

Response to EC consultation on simplification

1. Introduction

'Simplification' was one of the main elements to shape the design of Horizon 2020. The Framework Programme's architecture, rules, procedures and control strategy were subject to simplification measures to reduce unnecessary red tape, make the programme more attractive and better involve researchers and innovative enterprises. However, while the implementation of simplification measures has broadly been viewed as positive, some issues remain. The purpose of this note is to provide some input on areas where simplification has worked, where it didn't and where further progress can be made.

2. Key issues on simplification

a. On general issues

- 'Simplification' was one of the big improvements expected from the transition from FP7 to Horizon 2020. Indeed, simplification has taken place in the number and type of funding schemes, which has been welcomed by most of the participants. The launch of the **participant portal** and the **paperless handling of requests** from submission to final reporting are for instance major and unanimously welcomed improvements in the implementation of Horizon 2020.
- Science Europe also welcomes the **reduction in the number of funding instruments and funding rules** in Horizon 2020 compared to the previous programme. However, the European Commission should continue to strive to keep **things simple and avoid adding new instruments** or funding models without proper justification. For example, there is tendency in the transition from the 2014-2015 to the 2016-2017 Work Programme to use instruments for purposes other than the ones for which they were initially designed. The European Joint Project Cofund instrument or the Framework Partnership Agreements used in an 'ERA-net' context can be mentioned in this regard. Flexibility must remain in Horizon 2020, but stakeholder organisations and participants must be systematically consulted at an early stage, when changes of magnitude are planned.
- Some simplifications are perceived as being **simplifications for the funder rather than the participants, shifting responsibilities to the grant holders**; these include rigid interpretation of time-to-grant rules and the externalisation to agencies of most of the handling of project evaluation and

monitoring.

- There is a mismatch in the language used between actions and funding instruments. This happens both at a level of the evaluation and reporting templates. This provokes unnecessary confusion among applicants and may hinder newcomers to participate in the programme. An example of this is the confusion in terminology and hierarchy between sections of work programmes, calls, and/or topics within a call. Furthermore, there is a perception on the side of applicants that the jargon used in the topic description is somewhat hard to understand.
- The **project management structure** for research and innovation actions is too rigid and gives little room for the integration of new ideas or new partners as the project evolves. This hinders **open science** and **open innovation** approaches, and reduces the potential impact of an action. Radical simplification at the level of project management would allow consortia to **tackle new ideas, include new partners and open up to other disciplines as the project progresses**. If Europe wants to fully harvest its innovation potential, more openness and flexibility must be introduced in Horizon 2020.
- Finally, a **more trust-based, user-driven and risk-tolerant approach**, a higher flexibility in the application of the rules for participation in the grant agreement would be a welcomed simplification.

b. On basic funding models

- There is a tendency to move towards output-based funding, which Science Europe would strongly oppose. Such a move to output-based funding would be detrimental to research as it would discourage risk and it would be very difficult to know how such outputs would be measured.
- One issue that is consistently reported back as problematic and where beneficiaries face administrative burden, is how Horizon 2020 **personnel costs** have to be reported. A new rule has been introduced for Horizon 2020, such that beneficiaries can now no longer report their actual personnel costs during the reporting period but instead have to use the figures from the last closed financial year. There is also uncertainty over the exact definition of the **last closed financial year**. Additionally a number of situations have been brought up where reporting using this method can mean a large discrepancy between actual costs and reported costs. There is also uncertainty about the consequences of these discrepancies for audits. The Commission has listened to concerns and started a process of revision which we welcome, hoping it will drastically improve the current situation.
- There needs to be **better alignment with the rules for participation and their implementation** in Horizon 2020 in areas such as Joint Technology Initiatives and Public-Private Partnerships.

c. On the model grant agreement

- The way the annotated Model Grant Agreement (MGA) is designed could be simplified. It is **cumbersome** for applicants to navigate this very complex document. The MGA could be made more user-friendly by integrating it better into the Horizon 2020 Participant Portal. Under FP7, applicants had better access to the regulations and guide for applicants.
- The annotated MGA sometimes appears to be **too rigid and too descriptive in the annotations**. This leaves very limited room for flexibility.

d. On processes, guidance and IT

- The European Commission set up the Common Support Service (CSS) to harmonise the interpretation of rules across services implementing Horizon 2020. Science Europe welcomes this effort. However, some applicants felt that the CSS was not in a position to provide definitive and binding answers in cases of legal uncertainties and disputes, complementary to the Research Enquiry Service, and building on the internal clearing committee set up under FP7.
- ‘Externalisation’, or the outsourcing of the management of Horizon 2020 to executive agencies, is also seen as a measure of simplification. While Science Europe observes that so far the executive agencies have coped well with the evaluation of proposals, there is a risk of losing the link between research and innovation policy and management. This could have negative effects in the development of future work programmes and could also result in a loss of trust and transparency.