

UK HE SECTOR POSITION ON THE FUTURE OF THE FRAMEWORK PROGRAMME

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UK HE Sector Position on the Future of the Framework Programme – key points

- There is widespread support from across the UK HE sector for the next Framework Programme to expand the use of excellence in the allocation of funding, so that the whole of the Framework Programme is premised on funding the best work.
- The sector recommends that there are better synergies between programmes and more targeted use of Structural Funds to support the development of a broad-based research capacity in Europe.
- The sector continues to be a strong supporter of the ERC, and would like to see it afforded a significantly greater allocation of Framework Programme funding after 2013. The sector warns against changes to the basic concept of the ERC, which has been highly successful.
- The HE research community in the UK is strongly supportive of the continuation of the Marie Curie Actions into the next Framework Programme. The sector urges the Commission to retain the flagship Marie Curie Actions without any significant change being made to them.
- Development of the innovation component of the Framework Programme could potentially offer enormous opportunities for HEIs. However, the Commission should take steps to ensure that the primary focus of the Framework Programme remains on research.
- The sector is supportive of the Grand Challenges Agenda. While the sector agrees that the next Framework Programme should be open to new societal challenges, it is crucial that the Programme retains both the element of thematic focus – along the lines of the FP7 Co-operation Programme – and ‘space’ for research into new and emerging areas.
- It is highly likely that Joint Programming will play a significant role in the next Framework Programme. The UK HE sector acknowledges the potential advantages of coordinating national responses to shared societal challenges.
- While it is broadly supportive of Joint Programming, the sector urges the Commission to ensure that Joint Programming activity is not allowed to distort the priorities of national funding bodies, or dilute the funding national bodies have at their disposal.
- The sector calls on the Commission, in conjunction with the European Parliament, to expand the budget for the next Framework Programme, both as a proportion of the EU budget and in real cash terms.
- The sector urges the European Commission to highlight the importance of sustainable funding for European research ahead of other more traditional budget concerns, such as the Common Agricultural Policy.
- The sector will work with other countries and HE sector organisations to ensure improved recovery and sustainability of funding from the Framework Programme and other research activities.
- Any move towards a results-based funding regime may deter risky research such as that encouraged by the European Research Council.
- Flat rate and lump sum options should be increased in size under the next Framework Programme to reflect actual project costs more realistically, but should be retained on an optional basis.
- The sector calls on the Commission to take steps towards a more trust-based system of regulation, in which nationally approved certification, accounting and management practices are accepted.

Introduction

1. This paper sets out the UK higher education (HE) sector position on the future of the European Union's Framework Programme, the EU's primary funding instrument for research and development (R&D). The next Framework Programme, which commences in 2014, is being developed at a time of substantial change in the European research landscape, when the European strategy for enhancing research efforts is seeking to shape national research and development policies, and develop major new initiatives and processes.
2. It is expected that the post-2013 Framework Programme will support the ambitious objectives of the Europe 2020 strategy, including a substantially greater emphasis than in previous Framework Programmes on linkages between research and innovation. At the same time, research and innovation at the European level are increasingly recognised as having a vital role to play in long-term societal transformations, and it is likely that the next Framework Programme will be more focused on the 'Grand Challenges' that confront EU citizens – such as climate change, an ageing population, and securing a sustainable energy supply.
3. The UK HE sector is committed to engaging constructively with the European research agenda. The UK is a major research player in Europe, engaging actively in and benefitting substantially from European funded programmes and initiatives.
4. In 2009 the UK had the highest number of successful applications for funding from the Seventh Framework Programme, with 1,923 applications awarded funding totalling nearly €527 million. UK researchers have so far been awarded a total of €1.83 billion (£1.64 billion) under the successive Framework Programmes. The UK HE sector supports the continuation of research and development as a major spending priority for the European Union (EU), and believes it is important not to lose sight of the EU's goals for R&D intensity, set out in the Europe 2020 agenda.
5. This paper concentrates on key issues identified by the UK HE sector as being important for the next Framework Programme, including research excellence and capacity, the structure and content of the Framework Programme, sustainable funding and simplification.

Excellence

6. The UK HE sector continues to support the use of excellence as the prime criterion for determining receipt of research funding in Europe. At a time of fiscal constraints and increasing competition from other regions of the world, research quality has to be the over-riding factor in the distribution of research funding at the European level if we are to compete on the international stage.
7. There is widespread support from across the UK HE sector for the next iteration of the Framework Programme to expand the use of excellence in the allocation of funding, so that the whole of the Framework Programme is premised on funding the best work.

8. A more harmonised approach to peer review across the Framework Programme would support the primacy of excellence in the selection of projects. This could involve the extension of successful European Research Council (ERC) practices across the Framework Programme, including the issuing of detailed guidance on evaluation issues at the application stage, and the heavier weighting of excellence over other factors (such as management arrangements) in the evaluation criteria.
9. The UK HE sector recognises that peaks of excellence do not work in isolation from the rest of the system. Europe's research capacity also depends on the existence of a broad research base that also supports the development of innovation capacity and entrepreneurial opportunity. It is important that the next Framework Programme acknowledges the importance of developing research capacity in convergence areas of the European Union, and continues to recognise that clusters of organisations (including higher education institutions), businesses and regional authorities can facilitate excellence by developing particular areas of regional comparative advantage.
10. In addition, the UK HE sector recommends that there should be better targeting of Structural Funds to support the development of a broad-based research capacity in Europe, and better synergy between the Framework Programme and the Structural Funds.
11. One step in this direction would be for the Commission to provide more explicit guidance on how countries and regions can use Structural Funding and other resources for the purposes of research capacity building, and more closely articulate these with the aims of the Framework Programme.
12. It is crucial that the Framework Programme acknowledges that world class research depends also on the capacity of European researchers to benefit from the best resources, facilities and pockets of excellence, wherever they exist. The next Framework Programme should continue to develop its openness to participation by third-country partners. It should also acknowledge that unique skills and data-sets sometimes exist within regions and institutions whose research capacity is not yet world-class, and should continue to facilitate access to such resources as currently occurs through the INCO and Research Potential elements of the Framework Programme.

European Research Council

13. The UK HE sector continues to be a strong supporter of the ERC, which has become a 'beacon' for excellence across Europe. The ERC embeds the principles of excellence and bottom-up research at the heart of European research, and raises the standards of national research efforts by setting a clear and inspirational target for frontier research in Europe, demonstrating the real added value that can come from EU funded activities. It is also important to recognise the ERC's role in attracting and retaining world-class researchers in Europe.
14. To enable the ERC to continue to make a real difference to the EU research landscape, the sector calls on the European Commission to give it higher priority after 2013, with a significantly greater proportion of Framework Programme funding.

15. While the UK HE sector wishes to see an expanded ERC after 2013, the sector warns against changes to the basic concept of the ERC, which has been highly successful. Any move away from bottom-up research led by a principal investigator, for example, would risk creating overlaps with other areas of the Framework Programme. It would also detract from the distinctiveness of the ERC's particular brand of research, thus diminishing its capacity to function as a benchmark for high quality research in Europe.

Marie Curie

16. The Marie Curie Actions programme is highly valued by the HE research community in the UK, which strongly supports the continuation of Marie Curie into the next Framework Programme.
17. There is scope for rationalising the Marie Curie schemes to concentrate on those with the most added value. The sector urges the Commission to retain the flagship Marie Curie Actions (Initial Training Networks, Incoming International Fellowships, and Intra European Fellowships) without any significant change being made to them. The sector would be against any dilution of the flagship Marie Curie actions in favour of the more recent Cofund Scheme.
18. The UK HE sector is concerned that the transfer of the Marie Curie Actions from the Commission's Directorate General for Research to its Directorate General for Education and Culture may have implications for its continuation as part of the next Framework Programme. Marie Curie funds high quality *research*, albeit with a training and mobility focus, and positioning it as removed from the Framework Programme could compromise the European added value of Marie Curie for EU researchers.

Structure and content of the Framework Programme

Innovation

19. With the publication of the European Commission's Communication on Innovation Union and the accompanying 'European Innovation Partnerships' concept¹, it appears likely that the next Framework Programme will seek to couple the Programme's existing objective of bringing about the European Research Area (ERA) with a new set of objectives orientated towards innovation.
20. This move towards innovation could potentially offer enormous opportunities for UK HEIs, such as new mechanisms for the more effective use of research results, leading to a greater level of impact. However, the Commission should take steps to ensure that the primary focus of the Framework Programme remains on research, and that any incorporation of innovation-based objectives into the next Framework Programme does not lead to the Programme becoming excessively complex and inaccessible.

¹ For more on European Innovation Partnerships, see page eight of the Europe Unit's E Note on Innovation Union, available at http://www.europeunit.ac.uk/sites/europe_unit2/resources/E-2010-12_InnovationUnion.pdf

21. The bringing together of ERA and innovation objectives under the umbrella of the next Framework Programme may involve the extension of the Programme to include instruments and initiatives currently external to it, such as the Competitiveness and Innovation Programme (CIP) and the European Institute for Innovation and Technology (EIT). UK higher education institutions (HEIs) have often voiced the concern that the European research landscape is overly fragmented, and recognise the potential benefits of measures to increase the strategic coherence of research instruments. However, it is crucial that the configuration of the next Framework Programme does not threaten either the integrity of individual instruments, or the amount of funding available for 'traditional' Framework Programme activity.
22. The UK HE sector recognises the accumulated expertise that has been built up in European HEIs over the period of the successive Framework Programmes. So as to retain as much continuity as possible in the transition to the next Framework Programme, the sector recommends that rules and procedures should only be changed where change is really necessary. Where a procedure is working it should be retained or improved. The use of Participant ID Codes, for example, was a difficult system to implement but works well where FP7 project partners have been validated.

Grand Challenges

23. As set out by the Expert Group on the Interim Evaluation of the Seventh Framework Programme², the research and innovation effort in the next Framework Programme is likely to be much more focused on the Grand Challenges confronting EU citizens – such as climate change, an ageing population, food and water security, and securing a sustainable energy supply. The UK HE sector is supportive of the Grand Challenges agenda. The sector recognises that research is critical to solving shared societal challenges, and that efforts to meet such challenges can have a greater impact when the endeavours of member states are coordinated.
24. While the UK HE sector agrees that the next Framework Programme should be open to new societal challenges, it is crucial that the Programme retains both the element of thematic focus – along the lines of the FP7 Cooperation Programme – and 'space' for research into new and emerging areas. Such a balance of directed and non-directed research is necessary to ensure that those fields not fitting within selected Grand Challenges are not diminished by attention to more politically driven priorities. It would also help to ensure that the Framework Programme continues to fund research that contributes towards identifying the unknown Grand Challenges of the future.

² To view the opinions on the next Framework Programme set out by the Expert Group on the Interim Evaluation of the Seventh Framework Programme, see Chapter Nine of the Interim Evaluation of the Seventh Framework Programme, available at http://ec.europa.eu/research/evaluations/pdf/archive/other_reports_studies_and_documents/fp7_interim_evaluation_expert_group_report.pdf#view=fit&pagemode=none

25. While cross disciplinary research is important, there need to be opportunities for single disciplinary fields where academics in the same field are able to advance frontiers of knowledge in the same area. The UK HE sector is concerned in particular that smaller research actors may become excluded from the bidding process for projects related to Grand Challenges and effectively be disenfranchised, thus undermining the creation of the ERA. One option would be to ear-mark funding within the next Framework Programme for smaller projects.

Joint Programming

26. National engagement with Joint Programming is gathering pace across the EU. While Joint Programming is intended to work on a variable geometry basis and the Framework Programme is not, it is highly likely that Joint Programming will play a significant role in the next Framework Programme. The UK HE sector acknowledges the potential advantages of achieving a critical mass of research efforts in particular specified areas.
27. The UK HE sector welcomes recent strategic developments such as the definition by the European Council of a clear set of criteria for the Joint Programming of research programmes. The convening of a High Level Group for Joint Programming, on which the UK HE sector is represented, and the ongoing development of framework conditions are also important. The UK HE sector calls on the European Commission to continue the increased level of communication with member states on Joint Programming, to include consultation and the timely provision of further information on the specific details of the Joint Programming process as it develops.
28. However, it is important that Joint Programming activity is not allowed to distort the priorities of national funding bodies, or dilute the funding national bodies have at their disposal. The UK HE sector calls upon the Commission to recognise that, in the context of the Framework Programme, Joint Programming may sometimes lead to a blurring of the lines between national and European research priorities. While the UK HE sector respects the Commission's stance that ultimate responsibility for Joint Programming should lie with the member states, it asks the Commission to take steps, in the development of the next Framework Programme, to ensure that clear lines of distinction are retained between research activity that takes place as part of a Joint Programming Initiative, and that which does not. This will help to ensure that the post-2013 Framework Programme is still perceived by potential beneficiaries as a source of funding for programmes/projects not supported at national level.
29. The UK HE sector recommends that a longer term 10-20 year perspective on Joint Programming is developed. This does not need to be binding, but will allow a strategic approach and clear underpinning principles to be articulated.

Synergies between programmes

30. Differences in auditing requirements, legal wording and structure represent a major barrier to taking advantage of synergies between programmes. The UK HE sector is supportive of aspirations set out in the Commission's Innovation Union Communication to harmonise conditions between programmes.

31. The Commission could do more to clarify and facilitate synergies between the different funding streams. This would require better communication between the different parts of the Commission.

Sustainable funding

32. The UK HE sector calls on the Commission, in conjunction with the European Parliament, to expand the budget for the next Framework Programme, both as a proportion of the EU budget and in real cash terms. Only a substantially increased level of funding would accurately reflect the greater recognition of the importance of research and innovation to achieving the goals of the Europe 2020 agenda. The UK HE sector urges the European Commission to highlight the importance of sustainable funding for European research ahead of other more traditional budget concerns, such as the Common Agricultural Policy.
33. UK HEIs derive major non-financial benefits from participating in the Framework Programmes, and these benefits encourage participation in shared-cost programmes. However, a key challenge for the next Framework Programme is the extent to which funding mechanisms support and reinforce the move in European HEIs towards identifying their full costs and achieving greater financial sustainability.
34. For example, the UK HE sector is concerned that the current funding and reimbursement arrangements for participation in some Joint Technology Initiatives (JTIs) and the wider Framework Programme could dissuade UK HEIs and researchers from participating.
35. By using a sector-wide Transparent Approach to Costing (TRAC), UK HEIs have accumulated experience of identifying and calculating the full costs of their activities³. The UK HE sector will work with other countries, the European University Association (EUA), and the European Commission to advance the case for full costing, improved recovery and sustainability of funding from the Framework Programme and other research activities. This is the only way to secure long-term commitment to European research activity and guarantee its sustainability.
36. Universities UK would be happy to provide further information on the development of TRAC for use in EU Framework Programmes.
37. UK HEIs are concerned that any move to a results-based funding regime may deter risky research such as that encouraged by the ERC. A system based on payment against objective milestones could also lead to quality control issues, for example around a publishing objective where worse than expected results lead to a weaker paper. There is also concern that a focus on objectives and outcomes may increase the levels of reporting required, precisely at a time when a reduced institutional reporting burden in the next Framework Programme is a priority objective for UK HEIs.

³ Transparent Approach to Costing (TRAC), <http://www.hefce.ac.uk/finance/fundinghe/trac/>

38. Flat rate and lump sum options can be useful in particular circumstances, and should be increased in size under the next Framework Programme to reflect actual project costs more realistically. However, flat rate and lump sum options should be retained on an optional basis, and should not be mandatory.
39. There is concern among UK HEIs that the current economic climate may increase pressure to draw together key funding streams currently outside the Framework Programme (such as the EIT's Knowledge and Innovation Communities (KICs), the Competitiveness and Innovation Programme (CIP), and elements of Structural Funding) under the umbrella of the next Framework Programme. While a strong argument exists for the increased strategic coordination of a currently fragmented EU research landscape, it is crucial that measures to increase strategic coherence do not divert funding available for mainstream Framework Programme research activity, specifically collaborative research and frontier research undertaken with support from the ERC.
40. The UK HE sector does not have any objections to allowing Knowledge and Innovation Communities to bid for Framework Programme funding. However, the sector is strongly against a system of preferential allocation of Framework Programme funding to KICs ahead of other Framework Programme consortia. The criteria for allocation of Framework Programme funding must be the same for both KICs and 'traditional' Framework Programme consortia.

Simplification

41. The UK HE sector welcomes the importance assigned by the Commission to simplification of the Framework Programme. The sector calls upon the Commission to ensure that its activity in this area will result in *real* simplification for beneficiaries.
42. It will be important to ensure that recent progress by the Commission in acknowledging the scale of the bureaucratic complexity of the Framework Programme is not reversed by the introductions of new funding instruments and measures to embed innovation within the next Programme. The sector urges the Commission, where possible, to adapt or even remove existing funding instruments before introducing new ones.
43. One way to take this forward would be for the Commission to carry out an inventory of instruments and initiatives, to ensure that those taken forward to the next Framework Programme are fit for purpose. It may be advisable to look at education programmes alongside this, so that all three elements of the knowledge triangle – research, innovation and education – fit together.
44. The Commission should take steps to ensure that under the next Framework Programme there is a higher level of consistency in the application of rules across schemes, programmes, DG units and Directorates General themselves. This could be facilitated by ensuring the standardisation of some aspects of training for project officers, financial officers and auditors, to bring about greater uniformity of advice and information offered by Commission officers working on the Framework Programme.

45. A two-stage application process could offer the possibility of filtering out projects that do not demonstrate rigorous scientific quality. However, it is crucial that any move towards a two-stage process does not create an additional level of bureaucracy.
46. Other suggested simplification measures widely cited by UK HEIs include:
- extension of the Unique Registration Facility and Participant Portal to all programmes;
 - avoiding the use of Coordinating Actions and Collaborative Projects in the same project;
 - while the Commission has taken steps towards the use of technology to simplify administrative processes within the Framework Programme, there is scope for greater/improved use of electronic tools and systems, for example through the introduction of electronic signature documents, grant agreements and reports; and
 - the introduction of a transparent mediation service for disputes of interpretation.

Development of a trust-based system

47. The UK HE sector acknowledges the importance of the work done by the Commission in centrally regulating the administrative dimensions of Framework Programme projects. At the same time, however, public and political attitudes towards accountability and regulation vary considerably through time and across the EU, and are at present high on the agenda in a number of member states. The Better Regulation in Higher Education Group⁴ in the UK, for example, is engaged in updating voluntary national HE frameworks, mapping the emerging accountability and regulatory framework for HE, and supporting engagement between the HE sector and national regulatory bodies such as the higher education funding councils. The continuation of highly centralised administration by the Commission could lead to the regulation of Framework Programme activity becoming detached from and out-of-step with the important advances in regulatory practice being made at the national level across the EU.
48. The next Framework Programme presents an opportunity for the Commission to take steps towards a more trust-based system in which nationally approved certification, accounting and management practices are accepted. The UK HE sector would be strongly supportive of such a measure, which would contribute substantially towards simplification of the Framework Programme by reducing centralised bureaucracy. It would also enable the Framework Programme to benefit from simplifications embedded within national systems, such as the increased use of national certification systems.
49. An important part of any move towards trust-based certification and management practices within the next Framework Programme would be the increased recognition of the practices and methods operated within individual HEIs. The UK HE sector calls on the Commission to take advantage of the next Framework Programme to instigate a number of practical steps to increase recognition of 'own practices'. One option would be to substantially simplify the Certificate of Methodology and expand it so that, rather than being only a validation of overhead use, it could become a certification for the institution as a whole. This would allow the Commission to ratify institutions on a trust basis.

⁴ For more information on the Higher Education Better Regulation Group, visit <http://www.universitiesuk.ac.uk/ABOUTUS/ASSOCIATEDORGANISATIONS/Pages/HEBRG.aspx>

50. Further suggestions commonly cited by UK HEIs include:

- the recognition of full costing methodologies, where these are nationally accepted and quality assured; and
- the reduction of reporting requirements from the current requirement to repeat the content of previous reports, to concentrate instead on progress since the last report and deviations from the project plan.

The UK Higher Education International and Europe Unit

The UK Higher Education International and Europe Unit (IEU) is a central observatory and intelligence unit on HE internationalisation and European policy developments for UK higher education institutions. The IEU works to support the development and sustainability of the UK HE sector's influence and competitiveness in a global environment and to represent the sector's distinctive strengths within Europe and internationally. It provides analysis on all aspects of HE internationalisation from international research collaboration to student recruitment to the various forms of 'transnational education' by which UK education is delivered overseas. The IEU supports and promotes the UK HE sector's engagement in European Union and Bologna Process policy debates. The IEU is funded by Universities UK, the Quality Assurance Agency for Higher Education, the higher education funding councils for England, Wales and Scotland, GuildHE and the Department for Employment and Learning, Northern Ireland.

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