experts needed
- transparency
- feedback at each step (TTI)
- some called for comprehensive evaluation (no premature elimination)

### Blind evaluation: **mixed opinions**

- facilitate newcomers/EU13
- multistep: in later step consortium must be known
- risk for selecting proposals that are not credible (if consortium turns out to be weak)

### Interaction applicant-experts: **positive**

- increase quality of evaluation
- after selection **to be efficient**

1

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## Main issues discussed

### Grant Agreement Preparation: **critical**

- scientific/technical expertise of ethical experts  
(in lump sum session: recommendations on the proposed budget might make process of GAP and finalisation of consortium agreement more laborious)

### New ideas

- continuous submission for bottom-up programmes
- novel form of proposing other than by written proposals (eg pitching)

### Conclusion

**No "one size fits all"-solution => strike the right balance between flexibility vs. coherence/efficiency**

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**Stream II - Parallel session 1: "Ex-ante and ex-post control: Accepting usual accounting practices of the beneficiaries?"**



## **Usual accounting principles and cross reliance**

*Rules from national funding scheme vs EU RfP*

- *How to tackle equality of treatment? Still an open issue*
- *National accounting systems developed by the sector, negotiated with the government, seem to exist*
- *Some MMSS are issuing their rules mirroring the EU ones: is harmonisation the way for the future?*

## Usual accounting principles and cross reliance

*Accepting beneficiary's accounting principle/practices (e.g. in defining a unit cost – analytical accounting)*

- *Ex ante certification of beneficiaries' accounting practices (ex. LRI and Comuc)*
- *Internal invoices: good example but there are still some conditions due to the actual costs requirements*

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## Usual accounting principles and cross reliance

*Cross reliance on audits*

- *EP refusing national audits in case of ECSEL JU – is the political layer ready to endorse the trust based approach?*
- *National audits: only possible if one set of rules*
- *Example of reciprocity developed in a bilateral agreement between France and US*

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## Usual accounting principles and cross reliance

*Other ideas to further explore*

- *Lessons learnt exercise from the first H2020 audits*
- *Multiple layers of controls – Certificate on Financial Statement – improvement of quality and possible cross reliance*
- *Communication and training are key*

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**Stream I - Parallel session 2: "Reducing administrative burden: How to develop effective reporting, dissemination, exploitation"**



## **Conclusions**

- ✓ Deliverables will depend on the funding model
- ✓ Number of deliverables: there is a feeling by beneficiaries that they have to produce a certain number of deliverables (to justify the funding received etc.) although that might not be the case on the side of the Commission
- ✓ Ball is in the Commission court to give clear guidance on the reporting needs
- ✓ Clearer definition is necessary for what constitutes a deliverable or output – how is this linked to the definition of impact

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## Conclusions

- ✓ *Definition of impact (broaden and be more inclusive, so it is not only economic but also societal benefits) and re-definition of KPIs, stakeholder consultation is necessary*
- ✓ *More innovative channels for dissemination and exploitation*
- ✓ *We should not put all responsibility for communication and dissemination on individual projects but use Coordination and Support Actions (portfolio of project results)*
- ✓ *Use national funding and structural funds for dissemination*
- ✓ *More structured reporting on dissemination & exploitation*

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Stream II - Parallel session 2: "Can the existing Funding Model be further simplified?"



**Main issues discussed**

<b>Funding model</b>	<ul style="list-style-type: none"><li>• Has the H2020 model improved the situation compared with FP7 regarding simplification and access to funding?</li></ul>
<b>Annotated Grant Agreement</b>	<ul style="list-style-type: none"><li>• Are the current guidance documents adequate?</li></ul>
<b>Should the funding model be further simplified?</b>	<ul style="list-style-type: none"><li>• Should we have more lump sums, unit costs and flat rates?</li></ul>

## Conclusions

### ⇒ H2020 FUNDING MODEL

- Single funding rate and indirect cost flat rate have been good improvements regarding simplification
- ...but they implied some complication for the eligibility of some types of costs (e.g. infrastructure costs) and they still involve significant administrative burden
- Also they were not necessarily an improvement in the context of Joint Undertakings – special case –
- Need to look for an easier acceptance of some internal costs (e.g. large research infrastructure).

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## Conclusions (II)

### ⇒ Annotated Grant Agreement

- Positively perceived; very good for experts
- ... but we would need something simpler besides for newcomers not to be scared off
- If the rules are simplified, the AGA will also be simpler
- More efforts are needed for a simpler navigation and interface

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## Conclusions (III)

- ⇒ **Should we use more 'simplified forms of funding'?**
- Yes, but as options for the beneficiaries to take account of diversity
  - Unit costs for researchers may be difficult to be implemented, it would also need some fine-tuning
  - One-size-fits-all does not always work
  - Why not a lump sum for management?
  - Look for opportunities of accepting national rules
  - For new forms of funding, better to have pilots first

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## Conclusions - final

### Less

- Changes in the rules over the implementation of the programme
- Not need to go too much into 'standardisation' to get simplification

### Keep

- The AGA and guide for applicants: they are needed !
- Adding explanations for the issues that are not yet fully clear

### More

- Training for Project Officers to enhance common interpretation
- Information to be provided in the reports on evaluation
- Improve communication regarding novelties (e.g. in AGA or PP)
- Assessing the possible acceptance of national practices
- Improve navigation/interface of the Annotated Grant Agreement
- Think about 100 % funding for management

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