



# Horizon 2020

*The EU Framework  
Programme for  
Research and Innovation*

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DG RTD

*2014-2020*

HORIZON 2020

Research and  
Innovation



## What is Horizon 2020

- **Commission proposal for a 80 billion euro research and innovation funding programme (2014-2020)**
- **A core part of Europe 2020, Innovation Union & European Research Area:**
  - **Responding to the economic crisis** to invest in future jobs and growth
  - **Addressing people's concerns** about their livelihoods, safety and environment
  - **Strengthening the EU's global position** in research, innovation and technology



## The Multiannual Financial Framework 2014-2020: Commission's proposals 29 June 2011

**Key challenge: stabilise the financial and economic system while taking measures to create economic opportunities**

### ***1. Smart & inclusive growth (€491bn)***



### ***2. Sustainable growth, natural resources (€383bn)***

### ***3. Security and citizenship (€18.5bn)***

### ***4. Global Europe (€70bn)***

### ***5. Administration (€62.6bn)***

**Total:  
€ 1,025bn**



## Legal set-up of Horizon 2020

<i>Horizon 2020 – the Framework Programme</i>	<i>Regulation of Council and EP</i>
<i>Horizon 2020 – Rules for participation</i>	<i>Regulation of Council and EP</i>
<i>European Institute of Technology</i>	<i>Regulation of Council and EP (2008)</i>
<i>specific programme implementing Horizon 2020</i>	<i>Council decision</i>



# Other important legal framework

*Financial Regulation*

*Regulation  
of Council  
and EP*



## Active involvement of stakeholders

- **EU Presidencies: Sweden** (societal challenges-based approach), **Spain** (integration of research and innovation), **Hungary** (FP7 interim evaluation), **Poland** (widening participation), **European Council conclusions** from 4.2.2011 (Common Framework to bring together all EU research and innovation funding)
- **European Parliament** reports: Merkies (Innovation Union), Audy (FP7 evaluation), Matias (Horizon 2020) and Carvalho (simplification)
- Overwhelming response to the **public consultation** on Horizon 2020 (more than 2000 contributions)
- **Survey on administrative costs for participants in FP7**
- **25 workshops on the content** of Horizon 2020

## Next steps

- May 2012: Partial general approach (Council) on H2020
- Oct 2012: Partial general approach (Council) on RfP
- Nov 2012: ITRE vote (EP) on H2020, spec. Programme, Euratom, RfP
- Dec 2012: Partial general approach (Council) on spec. progr H2020
- Mar2013:  
(Tri-logues)** Parliament and Council view on EU budget 2014-2020 (including overall budget for Horizon 2020)
- 2013:** Parliament votes on H2020 and RfP
- Mid 2013:** Adoption of legislative acts by Parliament and Council on Horizon 2020
- 1/1/2014:** **Horizon 2020 starts, launch of first calls**



# Three priorities:

1. Excellent science
2. Industrial leadership
3. Societal challenges





## Priority 1 Excellent Science

<p><b><i>European Research Council</i></b> Frontier research by the best individual teams</p>	13 268
<p><b><i>Future and Emerging Technologies</i></b> Collaborative research to open new fields of innovation</p>	3 100
<p><b><i>Marie Skłodowska-Curie actions</i></b> Opportunities for training and career development</p>	5 572
<p><b><i>Research infrastructures (including e-infrastructure)</i></b> Ensuring access to world-class facilities</p>	2 478
<p><b><i>Widening excellence: Spreading excellence and widening participation shall unlock the potential of Europe's talent pool by giving support to policy learning, networking and training opportunities</i></b></p>	0,9%



## Priority 2: Industrial Leadership

<p><b><i>Leadership in enabling and industrial technologies</i></b> (ICT, nanotechnologies, materials, biotechnology, manufacturing, space)</p>	<p>13 781</p>
<p><b><i>Access to risk finance</i></b> Leveraging private finance and venture capital for research and innovation</p>	<p>3 538</p>
<p><b><i>Innovation in SMEs</i></b> Fostering all forms of innovation in all types of SMEs</p>	<p>619 complemented by around 6 800 (expected 15% of societal challenges + LEIT) and <i>'Access to risk finance'</i> with strong SME focus</p>



## Priority 3: Societal Challenges

Science for and with society	0,4%
1. Health, demographic change and wellbeing	8 033
2. Food security, sustainable agriculture, marine and maritime research & the bioeconomy	4 152
3. Secure, clean and efficient energy*	5 782
4. Smart, green and integrated transport	6 802
5. Climate action, resource efficiency and raw materials	3 160
6. Inclusive, innovative and secure societies	3 819
<i>Europe in a changing world – inclusive, innovative and reflective societies</i>	<i>PGA</i>
<i>Secure societies – protecting freedom and security of Europe and its citizens</i>	<i>PGA</i>



## Strong participation by SMEs

- **Integrated approach** - around 15% (**20%**, **20%**) of the total budget for societal challenges and LEITs to go to SMEs.
- **Simplification** of particular benefit to SMEs (e.g. single entry point).
- A **new SME instrument**, building on the SBIR model, will be used across all societal challenges as well as for the LEITs
- A dedicated activity for research-intensive SMEs in '**Innovation in SMEs**'.
- '**Access to risk finance**' will have a strong SME focus (debt and equity facility)



## Widening participation

- **Principle of excellence:** continue to allocate funding on the basis of competitive calls, selecting only the best projects.
- **Clear division of labour** between cohesion policy and Horizon 2020.
  - Cohesion policy: support for regions in building up their research and innovation capacity.
  - Horizon 2020: widen participation, better coordination between the two Union funding programmes, support policy learning reforms.
- **Accompanying measures in Horizon 2020** to ensure that excellence prevails wherever it exists, including: twinning, ERA chairs, support for access to international networks, development of smart specialisation strategies.

# Rules for participation

## 1. A SINGLE SET OF RULES: the overarching principle



### *SINGLE SET OF RULES for Horizon 2020*

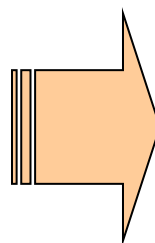
- Covering all research programmes and funding bodies (art.185 initiatives, art. 187 initiatives, CIP, EIT)...  
...but flexible to accommodate specificities where needed.
- In accordance with the new Financial Regulation and its Delegated Act.
- Coherent with the rules of the other EU programmes.
- Also applicable to Euratom.

# Rules for participation

## 2. A SINGLE FUNDING RATE (Art. 22)



Maximum reimbursement rates	Research and technological development activities (*)	Demonstration activities	Other activities
Network of excellence	50% 75% (**)		100%
Collaborative project(****)	50% 75% (**)	50%	100%
Coordination and support action			100% (***)



## One project = One rate

- ✓ Same rate for all beneficiaries and all activities in the grant.
- ✓ The applicable rate will be defined in the Work Programme:
  - Up to **100 %** of the eligible costs;
  - but limited to a maximum of **70 %** for projects "close to market".

**Council: 100% for University**

- (\*) Research and technological development includes scientific coordination.  
 (\*\*) For *beneficiaries* that are *non-profit public bodies*, secondary and higher education establishments, *research organisations* and *SMEs*  
 (\*\*\*) The reimbursement of indirect eligible costs, in the case of coordination and support actions, may reach a maximum 7% of the direct eligible costs, excluding the direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the *beneficiary*.  
 (\*\*\*\*) Including research for the benefit of specific groups (in particular SMEs)

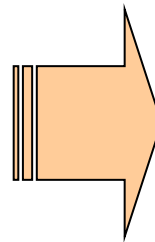
# Rules for participation – ITRE, European Parliament

## 2. A SINGLE FUNDING RATE (Art. 22)



# European Parliament

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Coordination and support action			100% (***)



Type of activity	Method of cost calculation	Type of participant	
		University/ RTOs/SMEs/Others	Industry
Research & Development & Experimental development	direct eligible costs + flat rate (Article 24)	100%+20%	70% +20%
	full costs (Article 24)	70%	50%

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## Other changes by ITRE to the Participation rules

**Flexibility for funding bodies to use derogations if needed: according to the compromise amendments Article 1 foresees that only the EIT should be allowed to deviate from the Rules. However, the new Article 49 d (3) now also foresees the possibility to at least deviate from the Staff Regulations. No deviations are allowed for Article 185 initiatives.**

**Time to grant: according to the report the average time to grant should not exceed six months. All political groups agreed on this.**

**IPR: the report foresees that in the field of major societal challenges (health, climate, biodiversity) licensing of results to third parties shall by default take place on non-exclusive terms, unless the participants can duly justify licensing results on exclusive terms.**



## Important

- **A single programme** bringing together three separate programmes/initiatives\*
- **Coupling research to innovation** – from research to retail, all forms of innovation
- **Focus on societal challenges** facing EU society, e.g. health, clean energy and transport
- **Simplified access**, for all companies, universities, institutes in all EU countries and beyond.

\*The 7th Research Framework Programme (FP7), innovation aspects of Competitiveness and Innovation Framework Programme (CIP), EU contribution to the European Institute of Innovation and Technology (EIT)



### What would remain from



- ✓ **Grant Agreements as the main funding stream** (also possibility of Grant Decisions).
- ✓ **Reimbursement of costs as the main funding method.**

### What would be



- ✓ **Specific provisions for new forms of funding targeting innovation:** pre-commercial procurement, procurement of innovative solutions and inducement prizes, SME instrument, **fast track to innovation.**
- ✓ **Financial instruments:** a debt financial instrument, a financial instrument providing equity finance for R&I, etc.
- ✓ **Possibility of output-based grants (lump-sums per project).**
- ✓ **Enhanced use of other lump-sums, flat rates and scales of unit.**



## Open issues – to be discussed in tri-logues

- **Budget:** MFF, H2020, split within H2020
- **Widening**
- **H2020 governance (programme committees, strategic panels, advisory groups)**
- **Definition of H2020 Challenges**
- **Funding for close-to-market actions**
- **Participation rules: simplification and in particular cost re-imburement rules**



# Thank you for your attention!

**Find out more:**

[www.ec.europa.eu/research/horizon2020](http://www.ec.europa.eu/research/horizon2020)