

COMMISSION DECISION

of 9 December 2010

amending Decision C(2007) 2286 on the adoption of ERC Rules for the submission of proposals and the related evaluation, selection and award procedures for indirect actions under the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013)

(Text with EEA relevance)

(2010/767/EU)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EC) No 1906/2006 of the European Parliament and of the Council of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007 to 2013) ⁽¹⁾, in particular Article 16(3) thereof,

Whereas:

- (1) By Decision C(2007) 2286 of 6 June 2007, the Commission adopted the rules for the submission of proposals to the European Research Council (ERC) and the related evaluation, selection and award procedures for indirect actions under the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013) ('ERC Rules').
- (2) By Decision C(2007) 4429 of 27 September 2007, the Commission amended those rules.
- (3) On the basis of the experiences gained during the first ERC calls of 2007, 2008 and 2009, and taking into account the changes introduced in the legislation of the European Union or expressly requested by the ERC Scientific Council, Decision C(2007) 2286 should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

The ERC Rules for the submission of proposals and the related evaluation, selection and award procedures for indirect actions

under the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013) adopted by Decision C(2007) 2286 are replaced by the rules in Annex.

Article 2

1. The ERC Rules for the submission of proposals and the related evaluation, selection and award procedures of indirect actions under the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013) shall apply to all ERC calls for proposals published from the date of entry into force of this Decision.

2. The provisions on the appointment and reimbursement of independent experts and Principal Investigators invited for an interview, as laid down in the model appointment letters adopted by the Commission as well as in section 3, and Annexes B, and C to the ERC Rules for the submission of proposals and the related evaluation, selection and award procedures of indirect actions under the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013) shall apply from the date of entry into force of this Decision.

Article 3

This Decision shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

Done at Brussels, 9 December 2010.

*For the Commission**The President*

José Manuel BARROSO

⁽¹⁾ OJ L 391, 30.12.2006, p. 1.

ANNEX

EUROPEAN RESEARCH COUNCIL

Rules for the submission of proposals and the related evaluation, selection and award procedures relevant to the Ideas Specific Programme of the Seventh Framework Programme (2007 to 2013)

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1. PREAMBLE – DEFINITION OF TERMS

The European Research Council (ERC) is established by the European Commission ⁽¹⁾ under the provisions of the Specific Programme 'Ideas' of the Seventh Framework Programme for research, technological development and demonstration ('Ideas Specific Programme') ⁽²⁾, as the means for implementing that Specific Programme.

The ERC consists of a Scientific Council, a Secretary-General and a dedicated implementation structure set up by the European Commission as the European Research Council Executive Agency ⁽³⁾; it is accountable to the Commission and operates under conditions of autonomy and integrity, guaranteed by the Commission.

For clarity, the following definition of terms applies to this document:

The term 'ERCEA' refers to the European Research Council Executive Agency.

The term 'FP7' refers to the 'Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 to 2013)' ⁽⁴⁾.

The term 'Rules for Participation' refers to the 'Rules for the participation of undertakings, research centres and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007 to 2013)' ⁽⁵⁾.

The term 'Financial Regulation' refers to Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on 'the Financial Regulation applicable to the general budget of the European Communities' ⁽⁶⁾.

2. INTRODUCTION

The purpose of this document is to set out the rules applying to the submission and peer review evaluation of proposals, and to the award of grants to successful proposals. The rules set fundamental parameters which are designed to ensure that the procedures leading up to the award of grants are rigorous, fair, effective and appropriate. They have been defined in association with the ERC Scientific Council, the latter being responsible, inter alia, for establishing the Ideas work programme, the peer review evaluation methods and procedures applying for proposal peer review evaluation under the Ideas Specific Programme and for identifying the independent experts assisting to such peer review evaluation. They are adopted by the Commission in accordance with the Rules for Participation.

Section 1 describes the key principles applying to the process from submission to award: excellence, transparency, fairness and impartiality, efficiency and speed; as well as ethical considerations.

Section 2 describes the procedures for the submission of proposals and the way they are handled thereafter, including the assessment of eligibility.

Section 3 describes the peer review evaluation, including the way in which independent experts are selected and appointed, the treatment of potential and actual conflicts of interest, and the organisation of peer review evaluation. It describes also the way in which appeals and complaints will be handled, and the reporting of the peer review evaluation and award of grants.

Section 4 describes the preparation and award of grants.

2.1. Principles

The process from proposal submission to the award of grants rests on a number of well-established principles:

— *Excellence*. Projects selected for funding must demonstrate a high scientific and/or technical quality.

⁽¹⁾ OJ L 57, 24.2.2007, p. 14.

⁽²⁾ OJ L 400, 30.12.2006, p. 243.

⁽³⁾ OJ L 9, 12.1.2008, p. 15.

⁽⁴⁾ OJ L 412, 30.12.2006, p. 1.

⁽⁵⁾ OJ L 391, 30.12.2006, p. 1.

⁽⁶⁾ OJ L 248, 16.9.2002, p. 1.

- *Transparency.* Funding and award decisions must be based on clearly described rules and procedures, and applicant legal entities and principal investigators should receive adequate feedback on the outcome of the peer review evaluation of their proposals.
- *Fairness and impartiality.* All proposals shall be treated consistently and in the same way. They must be evaluated impartially on their merits, irrespective of their origin or the identity of the submitting entity, the principal investigator or any team member.
- *Confidentiality.* All proposals and related data, knowledge and documents communicated to the ERCEA must be treated in confidence.
- *Efficiency and speed.* Peer review evaluation, award and grant preparation should be as rapid as possible, commensurate with maintaining the quality of the peer review evaluation, and respecting the legal framework.
- *Ethical and security considerations.* Any proposal which contravenes fundamental ethical principles, or which fails to comply with the relevant security procedures may be excluded from the process of peer review evaluation, selection and award at any time.

2.2. Submission of proposals

2.2.1. Calls for proposals

Proposals are submitted in response to calls for proposals ('calls')⁽¹⁾. The content and timing of calls are set out in the Ideas work programme, and are published in the *Official Journal of the European Union* ('call text') on Commission website(s)⁽²⁾, as well as on the ERC website, which will provide hyperlinks to the Commission website(s).

Calls for frontier research projects may specify an indicative budget for the entire call or give indicative budgets for specific areas of research within the frame of the call that will be evaluated by separate Panels of independent experts.

A call will also specify whether a single or two-stage submission and/or a single or two-step peer review evaluation procedure is to be followed. In the case of a two-stage submission, only those whose proposals were positively evaluated in a first stage are invited to submit complete proposals in a second stage.

2.2.2. Pre-registration

Due to the bottom-up approach of the Ideas Specific Programme, the ERC expects a large number of proposals in all fields of research. To enable the ERC to provide the required resources and expertise for the ERC peer review evaluation process, a call may foresee a pre-registration.

Pre-registration may entail a statement of the intended subject matter and the envisaged research objectives of the proposal.

Where calls foresee a pre-registration, the potential applicant shall request before the pre-registration deadline the login and the password for the Electronic Proposal Submission Service IT system (currently EPSS, referred to as the 'electronic submission system' in the text), needed to submit a proposal. Deadline(s) for pre-registration may be set a few weeks in advance of the call deadline(s) for the submission of proposals. Pre-registration and submission are two different phases. If the call foresees a pre-registration but the applicant does not pre-register, the submission of a proposal by that applicant will not be accepted by the electronic submission system.

Where calls do not foresee a pre-registration, the potential applicant shall still register and request a password for the EPSS in order to be able to submit the proposal, before the call deadline.

In exceptional cases, the potential applicant may request permission from the ERCEA to submit on paper as provided by Annex A to this Decision.

2.2.3. Submission

Proposals, and where appropriate pre-registrations, are submitted electronically via the web-based electronic submission system operated by the Commission (currently EPSS).

Proposals for 'frontier' research actions will – pursuant to the provisions of the Ideas work programme – involve a Principal Investigator (PI) – a specified individual with scientific responsibility for the project. Proposals are submitted by the PI empowered by the proposed host institution, which is formally the applicant legal entity and to which the grant will be awarded⁽³⁾. Throughout the submission and peer review evaluation process the PI will be the main channel for communication between the ERCEA and the applicant legal entity.

⁽¹⁾ With the possible exception of coordination and support actions referred to in Article 14 of the Rules for Participation.

⁽²⁾ http://cordis.europa.eu/home_en.html <http://ec.europa.eu/research/participants/portal> <http://erc.europa.eu>

⁽³⁾ Exceptionally, the PI may himself/herself act as the applicant legal entity.

The preparation and uploading of all the proposal data and the agreement to the conditions of use of the electronic submission system and terms of the peer review evaluation must take place prior to the attempt to submit a proposal.

The electronic submission system will carry out a number of basic verification checks. Only upon completion of these checks will the electronic submission system allow the applicant to submit. These checks do not replace the formal eligibility checks described in section 2.2.6 and cannot assure that the contents of these files respond to the requirements of the call. Submission is deemed to take place at the moment the PI initiates the final submission process, as indicated by the electronic submission system, and not at any point prior to this.

Proposals sent on removable electronic storage medium (e.g. CD-ROM or any similar electronic device), by e-mail or by fax will not be regarded as having been submitted, and will not be evaluated. In exceptional cases, if a PI has no means of accessing the electronic submission system, he/she may request permission from the ERCEA to submit on paper. The procedures related to such a request and formalities on paper submission are laid down in Annex A to these Rules.

A procedure for the withdrawal of a proposal will be given in the relevant Guide for Applicants. A withdrawn proposal will not subsequently be considered for peer review evaluation or selection.

If more than one submission of the same proposal is received, only the most recent eligible version is evaluated.

Proposals shall be kept under secure conditions at all times. When no longer needed, all copies other than those required for archiving and/or auditing purposes shall be destroyed.

2.2.4. Assistance for submission

The Guide for Applicants explains in detail how PIs, team members or applicant legal entities can seek assistance or information on any matter related to a call. Contact details are provided for National Contact Points, ERCEA and ERC help desks. A dedicated help desk is provided for issues related to the electronic submission system.

2.2.5. Reception

The date and time of receipt of the last version of submitted proposals are recorded. After the call deadline, an acknowledgement of receipt is sent by e-mail containing:

- Proposal title and unique proposal identifier (proposal number);
- Identifier of the call to which the proposal was addressed;
- Date and time of receipt (which is set to the time of the call deadline, for proposals submitted electronically).

Subsequent to submission, the ERCEA only makes contact with the PI and/or applicant legal entity if this is necessary to clarify questions such as eligibility or to verify administrative or legal data contained in the proposal⁽¹⁾. However, in a two-stage procedure and for retained applications only, the PI empowered by the applicant legal entity may, under conditions specified in the call, be invited to submit a further proposal or further information on the original proposal, and/or to attend an interview.

2.2.6. Eligibility check

Proposals must fulfil all of the eligibility criteria if they are to be retained for peer review evaluation. These criteria are rigorously applied. In the case of two-stage proposal submission, each stage is subject to an eligibility check. All proposals submitted under a call will be subject to checking against the following eligibility criteria:

- Receipt of proposal before the deadline (date and time established in the call);

⁽¹⁾ The operator of the electronic submission may contact the proposer to clarify or resolve technical problems related to the submission.

- Completeness of the proposal, i.e. the presence of all requested parts and forms ⁽¹⁾;
- Scope of the call: the content of the proposal must relate to the objectives, to the topics and to the funding scheme set out in the call, as defined in the Ideas work programme. A proposal will only be deemed ineligible on grounds of 'scope' in clear-cut cases ⁽²⁾;
- All additional eligibility criteria applying to the call that are specified in the Ideas work programme and in the call fiche.

If it becomes clear before, during or after the peer review evaluation phase, that one or more of the eligibility criteria has not been met, the proposal is declared ineligible and is withdrawn from any further examination. Where there is a doubt on the eligibility of a proposal, the peer review evaluation may proceed pending a final decision on eligibility. The fact that a proposal is evaluated in such circumstances does not constitute proof of its eligibility.

If the question of eligibility is not clear-cut and a more comprehensive review of the case is deemed necessary, an eligibility review committee may be convened. The committee's role is to ensure a coherent legal interpretation of such cases and equal treatment of the applicant legal entities and PIs involved in the proposal ⁽³⁾.

Those PIs whose proposals are found to be ineligible will be informed of the grounds for such a decision.

3. PEER REVIEW EVALUATION

3.1.1. Role of independent experts

Proposals are subject to a review by independent experts (peer reviewers) to ensure that only those of the highest quality are selected for funding. An independent expert is an expert who is external to the ERC and the Commission ⁽⁴⁾, is working in a personal capacity and, in performing his/her work, does not represent any organisation or scientific community.

For the purposes of the peer review evaluation, five types of independent experts are distinguished:

1. *Chair-persons of the ERC peer review evaluation Panels*: organise the work within their Panel, chair Panel meetings, and attend a final consolidation meeting. They may also perform individual evaluation of proposals, usually remotely, in preparation for the panel meetings.
2. *Members of the ERC peer review evaluation Panels*: assist in the preparation of Panel meetings, attend those meetings and may also contribute in the individual evaluation of proposals, usually remotely.
3. *Panel evaluators*: independent experts who are requested to assist in the individual evaluation of proposals. Usually, they do not participate in Panel meetings.
4. *Referees*: independent experts who perform individual assessments of proposals, only remotely, and are not compensated for the tasks they perform.
5. *Independent observers*: independent experts who are requested to examine the peer review evaluation process from the point of view of its working and execution. They do not perform assessments of the proposals under evaluation. They may attend any meeting within the peer review evaluation process.

⁽¹⁾ The completeness of the information contained in the proposal will be for the independent experts to evaluate. The eligibility checks only concern the presence of the appropriate parts and forms of the proposal and the validity of the requested supplementary documents.

⁽²⁾ Proposals are normally evaluated against the criteria for the funding scheme for which they are submitted. However, for instance in cases where the funding scheme was chosen erroneously the ERCEA may decide to evaluate a proposal against the criteria of a different funding scheme. This may only be done if it is clear that the proposal does not correspond, or corresponds poorly, to the originally chosen funding scheme, and if a more appropriate funding scheme is open in the call in question.

⁽³⁾ This committee is composed of ERCEA staff, and where necessary other Commission staff having the requisite expertise in legal matters and/or information systems. It examines the proposal and the circumstances surrounding its submission and provides specialist advice to support the decision on whether or not to reject the proposal on eligibility grounds. The committee may decide to contact the PI and the applicant legal entity in order to clarify a particular issue.

⁽⁴⁾ Staff from relevant specialised EU agencies are regarded as external experts.

3.1.2. Appointment of experts ⁽¹⁾

The ERC Scientific Council is responsible for proposing independent experts for the peer review evaluation of frontier research projects ⁽²⁾ pursuant to Article 17(2) of the Rules for Participation, and monitoring of indirect actions implementation within the meaning of Article 27(1) of the Rules for Participation. The ERC Scientific Council may rely on its members and on information provided by Panel members or by the ERCEA to identify the independent experts. Based on this proposal the ERCEA will appoint them formally ⁽³⁾.

Independent experts are required to have skills and knowledge appropriate to the areas of activity in which they are asked to assist. They must have a high level of professional experience in the public or private sector in scientific research, scholarship, or scientific management. Other skills may also be required (e.g. mentoring and education of young scientists; management or evaluation of projects; technology transfer and innovation; international cooperation in science and technology). For the appointment of independent experts dealing with classified information, the appropriate security clearance shall be required.

The ERCEA has also recourse to the list of experts resulting from calls for applications published in the *Official Journal of the European Union*, as well as other experts with the necessary qualifications, identified for example, through consultation with national research funding agencies and similar organisations. Experts may come from countries other than the Member States or countries associated to FP7.

In assembling pools of experts, the ERCEA seeks to ensure the highest level of scientific and technical expertise, in areas appropriate to the call, considering also other criteria, such as:

- A reasonable inclusion of women and men from across the EU and associated countries as well as third countries ⁽⁴⁾;
- Regular rotation of experts, consistent with the need for continuity. On average, a turnover of at least a quarter of the experts used in each research area per calendar year is expected.

Experts must also have the appropriate language skills required for the proposals to be evaluated.

The names of the independent experts assigned to individual proposals are not made public. However, the list of independent experts that have assisted in the evaluation of proposals received under a call related to the Ideas Specific Programme will be published yearly on Commission website(s). In addition the list of Panel members will be published on the ERC website.

Any direct or indirect contact about the peer review evaluation of a call between the PI and/or applicant legal entity submitting a proposal under the same call and any independent expert involved in that peer review evaluation is strictly forbidden. Any such contact may result in the decision of the ERCEA to exclude the proposal concerned from the call in question.

3.1.2.1. Exclusion of independent experts at the request of an applicant

Applicants may be allowed by the relevant Guide for Applicants to make a request that a specific person ⁽⁵⁾ would not act as peer reviewer in the evaluation of their proposal. In such cases, applicants will be asked to specify the reasons for their request ⁽⁶⁾. Under such circumstances, if the person identified is an independent expert participating in the evaluation of the proposals for the call in question, he/she may be excluded from the evaluation of the proposal concerned, as long as the ERCEA remains in the position to have the proposal evaluated.

3.1.3. Terms of appointment, Code of conduct and Conflict of interest

This section addresses the way in which independent experts are appointed by the ERCEA to assist in the peer review evaluation of proposals submitted under the Ideas Specific Programme. The same procedure may be applied *mutatis mutandis* by the ERCEA for the appointment of experts for the tasks within the meaning of Article 27(1) of the Rules for Participation.

The ERCEA issues an appointment letter to be signed by the independent expert, based on the models approved by the Commission. The appointment letter sets the framework of the relationship between an independent expert and the ERCEA under which he or she may be called to provide expertise to assist the ERC.

⁽¹⁾ Article 17(2) of the Rules for Participation.

⁽²⁾ The selection by the Scientific Council may not necessarily be required for the appointment of peer reviewers of coordination and support actions.

⁽³⁾ According to the Rules for Participation and/or Commission Decision C(2008) 5694 of 8 October 2008 delegating powers to the ERCEA.

⁽⁴⁾ The European Union pursues a gender balance and equal opportunities policy in the field of research. To that extent, Commission Decision 2000/407/EC of 19 June 2000 'on gender balance within the committees and experts groups established by it'. In the same context, Article 17(2) of the Rules for Participation provides that 'appropriate measures shall be taken to ensure reasonable gender balance when appointing groups of independent experts'.

⁽⁵⁾ The relevant Guide for Applicants could allow for up to a maximum of three people who may be indicated by the applicant.

⁽⁶⁾ Reasons have to be based on clear grounds such as direct scientific rivalry, professional hostility, or similar situation which would impair or put in doubt the objectivity of the potential evaluator.

This appointment letter presents the General Conditions applying to independent experts, in particular, it establishes a Code of conduct for independent experts in peer review evaluations, annexed to the appointment letter, the essential provisions regarding confidentiality, conflict of interest and specifies the treatment of personal data.

The appointment will be effective upon the signature of the appointment letter by the independent expert and the ERCEA.

Assignments of tasks for Panel Chairs, Panel Members, Panel evaluators and Independent observers are entitled to financial compensation. In that case the appointment letter will provide the general conditions for compensation.

For referees, the assignments of tasks are not eligible for financial compensation.

In the context of each task assignment, all independent experts are required to confirm that they have no conflict of interest (disqualifying or potential) for each proposal that they examine. If an independent expert identifies a conflict of interest relating to a proposal, the course of action depends on whether it is a disqualifying or a potential conflict of interest.

Circumstances in which 'disqualifying' and 'potential' conflicts of interest may exist are described in the Code of Conduct.

Independent experts may not participate in the evaluation of proposals to a call to which he/she has himself/herself submitted a proposal.

When a disqualifying conflict of interest exists an independent expert must not influence the peer review evaluation of the proposal concerned. In particular an independent expert shall then neither assist in the individual assessment (usually remote), nor speak and vote in any Panel discussion related to this proposal. In such a case the independent expert shall leave the room (or electronic forum) when the Panel discusses the individual case of the proposal where such a conflict exists.

When a potential conflict of interest exists, the ERCEA will consider the circumstances of the case and make a decision. It may be decided whether to allow the independent expert to take part in the peer review evaluation of the proposal concerned (the expert must then sign a declaration to that effect) or to exclude him/her in the same manner as for a disqualifying conflict.

An expert must declare any known conflicts of interest before a peer review evaluation session.

If a hitherto unsuspected conflict becomes apparent during the course of the peer review evaluation, the independent expert must announce the fact immediately to a responsible official. If the conflict is finally found to be a disqualifying one, the independent expert must abstain from further peer review evaluation involving the proposal concerned. Any comments and scores made earlier by that independent expert will be discounted. If necessary, the independent expert will be replaced.

If an independent expert knowingly conceals a disqualifying or potential conflict of interest, and this is discovered during the peer review evaluation session, the independent expert will be immediately excluded, and the sanctions foreseen in the appointment letter will apply. Any peer review evaluation session results in which he or she has participated will be declared null and void, and the proposal(s) concerned will be re-evaluated.

By analogy with article 265a(3) of the Implementing Rules to the Financial Regulation ⁽¹⁾, a breach of the Code of Conduct or other serious misconduct by the independent expert may be qualified as grave professional misconduct and may lead to the exclusion of this independent expert from the list of independent experts to be appointed by the ERCEA. Pursuant to such exclusion, the independent expert will be removed from the database and barred from re-registering for the duration of the exclusion.

3.1.4. *Independent observers*

Independent experts may be appointed as observers to examine the peer review evaluation process from the point of view of its working and execution. The remit of observers covers the entire peer review evaluation session, including any remote assessments. In the remote case, observers have access to all communications between the ERCEA and the peer reviewers and may make contact with some or all peer reviewers to poll their opinions on the conduct of the peer review evaluation. Observers have access to any meetings that are part of the peer review evaluation session.

The ERCEA concludes an appointment letter with each independent observer. The model approved by the Commission will be used for the appointment of independent observers. The specific Code of conduct for observers of the peer review evaluation process is provided in the model approved by the Commission.

The ERCEA will inform the Programme committee of the choice of experts as observers, and their terms of reference.

⁽¹⁾ OJ L 357, 31.12.2002, p. 1.

The task of the observers is to look at the operation of peer review evaluation sessions from the point of view of their working and not the outcome, unless the outcome of the peer review evaluations is a direct result of the operational aspects. For this reason, it is not necessary that the observers have expertise in the area of the proposals being evaluated. Indeed, it is considered advantageous to avoid having observers with too intimate a knowledge of the particular S & T area in order to avoid conflicts between their opinions on the outcome of the peer review evaluations and the functioning of the sessions. In any case, they will not express views on the proposals under examination or the independent experts' opinions on the proposals.

The role of the observers is to give independent advice on the conduct of the peer review evaluation sessions, ways in which the procedures could be improved and the way in which the independent experts apply the evaluation criteria. The observers verify that the procedures set out or referred to in these rules are adhered to and report to the programme management on ways in which the process could be improved.

Observers are required to respect the same confidentiality obligations as independent experts and to sign *appointment letters* including confidentiality agreements. They are not permitted to divulge details of the proposals, the independent experts assigned to examining the proposals, nor the discussions in the peer review evaluation Panels.

The observers report their findings to the ERC. The observers are also encouraged to enter into informal discussions with the ERCEA officials involved in the peer review evaluation sessions and to make observations on any possible improvements that could be put into practice immediately.

The ERCEA will inform the programme committee of the observers' findings and may make available publicly a summary of their report.

Carrying out observation of peer review evaluation is subject to the *maxima* indicated in the specific assignment. The maxima indicated in the assignment may be extended by written amendment.

3.1.5. Peer review evaluation criteria

The evaluation criteria, including any proposal scoring and associated weights and thresholds, are set out in the Ideas work programme, based on principles set out in the Ideas Specific Programme and in the Rules for participation ⁽¹⁾. The manner in which they will be applied may be further explained in the Guide for Applicants ⁽²⁾.

Special procedures are applied for proposals with ethically sensitive issues (see Annex B), or which require further scrutiny with regard to security considerations (see Annex D).

3.1.6. Organisation of the peer review evaluation

The ERC Scientific Council establishes the peer review evaluation methodology, which may vary in detail for different calls, and oversees the peer review evaluation process and establishes rules of procedure for ERC Panels published on the ERC website (Guide for ERC Peer Reviewers). The ERC Scientific Council may also delegate its members to be present during the Panel meetings as observers. However, Scientific Council members shall not influence, under any circumstances, the outcome of the Panel meeting they attend.

The peer review evaluation is organised on the basis of the principles set out in section 2.1 above, to ensure a consistent, rigorous, quality-based assessment of proposals against the criteria set out in the Ideas work programme.

Where a call specifies a two-step evaluation procedure, only those proposals that pass the first step, based on the evaluation against a limited set of criteria, shall go forward for further peer review evaluation ⁽³⁾.

3.1.6.1. Peer review evaluation of frontier research projects

The peer review evaluation is carried out by means of Panels of independent scientists and scholars. Panels may be assisted by panel evaluators and specialist referees, who perform the peer review evaluation fully or partially at their home or place of work ('remote evaluation'). Panels are established to span the spectrum of research areas covered by the call, each Panel having responsibility for a particular set of research fields.

⁽¹⁾ Article 15 Rules for participation.

⁽²⁾ Proposals are normally evaluated against the criteria for the funding scheme for which they are submitted. However, for instance in cases where the funding scheme was chosen erroneously the ERCEA may decide to evaluate a proposal against the criteria of a different funding scheme. This may only be done if it is clear that the proposal does not correspond, or corresponds poorly, to the originally chosen funding scheme, and if a more appropriate funding scheme is open in the call in question.

⁽³⁾ In accordance with Article 16.1 of the Rules for Participation.

Panels operate, according to the rules of procedure for ERC Panels mentioned above, under the chairmanship of a senior independent expert.

Any peer review evaluation may be organised in two subsequent steps. In such case, the outcome of the first step is the input for the second step. The sequence of events in a step is usually as follows:

Allocation of proposals to Panels: Each proposal is allocated to a Panel on the basis of the subject-matter of the proposal. Initial allocation will be based on indication provided by the applicant, the title and content of the proposal and/or information, possibly in the form of 'keywords', provided for in the proposal.

Individual assessment: Proposals are examined against the relevant criteria by at least 3 peer reviewers ⁽¹⁾, qualified in the scientific and/or technological fields related to the proposal, who prepare individual assessment reports (IARs).

Panel assessment: Panels have the duty to examine consistently proposals falling within their area of competence ⁽²⁾ and to operate in a coherent manner with other Panels, to ensure consistency of treatment of proposals across the range of Panels and the scientific/technological areas open in the call.

The judgement of a Panel on a proposal (including any scores given to the proposal for individual criteria or overall, and its position in the ranked list) is based on the individual assessments and discussion in the Panel, and is arrived at by majority vote. The outcome of the Panel assessment phase is a rank order list. In the final step of the peer review evaluation, the Panel identifies those proposals which are recommended for funding, according to the budget associated to the call.

Interviews: Where this is specified in the Ideas work programme, the Panel assessment may include interviews with the PI and/or the applicant legal entity. Travel and subsistence costs incurred in relation to interviews may be reimbursed by the ERCEA. The rules for reimbursement applicable to interviewees are specified in Annex C. Any interview will be conducted by at least three Panel members. Interviews may be conducted at the location of the peer review evaluation Panel meeting or, subject to technical feasibility, by electronic means (video link, teleconference or similar).

Cross-Panel Assessment (Assessment across Panels, domains, research fields, etc.): The cross-Panel assessment establishes a final recommended rank order of proposals retained for the call as a whole (across all fields of research open in the call), through a careful assessment of the quality of proposals across the different Panels. This assessment is carried out in a forum constituted by the Panel chairs or their delegated Panel members. The cross-Panel assessment pays particular attention to proposals of an interdisciplinary nature which cross the boundaries between different Panels, proposals in new and emerging fields and 'high-risk, high-gain' proposals.

If the Ideas work programme sets indicative budgets associated with each Panel, domain, research field, etc., the discussion may consider only those proposals outside the set of proposals that are sufficiently highly ranked as to fall within the indicative budget set for each Panel, domain, research field, etc.

The peer review evaluation results in an Evaluation Report (ER) for each proposal, including the results of a cross panel, where appropriate, stating the final recommendation of the panel on the proposal, along with the individual independent experts' assessments, as well as any recommendation made on the maximum amount of funding to be awarded.

3.1.6.2. Two-stage submission procedure for frontier research projects

The call will specify when a two stage submission procedure applies. In such cases, the evaluation criteria applicable to each stage will be set out in the Ideas work programme. The precise methodology for the peer review evaluation at the first and second stage may differ (for example in the use of panel evaluators, referees and/or interviews of the PI).

⁽¹⁾ This may include members of Panels other than the Panel(s) to which the proposal is assigned or referees.

⁽²⁾ This includes cross-panel or cross-domain interdisciplinary proposals which may be assigned for review to members of more than one Panel or additional referees.

PIs must submit first a reduced or outline proposal. This first-stage proposal is evaluated against the criteria for this stage set out in the call.

Following the evaluation of the first stage proposal, the Panel assessment may result, for the retained proposals, in the invitation for a second stage submission. Independently of any further cross-Panel assessment, Panels are empowered at this stage within their frame of competence to recommend proposals should proceed to the second stage.

Successful applicants after the first stage will be invited to submit a more detailed proposal or more complete and updated information on the original proposal by a specific deadline for the second stage. To uphold the principle of equal treatment, the Panel may recommend the exclusion from further evaluation for proposals submitted at the second stage which deviate substantially from the corresponding first-stage proposal.

The peer review evaluation process for the second stage follows the sequence described under 3.1.6.1.

3.1.6.3. Peer review evaluation of coordination and support actions

The peer review evaluation of coordination and support actions follows the same sequence as in 3.1.6.1. The Panel assessment may be the final phase before the ERCEA approves the final rank order list.

The sole exception to this procedure will be the case of coordination and support actions covered by Article 14 of the Rules for Participation, where independent experts are only appointed if the ERCEA deems it appropriate.

Further details on the peer review evaluation procedure of coordination and support actions will be set out in the Ideas work programme, in the call and the related Guide for Applicants.

3.1.7. Peer review evaluation results, selection and rejection of proposals

The ERC Scientific Council confirms the final rank order list of proposals recommended for funding by the peer review evaluation.

Based on the outcome of the peer review evaluation and the establishment of the final rank order list by the ERC Scientific Council, the ERCEA draws up the final list(s) of proposals for possible funding.

This results in:

- A list of proposals which are of sufficiently high quality to be retained for possible funding. This list is presented in a recommended rank order, establishing the priority for funding within the limits of the budget available for the call (the *retained list*). If the call establishes indicative budgets for particular Panels, domains, fields of research, etc., separate retained lists may be prepared for each such field.
- If the total recommended funding for retained proposals following peer review evaluation exceeds the budget available for the call, one (or – in the case of indicative budgets associated with separate Panels, domains, research fields, etc. – more) reserve list(s) of proposals may be established. The number of proposals kept in reserve is determined by the ERCEA in view of budgetary considerations, and is based on the likelihood that such proposals may eventually receive funding due to eventualities such as withdrawals of proposals, or availability of additional budget.
- A list of proposals which will not be retained for funding. This list includes those proposals found to be ineligible (whether before, during or after the peer review evaluation), proposals considered not to achieve the required threshold of quality, proposals which, because they fall below a certain ranking, cannot be funded because the available budget is insufficient, and proposals remaining from the reserve list, when the budget for a particular call has been used up.

The assessment of quality, and the recommended rank order for funding of proposals on the retained list, is based on the peer review evaluation of the proposal against all relevant criteria. However, whenever a call specifies a two-step peer review evaluation procedure and thus where a proposal is judged not to achieve a quality threshold set for a particular evaluation criterion in the call, the proposal may be recommended for ultimate rejection during the course of the peer review evaluation, without necessarily assessing it further against other applicable criteria.

Any proposal that contravenes fundamental ethical principles or which does not fulfil the conditions set out in the Ideas Specific Programme, the Ideas work programme or in the call shall not be selected⁽¹⁾. Proposals may be also rejected on ethical or security grounds following the procedures in Annex B and D respectively.

⁽¹⁾ Article 15.2 of the Rules for Participation.

Any potential PI or applicant legal entity to an indirect action under the Ideas Specific Programme who has committed an irregularity ⁽¹⁾ in the implementation of any other indirect action under the Framework Programmes may be excluded from the selection procedure at any time, with due regard being given to the principle of proportionality.

3.1.8. *Feedback*

Following the peer review evaluation, the ERCEA provides feedback to the PI and the applicant legal entity. All communication and feedback from the ERCEA to the PI and the applicant legal entity will be done via an ERCEA secured web-mail account. The Guide for Applicants will indicate the expected date of feedback.

(a) Following the peer review evaluation of first-step in a two-step peer review evaluation:

Those whose proposals are found to be ineligible will be informed of the grounds for such a decision. Ineligible proposals are not evaluated.

Those whose proposals which are not retained for the next step will receive feedback on the peer review evaluation in the form of an ER.

Finally, those whose proposals are retained for the next step will receive a notification, and may be invited to attend an interview.

(b) Following the peer review evaluation of first stage in a two-stage submission procedure:

Those whose proposals are found to be ineligible will be informed of the grounds for such a decision. Ineligible proposals are not evaluated.

Those whose proposals are not retained for the next stage will receive feedback on the peer review evaluation in the form of an ER.

Finally, those whose proposals are retained for the next stage will receive an invitation to submit a proposal to the second stage, and may be invited to attend an interview.

(c) Following the second peer review evaluation under the cases (a) and (b) above, and following the single peer review evaluation in the case of a single submission and single step evaluation:

Those whose proposals are found to be ineligible will be informed of the grounds for such a decision. Ineligible proposals are not evaluated.

Both the proposals above and below the quality threshold will receive feedback on the peer review evaluation in the form of an ER.

The ER provides the outcome of the peer review evaluation and contains, as appropriate, comments and scores overall and/or for individual criteria. For proposals on the retained list, where appropriate, the ER indicates any recommendation made on the maximum amount of funding to be awarded, and any other appropriate recommendations on the conduct of the project, and/or suggestions for improvements to the methodology and programme of the work.

For those proposals rejected after failing a quality threshold, the comments contained in the ER may only be complete for those criteria examined up to the point when the threshold was failed.

Those whose proposals are rejected because of ethical and security considerations will be informed of the grounds for such a decision.

3.1.9. *Assistance and redress procedures*

The ERCEA provides information on the procedure that must be followed by PIs and/or applicant legal entities to address any questions or request for redress ⁽²⁾ concerning the results of a particular peer review evaluation in relation to any ERC call.

As a minimum any question or request for redress should contain the name of the call, the proposal number (if any), the title of the proposal, and a description of the problems encountered.

⁽¹⁾ 'Irregularity' in the sense of Council Regulation (EC, Euratom) No 2988/95 (OJ L 312, 23.12.1995, p. 1).

⁽²⁾ The redress procedure does not replace the normal channels applying to all ERCEA and Commission actions, such as: the Secretariat-General of the Commission for breach of the code of good administration (relations with the public); the European Ombudsman for 'maladministration'; the Court of Justice of the European Union for a decision affecting a person or legal entity.

For issues regarding the eligibility check and/or the peer review evaluation process of a particular proposal, a redress procedure is set up to report on any shortcoming in the results of the eligibility check or in the way a proposal has been evaluated, likely to have jeopardised the decision whether or not to fund the proposal. A redress committee may be convened to examine the case in question. If the committee is required to consider eligibility issues, it may seek advice of the eligibility review committee (see section 2.2.6). The committee will bring together staff with the requisite scientific/technical and legal expertise. The committee itself, however, does not evaluate the proposal. Depending on the nature of the complaint, the committee may review the CVs of the independent experts, their individual comments, and the ER. The committee will not call into question the scientific judgement of appropriately qualified panels of experts.

In the light of its review, the committee will recommend a course of action to the ERCEA. Should the committee consider that there is evidence to support the complaint, it may suggest a partial or total re-evaluation of the proposal by independent experts.

Any requests for redress must be raised within 1 month of the date of the feedback released on the ERCEA secured web-mail account, as described at section 3.1.8. A detailed redress procedure is described in the Guide for Applicants. Non eligible requests will not be handled by the redress committee.

A reply will be sent to complainants within 3 weeks after the deadline applicable to redress requests, mentioned above. If a definitive reply cannot be given at that stage, the reply will indicate when such a reply will be provided.

3.1.10. Reporting and information on the peer review evaluation process

Following each peer review evaluation, a report is prepared by the ERCEA and made available to the ERC Scientific Council and the Ideas programme committee. The report gives statistical information on the proposals received (for example, number, priority themes covered, categories of applicant legal entities and budget requested), on the evaluation procedure and on the independent experts.

For communication purposes, the ERCEA may publish, after the end of the evaluation process and in any appropriate media, general information on the outcome of the peer review evaluation. Moreover, the ERCEA may publish information on the evaluated proposals which are above quality threshold as a result of the evaluation (or after step 2 in a two-step evaluation)⁽¹⁾ and for which individual consent for publication of the specific data is granted by the applicants⁽²⁾.

For purposes related to monitoring, study and evaluation foreseen by the Ideas Work programmes, the ERCEA may need that submitted proposals be processed by third parties⁽³⁾ in compliance with the requirements of Regulation (EC) No 45/2001 of the European Parliament and of the Council. Applicants⁽⁴⁾ are asked to give their free individual consent to the processing of proposals. The individual consent is not requested on a compulsory base and it is only provided on a voluntary base by the applicants. Refusal to give the individual consent does not affect the evaluation process.

4. AWARD DECISION AND PREPARATION OF GRANT AGREEMENTS

The grants are awarded to the applicant legal entities by the responsible authorising officer, within the available budget, on the basis of the final rank order list as drawn by the ERCEA in accordance with Section 3.1.7, by means of a formal grant agreement.

The grant agreements are concluded with the applicant legal entities subject to the internal financial and legal procedures⁽⁵⁾ and the verification of the requisites mentioned in this section.

During the preparation of the grant agreement, the PI and the applicant legal entity may be required to provide further information on the project and its envisaged management⁽⁶⁾. In cases where more than one participant is associated with the project, the PI or the applicant legal entity may be required to obtain such information and assurances from the other participants.

On the basis of the result of the evaluation process additional conditions⁽⁷⁾ for the conclusion of a grant agreement may be required for some proposals. Such conditions will be duly documented and communicated to the PI and the applicant legal entity concerned, in addition to the ER.

Grants may not be awarded to applicant legal entities who are, at the time of a grant award procedure, in one of the situations referred to in articles 93(1) (bankruptcy, etc.), 94 (false declarations, etc.) and 96(2)(a) (under exclusion from the contracts and grants financed by the European Union budget) of the Financial Regulation. They must certify that they are not in one of the situations listed above⁽⁸⁾.

Ethical issues shall also be further clarified at this stage, if necessary. For this purpose, the ERCEA will appoint independent experts to participate in the ethics review process. (See Annex B).

⁽¹⁾ On the basis of the final list drawn by the ERCEA in accordance with section 3.1.7.

⁽²⁾ This may include the names of PIs and applicant legal entities, the proposal title and acronym.

⁽³⁾ Contractors and/or beneficiaries of Coordination and Support Actions.

⁽⁴⁾ The PIs and/or the host institutions.

⁽⁵⁾ Including, if necessary, the completion of the procedure for consulting the programme committee provided for in the Ideas Specific Programme.

⁽⁶⁾ According to Article 16.4 of the Rules for Participation, and the Commission rules on the verification of the existence and legal status of participants, as well as their operational and financial capacities in indirect actions supported through the form of a grant under FP7, C(2007) 2466.

⁽⁷⁾ The additional conditions could refer to ethical evaluation requirements.

⁽⁸⁾ Article 114 of the Financial Regulation.

The grant preparation involves no negotiation of scientific/technical substance. A grant is subsequently awarded to the applicant legal entity on the basis of the proposal submitted and the funding recommended following the peer review evaluation, and subject to the agreement of the applicant legal entity with the PI.

If it proves impossible to reach agreement with the PI and the applicant legal entity or if one or both of them have not signed any required supplementary agreement within a reasonable deadline that may be imposed, grant preparations may be terminated.

Grant agreement preparation for proposals on the reserve list may begin once it is clear that sufficient budget has become available to fund one or more of these projects. Subject to budget availability, grant preparation will begin with the highest ranked proposal and continue in descending order of the final ranking.

5. ANNEXES

5.1. Annex A – Procedures for Proposal Submission on paper

In exceptional cases, if an applicant has absolutely no means of accessing the electronic proposal submission system and if it is impossible to arrange to do so, s/he may request permission from the ERCEA to submit on paper. Such a request, which must clearly explain the circumstances of the case, must be received by the ERCEA no later than 1 month before the call deadline.

Request for permissions to submit on paper shall be sent to the following address:

European Research Council Executive Agency
Head of 'Scientific Management Department'
COV2
B-1049 Brussels
Belgium

The ERCEA will reply to such a request within five working days of receipt. If derogation is granted, the ERCEA will send proposal forms for paper submission to the applicant concerned.

If the characteristics of a certain call mean that web-based submissions would be generally inappropriate, the ERCEA may decide at the outset to accept paper submissions. In such cases the possibility will be stated in the call for proposals, and proposal forms for paper submission will be made generally available.

When paper submission is allowed, either by special or general derogation as described above, delivery of packages containing proposals on paper may be carried out using normal post, private courier service or by hand. Versions of proposals submitted on a removable electronic storage medium (e.g. CD-ROM or any similar electronic device), by e-mail or by fax will be excluded. Proposals submitted on paper must be submitted in a single package. If applicants wish to submit changes to a proposal or additional information, they must clearly indicate which parts of the proposal have changed and the changes/extra parts must be submitted and received before the call closure. Additional or amended proposal contents received after the call closure will not be treated or evaluated.

In case of proposal sent by post or by courier the evidence of the date of dispatch shall be constituted by the postmark or the date of the deposit slip. Packages containing proposals may be opened, on arrival, by the ERCEA ⁽¹⁾ for the purposes of registering the administrative details in databases and to permit the return of an acknowledgement of receipt.

5.2. Annex B – Ethics Review Procedures

Introduction

In order to implement Article 6 of FP7 and Article 15 of the Rules for Participation, the evaluation procedure includes an initial identification of ethical issues raised by the proposals followed by an ethics screening of proposals that raise ethical issues. When necessary, an ethics review of proposals may take place after the ethics screening and before any selection decision by the ERCEA in accordance to the set rules. The ethics screening and the ethics review (to be referred to jointly as Ethics Review Procedure in this Annex) are carried out by independent experts with the appropriate skills in ethics.

⁽¹⁾ Or any contractor retained for the purpose of providing administrative services for evaluation sessions.

The objective of the Ethics Review Procedure is to make sure that the European Union does not support research which would be contrary to fundamental ethical principles set out in the relevant EU rules and to examine whether the research complies with the rules relating to research ethics set out in the Decisions on FP7 and the Ideas Specific Programme. The opinions of the European Group on Ethics in Science and New technologies are and will be taken into account.

Proposals

Where appropriate and/or required by the call, proposals include an Ethics section which:

- Describes the potential ethical aspects of the proposed research regarding its objectives, the methodology and the potential implications of its results;
- Justifies the design of the research project from an ethical viewpoint;
- Explains how the ethical requirements set out in the work programme will be fulfilled;
- Indicates how the proposals meets the national legal and ethical requirements of the country where the research is planned to be performed;
- Indicates the timeframe for applying for opinion and/or for approval by any relevant authority at national level (such as the data protection authority, the clinical trials authority etc.).

To this end, applicants should complete the 'Ethical Issues Table' included in the Guide for Applicants.

The ERCEA may contact the applicant at any time during the process in order to obtain additional information pertinent to the ethical clearance.

General procedural modalities

Ethics screening procedures and organisation of the Ethics Review Panels

Internal pre-screening of proposals

The ERCEA Ethics team will pre-screen all proposals recommended for funding to identify those proposals that raise no ethical issues whatsoever and can be cleared for granting without the involvement of independent experts. All other proposals are submitted to further ethics scrutiny. This process is based on the 'Ethical Issues Table' and the proposals, as submitted by the applicants.

Submission to an Ethics Screening Panel

All proposals identified at pre-screening level as raising ethical issues are submitted to an Ethics Screening Panel composed of independent experts with the appropriate skills in ethics.

Panel experts identify those proposals in which the ethical issues are satisfactorily addressed, those that can be cleared provided satisfactory documentary information and/or approval at national level is given, and those that require further attention due to the importance of the ethical issues raised and that need to be submitted to Ethics Review ⁽¹⁾.

For each proposal screened, the experts prepare and sign an Ethics Screening report which includes a requirements section. These requirements become contractual obligations.

Submission to an Ethics Review Panel

Projects raising important ethical issues identified during the Ethics Screening are submitted to an Ethics Review Panel. Issues such as research interventions on human beings ⁽²⁾, research on human embryos and human embryonic stem cells, and non-human primates are automatically submitted ⁽³⁾ to ethical review.

The Ethics Review Panel checks the ethical issues raised by a proposal and identifies the ethical requirements to be met in order to clear the proposal from the ethical point of view. At this stage the Ethics Review Panel may identify proposals that raise severe ethical issues that may lead to exclusion of the project from the granting process.

Composition of the Ethics Screening and Ethics Review Panels

Ethics Panels are composed of independent experts from a variety of disciplines such as law, sociology, psychology, philosophy and ethics, medicine, molecular biology, chemistry, physics, engineering, veterinary sciences with a reasonable balance of scientific and non-scientific members.

⁽¹⁾ Following areas are under responsibility of DG RTD: human embryonic stem cells, non-human primates, human intervention, and proposals falling into these categories are automatically submitted to DG RTD for Ethics Review.

⁽²⁾ Such as clinical trials, and research involving invasive techniques on living persons (e.g. taking of tissue samples).

⁽³⁾ Proposals falling into these categories are automatically submitted to DG RTD for Ethics Review.

Duly qualified experts in ethics will be selected and appointed by the ERCEA among those experts identified and selected by the Commission for FP7, or those identified by the Scientific Council. The panels are geographical and gender balanced and their composition also depends on the nature of the proposals under review. For the purposes of the ethics clearance process, the model appointment letters approved by the Commission for independent experts will be used accordingly for the appointment of experts in ethics.

Representatives of civil society may be invited to Panel meetings.

The Ethics Review

Usually, in a first phase, independent experts review the proposals remotely. Then, in a second phase, the proposals are discussed within the duly appointed Ethics Review Panel, in view to adopt a consensus decision.

The Panel produces an Ethics Review report. The Ethics Review report includes a list of ethical issues, an account of the way the issues are handled by the PI and his/her team, requirements and recommendations of the Ethics Review Panel. The report is signed by the experts of the Ethics Review Panel. In case no consensus can be reached, the report reflects the opinion of the majority of the experts of the Ethics Review Panel.

The Ethics Screening and the Ethics Review reports

The PI and the applicant legal entity are informed of the outcome of the Ethics Review Procedure through either the Ethics Screening report or the Ethics Review report without disclosing the identity of the experts.

In the decision to fund a project the results of the Ethics Review Procedure will be taken into account. This may entail changes in the grant agreement and its annexes, or in extreme cases, termination of the grant agreement preparation.

National approvals and opinions of competent ethics committee

The ERCEA ascertains that the applicants have received appropriate approval from the national authority and/or favourable opinions from the competent ethics committee before the signature of the grant agreement. Where the approval of the national authority and/or a favourable opinion from a local ethical committee is/are not obtained before the start of the grant agreement, the grant agreement includes a special clause requiring that the relevant authorisation or opinion be obtained before the start of the corresponding research.

Ethics Follow/up and Audit

Proposals that undergo an Ethics Screening and/or an Ethics Review can be flagged by the experts as requiring an Ethics Follow-up/Audit (EFA). An EFA is conducted by experts specialised in ethical issues, not earlier than on the date of the first financial reporting period for the proposal. The objective of the EFA procedure is to assist the grant beneficiaries to deal with the ethical issues that are raised by their work and if necessary take corrective measures.

In extreme cases, the EFA process may result in a recommendation to the ERCEA to terminate a grant agreement. The organisation and implementation of the EFA procedure are the responsibility of the Ethics Review Sector of the Commission (DG RTD).

Specific procedural modalities for research activities involving human embryonic stem cells⁽¹⁾

When evaluating, and selecting proposals involving the use of human embryonic stem cells (hESC) and before preparing the related grant agreements, the ERCEA uses the following procedure:

The general scientific peer review procedure, as described at section 3 above applies. In addition, the scientific peer review independent experts assess whether:

- the project serves important research aims to advance scientific knowledge in basic research in Europe or to increase medical knowledge for the development of diagnostic, preventive or therapeutic methods to be applied to humans,
- the use of hESC is necessary in order to achieve the scientific objectives set forth in the proposal. In particular, applicants must document that appropriate validated alternatives (in particular, stem cells from other sources or origins) are not suitable and/or available to achieve the expected goals of the proposal. This latter provision does not apply to research comparing hESC with other human stem cells.

⁽¹⁾ Taking into account the statement of the Commission of 24 July 2006 (OJ L 412, 30.12.2006, p. 42).

Ethics Review procedure

Research proposals recommended for funding involving the use of hESC are submitted to the Commission (DG RTD) for the Ethics Review. The procedures applicable to Ethics Review by the Commission for proposals under FP7 involving the use of hESC are described in the model appointment letters approved by the Commission.

National approvals and opinions of competent ethics committee

The ERCEA ascertains that the applicants have received appropriate approval from the competent local or national authorities before the signature of the grant agreement.

Where the approval of the national authority and/or a favourable opinion from a local ethical committee cannot be obtained before the envisaged start of the project, the grant agreement may be concluded subject to the inclusion of a special clause requiring that the relevant authorisation or opinion be obtained before the start of the corresponding research activities.

During the preparation of the grant agreement, account is taken of the results of the Ethics Review. This may entail changes in the Description of the work set out in the grant agreement, or in certain cases termination of the grant agreement preparation.

For hESC proposals, after the Ethics Review has been performed, and in accordance with Article 6.9 of Council Decision 2006/972/EC ⁽¹⁾, the regulatory procedure laid down in Articles 5 and 7 of Council Decision 1999/468/EC shall apply for the approval of the funding and adoption of actions involving the use of hESC.

Additionally, the ERCEA will encourage that the PI ensures proper communication with the European hESC registry (<http://www.hescreg.eu/>). This is to ensure transparency as regards the hESC lines used, and a wide dissemination of the information available on these lines.

5.3. Annex C – Rules for reimbursement of travel, daily allowance and accommodation allowance for Principal Investigators invited for an interview ⁽²⁾

Article 1

1. These rules shall apply to:

- (a) Interviewees who have been invited by the ERCEA to attend an interview according to section 3.1.6.1.
- (b) Anyone responsible for accompanying a disabled person who has been invited by the ERCEA to attend a meeting in an interviewee capacity.

2. The authorising officers for commitments shall specifically try to ensure that interviews are organised in such a way as to enable interviewees to benefit from the most economical travel rates.

The authorising officers for payments shall scrutinise particularly closely any requests for reimbursement involving abnormally expensive flights. They shall have the right to carry out any checks that might be needed and to request any proof from the interviewees required for this purpose. They shall also have the right, where it appears to be justified, to restrict reimbursement to the rates normally applied to the usual journey from the interviewees' point of origin to the meeting place.

3. Where, taking into account any expenses incurred by disabled interviewees as a result of their disability or any person accompanying them, the allowances provided for in Article 3 appear to be clearly inadequate, the expenses shall be reimbursed at the request of the responsible authorising officer on presentation of supporting documents.

4. The ERCEA shall not be liable for any material, non-material or physical damage suffered by invited interviewees or those responsible for accompanying a disabled interviewees in the course of their journey to or stay in the place where the interview is held, unless such harm is directly attributable to the ERCEA.

In particular, invited interviewees who use their own means of transport for travelling to such interviews shall be entirely liable for any accidents that they might cause.

Article 2

1. All interviewees shall be entitled to the reimbursement of their travel expenses from the point of origin specified in their invitation (work or home address) to the place of the interview, by the most appropriate means of transport given the distance involved. In general, for journeys of less than 400 km (one way, according to official distance by rail) this shall be first-class rail travel, and for distances of more than 400 km economy class air travel.

If the journey by air involves a flight of 4 hours or more without stopovers the cost of a business class ticket shall be reimbursed.

⁽¹⁾ OJ L 400, 30.12.2006, p. 243.

⁽²⁾ The ERCEA may put in place an electronic submission system, which would be applicable to the paper forms and originals to be submitted in the framework of these rules for reimbursements.

2. The cost of travel by private car shall be reimbursed at the same rate as the first-class rail ticket.
3. If the route is not served by a train the cost of travel by private car shall be reimbursed at the rate of EUR 0,22 per km.
4. Taxi fares and parking expenses incurred at the place of origin (or departure airport) shall not be reimbursed.

Article 3

1. The daily allowance paid for each day of the interview is a flat rate to cover all expenditure at the place where the interview is held, including for example meals and local transport (bus, tram, metro, taxi, parking, motorway tolls, etc.), as well as travel and accident insurance.
2. The daily allowance shall be EUR 92.
3. If the point of origin cited in the invitation letter is 100 km or less from the place where the interview is held, the daily allowance shall be reduced by 50 %.
4. Interviewees who have to spend one or more nights at the place where the interview is held because the times of interviews are incompatible with the times of flights or trains ⁽¹⁾, shall also be entitled to an accommodation allowance. This allowance shall be EUR 100 per night. The number of nights may not exceed the number of interview days + 1.
5. An additional accommodation allowance and/or daily allowance may, exceptionally, be paid if prolonging the stay would enable the interviewee to obtain a reduction in the cost of transport worth more than the amount of these allowances.

Article 4

1. The reimbursement shall be made by the ERCEA upon submission of a request for reimbursement, duly completed and signed by the interviewee and by the ERCEA official responsible for certifying the interviewee's presence.

By signing the request for reimbursement the interviewees declare on their honour that the travel expenses and/or allowances claimed will not be met by another European Union institution or another organisation or person for the same journey or the same period, and that their claim corresponds to the costs actually incurred. Irregularities and/or false claims will lead to the application of administrative sanctions applied by analogy with Article 265a(3) of the Implementing Rules to the Financial Regulation.

2. Travel expenses shall be reimbursed on presentation of original supporting documents no later than 30 calendar days after the final day of the interview: tickets and invoices or, in case of online bookings, the printout of the electronic reservation and boarding cards for the outward journey. The documents supplied must show the class of travel used, the time of travel and the amount paid.

Unless the interviewee can provide a proper justification that is accepted by reasoned decision by the responsible authorising officer, failure to comply with the provisions of this paragraph shall absolve the ERCEA from any obligation to reimburse travel expenses or pay any allowances.

3. The ERCEA shall reimburse the interviewees' expenses within the period laid down in the rules implementing the Financial Regulation.
4. Travel expenses shall be reimbursed in Euro, where appropriate at the rate of exchange applying on the day of the interview.
5. The daily allowance and, where appropriate, the accommodation allowance, shall be paid in Euro at the flat rate applicable on the day of the interview. The daily allowance and accommodation allowance may be adjusted in line with changes in the cost of living in Brussels.
6. All reimbursements of travel expenses, daily allowances and/or accommodation allowances shall be made to one and the same bank account.

⁽¹⁾ As a general rule, interviewees cannot be required: to leave their point of origin or the place where the interview is held before 07.00 (station or other means of transport) or 08.00 (airport); to arrive at the place where the interview is held after 21.00 (airport) or 22.00 (station or other means of transport); to arrive at their point of origin after 23.00 (airport, station or other means of transport).

7. The authorising officer by delegation may, by reasoned decision and on presentation of supporting documents, authorise the reimbursement of expenses which interviewees have had to incur as a result of special instructions they have received in writing.

5.4. Annex D– Handling Security – Sensitive ERC actions

(A) Introduction

Special procedures will apply to security-related research, due to the sensitive nature of the subjects addressed, and the particular capability gaps that need to be addressed to protect Europe's citizens. ERC actions will be classified ⁽¹⁾ if they are considered as sensitive.

These procedures are described below. They will apply to ERC actions as appropriate when security-sensitive subjects are addressed.

(B) Identification of potential classified ERC Actions

A security-sensitive ERC action is an action that may need to handle classified information.

A 'security considerations' flag will be associated with a proposal:

- when the applicant declares a proposal as sensitive;
- if the expert evaluators or the ERCEA detect or suspect any of the following conditions:
 - Classified information is, or may be, used as background information,
 - Some foreground is planned to be classified,

Whenever a 'security considerations' flag is associated with a proposal, the circumstances of the planned work will be further scrutinised according to the procedure described in section C below.

Proposals, if so requested in the relevant Guide for Applicants, must identify – if needed – the background required for carrying the ERC action and the classified foreground that will be produced by the action. In the case of a proposal involving classified information (background and/or foreground), a 'Security Aspect Letter' (SAL) ⁽²⁾ and its annexed 'Security Classification Guide' (SCG) ⁽³⁾ must be part of the proposal.

The SCG will cover:

- The level of classification of background and foreground information,
- Which participant will have access to what information,

In addition, the following documents will be requested:

- A copy of the 'Facility Security Clearances' (FSC) (or the FSC requests). The validity of the FSC will be checked by the Commission Security Directorate through the appropriate formal channel with the 'National Security Authorities' (NSAs) involved,
- Formal written authorization by the relevant security authorities to use the classified background information.

The SAL and the SCG, accompanied by supporting documents, will also be examined in the scrutiny procedure described below.

(C) Scrutiny of potential classified ERC Actions

After the scientific evaluation of proposals, they shall be ranked according to the evaluation results. A 'retained list' containing proposals recommended for possible funding, namely that have not been rejected, and for which funding is available, plus 'reserve-list(s)' are established by the ERCEA.

Any ERC action on the retained list and on the reserve list(s), which has the flag 'security considerations', will undergo a scrutiny procedure. This will be performed by an ad-hoc sub-committee: the 'Security Scrutiny Committee'.

⁽¹⁾ As defined in Commission Decision 2001/844/EC, ECSC, Euratom of 29 November 2001 amending its internal Rules of Procedure (OJ L 317, 3.12.2001, p. 1) regarding provisions of security and its successive amendments.

⁽²⁾ 'Security Aspects Letter (SAL)': 'a set of special contractual conditions, issued by the contracting authority, which forms an integral part of a classified contract involving access to or generation of EU classified information, and that identifies the security requirements or those elements of the classified contract requiring security protection', as defined in section 27 of Decision 2001/844/EC, ECSC, Euratom.

⁽³⁾ As defined in Decision 2001/844/EC, ECSC, Euratom.

This 'Security Scrutiny Committee' is composed by Member States representatives nominated in close liaison with the competent national security authorities, supported if appropriate by representatives of the relevant Programme Committee(s), in a configuration representing the countries of the proposal applicants. This Committee is chaired by a representative of the Commission.

This Committee will verify if all security aspects are properly taken into account by the applicants. Proposals will be scrutinised by Committee members from the same countries as the proposal applicants.

This process should reach a common position between the concerned national representatives resulting in one of the following recommendations:

- *Classification is not required:* Procedures for preparation of the ERC grant agreements can be started (though some recommendations for preparation may be issued, if relevant),
- *Classification is required:* specific recommendations for the preparation of the ERC grant agreement are given in the form of conditions to be met in the grant agreement. The ERC action will become a Classified Action ⁽¹⁾ and will be EU-classified at the level of the highest classification of the information used/produced by the ERC action as indicated in the SAL and its annexed SCG,
- *The proposal is too sensitive to be financed* because the applicants do not have the appropriate experience, skills or permissions to handle properly the classified information. In that case, the proposal may be rejected. If so, the ERCEA will explain the reasons of rejection, except when these reasons are themselves classified.

Based on this common position, the level of classification will be determined. As a result, the ERCEA, together with all the relevant NSAs, will then verify, during preparation and implementation of the grant agreement, that all the necessary procedures and actions are put in place in order to guarantee that classified information is dealt with in the appropriate way.

(D) Export & Transfer Licences

In addition, a proposal may also be considered as sensitive, independently of any security classification, if it plans to exchange material subject to transfer or export licensing.

In that context, applicants must comply with national laws and EU regulation ⁽²⁾. If export licences (or intra EU licences) are required for carrying the planned work, applicants must clarify the requirement to have such export or transfer licences and must provide a copy of export or transfer licences (or of the requests).

(E) International cooperation

Security concerns can not be invoked as a reason for the rejection of proposals for non-classified ERC actions that entail the participation of entities from a third country ⁽³⁾. The only exceptions to this will occur if:

- The topic was described in the work programme as not open to international cooperation: in that case any proposal containing international cooperation will be declared as ineligible,
- The 'security considerations' flag has been raised, in which case the proposal will be scrutinised according to the procedure described above,

⁽¹⁾ Treatment of confidential data is governed by all the relevant community legislation, including the Institutions' internal rules such as Decision 2001/844/EC amending its internal rules of procedure regarding provisions of security.

⁽²⁾ Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items (OJ L 134, 29.5.2009, p. 1).

⁽³⁾ 'Third country' means any country that is neither an EU Member State nor a country associated to FP7.