Bocconi

IDEAS FOR FURTHER SIMPLIFICATION IN FP9

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The major proposals of the new financial regulation

Objective	Concrete changes to the EU financial rules
Simpler rules for recipients of EU funds	 Remove non-cumulative award check for low-value grants Remove non-profit principle Increase the use of lump-sums Recognise volunteer work
From multiple layers of controls to cross reliance: the single audit principle	 Rely more on the procedures used by the EU Commission's implementing partners (where they guarantee an equivalent protection of EU financial interests)
Alignment of rules across EU programmes and funds	 Apply only one set of rules to combinations of measures or instruments
Performance based payments	Base payments on output and results achieved

Simplification in application stage

Today	Tomorrow
Audit report is required above thresholds (>750K€ action grants) and (>100K€ operating grants)	Audit reports only if required by national law
Checks of non comulative principle in all cases	No checks of non comulative principle for natural persons most in need



Other major simplifications

- —E-governance: moving to e-grant and the use of e-portals (H2020 already a front runner)
- —Single web portals for all beneficiaries in each policy area
- 'Single audit' to become a reality, promoting common audit service
- —Cross-reliance on existing assessments
- —EU reporting harmonised with other donors
- Fewer details and less burdensome controls



Lump sums

- —Huge simplification potential: despite all simplification, funding based on reimbursement of incurred costs stays complex and error-prone
- —No reimbursement of indirect costs
- —Perform based payments applied to fundamental research should be linked to milestones to be defined in the calls
 - assessing the results' proportionality leading to partial payments (?)
 - possible delays in the negotiation phase
- —Pilot in 2018. In the future an opt out might be a possibility



Lump sums: Pilot 2018

In the work programme 2018-2020 there are two pilots wit lump sum: NMBP and health

-NMBP

- —Fixes lump sum defined in the call for proposal, that describes the effort and resources that the applicant commit to mobilise for the amount
- Applicants must provide the split per WP and beneficiary

—HEALTH

- Lump sum defined in the proposal (detailed estimation of costs in stage 2)
- Experts assess the costs details during evaluation and make recommendations
- Lump sum fixed in grant preparation



Lump sums: Principles

- Lump sum evaluation and grant agreement follow the standard approach as much as possible
 - Same evaluation criteria (panels wil contain additional experts that can judge on the costs)
 - Same pre-financing and payment scheme
 - Reporting periods and technical reporting as today, through focusing on completion of work packages → focus more on bundle of activities
- —Lump sum shares are fixed in the grant agreement for each WP
 - This amount is paid when the activities in the WP are complemented
 - Payment does not depend on a successful outcome, but on the completion of activities



Lump sums: Ex post controls

You need	You don't need
 Technical documents Publications, prototypes, deliverables Who did what? Any document providing that the work was done as detailed in Annex 1 	 Financial audits (except when fraud is suspected) Time-sheets Pay-slips or contracts Depreciation policy Travel invoices Actual costs
(already the case under the general Model Grant Agreement)	



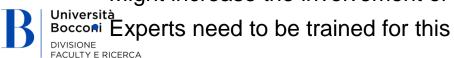
Easying access to FP9: Submission

- —Two stage procedure increased following the welcome by stakeholder
- —Make proposals shorter (70 pages?)
- —Close link to evaluation criteria and template
- —A more defined substructure of the impact (chapter) could help to structure and provide the exact information evaluators are looking for
- Programme specific guidance would be helpful (the guidance for MSCA was mentioned as best practice)
- —The online manual on the participant portal is useful, but guidance for proposal preparation and guidance would be helpful
- —There might be not enough evaluation criteria, more criteria would make it easier to differentiate



Easying access to FP9: Evaluation

- —General criticism about the proposal feedback: perceived quality issues, reasons for rejecting high-scoring proposals are unclear; individual feedback in stage one is preferred; resubmission needs attention
- —Suggested multistep evaluation: one group of experts looks at excellence, another group, in the next round, looks at impact, etc
 - Bigger pool of evaluators
 - Transparency issue on the evaluation stage
 - No feed-back on every aspect
 - More time to grant (?)
- —Blind evaluation: Council recommends a pilot, but mixed reactions
 - Consortium known in a later stadium
 - Might increase the involvement of consultants



Easying access to FP9: Grant preparation

- Ethics remains a problem: a table / check box about ethics would be helpful, anything else is just confusing
- —Continues submission (e.g. FET Open) in bottom up processes helps



Conclusions

- —Rationalising the funding landscape
- —WP complex and too prescriptive (top-down calls): introduction of missions less perspective and fewer topics
- —Experimentation: trade-off between flexibility and harmonisation
- —High burden on participants for reporting, but EC wants to know what is the results and impact of the funding (the latter diffuse and difficult to demonstrate)
- —Quality of evaluators for credible and reliable results
- —Improve audits



GRAZIE.

