



## Summary of JSI Recommendations on FP10

The Jožef Stefan Institute is a growing fundamental science research organisation, prominent in the Central European HEU landscape, with more than 200 Horizon 2020 projects funded. We here focus on recommendations for concrete changes to be considered for the Tenth Framework Programme.

### FP10 Budget

The proposed division of budgets remains too general, it is not clear how the budget will be distributed. For example, what will be the ratio between research grants and other kind of projects, will the development of support services be funded to enable faster transfer of knowledge into products, and what percentage will be allocated to defense research. Additionally, the proposed legislation provides for the Commission to amend the budget and its distribution to cover programme management costs.

JSI proposal:

- Clarifications and more details are urgently needed on allocation of resources for basic research to innovation, development of support services, how the issue of dual use will be defined, and the implementation of the EIC.
- Stable and predictable long-term funding for FP10 must be ensured, with no reallocations to other budgets allowed; the entire budget for FP10 should be ring-fenced, as well as its four pillars.
- The provision for Commission personnel costs to be financed from FP10 budgets should to be removed, and alternative funding sources defined for that purpose.

### MSCA - Reintegration

Within the MSCA programme proposed, the role of reintegration grants is not explicitly developed given their importance to sustaining excellent science in Europe.

JSI proposal:

- We propose to reintroduce explicit reintegration tracks to appropriate instruments based on the model of MSCA FP7.

### European Innovation Council

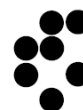
It is not clear how the three times larger budget for the EIC will be implemented, what its connection with the ECF and the ERC will be, and what will be financed by the EIC.

JSI proposal:

- More details are needed on the implementation of the EIC and restrictions placed on the possibility for reallocation of funds.

### Widening

The draft legislative document does not state the criteria upon which the countries were divided:



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media reports suggest that they were determined according to the European Innovation Scoreboard, but this is not accurate, as, for example, the Czech Republic and Latvia have a higher index than Greece. The possibility for a change in the status of an individual Member State during the validity of the Programme, based on the relevant criteria and in pursuit of the principle of equal treatment and equal opportunities for access to funding, is poorly defined.

JSI proposal:

- Do not split the Widening member states into two groups, and eliminate the classification on a permanent basis for the duration of the Programme.

## Calls for proposals

Article 23 permits coordination and support actions to be funded without a call for proposals when (i) legal entities are "identified in the work programme" and (ii) the actions "do not fall within the scope of a call for proposals," as per Article 198(e) of Regulation (EU, Euratom) 2024/2509. While this aligns with the exceptions outlined in Article 198(e), the provision is vague and lacks specific safeguards, raising several concerns, namely, issues regarding transparency, equal treatment and non-discrimination, and accountability and auditability. Requirements for proposals continue to become more and more numerous, putting a significant burden on proposers.

JSI proposal:

- Include an additional paragraph specifying that where grants are awarded without a call for proposals, the work programme shall specify the justification for the direct award including reference to the relevant provisions of the basic act, identify the criteria and process used to select the beneficiary, ensure that the selection respects transparency, equal treatment, and absence of conflicts of interest, and provide sufficient documentation to allow ex-post verification and audit.
- Aspects besides scientific excellence (for example, management, dissemination, communication, exploitation, open science, gender issues) should be removed from proposal evaluations, and instead be designated according to defined and published best practices guidelines upon funding.

## Lump-sum funding

The lump-sum funding approach requires highly accurate planning of work packages and milestones and limits flexibility for reallocating costs; cash flow is more closely linked to deliverables and milestones. It is often not possible, at the time of application, to foresee all costs in advance, and the application procedure itself is more complex and time-consuming. No clear guidance is provided on how to address situations in which one partner has fulfilled their part while another has not, resulting in the non-completion of the overall deliverable and, consequently, in lower approved costs with a time delay. Uncertainties also arise in connection with multiple sources of funding, with cross-regulation required, and compatibility with national financial control mechanisms is poor. Because national rules may not allow the lump-sum model, its use in FP10 will increase administrative burdens on research groups.

JSI proposals:

- Simplification needs to be established at all levels, for all MSs, to achieve a uniform legislative framework for the implementation of lump-sum approaches applying equally to all stakeholders in the funding cycle and relevant to all forms of EU grant-based funding.



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- In certain exceptional cases, and subject to the need to ensure stability and financial sustainability, the Commission should retain the possibility of reporting on the basis of actual costs.

### Protection of results

Beneficiaries must protect intellectual property resulting from research where justified, especially in cases of significant commercial potential, however, associated costs are not well considered.

JSI proposal:

- Clarify that IP protection costs (incl. PCT/national filings, FTO, prosecution, maintenance during project + 24 months after end) are eligible for reimbursement (or a small dedicated lump-sum top-up) for public RPOs, with simplified evidence (invoice + TTO confirmation), and as assigned to a specific declared costs category.

### Moonshot projects

The draft texts specify 11 possible *missions* (for example, CERN's future circular collider, building quantum computers for the future, fusion energy, ...) as a way to focus European research efforts on goals with very high priorities. However, specific descriptions and budgets are not well defined, and it is unclear where funding will be drawn from, whether other individual programmes, or from larger funding sources. Implementation of these missions remain very unclear.

JSI proposal:

- Moonshots and missions must better define their goals and justify what is to be achieved, and specify funding sources to be committed.

### Governance of Pillar II, Competitiveness

The FP10 proposal states that the programme will be "tightly connected" to the ECF, and that collaborative research and innovation activities will be set out in dedicated parts of the ECF work programmes, suggesting that competitiveness will be controlled by both DG RTD and DG Grow (industry), with governance implemented by committees made up of EC and MS representatives. This is not adequately well explained nor defined in the documents, and there is concern that early-stage collaborative research may not be sufficiently prioritised for funding, and that research topics may be too narrowly defined.

JSI proposals:

- A more clearly defined procedure is required, as well as policy criteria ensuring support for collaborative research at lower TRLs.
- A requirement for collaborative research to be managed by DG RTD, and more clearly defined linkages with ECF-CCT in FP10.
- Changes in governance to assure bottom-up funding approaches are prioritised, and broader research topics and calls are embraced.