

WORK PROGRAMME 2013¹

CAPACITIES

(European Commission C(2012)4526 of 09 July 2012)

¹ In accordance with Articles 179 to 190 of the Treaty on the Functioning of the European Union, and in particular Article 182(1) as contextualised in the following decisions: Decision 1982/2006/EC of the European Parliament and of the Council of 18/12/2006 concerning the Seventh Framework Programme of the European Community for Research, Technological Development and Demonstration (2007 – 2013) and the Council Decision 2006/974/EC of 19/12/2006 adopting a Specific Programme for Research, Technological Development and Demonstration 'Capacities' (2007 – 2013).

Capacities Work Programme

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i. General Introduction

The work programme, adopted by the Commission, is the final such exercise under the Capacities Specific Programme of the Seventh Framework Programme for Research, Technological Development and Demonstration Activities (FP7).

RESEARCH AND INNOVATION – THE KEY DRIVERS FOR NEW GROWTH AND JOBS

Aligned with the Europe 2020 growth and job creation strategy², this work programme is the Union's biggest investment package to date to boost research and innovation. The activities of the work programme have been prioritised and designed to ensure that their outputs and impacts would contribute to and push forward the key policy priorities of the European Union. Additionally this work programme has been tailored to fully fit the policy framework set out with the Innovation Union³, the Europe 2020 flagship initiative aimed at securing Europe's global competitiveness.

In practical terms, activities will address the significant innovation gap the Union is facing, they will build up the knowledge base and they will develop solutions to tackle a number of clearly identified societal challenges facing Europe at large. This work programme is indeed expected to have a significant macro-economic impact over time on European society through its contribution to creating new and sustainable jobs and growth.

From FP7 to Horizon 2020

The activities under this work programme will also provide for a preparation and smooth transition towards Horizon 2020, the EU's new research and innovation programme covering the period 2014-2020⁴. The 2013 work programme therefore **ushers in new approaches that will be deployed more fully in Horizon 2020**. The final FP7 Capacities work programme includes in particular the issues outlined below.

a) Facing EU challenges: strategic prioritisation

Across the work programme there has been a strong focus on priority areas having a high European added-value, including support to other EU policies, and a high potential impact. Each priority is anchored in a particular theme, but usually also with a cross-cutting involvement of one or more other themes. While the main contributions to these priorities come from the Cooperation Specific Programme, there are nonetheless certain important contributions under the Capacities Specific Programme. The priorities are:

- *Oceans of the future*: Promoting research and innovation on marine technologies, in particular sensors, anti-biofouling materials, and innovative transport and deployment systems for the offshore energy sector.

² Europe 2020: A strategy for smart, sustainable and inclusive growth' COM(2010) 2020 of 3.3.2010.

³ European Commission Communication on 'Europe 2020 Flagship Initiative Innovation Union' (COM(2010) 546 final of 6.10.2010).

⁴ COM(2011)809 of 30.11.2011

- *Water*: Improving the sustainability of natural resources, linked in part to the proposed European Innovation Partnership on Water. This priority is primarily supported under Environment, but with contributions from Science in Society.
- *Raw materials*: Moving European industry away from a resource-intensive basis (relying on raw materials, labour, energy etc.) to one that is more knowledge-intensive and sustainable. Here there are strong links to an important part of a proposed Horizon 2020 challenge and the proposed European Partnership on Raw Materials.
- *Smart Cities*: Part of the follow-up to the Commission's Communication on this subject; also with strong links to parts of the Public-private partnerships set up under the "Recovery package" (see annex 5). Wide ranging support comes primarily under Energy, ICT, Transport and NMP, but with important contributions also from Science in Society.
- *Secure clean and efficient energy*: Firmly driven by the SET plan⁵, including work on renewable energies and carbon capture and storage; and with strong link to a proposed challenge under Horizon 2020.
- *Public sector reform*: In the face of the financial and economic crisis, together with an ageing population and an increased dependency ratio with its attendant impact on the public purse, the European welfare state, in its different forms, is under huge pressure. New ways of organising public administrations need to be explored and developed. Relevant initiatives are also found in the Coherent Development of Research Policies.
- *Brain research*: Effective and translational brain research can have a major impact on health care costs, estimated at EUR 800 billion in 2010.
- *Anti-microbial resistance*: This follows up on the Commission's recently launched Action plan against the rising threats from antimicrobial resistance⁶; and also in line with commitments to the Millennium Development Goals⁷. Again, support is primarily under Health, but with contributions from Science in Society.
- *Bio Resource Efficiency*: This priority follows up on the Commission's Bio-Economy Communication⁸, and links as well to the greenhouse gas emission targets.
- *Europe: a destination for world-class researchers*. This priority underlines the proposed first pillar of Horizon 2020, helping make Europe an attractive place to do excellence research.

b) Ramping up the innovation dimension

More than ever before, this work programme embraces the full innovation cycle. The goal is to make sure that the fruits of research can be exploited, and to help place new products and services on the market. To this end:

⁵ COM(2009) 519 final of 7.10.2009.

⁶ 'Action plan against the rising threats from Antimicrobial resistance'. COM(2011)748 final of 15.11.2011.

⁷ Recalled by President Barroso recently in his declaration on the State of the Union at the European Parliament (28/9/2011).

⁸ COM(2012)60 final of 13.2.2012.

- Some parts – in particular Science in Society and Research for the benefit of SMEs – include demonstration, piloting, and validation measures.
- Demand-driven innovation is encouraged, by way of support to standardisation (e.g. Support for the Coherent Development of Research Policies and Science in Society); and actions relevant to existing European Innovation Partnerships (e.g. Support for the Coherent Development of Research Policies).
- More opportunities for non-technological innovation are provided, including support for public sector innovation (e.g. Prizes and expert groups); and social innovation, including transnational networks for incubators.

c) Enhancing participation of Small and Medium-Sized Enterprises (SMEs).

Innovative SMEs are the seedbeds for new jobs and future growth. We need to help existing ones flourish, and to encourage fresh start-ups.

The Research for the benefit of SMEs endeavours to enhance the research and innovation capacities of European SMEs which have little or no research capacity themselves to turn innovative ideas into products and services with clear future market potential in line with the aims of the Innovation Union. These specific measures are complemented by activities in the ‘Cooperation’ programme.

In total 105 topics in this work programme are dedicated in one way or another to SMEs, estimated to lead to around 20% of the total budget share. This includes SME-oriented topics, or topics generally encouraging industrial participants (including SMEs), as well as dedicated calls with strict rules leading to strong SME participation.

d) European Research Area

This work programme contributes to meeting the overarching objective of the EU research policy to develop an open and competitive **European Research Area (ERA)**, which is a core element in the research and innovation agenda of the Commission, as defined in the Innovation Union flagship.

The main premise of ERA is to increase research quality and impact, as well as to raise the attractiveness of the EU as a research location, by exploiting cross-border synergies. This would help to realise research critical mass and economies of scale unattainable at national level and to overcome deficiencies and inefficiencies arising from fragmentation, sub-criticality and duplication in R&D activities, and from a lack of policy coherence and coordination at and between regional, national and European levels. Tackling these depends upon the extent to which high-level political/ministerial commitment⁹ is matched by concerted action and enhanced partnerships between the Member States and the European Commission and research stakeholders as well as concrete research initiatives leading to substantial progress and improvements in research quality, impact and funding efficiency.

⁹ As in the Ljubljana Process, Council Conclusions on the Launch of the "Ljubljana Process"- towards full realisation of ERA, 30 May 2008.

ERA Chairs:

A pilot action on the proposed "ERA Chairs" in Horizon 2020 is being prepared for the 2013 work programme covering the Capacities Specific Programme. The aim of the "ERA Chairs" is to attract outstanding academics to institutions with a clear potential for research excellence, in order to help these institutions fully unlock this potential and hereby create a level playing field for research and innovation. Call details for this pilot action are expected to be provided in an update to this work programme before the end of 2012. The budget is envisaged to be of the order of EUR 12 million.

CONSULTATION AND ADVICE

The Capacities work programme is structured around 7 chapters, setting out the implementation of the parts. In general, each chapter is self-standing; however, applicants are advised to read this general introduction in addition to the chapter(s) containing the part(s) of interest. A range of issues of relevance to the Capacities work programme as a whole are also set out in Annexes 1-3.

In preparing this work programme, the Commission has relied on advice from a wide range of consultations, including from specific advice of a series of advisory groups¹⁰. The advisory groups are groups of independent, high-level, experts which have been set up by the Commission to advise on the implementation of the European Union's research policy in all parts contained in this work programme, except for Support to the Coherent Development of Research Policies. The experts were chosen based on their knowledge, skills and significant experience in the field of research and aligned issues covered by the Parts. More information on the members, and the work, of the advisory groups can be found on the Europa website.

The Commission is also assisted by the Programme Committee of Member State delegates. The Committee provides an opinion on the draft work programme before it is adopted by the Commission.

In the implementation of the Capacities Specific Programme, attention is also paid to the working conditions, transparency of recruitment processes, and career development as regards the researchers recruited on projects and programmes funded, for which the Commission Recommendation of 11 March 2005 on the European Charter for Researchers and on a Code of Conduct for the Recruitment of Researchers¹¹ offers a reference framework, while respecting its voluntary nature.

This work programme, in particular parts 1 (Research Infrastructures), 2 (Research for the benefit of SMEs), 3 (Regions of Knowledge) and 4 (Research Potential), can also contribute to allow the enhancement of synergies and complementarities between FP7 and Cohesion Policy investments in research and innovation¹² as described in the related communication from the Commission^{13 14}.

¹⁰ http://ec.europa.eu/research/fp7/advisory_en.html

¹¹ <http://ec.europa.eu/euraxess/index.cfm/rights/codeOfConduct>

¹² See also the "Practical guide to EU funding for Research, Development and Innovation" which sets out the complementarities of EU support for RTDI through the Seventh Framework programme, the Competitiveness and Innovation programme and the Structural Funds. The guide is available at the following link:

RESEARCH AND INNOVATION – A WIDE RANGE OF ACTIVITIES

Risk-Sharing Finance Facility

Commitment No. 10 of the Innovation Union Flagship Initiative¹⁵ is to increase private finance and close the market gap in investing in Research, Development and Innovation (RDI). The European added-value of public support is to overcome market gaps for the financing of European RDI with a high level of risk¹⁶.

In accordance with Annex III to the Capacities Specific Programme, the European Union (EU) provides a contribution to the European Investment Bank (EIB) for a Risk Sharing Finance Facility (RSFF). The objective is to foster primarily private sector investment in research, technological development and demonstration as well as innovation¹⁷. The EIB designed this new financing instrument with the European Commission with the financial support of the EU.

In compliance with the Capacities Specific Programme, the development of research infrastructures funded by the EU under this Specific programme shall be automatically eligible for the RSFF. Other research infrastructures of European interest could also be considered. The operation shall involve one or several legal entitie(s) (public bodies, industries, SMEs, research organisations, including universities) established in a Member State or an Associated Country. Legal entities established in Third Countries other than Associated Countries are also eligible if they participate in FP7 indirect actions and their costs are eligible for EU funding, or, in the case of research infrastructures, if their services are used or requested for use by research communities from at least three Member States or Associated Countries.

In December 2011, the Commission and the EIB responded to the European Council's and European Parliament's requests to develop and improve the RSFF through an amendment to the RSFF Cooperation Agreement. The EU now assumes a higher risk. The amendment enlarges the definition of entities eligible as research infrastructures: RSFF can help any entity that participates to the achievements of the "Research Infrastructure" Part (e.g. not only research infrastructures, but also suppliers and entities commercialising their outputs).

http://ec.europa.eu/research/participants/portal/ShowDoc/Extensions+Repository/General+Documentation/Guidance+documents+for+FP7/Financial+issues/new-practical-guide-web_en.pdf

¹³ COM (2007) 474 of 16.8.2007

¹⁴ In this context project applicants are encouraged to check the operational programme for the Structural Funds applicable in their region (http://ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm)

¹⁵ European Commission Communication on 'Europe 2020 Flagship Initiative Innovation Union' (COM(2010) 546 final, 6 October 2010)

¹⁶ In terms of current added value, the Independent Experts Group in charge of the RSFF interim evaluation in 2010 notably underlined that "*the RSFF has been one of the most successful instruments for addressing market imperfections in the debt financing of RDI investments in Europe. As the financial crisis unfolded, the market imperfections with respect to loan finance for RDI investments did not just increase substantially, they became to some extent ubiquitous. RSFF remained one of the few financial instruments available to innovative firms and organisations. RSFF helped many European research intensive firms to maintain RDI activities in period of major financial stress (...). It has provided loan finance to those innovative SMEs not interested in private equity funding*".

¹⁷ Costs related to innovations activities may be considered as eligible EU RSFF Operations if they comply with the provisions set in the RSFF Co-operation Agreement between the European Union and the European Investment Bank (as stated in Article A4.6.2: Selection of Projects for Financing and the Eligibility Criteria under Annex IV).

The RSFF focus for 2013 is on maximising the implementation level for target groups that have so far been relatively less attracted to the RSFF, in particular research infrastructures under the Capacities Specific Programme. The expected results of awareness-raising activities and the larger definition of eligible research infrastructure are likely to lead to more loan signing in 2013.

For the period 2011-2013, following the positive results of the RSFF interim evaluation, the EU has released a contribution of EUR 500 million to RSFF, as foreseen in the RSFF legal basis¹⁸. For the period 2012-2013, it is expected that the EU transfers EUR 50 million (broken down as follows: in 2012: EUR 0 million; in 2013: EUR 50 million) to the EIB¹⁹ from the Capacities Specific Programme (Research Infrastructures Part).

This last year of FP7 is a preparatory phase for the development of innovative financial instruments for RDI under the proposed Horizon 2020, notably to help support research infrastructures.

Part 1 of this work programme gives more information on the RSFF.

PRACTICAL MODALITIES

This work programme provides additional detail of the implementation of the Capacities Specific Programme. The calls for proposals planned within this work programme are those which are scheduled to be launched in the second half of 2012 and in 2013.

a) Submitting a Proposal

Proposals should be submitted in accordance with the terms set out in a call for proposals. In order to submit a proposal, applicants should consult the following documents:

- The text of the call for proposals, as announced in the Official Journal of the European Union and published on the Participant Portal;
- This work programme; and
- The relevant Guide for Applicants.

There are also a number of other useful texts, which applicants could refer to, including the Specific Programme 'Capacities', the Rules for Participation for FP7, the 'Rules for Submission of Proposals and the Related Evaluation, Selection and Award Procedures', and the Commission Recommendation on the European Charter for Researchers and on a Code of Conduct for the Recruitment of Researchers. These documents, and other relevant background documents, are available on the Participant Portal. The forms of the grant which will be used and the maximum

¹⁸ The EU contribution to RSFF is expected to come from the following sources for the period 2011-2013: EUR 400 million from the Specific Programme "Cooperation" and EUR 100 million from the Specific Programme "Capacities".

¹⁹ Under the condition that the legislative authority releases the overall budgetary envelope of EUR 200 million for the RSFF for the period 2007-2011, as specified under Annex II of the Specific Programme "Capacities", among which EUR 150 million have been committed in the 2007-2011 period. This amount for 2013 corresponds to primary-credit appropriations. It will be complemented by an additional amount (corresponding to the allocation to RSFF of the EFTA credits.) It may be further increased by other Third Countries appropriations.

reimbursement rates for projects funded through the Capacities work programme are set out in Annex 3 and are applicable to actions as a result of calls for proposals and grants to identified beneficiaries, unless indicated otherwise in the different Parts. Participants have the possibility to use flat rates to cover subsistence costs incurred by beneficiaries during travel carried out within grants for indirect actions.

In addition, every Member State and Associated Country has appointed a set of National Contact Points (NCPs) to assist potential and successful applicants. There is a NCP for each of the Parts of the Capacities Programme, except for 'Support to the Coherent Development of Research Policies'. Applicants are encouraged to make contact with the relevant NCP from their country.

b) Evaluation Criteria and Related Issues

The 'Rules for Submission of Proposals and the Related Evaluation, Selection and Award Procedures' set out the basic procedures to be followed by all programmes under the Seventh Framework Programme.

The set of eligibility and evaluation criteria for this work programme is given in Annex 2 and is applicable to actions as a result of calls for proposals and grants to identified beneficiaries²⁰, unless indicated otherwise in the different Parts. Any deviations or complementary criteria, which may apply, are clearly set out in the relevant chapter of this work programme and in the text of the calls for proposals.

All proposals which deal with ethical issues and all proposals for which ethical concerns have been identified during the evaluation process may be reviewed by a separate ethical evaluation panel, before they can be selected for funding. Further information on this ethical review and all aspects of the evaluation procedure are given in the 'Rules for Submission of Proposals and the Related Evaluation, Selection and Award Procedures'.

The work programmes, and consequently the calls for proposals, may specify and restrict the participation of legal entities, according to their activity and type, or according to the funding scheme used.

Calls for proposals may involve a two-stage submission and/or a two-step evaluation procedure. When such a procedure is employed, this is clearly stated in the text of the call for proposals and the Guides for Applicants. More information on two-stage submission and two-step evaluation is given in the 'Rules for Submission of Proposals and the Related Evaluation, Selection and Award Procedures'.

In carrying out the evaluations of proposals received, the Commission may choose to send the proposals to external experts, or to make the proposals available electronically, so that the experts may carry out their examination and review of the proposals at their home and/or their place of work.

²⁰ According to Article 13 and Article 14 (a) of Regulation 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 (2007-2013), OJ L391 of 30.12.2006.

c) Gender

The pursuit of scientific knowledge and its technical application towards society requires the talent, perspectives and insight that can only be assured by increasing diversity in the research workforce. Therefore, all projects are encouraged to have a balanced participation of women and men in their research activities and to raise awareness on combating gender prejudices and stereotypes. When human beings are involved as users, gender differences may exist. These will be addressed as an integral part of the research to ensure the highest level of scientific quality²¹. In addition, specific actions to promote gender equality in research can be financed as part of the proposal, as specified in Appendix 7 of the Negotiation Guidance Notes.²²

d) Ethical Aspects

All research carried out under this work programme must respect ethical principles and legislation as well as the requirements set out in the text of the Capacities Specific Programme. More information on the procedures for the peer and ethics review of submitted proposals is given in the 'Rules for Submission of Proposals and the Related Evaluation, Selection and Award Procedures'.

The Commission is fully committed to the principles set out in:

- a) The Charter of Fundamental Rights of the European Union²³ as well as in the relevant EU legislation;
- b) The declaration on the use of human embryonic stem cells, as set out in the annex to the Commission Communication COM(2006)548 of 26 September 2006²⁴. This states that the Commission will maintain the practice of the 6th Framework Programme. Accordingly, the Commission will not fund projects which include research activities which destroy human embryos, including for the procurement of stem cells. The exclusion of funding of this step of research will not prevent Community funding of subsequent steps involving human embryonic stem cells.

e) Support under the Capacities programme

This specific programme will support a range of actions involving the active collaboration of research teams from all sectors, including industry, SMEs, universities and other higher education institutions, research institutes and centres, international European interest organisations, civil society organisations, and any other legal entities. These actions will be implemented through the funding schemes: Collaborative Projects, Coordination Support Actions and Research for the benefit of Specific Groups (in particular SMEs). Legal entities from Associated Countries²⁵ may take part in the Capacities programme under the same terms and conditions as those based in Member States unless otherwise stated. International

²¹ Case studies are presented at www.genderedinnovations.eu

²² Guidance notes available at the following link:

http://ec.europa.eu/research/participants/portal/ShowDoc/Extensions+Repository/General+Documentation/Guidance+documents+for+FP7/Negotiations+and+amendments/negotiation_en.pdf

²³ OJ C 303/7, 14.12.2007, p.1. See also Strategy for the effective implementation of the Charter of Fundamental Rights by the European Union, COM(2010) 573 final, 19.10.2010.

²⁴ OJ L 412 of 30.12.2006, p. 42

²⁵ Albania, Bosnia & Herzegovina, Croatia, Faroe Islands, the Former Yugoslav Republic of Macedonia, Iceland, Israel, Lichtenstein, Moldova, Norway, Montenegro, Serbia, Switzerland and Turkey.

cooperation represents an important dimension of all research activities carried out in the Capacities Programme.

Through the principle of general opening up of all research activities, the participation by legal entities from third countries is allowed. This concerns both International Cooperation Partner Countries (ICPC, full list provided in Annex I) and other third countries, including the Associated Countries. Organisations from associated and ICPC countries are eligible for funding. Legal entities from other third countries and international organisations are eligible for funding under the conditions laid down in Art 29 (2) of the Rules for Participation. There is provision for the financing of the participation of research partners from the ICPC countries from the FP7 budget.

Some topics of the work programme, in areas of mutual interest and benefit, may target the participation of specific third countries. The participation of third countries may also be implemented in the form of coordinated or joint calls. Chapter 7 of this work programme focuses specifically on a range of activities designed to support and stimulate the participation of third countries in the Framework Programme.

f) Registration of legal entities in the Commission's Early Warning System (EWS) and Central Exclusion Database (CED)

The Commission uses an internal information tool (EWS), as well as a database available to public authorities implementing EU funds (CED) to flag identified risks related to beneficiaries of centrally managed contracts and grants with a view to protecting the EU's financial interests.

Prior Information of Candidates, Tenderers and Grant Applicants (Article 8 of Decision on the EWS and Article 13 of Regulation on the Central Exclusion Database):

Candidates, tenderers, grant applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- the Commission Decision of 16.12.2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p. 125), or
- the Commission Regulation of 17.12.2008 on the Central Exclusion Database – CED (OJ L 344, 20.12.2008, p. 12),

their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a procurement contract or a grant agreement or decision²⁶.

²⁶ More information on the EWS and CED, can be found here:
http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

g) Budget Figures in this Work Programme

This work programme draws on financing from the 2013 budgetary year. All budgetary figures given in this work programme are indicative and subject to the condition that the draft budget 2013 is adopted without modifications by the Budgetary Authority.

Unless otherwise stated, final budgets may vary following the evaluation of proposals.

The final budget awarded to actions implemented through calls for proposals may vary:

- The total budget of the call may vary by up to 10% of the total value of the indicated budget for each call; and
- Any repartition of the call budget may also vary by up to 10% of the total value of the indicated budget for the call.

For actions not implemented through calls for proposals:

- The final budgets for evaluation, monitoring and review may vary by up to 20% of the indicated budgets for these actions; and
- The final budget awarded for all other actions not implemented through calls for proposals may vary by up to 10% of the indicated budget for these actions.