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**UNICE POSITION FOLLOWING THE MINISTERIAL COLLOQUIUM ON
THE MANAGEMENT OF COMMUNITY RESEARCH
(LONDON, 28 APRIL)**

UNICE welcomes publication of the conclusions of the Ministerial Colloquium on the management of Community research and is specially interested by different aspects that were discussed :

- proposal for a new general consultative body
- setting-up of *advisory groups*
- pilot experiment with "*host fellowships*"
- specific measures for SMEs
- benchmarking.

1. Proposal for a new general consultative body

UNICE encourages all initiatives favouring more effective co-operation between universities and industry. Therefore, it welcomes the idea of closer co-operation between **IRDAC** and **ESTA**, respectively the industrial and academic advisory committees to the European Commission in the domain of R&D.

UNICE has always strongly supported the existence and work of an industrial advisory body linked with the Commission and able to give industry's views regarding EU R&D and innovation policy independently.

However, **UNICE** fears that a merger of **IRDAC** and **ESTA** would lead to the dilution of industry's opinions in a body dominated by a majority of academics, as was the case with the creation of **ESTA**, originally intended to be a forum of all players in science and technology in Europe. The creation of a "joint bureau", apparently to prepare "opinions", adds to **UNICE**'s concerns.

Therefore, **UNICE** urges maintenance of two clearly separate advisory bodies in order to guarantee that the opinions and suggestions of industrialists on the one hand and of academics on the other can be clearly expressed and identified, as was the case with **IRDAC** and **CODEST** in the past. This will allow open and unbiased collaboration in joint working parties bringing together experts from industry and academia.

Such collaborations could, in **UNICE**'s opinion, be fostered by the creation of a "contact group", whose mission would be to prepare and organise activities of common interest, rather than a "joint bureau".

UNICE recommends also that the "new **IRDAC**" organisation includes, as previously, representatives of European R&D stakeholder organisations.

While recognising the importance of strong links between the *Advisory Groups* described below and **IRDAC**, **UNICE** stresses that the mission of the latter goes far beyond management of the *key actions* of the 5th Framework Programme. The skills and availability required for the different missions of these bodies have to be taken into account when nominations are being sought.(see below).

UNICE is ready to continue its full support for **IRDAC** as hitherto and would deeply regret it if this channel could no longer be used to transmit the voice of European industry.

2. Setting-up of "Advisory Groups"

UNICE welcomes the European Commission's intention to establish External Advisory Groups (EAGs) as recommended in the **UNICE** opinion "Towards the 5th Framework Programme 1998-2002" dated 8 October 1996.

To meet their role as *consultative bodies for the Commission in strategic management of the key actions* as well as an *instrument for transparency, communication and exchanges between the Commission and the various parties concerned*, EAGs need further definition of their functions, their composition, the selection criteria and the nomination process for their members and their rules or operation.

a. The **function** of the EAGs should be to make recommendations on the strategic management of the *key actions*, such as setting priorities, defining criteria for project selection, monitoring progress. They will also provide Programme Management Committees with input for annual monitoring reports as well as to the final evaluation exercises. They should not be involved in day-to-day programme management. **UNICE** recommends, on the other hand, that in the future, EAGs should also be consulted in the definition phase of specific programmes.

b. In order to be efficient, the **composition** of EAGs should be limited to about **12 members**.

A fair balance between nationalities and different sectors of economic activity should be achieved for the total membership of all EAGs rather than in individual ones.

Given the orientation of the 5th Framework Programme towards industrial competitiveness and socio-economic targets, **UNICE** strongly recommends that the

composition of individual EAGs comprises **6** representatives of European industry, **4** scientists and **2** users, the chair being entrusted to an industrialist.

It seems premature in **UNICE**'s view to invite experts from non Member states which are not yet associated with the RTD Framework Programme, even if this could be considered in the future.

c. The **selection** of the members of EAGs should be based on their *professional exceptional expertise* combined with a *broad knowledge of current and emerging economic and technological challenges and priorities* in the research fields relevant to each *key action* as well as their *experience in efficient management of research programmes and their personal availability*.

Familiarity with obligations relating to management of public funds, as formulated in the "Guidelines", is already available from the Commission staff and thus seems less important as a selection criterion for external experts.

d. In order to allow the EAGs to fulfil their strategic function and be recognised as representative by the different stakeholders, **UNICE** strongly recommends that the **nomination** of their members should follow a consultation with industrial bodies such as **UNICE** and **IRDAC**, and with representatives of the scientific community. For this purpose, **UNICE** has already submitted a list of industrial experts to the Commission and expects that it will receive due attention.

e. Given the problems of availability of high-level experts, early planning and preparation of the EAG meetings is of paramount importance. To guarantee the quality of the preparation as well as of the outcomes, **UNICE** recommends that the Commission provide highly qualified secretarial support to EAGs. The **operational** procedures could be modelled on the present **IRDAC** Round Tables.

3. Pilot experiment with "host fellowships"

UNICE welcomes the proposals put forward in the "Report of the Working Group on Fellowships".

Industrial host fellowships provide a special opportunity to give direct industrial experience to young, high-quality research staff in a demanding environment. In the UK, such schemes as "Postgraduate Training Partnerships" (**PTP**) which base PhD students directly in companies, are beginning to produce tangible benefits, whilst maintaining intellectual rigour. Those who have participated in such schemes are significantly more likely to pursue a career in a company research environment than in academe, bringing direct benefit to industry and to the individual. These fellowships will also encourage a willingness amongst researchers in the longer term to move between industry and academe, facilitating the exploitation of newly developed technology.

Therefore, **UNICE** believes that :

- The budget for industrial fellowships should be maintained at a realistic level and must not be seen as an easy target for budgetary reductions ;
- If successful and if the uptake by industry is good, then a re-balance between *Industrial Host Fellowships* and standard fellowships should be considered in the latter stages of the programme ;
- Strict consideration should be given to the European “*added value*” aspect of funding such fellowships as compared with national schemes.

4. Specific measures for SMEs

UNICE welcomes the report of the Management Workshop on SME/Innovation issues and in particular the proposals to enhance SME participation in the 5th Framework Programme by making it more acceptable to SMEs and by easier access. The former could be achieved by improving the user-friendliness of FP5 and by measures specifically designed for SMEs. The latter can be achieved not only through the design and composition of the Framework Programme, but also through high-quality and relevant local information.

UNICE therefore endorses the suggestion that assistance be provided for the preparation of proposals is available at local level.

UNICE stresses the need to ensure that well qualified staff and high quality of advice are available at the local focal points. Similarly, it would be more cost-effective to conduct locally ex-post evaluation of local impact.

However technical evaluations should, as indicated in the report, be administered centrally by the Commission to ensure consistency in the evaluations.

UNICE endorses the need to ensure that the activities of **CRAFT** Focal Points and the Innovation Relay Centres complement rather than duplicate each other.

UNICE recognises that the special entry point for SMEs is a critical activity which must generate the key data for the monitoring of performance.

5. Benchmarking management and administration of FP5

UNICE warmly welcomes the positive approach taken by the Commission in wishing to benchmark its performance in the handling and administration of proposals to the 5th Framework Programme.

If this benchmarking is to be translated into meaningful improvements that will both reduce the time taken to process applications and improve efficiency within the

relevant Directorates-General, then the already significant start must be further developed. Therefore, **UNICE** wishes to make the following suggestions:

- More realistic benchmarks using similar definitions for overheads or administration costs would allow better comparisons on a like-for-like basis. The criticism to which the Anderson Consulting work is open, is that a significant number of the organisations used in the comparisons are not appropriate ;
- It would be helpful to disaggregate the overall performance benchmarks into the specific programmes of the 4th FP ; this would allow recognition of good practice and facilitate its adoption across the Commission;
- Consideration must be given to the cost incurred by applicants in developing and preparing proposals. Whilst there is an issue about the need to show “commitment” by applicants, companies can and do compare the relative investment in effort required compared with the likely response and outcomes.

In truth, the Commission is trying to innovate with the administration of the Fifth Framework Programme. In all organisations, the most important aspect of innovation is that people should be encouraged to develop and apply new ideas to deliver enhancements to the administrative procedures. This could be achieved by :

- Setting challenging targets for decisions on applications, for example 75% of applicants should receive a response within 3 months and 100% within 4 months ;
- Rewarding administration teams which meet and exceed targets ;
- Tightening performance targets on a year-by-year basis (for example moving towards 80% of proposals being dealt with within 3 months).

These suggestions by **UNICE** may appear progressive, but the Commission itself often discusses the need to promote innovation within the Union and it would be excellent if it was able to provide real improvements in administration of the programmes by putting this into practice.

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