



**COUNCIL OF
THE EUROPEAN UNION**

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COMPET 67**

OUTCOME OF PROCEEDINGS

From: General Secretariat of the Council

To: Delegations

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Subject: Council conclusions on the Review of the European Research Council's Structures and Mechanisms

Delegations will find attached the Council conclusions on the Review of the European Research Council's structures and mechanisms adopted by the Competitiveness Council at its meeting on 2 March 2010.

**Council conclusions on the Review of the European Research Council's
Structures and Mechanisms**

THE COUNCIL OF THE EUROPEAN UNION

RECALLING

- the Decision of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013)¹ ("FP7"), and the Council Decision of 19 December 2006 concerning the specific programme: "Ideas" implementing FP7 in the area of frontier research² to which effect the European Research Council ("ERC") was established; the Decisions also provide for the implementation and management of this activity to be reviewed and evaluated on an on-going basis to assess its achievements and to adjust and improve procedures on the basis of experience;
- its conclusions of 3 December 2009 on Guidance on future priorities for European research and research-based innovation in post-2010 Lisbon strategy, according to which, inter alia, a review is needed of the EU financing framework with a view to achieving a risk-tolerant and trust-based approach for the management of research funding; the Council also took note of the Review of the European Research Council's Structures and Mechanisms of July 2009 as well as the responses by the ERC Scientific Council and the Commission and which the Council undertook to discuss in depth, in order to deliver its political opinion in early 2010 on the review's recommendations and their follow-up; the Council also invited the Commission to further improve the functioning of the new instruments and initiatives of FP7 (such as ERC, Joint Technology Initiatives and the Risk Sharing Finance Facility) as well as the Executive Agencies involved, based on the results of the review on their progress;³

¹ OJ L 412, 30.12.2006, p. 1.

² OJ L 54, 22.2.2007, p. 81.

³ 17189/09.

1. TAKES NOTE OF:

- the Review of the European Research Council's Structures and Mechanisms “Towards a world class Frontier Research Organisation” of 23 July 2009 ("Review"),
- the ERC Scientific Council’s response of 25 August 2009 to the Review,
- the Commission communication of 22 October 2009 entitled "The European Research Council - Meeting the challenge of world class excellence"⁴ responding to the Review ("Communication").

2. ACKNOWLEDGES the excellent work carried out by the Review panel and in particular the overall conclusion of the Review that the launching of the ERC represents a remarkable success for a novel and essential instrument for European Science.

3. ACKNOWLEDGES also the concerns expressed in the Review about the long-term sustainability of the scheme, and the need to further adapt the governance structures and mechanisms, administrative rules and practices to the ERC’s mission.

4. TAKES NOTE of the recommendations of the Review for legal, financial, procedural and administrative improvements of the ERC operations, as well as the ERC Scientific Council’s response to them.

5. STRESSES the need to ensure that the ERC counts with the optimum legal structure, decision making process, adequate management, expert input and administrative procedures to continue carrying out its mission with the highest standards of excellence, efficacy and efficiency. In this respect,

⁴ 15052/09.

6. WELCOMES the measures taken or envisaged by the Commission in its Communication in response to the recommendations of the Review and IDENTIFIES the following areas in which further actions are required:

a) Evaluation process

- With the aim of ensuring the best quality of evaluation, WELCOMES the decision by the Scientific Council to set up a sub-committee to steer and control the construction of a database for the selection and maintenance of a pool of candidates for reviewers and panellists from across Europe and abroad, including the appropriate provisions to guarantee a regular turnover;
- Given that the professionalization of the ERC management is the best guarantee to ensure the quality of evaluation, INVITES the Commission to make possible the involvement of highly qualified scientists and experts on research management and evaluation to the ERC Executive Agency for periods up to four years in addition to the permanent staff, in order to continually replenish the Agency's scientific knowledge base; this involvement would be implemented through appropriate arrangements, which could include secondment;
- Moreover, and in order to facilitate the collaboration of reviewers and panellists of the highest scientific levels, INVITES the Commission to continue the efforts to simplify administrative procedures for appointing and reimbursing them.

b) Integrating scientific and administrative functions

- TAKES NOTE of the initiative of the Commission to merge the positions of Secretary General and Director and publishing the post, whilst care should be taken to ensure the smooth functioning of the ERC by assuring the continuity of key positions during the period needed to implement the Review's recommendations, as well as a good cooperation between the holder of the new office and the Scientific Council;
- The integration of scientific and administrative functions as well as the strengthening of the scientific quality of the management structure of the ERC should be further enhanced. In this respect, INVITES the Commission to take action, firstly to ensure that scientists are better represented in the Steering Committee of the Executive Agency, and secondly make it possible for the management structure to recruit "highly qualified external scientists with a track record of achievement in their field and experience in management" and ensure a regular turnover.

c) Conflicts of interest

- WELCOMES the establishment of a sub committee of the Scientific Council to provide guidance on conflicts of interest, fraud and ethical issues and INVITES the Commission to interpret the rules of conflict of interest in such a way that it does not become an impediment to the collaboration of seconded national experts.

d) Transparency

- WELCOMES the decision of the Scientific Council to publish the summarised minutes of their plenary meetings;

- Taking into account that the scientific reputation of the Scientific Council is the best guarantee to ensure the quality and the credibility of the ERC as a world class institution, INVITES the Commission to establish an independent Standing Committee of high scientific calibre as an Identification Committee which presents to the Commissioner the names of candidates to replace outgoing members and the names of present members of the Scientific Council whose term should be renewed for a second term.

e) Simplification

- To consolidate the ERC as a world class instrument for the funding of frontier research, the issue of administrative procedures is of the greatest importance. Therefore:
- STRESSES that cooperation between the Council, the European Parliament and the Court of Auditors is necessary to, on the basis of the future proposal from the Commission, adapt the Financial and Staff regulations applicable to the ERC Executive Agency to accommodate the specific needs of the ERC's mission;
- With the aim of establishing funding rules more appropriate to frontier research which focus on facilitating the participation of the best researchers in high risk research projects, INVITES the Commission to make full use of the possibilities of funding research projects through more flexible instruments based on trust and take the necessary measures “to align administrative procedures, in particular current accounting and auditing requirements applying to the Community budget with the mission and delivery of frontier research”;
- INVITES the Commission to take necessary measures to avoid any “over-regulation, over-control and over-steering“, as referred to in the Review, when interpreting the Financial Regulation;

- In order to explore ways and means of introducing more flexibility in the operation of the ERC Executive Agency and to adapt it to the ERC's mission, INVITES the Commission to further study the possibilities offered by Council Regulation 2003/58 on the statute for Executive Agencies⁵, in particular Art. 6.3 which leaves to the Commission the definition of "the terms, criteria, parameters and procedures with which an executive agency must comply" in performing its tasks.

- CALLS ON the Commission, in the overall context of simplification and on the above basis, to make the ERC a pilot case for implementing pragmatic and effective solutions to be extended to the rest of the Framework Programme where applicable.

f) External communication

- INVITES the Commission to support the ERC in its efforts to effectively promote the attractiveness of the ERC to retain as well as repatriate and recruit the world's most talented scientists and encourage the participation of scientists from the industrial or enterprise sector.

7. CALLS ON the Commission to carry out by July 2011 an independent evaluation as a follow up to the Review recommendations. The evaluation should, inter alia, deal with the question as to whether the ERC's structure is sufficiently tailored to achieve its mission or whether an alternative structure is called for, and, if necessary, make recommendations on this point that could be implemented by the start of the Eighth Framework Programme.

⁵ OJ L 11, 16.1.2003, p. 1–8.