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➤ Seen from Brussels

A first step towards a European Institute of Technology

On 22 February, the European Commission published a Communication proposing the creation of a European Institute of Technology (EIT). In spite of the mixed feelings of many actors and Member States towards this initiative, the European Commission is now explicitly asking Heads of States and Government, who will meet on 23-24 March, to take up position on the creation of an EIT.

Although the Communication remains vague on a number of key issues like funding, it already sketches out how the EIT would be organised and function. Between the two extremes of a completely centralised institution and a virtual network of existing ones, the Commission struck the following compromise:

The EIT would be organised on two levels:

- a) a centralised managing and administrative institution responsible for the strategy, the budget as well as the evaluation and choice of the EIT's "knowledge communities";
- b) a number of "knowledge communities" consisting of a network of teams working at existing institutions on selected strategic topics.

These communities would be at the heart of the EIT and would combine research, training and innovation (mainly knowledge transfer) activities. The researchers working in these communities would form an integral part of the EIT and would be detached to the EIT by their home institutions. This would make the EIT a fully-fledged legal entity concentrating all the above activities but working in a decentralised manner.

Beyond the fact that the model above raises a number of questions regarding feasibility, the budget necessary to make this initiative a success remains the main open issue and constitutes the biggest threat for the EIT's future. The Commission's Communication does not put forward any numbers but highlights the need to fund this initiative with the help of Member States and the private sector, be it through research contracts or with the help of sponsors and private foundations. Given the EU's tight financial framework for 2007-2013, the fear that part of the funding share might come from the ERC budget has been a continuous topic of debate. From a different perspective, the Bill and Melinda Gates Foundation has been mentioned as a potential funding partner. Informal sources estimate at €1.5 to 2 billion the cost of the EIT, from its start in 2009 until the end of the budgetary period in 2013.

Overall, many important points remain open and feed the debate. The relationship between the EIT and the European Research Council (ERC), which is due to be launched in 2007, is a main issue. Given the EU's tight finances, most observers – whilst they are not against an EIT as such – fear that the EU is trying to do too much too quickly and should first make sure that the ERC functions well and is a success before launching another large initiative in the same field of research, education and innovation. As far as the EU Member States are concerned, the frontline seems to be split between the supporters, like France, Austria, Spain and Portugal as well as Poland, Hungary and the Czech Republic (each of the latter hoping to host the EIT), and a number of sceptics like the UK, the Netherlands, Sweden and Belgium.

Depending on the European Council's stance on 23-24 March, the European Commission would prepare a legislative proposal for the end of 2006 and hope for an adoption of the proposal by the end of 2008, allowing the EIT to start in 2009.

The Commission's communication on the EIT can be found under:

http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2006/com2006_0077en01.pdf

More information can be found under:

http://europa.eu.int/comm/education/policies/educ/eit/index_en.html

◆ **News in Brief**

7th Framework Programme (FP7)

Latest news on the financial frame for FP7

After the UK Presidency's lukewarm compromise on the Financial Perspectives in December 2005, the Commission was left with a budget frame reduced to 54% of what it had originally proposed, or €72 billion instead of €133 billion, and with the difficult task to redefine its priorities (see Synopsis Research 2005/4). The redistribution was particularly tedious in the Subheading 1a of the Financial Perspectives, which contains all of the Commission's Programmes in the field of research (FP7), education (LLL) and innovation (CIP), but also in areas like transport and energy (TEN).

The deal for the Financial Perspectives contained a clause which guaranteed a 75% increase in funding for FP7 between 2006 and 2013. In order to match this percentage, the Commission's new proposal allocates €48 billion of the €72 billion (2004 prices) to research, putting FP7 on the winning side. The distributions in a recent working document of the Commission result in the following numbers (a 2% annual inflation rate was added to the 2004 values to get the real prices):

Programme	Initial proposal (in € billions, real prices)	Current proposal (in € billions, real prices)	Percentage of initial proposal
FP 7 (including Euratom)	78.0	54.2	69%
LLL (+ Erasmus Mundus)	13.7	6.7	49%
CIP	4.2	3.3	78%
TEN	18	7.5	42%

For FP7, this will probably mean cuts of ~30% for the Specific Programme (SP) "Collaboration", ~35% less for the SP "Ideas" and "People" and 40-50% less for the SP "Capacities". However, these numbers are preliminary, for they are currently discussed by the Parliament, the Council of Ministers and the Commission in inter-institutional negotiations. The Commission has set the timeline for an Inter-Institutional Agreement for the end of April, to allow for the timely start of the programmes by January 2007.

Publication of the long-awaited Rules for Participation in FP7

In spite of the uncertainties that still remain concerning some major aspects of FP7, January brought us a step closer to understanding how the European Commission sees the implementation of FP7 and the management of the projects to be funded during the years 2007-2013.

After the general Framework Programme document, put forward last April, and the Specific Programmes, which define the scientific content of FP7 and the research topics to be funded, published last September, the European Commission recently tabled its proposal for the last of the three key FP7 documents: the Rules for Participation. In comparison to the other two, the "Regulation 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" might seem a dull and very technical document. However, the Rules for Participation lay down the basis for all the procedures and rules for project funding as well as intellectual property rules (IPR) and thus tells us what the basis for managing and participating in FP7 projects will be.

The Commission's proposal of January was based on an intense debate on how to simplify the rules and procedures of the Framework Programme (see Synopsis 2005/3). The proposed text, which is now being discussed by the European Parliament, the Council of Ministers and diverse

stakeholders is far from final and many changes are still expected. However, without going too far into details, we would like to highlight the following proposed points:

- Participation and submission:
 - For ERC projects, the minimum condition will be the participation of one Member State or Associated Country. This confirms that single teams will be able to apply; it would however exclude Third Countries wanting to participate as single teams.
 - Electronic submission will be the rule under FP7.
 - A single registration database common to all Commission services should help diminish paperwork.
- Evaluation of proposals:
 - The Commission will especially work on increasing two-stage procedures and will submit specific rules for these procedures.
 - Evaluation criteria are not any more written down in the Rules for Participation but will be detailed in the work programmes.
- Start of the project:
 - The project starts when the coordinator signs the contract with the Commission.
 - Consortium agreements remain obligatory.
- Financial issues:
 - Funding could come under the following forms: reimbursement of eligible costs (see below), flat-rate financing (e.g. lump sums), a combination of both as well as prizes and scholarships.
 - As far as the reimbursement of eligible cost is concerned, a number of changes are planned that should allow some participants to receive higher levels of funding than under FP6. Cost models as known under FP6 will be abolished. All the participants would therefore be funded according to the full eligible costs they incurred for the project. Cost incurred for permanent staff can be charged to the project (this however requires the filling in of time-sheets...). For participants who cannot identify their indirect costs (e.g. buildings, electricity), a “flat rate”, which has not yet been defined, will apply.
 - According to their eligible costs, participants will then be reimbursed as follows for their research activities:
 - 75% for SMEs (as an incentive to participate);
 - 75% for public bodies and universities;
 - 50% for industry;
 - ERC activities will be reimbursed up to 100%;
 - Management activities can be funded 100%, like in FP6.
 - Audit certificates will be requested but “the number of audit certificates per grant agreement (i.e. per project) and participant will be rationalised”.
 - Networks of Excellence should be funded with the use of lump sums based on the number of researchers integrated in the project and the duration of the action. The value unit should be €23’500 per year and per researcher. Payments will be made periodically, according to the progress of the project.
 - To simplify the participation of SMEs and reduce the number of (bank) guarantees they have to deliver, the Commission would like to introduce a “guarantee fund”, financed with a small portion (rumours evaluate it at 1%) of the contribution received by industry and SMEs.
- IPR issues:
 - The Commission introduces the distinction between “background” (i.e. information and rights held before the start of a given project), “side-ground” (i.e. information and rights acquired in parallel with the project) and “foreground” (i.e. information resulting from the project).

The European Court of Auditors, which is always very attentive to the financial management of the Framework Programme by the European Commission, reacted a few weeks later to the proposed text and emphasised a number of points, amongst which: criticism of the planned

“guarantee fund”, the need to introduce the “portability” of ERC grants, the need to decrease the bureaucracy burden by a more centralised information management system at the Commission services, the need for the Commission to present a model consortium agreement as well as the overall fact that many novelties actually do not lead to a simplification of the Rules like the necessary introduction of time-sheets or the introduction of a number of new funding possibilities. The European Parliament has recently chosen the former Research Commissioner Philippe Busquin as rapporteur on this topic. On the side of the Council of Ministers, Member States have already discussed the above issues at the technical level and major discussion points were the abolition of cost models, the definition of “public bodies” in the new reimbursement system and the improvement of the statistical data about funded projects. The Rules for Participation will be adopted in co-decision between the European Parliament and Council. The Parliament plans to adopt its report by the summer in order to be able to finish the procedure in time for the start of FP7.

The proposal of the European Commission can be found under:

http://europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0705en01.pdf

(The text is currently only available in English, translations are being finalised)

The Rules for Participation to the Euratom Programme are presented in an article below.

The opinion of the European Court of Auditors on the Rules for Participation:

http://www.eca.eu.int/audit_reports/opinions/docs/2005/05_11en.pdf

The Commission’s explanatory notes on the Rules for Participation and on IPR issues:

http://europa.eu.int/comm/research/future/pdf/rules_explanatory_note_en.pdf

http://europa.eu.int/comm/research/future/pdf/ipr_prov_expl_en.pdf

The Specific Programmes debated in Parliament and Council

The Committee on Industry, Research and Energy (ITRE) of the European Parliament (EP) has examined the Specific Programmes (SP) of the 7th Framework Programme at its meetings of 30-31 January and 21 February 2006. Whereas the FP7 proposal and the Rules for Participation are adopted through a co-decision procedure between the EP and the Council of Ministers, the Parliament only gets consulted for the Specific Programmes. As previously reported (see Synopsis Research 2005/4), there is a dedicated rapporteur for each SP.

For the SP “People”, Mr Pirilli made the following propositions:

- 1) Setting up training networks on joint projects to foster the exchange of researchers;
- 2) Develop a system of protection for the researchers’ Intellectual Property (IP) in academia-industry partnerships (reward for the researcher);
- 3) Foresee further training and career development possibilities for researchers;
- 4) Increase the incentives for young people to take up research by increasing the salary and prestige of research careers;
- 5) Allow the portability of social security plans and remove all administrative barriers to researchers’ mobility;
- 6) Aim at high quality by applying strong selection criteria at the very start of the career (e.g. less early-stage fellowships).

Ms Madurell, rapporteur for the SP “Cooperation”, pointed out the following:

- 1) Multidisciplinary and interdisciplinary approaches should be strengthened;
- 2) Joint Technology Initiatives (JTI) and Technology Platforms (TP): conditions and role of the EP in the transition from TP to JTI should be clarified;
- 3) Minimal SME participation and coordination with the SME instruments in the SP “Capacities”, with the CIP and with regional or inter-governmental actions (e.g. EUREKA) should be ensured;
- 4) Synergies of “Cooperation” with the Structural Fund, the support to infrastructures and the CIP should be increased;

- 5) The number of Thematic Priorities should be re-examined;
- 6) Due to the length of FP7, flexibility in adapting to changing needs should be provided;
- 7) The coordination between the FP and the R&D programmes of the Member States should be improved;
- 8) The role of the universities as network's of research, teaching and technology transfer should be better taken into account, especially in the light of the EIT project;
- 9) In International Cooperation, a research strategy should be defined before choosing the partner countries, or, in the case of developing countries, a clear goal should be defined (e.g. tackle "neglected diseases" like malaria);

The SP "Ideas", which is the headline of the European Research Council (ERC), was examined by Ms Niebler, who put the following points forward for discussion:

- 1) The minimal level of funding for the ERC;
- 2) The implementing structure of the ERC (Executive Agency or independent body under Art. 171);
- 3) Parliamentary control of the ERC (through a Board of Trustees like NSF, DFG or SNSF);
- 4) Appointment of the members of the Scientific Council (suggestion of a rotating system);
- 5) Efficiency of the administration by small start and recruitment of extra staff as required;
- 6) Coordination of the activities of the ERC and the thematic priorities of the Cooperation programme (problem of double funding or loss of good projects "falling into the cracks");
- 7) Influence/interference of the European Institute of Technology (EIT) with the ERC (money for the EIT should not come from the ERC budget);
- 8) Working criteria for the ERC (excellence as only criterion or additional priorities, e.g. young researchers, topic priorities, quota for women).

Some of these points will certainly remain open and are likely to be integrated in the EP's report on the Specific Programmes. The Council of Ministers could then take some of these contentious points up and make the necessary amendments. In its recent meeting of 13 March, the Competitiveness Council has so far proceeded on an exchange of views on the Specific Programmes and added some delicate discussion points to the debate:

- The ethical principles for the eligibility of projects (stem cell debate);
- The management and implementation principles (comitology for project selection);
- The implementing structure for the ERC (see above).

These discussion points are problematic due to the very tight timeframe in which the FP7 proposal, the Specific Programmes and the Rules for Participation have to be adopted to ensure the timely start of FP7 in January 2007. Parallel discussions in the Parliament and the Council may allow the adoption in one reading, provided there is no major difference in opinion between the two institutions. Any disagreement could slow down or even block the process, leading to a gap in financing of projects between FP6 and FP7.

European Research Council (ERC): organisation and funding strategy

After its first meeting on 18-19 October 2005 (see Synopsis Research 2005/4), the Scientific Council (SC) of ERC met for the second time on 24-25 January to discuss its scientific strategy and its operating arrangements. Concerning the funding, the SC discussed the setting up of two funding streams, the first one allocated to individual teams led by promising early-stage independent researchers and the second reserved for innovative and interdisciplinary projects of individual teams led by experienced researchers. Moreover, the SC dealt with matters of organisation and decided to establish a five-person management board composed of the Secretary-General, the President and the two Vice-Presidents of the SC, as well as the Director of the implementing agency. The post of Secretary-General is to be filled through an open recruitment procedure, although the criteria set out for this position will substantially narrow down the field of possible candidates. According to the SC, this person should be a respected scientist with wide experience of basic research funding at the highest level, command respect from

international peers and have the vision, authority and track record to manage a major initiative at European level.

Uncertainty still remains on the legal form of the ERC's implementing structure: the European Parliament agrees with initially setting it up as an Executive Agency, but would like to be sure that it falls under Art 171 of the Treaty at a later, yet to be defined time point. Such a progressive establishment under Art.171 would give the ERC the necessary autonomy, but would also allow the EP to have some control over it... For this same reason, the Commission would rather keep the implementing structure as an Executive Agency with strong ties to DG Research. At its latest meeting of 13 March, the Competitiveness Council was not basically against letting the implementing structure remain an Executive Agency, provided the SC of the ERC is involved in its setting up as well as in the recruitment of its Director. But certain Member States have not taken position on the subject yet...

More information on the European Research Council (ERC) can be found under:

http://europa.eu.int/comm/research/future/basic_research/index_en.html

EURATOM: Nuclear research in FP7 is taking shape

The recent evolution of the non-nuclear part of FP7 has nearly overshadowed the progress of its nuclear counterpart, the "7th Framework Programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities 2007-2011".

A large part of the 7th Euratom Framework Programme is devoted to research and demonstration activities in the field of nuclear fusion. The funding for this part of the programme will mainly go to the International Thermonuclear Experimental Reactor (ITER) set up to demonstrate the scientific feasibility of nuclear fusion. If successful, this technology will allow the production of limitless amounts of cheap and clean energy. A follow-up demonstration reactor (DEMO) is also planned under the framework programme. The technical and legal experts have completed the draft of an international agreement that will be signed by the EU, the US, Japan, Korea, Russia, China and India, allowing the work to start as early as this summer.

Its basis being a different treaty (the Euratom Treaty), the Euratom Programme needs guidelines regarding participation and dissemination of results that are slightly different than the rest of FP7.

The Commission has tabled the Rules for Participation for the Euratom Framework Programme on 7 February. These are in large parts identical to the Rules for Participation to the non-nuclear part of FP7, except for the thematic area of fusion energy research outlined above. There, certain specific rules apply; for example, the maximal financial contribution from the Community is set to 20%, or 40% for projects directly related to ITER and after consultation of the programme committee. Another particularity of the programme is its maximal duration of 5 years; the programme is however expected to be prolonged for two years after its expiration to reach the same duration as its non-nuclear counterpart.

The Rules for Participation for the 7th Euratom Framework Programme can be found under:

http://europa.eu.int/comm/research/future/pdf/com_2006_0042_acte_en.pdf

6th Framework Programme (FP6)

The ERA-NET Plant Genomics launches first call

The ERA-Net Plant Genomics (PG) aims at maximising the results coming from the €80 million invested each year in Europe into the investigation of the genetic structure of plants, by boosting trans-national cooperation and creating synergies between national programmes. It was established in January 2004 by 12 funding organisations from 11 different countries and is coordinated by the Dutch NCI/NWO. In 2005, five additional organisations joined the ERA-Net PG, including the Swiss National Science Foundation (SNSF). The Commission contribution for

these partners is currently still pending; therefore, the new ERA-Net members (including Switzerland) cannot participate in this first call.

Plant Genomics is the first ERA-Net to launch such a call for proposals. The €30 million call is open to all projects using genomic or post-genomic methods to address current problems in plant research and should lead to increased collaboration and synergy between research teams from different European countries in the area of plant genomics, especially in the agriculture sector. Although it is the declared goal of the ERA-Net PG to eventually finance projects out of a common pot, for this call, funding will be provided by the participating funding agency of each researcher's State, under this agency's terms and conditions.

The call for proposals of the ERA-Net Plant Genomics can be found under:

http://www.erapg.org/publicfiles/10868_14_Call_notice.pdf

A link to the website of the ERA-Net Plant Genomics can be found under:

<http://www.erapg.org/everyone>

EU Research Policy

The Competitiveness and Innovation Programme (CIP) ready to be adopted

The European Parliament (EP) and the Council of Ministers have discussed the CIP (see Synopsis 2005/4) at their last meetings, but in both cases, they were unable to adopt the proposal due to the absence of budget figures for the programme.

At its meeting of 30-31 January 2006, the Committee on Industry, Research and Energy (ITRE) of the EP proceeded to vote on all the many amendments, but due to the absence of budget figures, postponed the final vote on the report of the rapporteur for the CIP, Mr. Chatzimarkakis. The adopted amendments mainly concerned the following issues:

- The focus of the CIP should be on SMEs;
- Transfer between research and application, including technology transfer activities, should also be supported;
- Synergies with other Community Programmes (e.g. FP7, LLL) and the Structural Funds should be reinforced;
- Simplifications should be introduced to diminish red tape;
- Information "one-stop shops" in each Member State as well as an assistance "hotline" for innovation should be established;
- Clear and simple principles for participation in the CIP should be published;
- The implementation of the CIP should be continuously assessed.

On 13 March, the CIP was then examined by the Competitiveness Council (Council of Ministers), which agreed unanimously on a partial general approach. Agreement was reached on the objectives, instruments and content of the CIP, but in the absence of a clear budget, it will only remain partial. The text of the agreement included the following main features:

- Clear articulation of the complementarities between the CIP and FP7, as well as the Structural Funds;
- Clarification and higher visibility of the eco-innovation part of the Programme;
- Improvement of the monitoring and evaluation aspects of the implementation of the CIP.

With the positions of Parliament and Council not differing significantly, a rapid adoption of the CIP can be expected once the budget for this programme has been set following the inter-institutional agreement on the Financial Perspectives expected at the end of April. The EP would then adopt its final report on the CIP and pass it over to the Council for follow-up.

The draft report of MEP Jorge Chatzimarkakis and the voted amendments can be found under:

http://www.europarl.eu.int/meetdocs/2004_2009/documents/pr/586/586132/586132en.pdf

http://www.europarl.eu.int/meetdocs/2004_2009/documents/am/593/593717/593717en.pdf

The Commission sets the foundations of a comprehensive European energy policy

Based on the positive signals given by the Heads of State at the European Council in the fall of 2005, the Commission published its long-awaited Energy Green Paper on 8 March 2006. As generally the case for Green Papers, the aim of this paper on energy policy is to trigger discussions within the Member States, possibly leading to the definition of a common European policy in a domain so far reserved exclusively to Member States. The paper makes some bold propositions, like the opening of energy markets and the definition of a common external energy policy. This would allow the EU to speak with one voice when dealing with third countries, from which the Union imports roughly half of its energy supplies.

The policy outlined in the paper is based on the three objectives of sustainability, competitiveness and security of supply.

- For the first objective, sustainability, the Commission proposes to develop renewable sources of energy, to curb energy demand and to make efforts to halt climate change.
- The objective of competitiveness requires the opening of energy markets, the mitigation of the impact of high energy prices and keeping Europe at the cutting edge of energy technologies.
- Security of supply would be attained through diversification of the energy mix, stimulation of investments to meet energy demand, better response capacities to emergencies, improvement of companies' access to global resources and security of access to energy for all citizens and businesses.

To reach these goals, the Commission proposes a set of concrete measures:

- The development of a European grid code, the setting up of a European Energy Regulator and creation of a European Centre for Energy Networks to improve the interconnections within Europe;
- The creation of a European Energy Supply Observatory, leading to more transparency about energy stocks and increased solidarity between Member States;
- A Community-wide debate on different energy sources and a regular Strategic Energy Review to lead to a diversification in energy sources;
- The further development of the EU Emission Trading Scheme and an Action Plan on Energy Efficiency, to be presented this year;
- A Renewable Energy Road Map, including a Directive on heating and cooling;
- A Strategic Energy Technology Plan in line with the research priorities of FP7 and based on the European Technology Platforms in the energy field;
- A common external energy policy based on a pan-European Energy Community Treaty.

As far as research is concerned, the policy laid out in the Green paper builds on renewable energy technologies, on clean coal and carbon capture, on biofuels for transports, on new energy vectors like hydrogen, on environmentally friendly energy usage (fuel cells) and on energy efficiency, but also on advanced nuclear fission (Generation IV reactors) and on nuclear fusion (ITER). This mix of different research directions will certainly yield not just positive reactions, as certain countries and interest groups are very much opposed to the paper's emphasis on nuclear and carbon-based energy technologies.

The Green paper will be a main discussion item at the Spring Summit of the European Council of 23-24 March.

The Commission's Green Paper on "A European Strategy for Sustainable, Competitive and Secure Energy" can be found under:

http://europa.eu.int/comm/energy/green-paper-energy/doc/2006_03_08_gp_document_en.pdf

The Commission's Strategy for Biofuels follows the Biomass Action Plan

Building on the Biomass Action Plan adopted in December 2005 (see Synopsis Research 2005/4), the Commission adopted on 8 February a "EU Strategy for Biofuels", aimed at promoting biofuels in the EU and the developing countries, preparing for the large-scale use of biofuels by improving

cost-effectiveness and increasing research, and supporting biofuel production in the third world countries to stimulate sustainable economic growth.

The strategy is based on seven key policy axis, one of which being research and development. For the latter, the Commission will continue to support the development of an industry-led Biofuel Technology Platform and the implementation of its Strategic Research Agenda. Research into biofuels will be given priority in FP7, under two themes of the SP "Cooperation":

- Energy: research aiming at bringing down the cost of biofuels by improving conventional technologies and developing second-generation biofuels;
- Food, agriculture and biotechnology: applying life sciences and biotechnology to improve biomass production systems.

Market introduction of biofuels will be supported under the Intelligent Energy – Europe programme of the Competitiveness and Innovation Framework Programme (CIP).

The Commission's Communication "A EU Strategy for Biofuels" can be found under:

http://europa.eu.int/comm/agriculture/biomass/biofuel/com2006_34_en.pdf

A background memo on the Biofuels Strategy can be found under:

<http://europa.eu.int/rapid/pressReleasesAction.do?reference=MEMO/06/65&format=HTML&aged=0&language=EN&guiLanguage=en>

The Aho report raises the bar for research and innovation policy

In a report published on 23 January 2006, an independent expert group led by the former Finnish prime minister Esko Aho called for a "pact for research and innovation" to achieve the Lisbon goals and presented a set of recommendations to reach and go beyond the 3% benchmark for investment in R&D:

- Creating a market for innovative goods and services through a harmonised regulatory environment, the ambitious use of standard-setting powers and of public procurement to drive demand for innovative goods, a globally competitive intellectual property rights system and a cultural shift which celebrates innovation. These measures should be bundled in large scale strategic actions in domains like eHealth, pharmaceuticals, energy, environment, transport and logistics, security or digital content, and be orchestrated by an independent high-level coordinator.
- Resources for R&D and Innovation in Europe: Support for science through generous funding of excellent research, support for industry through visible fiscal incentives (e.g. elimination of social costs for R&D workers) and through modernisation of the State Aid framework, support for the transfer between science and industry within FP7, increased productivity of R&D through cutting of sub-standard or low-priority research and focussing on excellence, use of Structural Funds to improve the R&D infrastructures in convergent regions and finally, a large shift in the EU budget towards research and innovation.
- Structural mobility as the basis for innovation-driven success: increased mobility of human resources between science, industry and government (at least 10%), mobility of funds for venture capital (avoidance of double taxation and strengthening of the European Investment Fund) and mobility in organisation and knowledge through establishment of clusters and creation of European Technology Platforms.

Some of these recommendations are already being implemented by the Commission (e.g. revision of the State Aid framework, creation of Technology Platforms, fostering innovation during education), whereas others face opposition from Member States (e.g. harmonised regulatory environment, taxation, shift in budget towards R&D, European intellectual property rights system). Very interestingly, the report identifies the lack of mobility between science (i.e. academia) and industry as one of the main hindrances for innovation. According to this report, the low mobility of experienced researchers between industry and academia is largely due to structural barriers and lack of incentives, tenured scientists facing problems to return to academia after a stint in industry. Without questioning the support for basic research from the ERC, the experts stress that the rest of FP7 should focus on the integration of academic and industrial research.

The Aho report can be found under:

<http://europa.eu.int/invest-in-research/pdf/060119Aho%20report%20final.pdf>

COST undergoes a major overhaul

At the last meeting of its Committee of Senior Officials (CSO) on 23-24 November 2005, COST (European Cooperation in the Field of Scientific and Technical Research) took a major step with the decision of its governing body to abandon the rule of consensus for that of simple majority of three quarters of the COST member states. Moreover, the CSO decided to restructure the scientific and technical Domains of COST, 9 instead of 12 Domain Committees will advise the CSO in the future. These changes will have a significant impact on the governance of COST and should help the organisation to play a distinct role within the European Research Area.

Another substantial change is that an Open Call system will most likely be introduced, which should improve transparency and increase competition for the COST Actions. The first Open Call is expected as early as 1 April 2006, whose emphasis will be on young researchers, to foster their joint efforts in becoming better known and recognised.

Another proposed novelty expected to start in the spring of 2007 is the Young Investigators Networks (YIN). This instrument will be reserved to young scientists at postdoctoral level to encourage their networking, through support for meetings, seminars, outreach activities and short collaboration stints. This support will be complemented by special YIN Conferences and research management training. This new COST instrument follows a line of new initiatives from many research funding agencies (e.g. ESF's EURYI, EMBO's Young Investigator Programme or HFSP's Career Development Awards) to support researchers in the critical transition between postdoctoral researcher and tenured group leader.

More information on COST can be found under:

<http://www.cost.esf.org/>

Fighting HIV/AIDS within the EU

On 15 December 2005, the Commission adopted a Communication on combating HIV/AIDS within the EU and the neighbouring countries. This document sets out an Action Plan with a timeframe until the end of 2009, which brings together all the relevant EU policies and instruments available. Measures include the involvement of both the civilian society and European businesses in response to HIV/AIDS, the development of standardised prevention indicators, the support of prevention and awareness programmes, the setup of harm reduction services and substitution treatments for drug users, the training of health care personnel and treatment counsellors, and the involvement of neighbouring countries in a HIV/AIDS Think Tank and Civil Society Forum.

In addition, research on HIV/AIDS will continue to be a priority in FP7, and the Commission proposes to establish a series of European networks, one for clinical trials for new therapeutic approaches, one for microbicide/vaccine research and one for cohort studies, all to be implemented between 2006 and 2010.

The Commission's Communication on combating HIV/AIDS can be found here:

http://europa.eu.int/comm/health/ph_threats/com/aids/docs/com_2005_654_en.pdf

The Galileo satellite navigation project flies high

After the successful launch of the first GALILEO satellite, GIOVE-A, on 28 December 2005 (see Synopsis Research 2005/4) and the reception of the first signal on 12 January 2006, the European Space Agency (ESA) and Galileo Industries GmbH signed a €950 million contract for the development and in-orbit validation of the first four satellites, which are due to be on orbit in 2008.

GALILEO is Europe's satellite radio navigation programme, which was launched by the Commission and developed jointly with ESA. It will allow the development of a new generation of

universal navigation systems in areas such as transport, telecommunications, agriculture and fisheries. As opposed to its US (GPS) and Russian (GLONASS) counterparts, GALILEO will be entirely administered and controlled by civilian authorities and should be complementary to the current systems.

Also on 12 January, an agreement was reached on the active participation of South Korea in the GALILEO programme. This agreement confirms the ambition of the EU to further stimulate international cooperation in this domain and the growing interest of third countries in GALILEO.

Information on the European Satellite Navigation System GALILEO can be found under:
http://europa.eu.int/comm/dgs/energy_transport/galileo/intro/index_en.htm

◆ Publications

The 5th European Innovation Scoreboard presents a bleak picture for Europe

The latest European Innovation Scoreboard, published by the Commission on 12 January 2006, presents a rather bleak picture for the European Union: the innovation gap between the EU and the US has remained constant, and has even widened between the EU and Japan. However, there are substantial differences between countries, since Sweden, Switzerland and Finland range in positions 1 to 3, before Japan, Denmark, the US and Germany. A large proportion of the countries of the EU-15 are placed in the middle pack, whereas many new Member States have quite some catching up to do. This heterogeneity in innovation capacity hinders the EU; according to David White, Director for Innovation at DG Enterprise, 50 years might be required under the current conditions to catch up with the US and Japan. And the emerging economies of China and India present a new threat to Europe's potential leadership in innovation...

The European Innovation Scoreboard 2005 can be found under:
<http://trendchart.cordis.lu/scoreboards/scoreboard2005/pdf/EIS%202005.pdf>

EURAB report on the potential of Research and Technology Organisations

In December 2005, the European Research Advisory Board (EURAB) has published a report on the role and position of Research and Technology Organisations (RTO) in the European Research Area (ERA). RTOs are mission-oriented R&D organisations which can be either publicly or privately funded, or through a mix of public and private contributions (e.g. research contracts). An example of an RTO is Germany's Fraunhofer Gesellschaft. According to this report, the potential of the RTOs has not been used effectively, since neither their setup nor their mission fits well with the instruments provided by the Framework Programmes for RTD. The EURAB proposes a series of measures to palliate this deficiency:

- Increasing the awareness of policy-makers for the role of the RTOs in the ERA through a series of conferences;
- Adapting the existing instruments of the FP to the specificity of the RTOs; e.g. opening the ERA-Net scheme to RTOs;
- Establishing a "RTO Observatory" to increase the visibility of RTOs inside the Commission;
- Providing a suitable governance model for RTOs that allows sufficient operational independence (the so-called "arms-length" or "agency" model).

These measures should lead to a better integration of the RTOs into the ERA and provide an essential link between academia and industry.

The report from EURAB can be found under:
http://europa.eu.int/comm/research/eurab/pdf/eurab_05_037_wg4fr_dec2005_en.pdf

Commission publishes final overview of its FP6 ERA-NET activities

ERA-NET is a new instrument introduced in FP6 with the aim to increase the co-operation and co-ordination of research and innovation programmes carried out at national or regional level in the Member States and Associated Countries.

Some of the specificities of the ERA-NET scheme are that it is thematically totally open (bottom-up approach) and that the organisations it aims to bring together are not researchers themselves but research funding organisations at national and regional levels. Some projects are also dedicated to “horizontal” issues, such as evaluation practices or the promotion of gender equality in research. Over the four years of FP6, there were 5 calls for proposals for ERA-NET projects. A total of 106 projects were selected for funding by the Commission for a budget of €182 mio.

A list of funded projects and statistical information about all five calls can be found in the document below:

ftp://ftp.cordis.lu/pub/coordination/docs/eranet_1_5_overall_selected_130106.pdf

More detailed information about projects funded in the first four calls can be found under:

<http://www.cordis.lu/coordination/era-net.htm>

Collection of biotechnology innovations resulting from the Framework Programmes

The Commission has published on 20 December 2005 a catalogue of new technological developments stemming from biotechnology research projects funded by the European Union over the last 10 years, including projects from the 4th, 5th and 6th Framework Programmes. Each new technology is described, including the stage of commercialisation and the state of the IPR protection, as well as contact details of the researchers who developed the technology. This guide is a good source of information for researchers, investors and policy makers interested in the innovations made in the field of biotechnology over the last decade in Europe.

The catalogue can be downloaded under:

ftp://ftp.cordis.lu/pub/lifescihealth/docs/booklet_100_off.pdf

SwissCore Küche

SwissCore has “new” neighbours

From the beginning, SwissCore has shared its premises with the Swedish liaison office. In January, the Swedish EU-R&D Council, which was in charge of the office in Brussels, has been integrated into Vinnova, the Swedish Governmental Agency for Innovation Systems. The new European Programmes department at VINNOVA promotes Swedish participation in the EU research and technological development programmes. Gunnar Sandberg, Head of Office, and Lieve Van Damme, Advisor, are running the office, as they did before for the Swedish EU-R&D Council.

Recently, the Research Council of Norway (RCN) established a liaison office in Brussels to promote activities for Norwegian participation in EU research and innovation programmes. Marit Risberg Ellekjaer, Head of Office of the Norwegian Liaison Office for EU RTD has moved in as a new neighbour on SwissCore’s premises. The RCN promotes and supports basic and applied research in all areas of science, technology, medicine and humanities. Its goals are to increase the understanding of research in society and to support innovation in all sectors and branches of industry. RCN also evaluates research and advises the government on research policy.

More information on Vinnova:

<http://publiceng.vinnova.se/>

More information on The Research Council of Norway:

<http://www.forskningradet.no/english/>