



COUNCIL OF THE EUROPEAN UNION

Brussels, 8 December 2008

15980/08

Interinstitutional File: 2008/0230 (COD)

> **RECH 376 COMPET 498**

PROPOSAL

from:	the Commission
dated:	4 December 2008
Subject:	Proposal for a Decision of the European Parliament and of the Council
	on the participation by the Community in a European metrology research and
	development programme undertaken by several Member States

Delegations will find attached a proposal from the Commission, submitted under a covering letter from Mr Jordi AYET PUIGARNAU, Director, to Mr Javier SOLANA, Secretary-General/High Representative.

Encl.: COM(2008) 814 final

COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 3.12.2008 COM(2008) 814 final

2008/0230 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the participation by the Community in a European metrology research and development programme undertaken by several Member States

{SEC(2008)2948} {SEC(2008)2949}

(presented by the Commission)

1. CONTEXT OF THE PROPOSAL

1.1. Objectives

The purpose of this proposal, based on Article 169 of the EC Treaty is to establish a European Metrology Research Programme (EMRP) bringing together 22 national metrology research programmes to improve the efficiency and effectiveness of public metrology research. It aims to contribute to structuring the European Research Area through better coordination, thereby tackling common European challenges, increasing the impact of these programmes and removing barriers between national programmes. The following Member States or associated countries to the Framework Programme 7 (FP7) are involved: Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom as well as Norway, Switzerland and Turkey. The Institute for Reference Materials and Measurements of the Joint Research Centre (JRC) of the European Commission may be an Associate to the programme.

This initiative was announced in the FP7 Cooperation Specific Programme. The EMRP initiative has a planned national contribution of participating countries of EUR 200 million including a flexibility at national level of up to 50 % of national contribution and an expected Community contribution of EUR 200 million.

1.2. Grounds for the proposal

Metrology is not a very visible field yet it is essential for the facilitation of modern trade and communications. Metrology research has a strong public good character and is a main supporting activity for government regulation and standardisation. All major economic powers in the world have recognized that R&D in metrology is critical to long term economic growth. Against this background, Europe is facing what is called the "European metrology dilemma"; i.e. to permanently align metrology research efforts with societal needs which are more demanding, more complex and therefore more resource intensive whilst still servicing existing "traditional" demands without any new or additional resources.

The approach outlined here is to increase the available resources and can only be successful if it takes into account fully the existing national systems and, integrates them into a true European programme, which should lead to a real step-change and modernisation of the existing national systems. The EMRP offers a way to reduce the duplication of efforts and raise common ambitions through more differentiated agendas from country to country.

1.3. General context

The actors in European metrology research form a specialised community loosely linked to research organisations or academia. It is highly fragmented, comprising a few centres of global excellence which would benefit from wide competition on an international scale.

	The European potential in metrology research is not fully exploited. Joint action between Member States and the Community is needed in order to provide for a modern research effort in metrology.
	1.4. Existing provisions in the area of the proposal
	Although the European metrology research community has access to a number of programmes under the Framework Programme, there is currently no specific scheme addressing metrology needs.
	The EMRP initiative addresses this lack of coordinated action, by offering a bottom-up programme, specifically tailored towards metrology needs. The EMRP Joint Programme places the National Metrology Institutes (NMI) in the driving seat.
	1.5. Consistency with the other policies and objectives of the Union
	The general policy objectives of the initiative are to enhance the EU's capacity to achieve high level policy goals and respond to the major challenges it faces in the coming years:
	• To contribute to the achievement of the objectives of the revised Lisbon Strategy.
	• In particular to invest more and better in knowledge for growth and jobs.
	• To contribute to the realisation of the ERA.
	• To help Europe respond more effectively to key societal challenges such as environmental protection, health care, food safety, or public security.
2.	CONSULTATION OF INTERESTED PARTIES AND ASSESSMENT OF THE OPTIONS
	2.1. Consultation of interested parties
	Consultation methods, main sectors targeted and general profile of respondents
	An Impact Assessment steering group met on 1 July 2008, and a formal inter-service group (ISG) for the overall initiative was set up and met on 31 July and 25 September 2008.
	a) Web consultation
	As part of the stakeholder consultation, an online survey was conducted by the Commission between 7 May and 8 July 2008. A total of 162 responses to the online survey were recorded, with 64% (104 responses) replying on behalf of an organisation and 36% in an individual capacity. Of those replying on behalf of an organisation, the majority were from commercial organisations with less than 250 employees (26%), commercial organisations with more than 250 employees (21%) and higher education

b) Open Stakeholder meeting – 25 June 2008

In addition to the web consultation, a stakeholder consultation workshop was organised on 25 June 2008. The workshop was attended by 32 individuals from eight different countries and several international organisations, and several NMIs.

Summary of responses and how they have been taken into account

The responses given during the online consultation and during the open stakeholders' meeting were taken into account in the impact assessment and in the elaboration of the proposal.

2.2. Policy options and how they compare

The options for Community action are guided by the logic and intervention mechanisms of the FP7. Apart from the "no action" scenario, these options therefore refer to either indirect or direct Community actions (research funding) under FP7, which would match the existing national intervention logic concerning research programming in different Member States (MS).

The options are labelled as follows on the basis of their main characteristics:

- Policy Option 1: "No further Community action"; status quo, no further action on EMRP may lead to intergovernmental approach.
- Policy Option 2: "Bottom-up community indirect action light coordination"; under FP7 programmes and themes (Cooperation Capacities Programmes). The aim would be to use the ERA-NET scheme and/or the ERA-NET Plus scheme but addressing isolated issues theme by theme and in the FP programme part by programme part ("business-as-usual" option).
- Policy Option 3: "Top Down community indirect action"; Reinstall metrology theme in the FP Part under FP7 or preparation of FP8 and reinstall a Community Programme on Metrology.
- Policy Option 4: "Article 169 programme integration through community indirect action"; Community action to achieve MS programme integration via Article 169, as indicated in the FP7 Cooperation Specific Programme.
- Policy Option 5: "JRC direct action"; a single European metrology research programme to be implemented via the Joint Research Center to cover metrology needs at European level.

The difference between these five options lies in the way in which the Community intervention is set up – either as an indirect action or a direct action. The main characteristics of each policy option are discussed in detail in the following subsections.

Should **Policy Option 1** be chosen, the present situation will not remain stable due to the absence of any Community political and/or financial intervention (ERA-NET or other coordination tools). It will most likely deteriorate as Member States will invest less

if the domain of metrology research as the area does not to appear as a European priority area. The status quo and separation between the Member States' programmes will remain; the likelihood of research groups of newcomer countries linking up with experienced and high level research teams in more advanced countries will be low. **Policy Option 2** would continue the approach adopted with the ERA-NET in FP6 and ERA-NET-Plus at the start of FP7. EU policy domains and research fields (e.g., energy, environment) can be easily involved directly into the coordination with MS programmes and well conceived interaction mechanisms with various metrology oriented ERA-NETs will be key. A coherent joint long term programmatic approach will not take place as in the case of a genuine European research programme. **Policy Option 3** needs no major institutional set up. It would create a dedicated research programme for metrology where the metrology community and the whole science community as well as industry in general can compete for funding under FP rules. It provides the opportunity to focus in particular on new technological challenges in emerging fields, thus contributing to the modernisation of the sector. This route is similar to Option 2. It will have no effect on the existing national metrology research systems and integration between the national programmes and infrastructures. **Policy Option 4** creates a platform for joint EU and Member State research programming, thus creating a coherent and long term research agenda with a critical mass. The active participation of the European Commission can ensure an emphasis on mobility, openness and a focus on emerging areas. The combination of EU and national funds creates a critical mass that can stimulate structural changes in the national metrology research systems. The linkages with industry are not explicit at EU level and remain rather at national level. This option will require substantial institutional changes that will likely take time to implement involving complex negotiation with MS. Policy **Option 5** implies that metrology research will take place in isolation from the Member States, their respective research programmes and related infrastructures and thus have little influence on restructuring national metrology research systems and will not consider Member States' needs. Additional bottlenecks are the recruitment requirements for JRC, the likelihood of duplicated infrastructure and the lack of competition in the metrology field, which by its nature needs competing research tracks to find the most reliable solutions

2.3. Why use Article 169?

Options 1 and 5 are not viable alternatives to address the problem stated above and detailed analysis was limited to options 2, 3 and 4 to compare the pros and cons.

The overall conclusion is that time is ripe for an Art. 169 initiative in metrology. The initiative is important both for the advancement and modernisation of the European metrology research system and as support for those industries and scientific fields that need increasingly sophisticated metrology activities.

3. LEGAL ELEMENTS OF THE PROPOSAL

3.1. Summary of the proposed action

The EMRP will integrate national programmes of twenty-two participating States into

a single joint research programme and support, in particular, the objectives of the European National Measurement Systems. The EMRP will accelerate the development, validation and exploitation of new measuring techniques, standards, processes, instruments, reference materials and knowledge aimed at driving innovative developments in industry and commerce, improving the quality of data for science, industry and policymaking and supporting the development and implementation of directives and regulations.

The EMRP will achieve these objectives in the following way:

a) Pooling excellence in metrology research - by creating competitive joint research projects marshalling capability for sufficient critical mass from the networks of National Metrology Institutes (NMI) and Designated Institutes (DI) from the participating States to tackle major metrology challenges faced at European level;

b) Openness of the system to best science - by increasing participation from the wider European researcher community through researcher grants;

c) Capacity building - by increasing the capability of the European metrology researcher community through researcher mobility grants targeting those EURAMET ¹Member Countries with limited metrology research capability.

The EMRP will complement ongoing national programmes and activities aimed at addressing purely national priorities.

3.2. Legal basis

The proposal for the EMRP is based on Article 169 of the EC Treaty, which provides for the participation of the Community in research programmes jointly undertaken by several Member States, including participation in the structures created for the execution of those programmes.

This proposal corresponds to indirect centralised management, according to the provisions of Art. 54(2)(c) of the Financial Regulation. According to Article 56 of the Financial Regulation, the Commission will first obtain evidence of the existence and proper operation of, inter alia, grant-award procedures, an internal control system, an adequate accounting system within the entity to which it entrusts implementation, and an independent external audit.

3.3. Subsidiarity principle

The subsidiarity principle applies insofar as the proposal does not fall under the exclusive competence of the Community.

In the case of the proposed process for an EMRP, purely national or intergovernmental actions aimed at coordination of public metrology R&D have not expanded in recent years and would not add financial resources nor integrate the EMRP in the Framework Programme and the wider frame of ERA. Therefore, Member

EURAMET e.V. is the dedicated implementation structure of the EMRP. It was established in 2007 under German law as a non-profit association and is the European regional metrology organisation.

States are unlikely to be able to address these problems acting alone.

The right for the Community to act in this field is set out in several Articles of the Treaty which make provision for research coordination and cooperation between Member States and the Community. Article 165 stipulates that "the Community and the Member States shall coordinate their research and technological development activities so as to ensure that national policies and Community policy are mutually consistent". It also allows the Commission, in close cooperation with the Member States, to "take any useful initiative" to promote such coordination.

For many years, the Community has made use of the various provisions of the Treaty in order to encourage greater coordination and cooperation between national research programmes. In 2000, the Lisbon European Council concluded that research activities at national and Union level must be better integrated and coordinated to make them as efficient and innovative as possible. In 2006, the European Parliament put emphasis on better coordination of national and European research programmes. In the FP7 Cooperation Specific programme an Article 169 Initiative was announced to implement a joint European metrology research programme via the existing National Metrology Laboratory networks.

3.4. Proportionality principle

The proposal complies with the proportionality principle for the following reason(s).

Article 169 invites the Community to make "provision, in agreement with the Member States concerned, for participation in research and development programmes undertaken by several Member States, including participation in the structures created for the execution of those programmes." Against this background, Member States are in the lead and have large scope for national decisions.

Based on the Impact Assement analysis, the estimated portion of potential "European" project funding that could realistically be freed from direct national control is about 200 M€ over 6-7 years, plus a reserve budget of 100 M€.

With the proposed Community Contribution of 200 M€ MS EMRP would shift drastically from a fragmented and purely national RTD investment in metrology research towards a structured and balanced investment at national and EU level.

3.5. Choice of instruments

The proposed instrument is a co-decision by the European Parliament and the Council, which is the means for implementing Article 169.

4. **BUDGETARY IMPLICATION**

The budgetary implications of this horizontal proposal are already mentioned in the legal basis of FP7² as well as in the "Cooperation" Specific Programme of FP7³. The

² Decision No 1982/2006/EC, OJ L 412, 30.12.2006, p. 1

³ Decision No 971/2006/EC, OJ L 400, 30.12.2006, p. 86

agreement to be concluded between the Commission and the dedicated implementation structure shall ensure that the financial interests of the Community are protected.

5. ADDITIONAL INFORMATION

5.1. Simulation, pilot phase and transitory period

The ERA-NET *Plus* action serves as a simulation or pilot phase for the EMRP proposal. In order to maintain the momentum and to continue the preparation of EMRP, the Commission has identified this ERA-NET *Plus* action in the Cooperation Work Programme as a bridging measure towards the future 'Article 169' proposal. EUR 21 million has been earmarked for iMERA *Plus* in the Cooperation Work Programme. The success of the ERA-NET *Plus* Call has clearly demonstrated the ability to join national resources from 20 countries, organise and execute a joint Call and selection process, leading to committing EUR 64 million to 21 collaborative projects in late 2007. Results will serve Europe as a whole and this test case addressed all important implementation issues like for example intellectual property rights (IPR) issues.

A further transitory period for the EMRP is not needed.

5.2. Simplification

The proposal provides for the simplification of administrative procedures for public authorities (EU or national) and for private parties.

The EU will deal directly with the dedicated implementation structure of EMRP which will be in charge of allocating, monitoring and reporting on the use of the Community contribution.

5.3. Review/revision/sunset clause

The proposal includes a review clause.

5.4. European Economic Area

The proposed act concerns an EEA matter and should therefore extend to the European Economic Area.

2008/0230 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the participation by the Community in a European metrology research and development programme undertaken by several Member States

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 169 and 172, second paragraph, thereof,

Having regard to the proposal from the Commission⁴,

Having regard to the opinion of the European Economic and Social Committee⁵,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁶,

Whereas:

- (1) Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) (hereinafter referred to as "the Seventh Framework Programme")⁷ provides for Community participation in research and development programmes undertaken by several Member States, including participation in the structures created for the execution of those programmes, within the meaning of Article 169 of the Treaty.
- (2) The Seventh Framework Programme has defined a series of criteria for the identification of areas for such Article 169 initiatives: the relevance to Community objectives, the clear definition of the objective to be pursued and its relevance to the objectives of the Framework Programme, the presence of a pre-existing basis (existing or envisaged national research programmes), a European added value, a critical mass with regard to the size and the number of programmes involved and the similarity of

⁴ OJ C , , p. .

⁵ OJ C , , p. .

⁶ OJ C , , p. .

⁷ OJ L 412, 30.12.2006, p. 1.

activities they cover, and the efficiency of Article 169 as the most appropriate means for achieving the objectives.

- (3) Council Decision No 971/2006/EC of 19 December 2006 concerning the Specific Programme "Cooperation" implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013)⁸ (hereinafter referred to as the "Specific Programme "Cooperation"") encourages a cross-thematic approach of research topics relevant to one or more themes of the Seventh Framework Programme, and in this context identified an Article 169 initiative in the field of metrology as one of the fields suitable for Community participation in national research programmes jointly implemented on the basis of Article 169 of the Treaty.
- (4) Metrology is a cross-disciplinary scientific field which is a vital component of a modern knowledge-based society. Reliable and comparable measurement standards, appropriate validated measuring and test methods underpin the processes of scientific advancement and technological innovation and thus have a significant impact on economy and quality of lives within Europe.
- (5) At present, a number of research and development programmes or activities undertaken by Member States individually at national level to support R&D in metrology are not sufficiently coordinated at European level and do not allow to assemble the necessary critical mass requested in strategic research and development areas.
- (6) Wishing to have a coherent approach at European level in the field of metrology and to act effectively, several Member States have taken the initiative in setting up a joint research and development programme entitled "European Metrology Research Programme" (hereinafter referred to as "EMRP") in order to respond to the growing demands in Europe for cutting-edge metrology, particularly in emerging technological areas, as a tool for innovation, scientific research and support for policy.
- (7) In its work programme for 2007-2008 of 11 June 2007 for the implementation of the Specific Programme "Cooperation"⁹, the Commission provided financial support to the ERA-NET Plus in the field of metrology in order to facilitate the transition between the "iMERA" ERA-NET project and the joint research and development programme in the field of metrology to be implemented on the basis of Article 169 of the EC Treaty.
- (8) The EMRP aims to support scientific development and innovation by providing the necessary legal and organisational framework for large-scale European cooperation between Member States on metrology research in any technological or industrial field. Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom, as well as Norway, Switzerland and Turkey (hereinafter referred to as "the participating States") have agreed to coordinate and implement jointly activities aimed at contributing to the EMRP. The overall value of

⁸ OJ L 400, 30.12.2006, p. 86

⁹ C(2007)2460 of 11 June 2007

their participation is estimated at a minimum of EUR 200 million plus a reserve funding capability of EUR 100 million for the proposed period of seven years.

- (9) In order to increase the impact of the EMRP, the participating States have agreed to a Community participation in the EMRP. The Community should participate therein by making a financial contribution matching that of the participating States up to a maximum EUR 200 million for the duration of the EMRP. Given that the EMRP meets the scientific objectives of the Seventh Framework Programme and that actions in the field of metrology are of a horizontal nature or not directly linked to the ten themes, the EMRP should be supported jointly across all of the relevant themes.
- (10) Further financing options may be available, inter alia, from the European Investment Bank (EIB), in particular through the Risk-Sharing Finance Facility developed jointly with the EIB and the Commission pursuant to Annex III of the Specific Programme "Cooperation".
- (11) The Community financial support should be provided subject to the definition of a financing plan based on formal commitments from the competent national authorities to implement jointly the research and development programmes and activities undertaken at national level and to contribute to the financing of the joint execution of EMRP.
- (12) The joint implementation of the national research programmes requires the establishment or existence of a dedicated implementation structure, as provided for in the Specific Programme "Cooperation". The participating States have agreed on such a dedicated implementation structure to implement the EMRP. The dedicated implementation structure should be the recipient of the Community contribution and should ensure the efficient execution of the EMRP.
- (13) The Community contribution should be subject to commitments of resources by the participating States and the effective payment of their financial contributions.
- (14) While the Joint Research Centre is a department of the Commission, its institutes possess research capabilities that are relevant to the EMRP and that hence should be activated in its implementation. Therefore, it is appropriate to define the role of the Joint Research Centre in terms of its eligibility for participation and for funding and of its involvement in the governance of the EMRP.
- (15) The payment of the Community contribution is subject to the conclusion of a general agreement between the Commission on behalf of the European Community and the dedicated implementation structure, containing the detailed arrangements for the use of the Community contribution. This general agreement should contain the necessary provisions to ensure that the financial interests of the Community are protected.
- (16) The interest generated by the Community contribution should be considered as assigned revenue, in accordance with Article 18(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹⁰ (hereinafter referred to as "the

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OJ L 248, 16.09.2002, p. 1.

Financial Regulation"). The maximum Community contribution indicated in this decision may be increased accordingly by the Commission.

- (17) The Community should have the right to reduce, withhold or terminate its financial contribution in the event the EMRP is implemented inadequately, partially or late, or in case the participating States do not contribute or contribute partially or late to the financing of the EMRP, on the terms set out in a general agreement to be concluded between the Community and the dedicated implementation structure.
- (18) In order to efficiently implement the EMRP, financial support should be granted to participants in the EMRP projects selected at the central level under the responsibility of the dedicated implementation structure following calls for proposals. Such financial support and its payment should be transparent and efficient.
- (19) The evaluation of proposals should be performed centrally by independent experts under the responsibility of the dedicated implementation structure. A ranking should be approved by the dedicated implementation structure which should be binding as regards the allocation of funding from the Community contribution and from the national budgets earmarked for EMRP projects.
- (20) In accordance with the Financial Regulation and Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities¹¹ (hereinafter referred to as "Implementing Rules"), the Community contribution shall be managed in the framework of indirect centralised management according to the provisions of Articles 54(2)(c) and 56 of the Financial Regulation, and Articles 35, 38(2) and 41 of the Implementing Rules.
- (21) Any Member State and any country associated to the Seventh Framework Programme should be entitled to join the EMRP.
- (22) In line with the objectives of the Seventh Framework Programme, the participation in the EMRP of any other countries should be possible provided that such participation is foreseen by the relevant international agreement and provided that both the Commission, on behalf of the Community, and the participating Member States agree to it. In accordance with the Seventh Framework Programme, the Community should have the right to agree conditions relating to its financial contribution to the EMRP concerning the participation therein of such other countries in accordance with the rules and conditions set out in this decision.
- (23) Appropriate measures should be taken to prevent irregularities and fraud and the necessary steps should be taken to recover funds lost, wrongly paid or incorrectly used in accordance with Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests¹², Regulation (EC, Euratom) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European

¹¹ OJ L 357, 31.12.2002, p. 1.

¹² OJ L 312, 23.12.1995, p. 1.

Communities' financial interests against fraud and other irregularities¹³ and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)¹⁴.

- (24) It is essential that the research activities carried out under the EMRP conform to basic ethical principles, including those reflected in Article 6 of the Treaty on the European Union and in the Charter of Fundamental Rights of the European Union, and follow the principles of gender mainstreaming and gender equality.
- (25) The Commission should conduct an interim evaluation, assessing the quality and efficiency of the implementation of the EMRP and progress towards the objectives set, as well as a final evaluation.
- (26) The dedicated implementation structure should encourage the participants in the selected EMRP projects to communicate and disseminate their results and to make this information publicly available,

HAVE ADOPTED THIS DECISION:

Article 1 Community contribution

- 1. The Community shall make a financial contribution to the "European Metrology Research Programme" (hereinafter referred to as "EMRP") undertaken jointly by Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom, as well as Norway, Switzerland and Turkey (hereinafter referred to as "participating States").
- 2. The Community shall make a financial contribution matching that of the participating States but not exceeding EUR 200 million paid from the appropriations of the general budget of the European Communities, for the duration of the Seventh Framework Programme, in accordance with the principles set out in Annex I and Annex II of this decision.
- 3. The Community contribution shall jointly be paid from the budget appropriations allocated to all the relevant themes of the Specific Programme "Cooperation" implementing the Seventh Framework Programme pursuant to Decision 2006/974/EC.

Article 2 Conditions of the Community contribution

The Community contribution shall be conditional upon:

¹³ OJ L 292, 15.11.1996, p 2.

¹⁴ OJ L 136, 31.05.1999, p. 1.

- (a) the demonstration by the participating States that the EMRP as described in Annex I of this decision has been efficiently set up;
- (b) the formal establishment of the dedicated implementation structure with legal personality which shall be responsible for the implementation of the EMRP and for receiving, allocating and monitoring the Community contribution in the framework of indirect centralised management in accordance with Articles 54(2)(c) and 56 of the Financial Regulation and Articles 35, 38(2) and 41 of the Implementing Rules;
- (c) the establishment of the appropriate and efficient governance model for the EMRP in conformity with Annex II of this decision;
- (d) the efficient carrying out of the activities under the EMRP described in Annex I of this decision by the dedicated implementation structure, which entails the launch of calls for proposals;
- (e) the commitment by each participating State to contribute its share of the financing of the EMRP, and to increase this contribution by a reserve funding capability of 50 % in order to cope with a high success rate of its participants in the EMRP projects, and the effective payment of the financial contribution to beneficiaries;
- (f) compliance with the State aid rules of the Community, and in particular with the Community Framework for State Aid for Research, Development and Innovation¹⁵;
- (g) ensuring a high level of scientific excellence and observance of ethical principles in accordance with the general principles of the Seventh Framework Programme, and of gender mainstreaming and gender equality, and sustainable development;
- (h) the formulation of provisions governing the intellectual property rights arising from the activities carried out under the EMRP and the implementation and coordination of the research and development programmes and activities undertaken at national level by the participating States in such a way that they aim at promoting the creation of such knowledge and at supporting a wide use and dissemination of the knowledge created. The approach taken shall follow the model established by Regulation (EC) No 1906/2006 of the European Parliament and of the Council of 18 December 2006 laying down the rules for the participation of undertakings, research centres and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007-2013)¹⁶ (hereinafter referred to as "the Rules for Participation in the Seventh Framework Programme").

¹⁵ OJ C 323, 30.12.2006, p. 1.

¹⁶ OJ L 391, 30.12.2006, p.1.

Article 3 Activities of the EMRP

- 1. The core activity of the EMRP shall consist in funding multi-partner trans-national EMRP projects addressing research, technological development, training and dissemination activities (hereinafter referred to as "EMRP projects"). In view of the concentrated capacities in metrology, the core part of the EMRP projects shall be executed by National Metrology Institutes and Designated Institutes from participating States.
- 2. In order to increase and diversify the capacities in metrology, the EMRP shall also fund several researcher grant schemes which shall complement the EMRP projects.
- 3. The EMRP projects shall be selected and the researcher grants awarded following calls for proposals respecting the principles of equal treatment, transparency, independent evaluation, co-financing, funding not giving rise to profit as well as non-retroactivity as set out in Annex I of this decision.
- 4. The core evaluation criteria shall be mutatis mutandis those of Article 15(1) (a) and (b) of the Rules for Participation in the Seventh Framework Programme for the EMRP projects and researcher grant schemes, respectively. The call for proposals shall concretise the core evaluation criteria. Additional criteria may be introduced on condition that they are published in the call for proposals, are non-discriminatory and do not prevail over the core evaluation criteria.
- 5. Further details on the implementation of the activities of the EMRP are provided in Annex I of this decision.

Article 4 Role of the Joint Research Centre

- 1. The Joint Research Centre of the European Commission shall be eligible for participation in and for funding by the EMRP under conditions comparable to those of National Metrology Institutes of participating States.
- 2. The own resources of the Joint Research Centre, which are not covered by the funding by the EMRP, shall not count as Community contribution within the scope of Article 1.
- 3. The institute responsible for metrology of the Joint Research Centre, as a department of the Commission acting on behalf of the Community, shall be entitled to participate in the implementation of the EMRP within the dedicated implementation structure as an observer without voting rights.

Article 5

Agreements between the Community and the dedicated implementation structure

The detailed arrangements for the management and control of funds and the protection of the Communities' financial interests shall be laid down in a general agreement and annual

financial agreements to be concluded between the Commission, on behalf of the Community, and the dedicated implementation structure.

The general agreement shall in particular include the following provisions:

- (1) a definition of the tasks assigned;
- (2) the conditions and detailed arrangements for performing the tasks, including appropriate provisions for demarcating responsibilities and organising the controls to be carried out;
- (3) the rules on reporting to the Commission on how the tasks are performed;
- (4) the conditions under which performance of the tasks terminates;
- (5) the detailed arrangements for Commission scrutiny;
- (6) the conditions governing the use of separate bank accounts, the treatment of the interest yielded;
- (7) the provisions guaranteeing the visibility of Community action in relation to the other activities of the dedicated implementing structure;
- (8) an undertaking to refrain from any act which may give rise to a conflict of interests within the meaning of Article 52(2) of the Financial Regulation;
- (9) the provisions governing the intellectual property rights arising from the activities carried out under the EMRP referred to in Article 2.

Article 6

Interests from the Community contribution

In accordance with Article 18(2) of the Financial Regulation, the interest generated by the Community contribution allocated to the EMRP shall be considered as assigned revenue. The maximum Community contribution indicated in Article 1 may be increased accordingly by the Commission.

Article 7

Diminution of Community contribution as sanction for faulty implementation

If the EMRP is not implemented or is implemented inadequately, partially or late, the Community may reduce, withhold or terminate its financial contribution in line with the actual implementation of the EMRP.

If the participating States do not contribute or contribute only partially or late to the financing of the EMRP, the Community may reduce its financial contribution in line with the actual amount of public funding allocated by the participating States on the terms laid down in the general agreement to be concluded between the Commission and the dedicated implementation structure.

Article 8

Protection of the Communities' financial interest by the participating States

In implementing the EMRP, the participating States shall take the legislative, regulatory, administrative or other measures necessary for protecting the Communities' financial interests. In particular, the participating States shall take necessary measures to ensure full recovery of any amounts due to the Community in accordance with Article 54(2)(c) of the Financial Regulation and Article 38(2) of the Implementing Rules.

Article 9

Control by the Court of Auditors

The Commission and the Court of Auditors shall be entitled, through their officials or agents, to carrying out all the checks and inspections needed to ensure proper management of the Community funds and protect the Communities' financial interest against any fraud or irregularity. To this end, the participating States and/or the dedicated implementation structure shall, in due course, make all relevant documents available to the Commission and the Court of Auditors.

Article 10 Mutual information

The Commission shall communicate all relevant information to the European Parliament, the Council and the Court of Auditors. The participating States are invited to submit to the Commission, through the dedicated implementation structure, any additional information required by the European Parliament, the Council and the Court of Auditors concerning the financial management of the dedicated implementation structure that is consistent with the overall reporting requirements set out in Article 13(1).

Article 11 Participation of further Member States and associated countries

Any Member State and any country associated to the Seventh Framework Programme shall be entitled to join the EMRP in accordance with the criteria as set out in Article 2(e) and (f) and shall be treated as a participating State.

Article 12 Participation of other third countries

The participating States and the Commission may agree to the participation of any other country subject to the criteria set out in Article 2(e) and provided that such participation is foreseen by the relevant international agreement. They shall define the conditions under which legal entities established and individuals resident in such country shall be eligible for EMRP funding.

Article 13 Annual reporting and evaluation

The annual report on the Seventh Framework Programme presented to the European Parliament and the Council pursuant to Article 173 of the Treaty shall include a report of the activities of the EMRP.

An interim evaluation of the EMRP shall be carried out by the Commission three years after the start of the EMRP. This evaluation shall cover progress towards the objectives set out in Annex I, as well as recommendations of the EMRP on the most appropriate ways to further enhance integration and the quality and efficiency of the implementation, including scientific, management and financial integration and whether the level of the financial contributions of the participating States is appropriate, given the potential demand from their various national research communities.

The Commission shall communicate the conclusions thereof, accompanied by its observations and, where appropriate, proposals to amend this decision, to the European Parliament and the Council.

At the end of this Community participation in the EMRP but no later than in 2017, the Commission shall conduct a final evaluation of the EMRP. The results of the final evaluation shall be presented to the European Parliament and the Council.

Article 14 Entry into force

This decision shall enter into force on the third day following its publication in the *Official* Journal of the European Union.

Article 15

This decision is addressed to the Member States.

Done at Brussels,

For the European Parliament The President For the Council The President

<u>ANNEX I</u> <u>Description of the Objectives and Activities of the European Metrology Research</u> <u>Programme (EMRP)</u>

I. OBJECTIVES

In today's global economy, metrology makes a significant contribution to technological and economic development of many nations in the world. Metrology research is needed to solve societal problems, and examples affect areas such as space including satellite navigation, security, healthcare, semiconductor industry and climate change. Metrology research has a strong public-good character and is a main supporting activity for government regulation and standardisation. Metrology is hidden from public view yet it is essential for the facilitation of modern trade and communications. Access to markets can be hampered by lack of uniform and accurate weights and measures. All major economic powers in the world have recognized that technology R&D in metrology is critical to an advanced nation's long term economic growth.

Metrology research has traditionally been a high national priority in many countries. However European countries are operating their national metrology research programmes in full isolation and EU Member states have been unable to create on their own a single and truly integrated European Metrology Research Programme (EMRP). National Metrology Institutes (NMI), supported by Designated Institutes (DI) are in charge of implementing the national metrology research programmes on the basis of institutional funding from central government agencies or ministries. The European metrology research community is a specialised community only loosely linked to research organisations or academia. It is largely fragmented comprising a few centres of global excellence which would benefit from wide competition on an international scale. Duplication of research clearly exists.

The right for the Community to act in this field is set out in several articles of the Treaty providing for research coordination and cooperation between Member States and the Community. Article 165 stipulates that "the Community and the Member States shall coordinate their research and technological development activities so as to ensure that national policies and Community policy are mutually consistent". Obviously Article 169 invites the Community to make provision for participation in research and development programmes undertaken by several Member States. Community action seems highly justified, as Member States are unlikely to be able to address these problems acting alone.

The EMRP will integrate national programmes of twenty-two participating States into a single joint research programme and support, in particular, the objectives of the European National Measurement Systems. The EMRP will accelerate the development, validation and exploitation of new measuring techniques, standards, processes, instruments, reference materials and knowledge aimed at driving innovative developments in industry and commerce, improving the quality of data for science, industry and policymaking and supporting the development and implementation of directives and regulations.

The EMRP will achieve these objectives in the following way:

a) **Pooling excellence in metrology research** - by creating competitive joint research projects (hereinafter referred to as "EMRP projects") marshalling capability of

sufficient critical mass from the networks of NMI and DI from the participating States to tackle major metrology challenges faced at European level;

- b) **Openness of the system to best science -** by increasing participation from the wider European researcher community through researcher grants;
- c) **Capacity building** by increasing the capability of the European metrology researcher community through researcher mobility grants targeting those EURAMET Member Countries with limited metrology research capability.

The EMRP shall complement ongoing national programmes and activities aimed at addressing purely national priorities.

The EMRP initiative is aimed at aligning and integrating relevant national metrology research activities to establish a joint research programme featuring scientific, management and financial integration, making a major contribution to the European Research Area and underpinning the concepts in the Lisbon agenda of Europe as "the most competitive and dynamic knowledge-driven economy". Scientific integration is achieved through the common definition and implementation of activities under the EMRP. Management integration is achieved via the use of EURAMET e.V. as the dedicated implementation structure subject to detailed arrangements contained in Annex II.

Financial integration implies that the participating States effectively commit to contribute to the financing of the EMRP by providing national funding to all eligible participants in selected EMRP projects from the national earmarked EMRP budgets, if necessary drawing on the reserve funding capability amounting to 50 % of such budgets, and by providing a "cash" contribution to a common pot to fund researcher excellence and mobility grants, besides fully funding the running costs of the EMRP. A further element of financial integration shall be the unified approach towards eligible costs, inspired by the rules of the Seventh Framework Programme.

II. ACTIVITIES

The main activity of the EMRP shall consist of joint research and technological development activities of four types:

- A. The core activity shall consist in multi-partner trans-national **EMRP projects** addressing research, technological development, training and dissemination activities. In view of the concentrated capacities in metrology, the core part of the EMRP projects shall be executed by NMI and DI from participating States.
- B. In order to increase and diversify the capacities in metrology, three grant schemes shall be set up:
- B1. In order to enlarge the number of organisations with capacities closely related to metrology, **researcher excellence grants** shall be made available to organisations and/or individuals from the wider researcher community in the Member States and countries associated to the Seventh Framework Programme. Each selected organisation and/or individual shall be associated to an EMRP project.

- B2. In order to develop the capacities of individuals in metrology through mobility, **researcher mobility grants** shall be made available to (1) researchers from NMI and DI of participating States, (2) researchers benefiting, either individually or through their organisation, from a researcher excellence grant and (3) researchers from EURAMET Member Countries not participating in the EMRP, which currently have limited or no metrology research capability. These researcher mobility grants shall enable the researchers to stay either in an NMI or DI participating in an EMRP project or in an organisation benefiting from a researcher excellence grant.
- B3. In order to ensure sustainability in the cooperation between NMI and DI of the participating States and to prepare the next generation of experienced metrology researchers, **early-stage researcher mobility grants** shall be made available to early-stage researchers from the NMI and DI of participating States to enable them to stay either in an NMI or DI, in an organisation benefiting from a research excellence grant or in another organisation participating in an EMRP research project at its own costs.

These activities shall be enhanced, where appropriate by collaboration with other relevant and interested organisations, within or beyond Europe, participating on a self funding basis.

In addition wider networking activities shall be supported to a limited extent in order to promote the EMRP and enhance its impact. These activities shall include, if necessary, maintenance and updating of the identified EMRP research areas via activities such as workshops, contacts with other appropriate stakeholder in Europe and beyond.

III. IMPLEMENTATION OF ACTIVITIES

The selection of EMRP projects and the award of researcher excellence and researcher mobility grants shall be subject to periodic calls for proposals. As an indicative calendar, it is foreseen to launch calls for proposals at 12 to 18-month intervals over a period of maximum seven years. The award of early-stage researcher mobility grants shall be subject to a permanent call.

A. EMRP projects

a) Call for potential research topics of EMRP projects (Stage 1):

Each call for proposals of EMRP projects shall be preceded by the identification of the topics of that call following the steps below. Firstly, the EMRP Committee (see Annex II), in consultation with the Commission, shall identify the parts of the EMRP which shall be the subject of the call for proposals. Secondly, the researcher community – any interested individual or organisation – shall be invited to suggest potential research topics for that call. Thirdly, the EMRP Committee shall agree on the best potential research topics received. The EMRP Committee may amend, split or merge received topics and introduce new ones in order to optimise the call for proposals in Stage 2. The EMRP Committee shall ensure that the final research topics cannot be traced back to initial proposers of these ideas and are thus anonymous.

b) Call for proposals for EMRP projects (Stage 2):

Once the research topics have been selected, EURAMET e.V. shall publish the call for proposals and shall invite research teams from NMI and DI of participating States to build consortia and submit project proposals.

The call for proposals shall remain open for at least two months.

EURAMET e.V. shall evaluate each proposal received with the assistance of at least three independent experts appointed by it on the basis of the criteria set out in the Rules for Participation in the Seventh Framework Programme. The experts shall establish a ranking list which shall be binding for the allocation of Community funding and national funding.

The following core evaluation criteria shall apply for the EMRP projects:

- scientific and/or technological excellence;
- relevance to the objectives of the EMRP;
- the potential impact through the development, dissemination and use of project results;
- the quality and efficiency of the implementation and management.

The call for proposals shall concretise the core evaluation criteria. Additional criteria may be introduced on condition that they are published in the call for proposals, are non-discriminatory and do not prevail over the core evaluation criteria.

Any consortium submitting a proposal for an EMRP project may include any other European or non-European entity not eligible for funding provided that this entity can realistically ensure that it disposes of the resources needed for its participation.

A consortium submitting a proposal for an EMRP project may include already at this stage in their proposal a proposal for researcher excellence grant provided that it adds a necessary scientific value to the project. In this case, the evaluation of the proposal for the researcher excellence grant shall be part of the global project evaluation. The selection of the project for funding shall automatically mean the award of such grant.

The Research Council of EURAMET e.V. shall issue its independent view on the overall results of the evaluation of a call for proposals for EMRP projects (Stages 1 and 2), but not on individual EMRP projects. This view shall be duly taken into account by EURAMET e.V. in following calls for proposals.

B. Call for proposals for researcher excellence grants and researcher mobility grants (Stage 3)

The publication of the list of selected proposals of EMRP projects shall be accompanied by a call to the wider researcher community to join EMRP projects via researcher excellence and/or researcher mobility grants.

Each EMRP project consortium shall be invited (unless it has already introduced a proposal for researcher and excellence grants when submitting a proposal for an EMRP project as described in the seventh paragraph of preceding section A.b.)) to launch, within three months after the EMRP project contract entered into force, a call for proposals to identify potential

beneficiaries and propose to EURAMET e.V. to award them a researcher excellence or a researcher mobility grant. The indicative funding breakdown of the EMRP is calculated so that on average each EMRP project could be associated with at least one researcher excellence and/or researcher mobility grant. However, this is not a binding obligation and this type of grants shall be implemented in the most flexible manner.

The EMRP project consortium shall publish the call for proposals at least in one international journal and in three different national newspapers in three different participating States. It shall also be responsible for advertising the call widely using specific information support, particularly Internet sites on the Seventh Framework Programme, the specialised press and brochures and through the national contact points set up by Member States and countries associated to the Seventh Framework Programme. In addition, the publication and advertising of the call for proposals shall conform to any instructions and guidance notes established by EURAMET e.V.. The consortium shall inform EURAMET e.V. of the call and its content at least 30 days prior to its expected date of publication. EURAMET e.V. shall examine the conformity of the call with relevant rules, instructions and guidance notes.

The call for proposals shall remain open for at least five weeks.

The EMRP project consortium shall evaluate the proposals received with the assistance of at least two independent experts appointed by it on the basis of the Rules for Participation in the Seventh Framework Programme.

The following core evaluation criteria shall apply to the evaluation of the proposals:

- scientific and/or technological excellence;
- relevance to the objectives of the EMRP project;
- quality and implementation capacity of the applicant and his/her potential for further progress;
- quality of the proposed activity in scientific training and/or transfer of knowledge.

The call for proposals shall concretise the core evaluation criteria. Additional criteria may be introduced on condition that they are published in the call for proposals, are non-discriminatory and do not prevail over the core evaluation criteria.

The EMRP project consortium shall propose to EURAMET e.V. to award the grant to a beneficiary and report to it on how the call for proposals was administered, including the way of publication and the names and affiliation of the experts involved in the evaluation. Within 45 days of the receipt of this proposal, EURAMET e.V. shall either award the grant or refuse this if the selection was not in conformity with relevant rules, instructions and guidance notes.

EURAMET e.V. shall invite European countries which have limited or no capabilities in metrology research to encourage their research institutes and universities to apply for researcher mobility grants as one means of building up their capacities in metrology research.

C. Early-stage researcher mobility grants

EURAMET e.V. shall launch a permanently open call for proposals for early-stage researcher mobility grants and publish it in at least one international journal and three different national

newspapers in three different participating States. It shall also be responsible for advertising the call for proposals widely using specific information support, particularly Internet sites on the Seventh Framework Programme, the specialised press and brochures and through the national contact points set up by Member States and countries associated to the Seventh Framework Programme.

The proposals shall be submitted by the researcher and by the sending and receiving organisations (NMI, DI or another organisation participating in an EMRP project). The indicative funding breakdown is calculated so that on average each EMRP project could be associated with at least one early-stage researcher mobility grant. However, this is not a binding obligation and this type of grants shall be implemented in the most flexible manner.

EURAMET e.V. shall evaluate the proposals received.

The following core evaluation criteria shall apply:

- scientific and/or technological excellence;
- relevance to the objectives of the EMRP project;
- quality and implementation capacity of the applicant and his/her potential for further progress;
- quality of the proposed activity in scientific training and/or transfer of knowledge.

The call for proposals shall concretise the core evaluation criteria. Additional criteria may be introduced on condition that they are published in the call for proposals, are non-discriminatory and do not prevail over the core evaluation criteria.

EURAMET e.V. shall aim at two cut-off dates per year at which it awards these grants by a simplified procedure based on the opinion of at least one independent expert per proposal.

D. Recapitulative table

Types of funding	Eligible Organisations	Eligible Countries	Evaluation Criteria
A. EMRP project (consortium)	NMI and DI	EMRP participating States	Article 15(1)(a) of the Rules for Participation in the Seventh Framework Programme
B1. Researcher excellence grants	Any organisation but NMI or DI	Member States and countries associated to the Seventh Framework Programme	Article 15(1)(b) of the Rules for Participation in the Seventh Framework Programme
B2. Researcher mobility grants	From: (1) NMI and DI or (2) an organisation benefiting from a researcher excellence grant (3) researchers from EURAMET Member Countries <u>not</u> participating in the EMRP which currently have limited or no metrology research capability To : (1) NMI and DI or (2) an organisation benefiting from a researcher excellence grant	Member States and countries associated to the Seventh Framework Programme	Article 15(1)(b) of the Rules for Participation in the Seventh Framework Programme
B3. Early-stage researcher mobility grants	From: NMI and DI To: (1) NMI and DI or (2) other organisations participating in the EMRP project (consortium)	EMRP participating States	Article 15(1)(b) of the Rules for Participation in the Seventh Framework Programme

IV. FUNDING MECHANISM

A. Funding at Programme Level

The EMRP shall be funded by the participating States and by the Community.

Participating States shall define a multi-annual financing plan to participate in the EMRP and contribute to the funding of its activities. The national contribution may come from existing or newly created programmes, as long as they comply with the essential nature of publicly funded top-level metrology. Each participating State shall, in addition to the core funding requirement (earmarked EMRP budget), identify a reserve funding capability equal to 50 % of that requirement to ensure flexibility in the operation of the EMRP throughout its life and respect of the ranking list. Financing of the EMRP shall involve in particular the commitment to contribute to the funding of participants in selected EMRP projects from the national earmarked EMRP budgets, and providing a "cash" contribution to a common pot to fund researcher grants, besides fully funding the running costs of the EMRP.

The total Community contribution to the EMRP is calculated as matching the actual financial contribution from the participating States (excluding running costs exceeding 16 M \in and the reserve funding capability), with a ceiling of EUR 200 million. As the running costs are included in the calculation of the matching contribution, they have to be justified by EURAMET e.V..

No Community contribution shall be used to cover the running costs of EURAMET e.V..

B. Indicative Funding Breakdown

Activity Type	Community EUR 200 million		participating States EUR 200 million		Total EUR 400 million	
	%	EUR million	%	EUR million	%	EUR million
EMRP Project Proposals - Module (Part A)	82 %	164	90 %	180	86 %	344
Researcher Grant Proposals Module (Part B) funding up to 100 %	18 %	36	2%	4	10 %	40
B1. Researcher excellence					7.5 %	30
grants B.2 Researcher mobility					1.5 %	6
grants B.3 Early-stage researcher mobility grants					1.0 %	4

Grand Total: EUR 400 million (+ EUR 100 million reserve funding capability)

Running Costs (Part C) ¹⁷	-	-	8 %	16	4 %	16
<u>Total</u>	100 %	200	100%	200	100 %	400

C. Funding of EMRP Projects and Researcher Grants

The allocation of funding from the earmarked EMRP budgets and from the Community contribution to EMRP projects shall follow the order of the approved evaluation ranking list. The financial contribution to the participants in these EMRP projects is calculated according to eligible costs as defined in the Rules for Participation in the Seventh Framework Programme. In case the earmarked EMRP budget is exhausted because of the high success rate of NMI and DI from a particular participating State, this participating State shall use the reserve funding capability of 50 % of its earmarked EMRP budget allocated to further selected proposals following the ranking list.

The Community contribution to EMRP projects shall be fixed per call for proposals as a percentage of eligible costs lower than 50 %. It shall be transferred directly from EURAMET e.V. to the EMRP project participants.

National contributions to EMRP projects shall be provided using the respective national funding mechanisms.

Community and national cash contributions used to fund researcher excellence grants, researcher mobility grants and early-stage researcher mobility grants shall be transferred to EURAMET e.V. and by it to the grant recipients.

The legality and regularity of the underlying transactions, and in particular the existence of the national contribution, its actual payment, the appropriate use of Community funding and the eligibility of the costs claimed shall be ensured under the responsibility of EURAMET e.V., and be established by independent financial auditing of EMRP projects following principles compliant with those of the Seventh Framework Programme.

Researcher excellence grants, researcher mobility grants and early-stage researcher mobility grants shall be fixed grants awarded following predefined scales; detailed underlying expenditures shall not be subject to audit. The categories of costs covered by any such grant shall not be eligible as costs of an EMRP project. Only the actual full payment of the defined amount to the final beneficiary has to be supported by formal evidence. Payments in cash are not considered properly evidenced and are not eligible. EURAMET e.V. shall have the option of requesting matching funds from recipients which are legal entities rather than individuals.

V. IPR ARRANGEMENTS

EURAMET e.V. shall adopt the intellectual property policy of the EMRP in accordance with Article 2(h) of the decision.

¹⁷ Unlike the other figures, this amount is a binding ceiling in the calculation of the matching funds of the participating States.

<u>ANNEX II</u> <u>Governance and Implementation of the European Metrology Research Programme</u> (EMRP)

I. INTRODUCTION

The dedicated implementation structure of the EMRP shall be EURAMET e.V. EURAMET e.V. was established in 2007 under German law as a non-profit association. It is the European regional metrology organisation. Membership of EURAMET e.V. is open to National Metrology Institutes (NMI), as Members, and to Designated Institutes (DI), as Associates, from Member States of the European Union and of the European Free Trade Association, and from other European States. The Institute for Reference Materials and Measurements of the European Commission may also be an Associate. Currently, there are Members from thirty-two countries. Twenty-two of these countries are at the same time participating States of the EMRP.

II. GOVERNANCE OF THE EMRP WITHIN EURAMET E.V.

The following bodies and internal structures of EURAMET e.V. shall assume roles in the implementation of the EMRP:

- (1) The **EMRP Chair** and his/her deputy are elected by the EMRP Committee. The EMRP Chair is automatically one of the two Vice-Chairpersons of EURAMET e.V. He/she legally represents EURAMET e.V. in the matters of the EMRP.
- (2) The **EMRP Committee** is composed of EURAMET Members (i.e. NMI) whose countries are participating States. The EMRP Committee is the decision-making body of the EMRP and is responsible for all matters concerning the EMRP, including the decisions on defining and updating the programme, on the planning of call for proposals, on the budget profile, on the eligibility and selection criteria, on the pool of evaluators, on the approval of the ranking list of the EMRP projects to be funded, on the monitoring of progress of the funded EMRP projects and on the supervision of the adequate and orderly work of the Secretariat concerning the EMRP. The EMRP Committee elects an EMRP Chair (who is automatically EURAMET's "Vice-Chairperson (EMRP)") and a deputy.
- (3) The **Research Council** is composed of a balanced contingent of high-level experts drawn from industry, research and academia and from international stakeholder organisations. It provides independent strategic advice on the matters of the EMRP and reports or comments to the EMRP Committee when necessary and upon request, but as a minimum it will give an opinion on each call for proposals and selection cycle.
- (4) The **Secretariat** is composed of persons employed by or seconded to EURAMET e.V. Its structure and tasks are governed by the rules of procedure of EURAMET e.V. Part of the Secretariat responsible for the implementation of the EMRP is hosted by the National Physical Laboratory, the UK Member of EURAMET e.V. (hereinafter referred to as "the hosting Member").

(5) The EMRP Programme Manager shall be a senior manager and as an interim solution he/she may be seconded from the hosting Member. The EMRP Programme Manager shall act solely under the direct authority of EURAMET e.V. on any matters concerning the EMRP and report to its bodies. EURAMET e.V. shall establish effective procedures that ensure that no conflicts of interests exist between the EMRP Programme Manager and any applicants, participants or beneficiaries.

III. SOLE RESPONSIBILITIES OF EURAMET E.V. AND SUBCONTRACTING OF ADMINISTRATIVE AND LOGISTICAL TASKS TO THE HOSTING MEMBER IN THE IMPLEMENTATION OF THE EMRP

EURAMET e.V. shall be solely responsible for the implementation of the EMRP. It shall manage the Community contribution to the EMRP. It shall further take responsibilities in particular for:

- updating the EMRP;
- defining the calls for proposals;
- publishing the calls for proposals;
- receiving the proposals for stage 1 and stage 2 and proposals for early-stage researcher mobility grants;
- selecting the independent experts for the evaluation;
- receiving the independent experts' individual assessments and chairing the evaluation panels;
- taking final selection decisions;
- initiating contract negotiations and concluding the contracts with selected EMRP project consortia and other beneficiaries;
- receiving and replying to all call complaints;
- the receipt, allocation and monitoring of the use of the Community contribution;
- executing payments to funded EMRP project participants and grant recipients;
- responding to the reporting requirements vis-à-vis the Commission¹⁸.

Whilst the above responsibilities and decision-making on the EMRP remain solely with EURAMET e.V., certain administrative and logistical tasks in the implementation of the EMRP may be subcontracted, at costs, to the hosting Member.

¹⁸ The monitoring of the Community contribution implies all the activities of a control and audit nature, ex-ante and/or ex-post, considered necessary to carry out the executive tasks delegated by the Commission, in a satisfactory manner. These activities shall aim to gain reasonable assurance on the legality and regularity of the underlying transactions, and on the eligibility of the costs claimed

This administrative and logistical support shall consist of the following:

- providing administration and logistics for implementing the procedures of the calls for proposals, including the provision of a dedicated help line;
- providing drafting support to EURAMET e.V. for the development of guidelines and other documentation;
- providing the dedicated web capability;
- providing support for the contract preparation, project monitoring and follow-up of EMRP projects and researcher grants;
- supporting the EMRP Committee and the EMRP Chair as required.

In agreement with the Commission, additional tasks may be subcontracted to the hosting Member while EURAMET e.V. builds up its permanent Secretariat capability.

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL:

Proposal for a decision of the European Parliament and of the Council on the participation by the Community in a European Metrology Research Programme (EMRP) undertaken by several Member States.

2. ABM / ABB FRAMEWORK

PolicyArea(s)concernedandassociatedActivity/Activities:ResearchandTechnologicalDevelopment:SeventhFrameworkProgramme.Article169of theTreaty establishing theEuropeanCommunity.

3. BUDGET LINES

3.1. Budget lines (operational lines and related technical and administrative assistance lines (ex- B.A lines)) including headings:

For 2009 Contribution from DG RTD pro rata as follows:

	Denomination	Line	2009 (%)	2009 (€)
RTD	Cooperation - Health	08 02 01	34,0%	5.774.864
RTD	Cooperation - Food, Agriculture and Biotechnology	08 03 01	10,2%	1.727.778
RTD	Cooperation - Nanosciences, Nanotechnologies, Materials and new Production Technologies	08 04 01	21,0%	3.571.514
RTD	Cooperation - Energy RTD	08 05 01	7,1%	1.200.885
RTD	Cooperation - Environment (including Climate Change)	08 06 01	10,7%	1.822.448
RTD	Cooperation - Transport (including Aeronautics) RTD	08 07 01	17,1%	2.902.512
	Sub-Total RTD		100,0%	17.000.000
INFSO	Cooperation - ICT	09 04 01	0,0%	0
	Sub-Total INFSO		0,0%	0
TREN	Cooperation - Energy TREN	06 06 01	0,0%	0
TREN	Cooperation - Transport (including Aeronautics) TREN	06 06 02	0,0%	0
	Sub-Total TREN		0,0%	0
ENTR	Cooperation - Space	02 04 01 01	0,0%	0
ENTR	Cooperation - Security	02 04 01 02	0,0%	0

Sub-Total ENTR	0,0%	0
TOTALS	100%	17.000.000

As of 2010 Contribution from all Research DGs pro rata as follows¹⁹:

	Denomination	Line	2010- 2013 (%)
RTD	Cooperation - Health	08 02 01	27,99%
RTD	Cooperation - Food, Agriculture and Biotechnology	08 03 01	11,78%
RTD	Cooperation - Nanosciences, Nanotechnologies, Materials and new Production Technologies	08 04 01	19,85%
RTD	Cooperation - Energy RTD	08 05 01	5,69%
RTD	Cooperation - Environment (including Climate Change)	08 06 01	10,90%
RTD	Cooperation - Transport (including Aeronautics) RTD	08 07 01	11,14%
	Sub-Total RTD		87,35%
INFSO	Cooperation - ICT	09 04 01	5,60%
	Sub-Total INFSO		5,60%
TREN	Cooperation - Energy TREN	06 06 01	
TREN	Cooperation - Transport (including Aeronautics) TREN	06 06 02	
	Sub-Total TREN		
ENTR	Cooperation - Space	02 04 01 01	3,57%
ENTR	Cooperation - Security	02 04 01 02	3,48%
	Sub-Total ENTR		7,05%
	TOTALS		100,00%

	Line	2010-2013 (%)	2010 (€)	2011 (€)	2012 (€)	2013 (€)	Totals (€) 2010-2013
RTD	08 02 01	27,99%	13.960.465	9.883.706	13.087.936	13.087.936	50.020.042
RTD	08 03 01	11,78%	5.877.508	4.161.148	5.510.164	5.510.164	21.058.984
RTD	08 04 01	19,85%	9.899.379	7.008.545	9.280.668	9.280.668	35.469.260
RTD	08 05 01	5,69%	2.838.079	2.009.298	2.660.699	2.660.699	10.168.774
RTD	08 06 01	10,90%	5.435.692	3.848.352	5.095.961	5.095.961	19.475.967
RTD	08 07 01	11,14%	5.557.738	3.934.758	5.210.379	5.210.379	19.913.254
	TOTAL	87,35%	43.568.860	30.845.807	40.845.807	40.845.807	156.106.280
INFSO	09 04 01	5,60%		10.000.000			10.000.000
	TOTAL	5,60%		10.000.000			10.000.000
TREN	06 06 01						

It is suggested to create a single budget line for this initiative as of 2010

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TREN	06 06 02						
	TOTAL						
ENTR	02 04 01 01	3,57%	1.673.498	1.568.904	1.568.904	1.568.904	6.380.210
ENTR	02 04 01 02	3,48%	1.632.642	1.530.602	1.530.602	1.530.602	6.224.448
	TOTAL	7,05%	3.306.140	3.099.506	3.099.506	3.099.506	12.604.658
TOTAL	(excl. EFTA)	100%	46.875.000	43.945.313	43.945.313	43.945.313	178.710.938
TOTAL	(incl. EFTA)		48.000.000	45.000.000	45.000.000	45.000.000	183.000.000

3.2. Duration of the action and of the financial impact:

The Community contribution to the EMRP Joint Programme is expected to be established through co-decision by Council and Parliament in May 2009 for an initial period up to 31 December 2016. Its financial impact on the EU budget will cease after 2017.

3.3. Budgetary characteristics:

Multi-Line commitments new line as of 2010 suggested

Budget line	Type of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
See above	bove Non-comp Diff ²⁰		YES	YES	YES	N° [1A]

²⁰ Differentiated appropriation

4. SUMMARY OF RESOURCES

4.1. Financial Resources

All figures in this statement are indicative and presented in constant values.

4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

Expenditure type	Section no.		Year 2009	2010	2011	2012	2013 and later	Total
Operational expenditure								
Commitment Appropriations (CA)	8.1.	a	17	48	45	45	45	200
Payment Appropriations (PA)		b	0	6	21.5	36.5	136	200
Administrative expenditu	re within	refere	nce amou	unt ²¹				
Technical & administrative assistance (NDA)	8.2.4.	с	0	0	0	0	0	0
TOTAL REFERENCE AMO	OUNT							
Commitment Appropriations		a+c	17	48	45	45	45	200
Payment Appropriations		b+c	0	6	21.5	36.5	136	200
Administrative expenditu	re <u>not</u> inc	luded	in refere	nce amou	int ²²			
Human resources and associated expenditure (NDA)	8.2.5.	d	0,117	0,176	0,176	0,176	0,704	1,349
Administrative costs, other than human resources and associated costs, not included in reference amount (NDA)	8.2.6.	e	0,007	0,014	0,014	0,044	0,106	0,185
Total indicative financial	cost of int	terven	tion	•	•	•	•	

TOTAL CA including cost of Human Resources	a+c +d	17,124	48,190	45,190	45,220	45,810	201,534
	+e						

²¹ These are the support expenditures for running costs of the DIS of the EMRP. This amount will not be taken into account under the ceiling of administrative expenditures of the Seventh Framework Programme (16 EUR million).

²² The reference amount is the Community contribution to the EMRP.

TOTAL PA including cost	b+c	0,124	6,190	21,690	36,720	136,810	201,534
of Human Resources	+d						
	+e						

Co-financing details

(i) Programme level

A Community contribution up to EUR 200 million shall be provided, subject to an investment of at least EUR 200 million by the participating States for the period 2009-2016 through their national programmes.. The running costs of the dedicated implementation structure (DIS) have a fixed ceiling of EUR 16 million (4% of the total cost) and are provided in cash contribution by the EURAMET e.V. members participating in EMRP. *(ii) Project level*

The allocation of funding from the national earmarked budgets and from the Community contribution to selected EMRP projects shall follow the order of the ranking list.

Finally, the EURAMET e.V. members participating in EMRP shall co-finance these projects, in accordance with the agreement to be concluded between the DIS and the national programmes of the participating States.

Co-financing body		Year 2009	2010	2011	2012	2013 and later	Total
Participating Member States	f	17	48	45	45	45	200
Community contribution	a+c	17	48	45	45	45	200
Administrative expenditure	d+e	0,124	0,190	0,190	0,220	0,810	1,534
TOTAL CA including co- financing	a+c +d +e +f	34,124	96,190	90,190	90,220	90,810	401,534

EUR million (to 3 decimal places)

4.1.2. Compatibility with Financial Programming

- \square Proposal is compatible with existing financial programming.
- □ Proposal will entail reprogramming of the relevant heading in the financial perspective.

- \square Proposal may require application of the provisions of the Interinstitutional Agreement²³ (i.e. flexibility instrument or revision of the financial perspective).
- 4.1.3. Financial impact on Revenue
 - \square Proposal has no financial implications on revenue
 - □ Proposal has financial impact the effect on revenue is as follows:

		Prior to action		Situ	ation foll	owing ac	ction	
Budget line	Revenue	[Year n-1]	[Yea r n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5] 24
	a) Revenue in absolute terms							
	b) Change in revenue	Δ						

4.2. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.

Annual requirements	Year 2009	2010	2011	2012	2013 and later
Total number of human resources					

5. CHARACTERISTICS AND OBJECTIVES

5.1. Need to be met in the short or long term

The Community contribution is needed for the establishment and operation of the EMRP, in order to allow co-financing of the activities with the participating States. It will in particular be used to co-finance participants in selected EMRP projects following calls for proposals.

5.2. Value-added of Community involvement and coherence of the proposal with other financial instruments and possible synergy

Metrology research has a strong public-good character and is a main supporting activity for government regulation and standardisation. European countries are operating their national metrology research programmes (NMRP) in full isolation

²³ See points 19 and 24 of the Interinstitutional agreement.

Additional columns should be added if necessary i.e. if the duration of the action exceeds 6 years

and Member States have been unable to create on their own a single and truly integrated EMRP.

5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework

The EMRP will integrate national programmes of twenty-two participating States into a single joint research programme and support, in particular, the objectives of the European National Measurement Systems. The EMRP will accelerate the development, validation and exploitation of new measuring techniques and support the development and implementation of directives and regulations.

5.4. Method of Implementation (indicative)

✓ Centralised Management

- \Box directly by the Commission
- \square indirectly by delegation to:
 - \Box executive Agencies
 - □ bodies set up by the Communities as referred to in art. 185 of the Financial Regulation
 - ☑ national or international public-sector bodies/bodies governed by private law with a public service mission and guaranteed by the Member States, Iceland, Israel, Norway, Switzerland and Turkey.

6. MONITORING AND EVALUATION

6.1. Monitoring system

Once established, the EMRP will be monitored through annual reports which will be provided by the DIS.

6.2. Evaluation

6.2.1. Ex-ante evaluation

The proposed initiative has been addressed in an Impact Assessment including as part an ex-ante evaluation (as attached to the dossier).

6.2.2. Measures taken following an intermediate/ex-post evaluation (lessons learned from similar experiences in the past)

The proposed governance model has been established based on the experience gained from the first Article 169 initiative undertaken during the Sixth Framework Programme, namely the EDCTP.

6.2.3. Terms and frequency of future evaluation

An interim and final evaluation of the EMRP will be carried out by the Commission and will cover the quality and efficiency of the implementation, including scientific, management and financial integration of the EMRP and progress towards the objectives set out in Annex I of this Proposal.

7. ANTI-FRAUD MEASURES

Article 7 of the Decision establishing the EMRP states that in implementing the Joint Programme, the participating States shall take the legislative regulatory and administrative or other measures necessary for protecting the Communities' financial interests. In particular, the participating States shall provide adequate guarantees as regards full recovery from the DIS of any amounts due to the Community.

Article 8 of the Decision establishing the EMRP states that the Commission and the Court of Auditors may, through their officials or agents, carry out all the checks and inspections needed to ensure proper management of the Community funds and protect the financial interests of the Community against any fraud or irregularity. To this end, the participating States and/or the DIS shall, in due course, make all relevant documents available to the Commission and the Court of Auditors.

Further anti-fraud measures will be implemented as part of the detailed agreement between the Commission and the DIS.

DETAILS OF RESOURCES	
8. I	

8.1. Objectives of the proposal in terms of their financial cost

Commitment appropriations in EUR million (to 3 decimal places)

(Headings of Objectives, actions and outputs should be provided)	Type of output	Av. cost	Year 2009	6003	Year 2010	2010	Year 2011	011	Year 2012	012	Year 2013 and later	13 and rr	TOTAL	AL
			No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost
OPERATIONAL OBJECTIVE No.1 ²⁵ Establishment and operation of the EMRP Joint Programme														
Action 1														
- Output (*),(**) R&D Projec	R&D Projects		0	17	9	48	22	45	36	45	116	45	180	200
Sub-total Objective 1			0	17	6	48	22	45	36	45	116	45	180	200
TOTAL COST			0	17	9	48	22	45	36	45	116	45	180	200
(*)The administrative costs of the DIS, within a ceiling of EUR 16 million, will be covered by the participating States without any Community	within a ce	iling o	f EUR 1	6 millic	on, will b	e cover	ed by the	e partici	pating S	tates wi	thout any	/ Comm	unity	

(**) An average cost of EUR 2 million is assumed for each EMRP project; with a variation between EUR 1 to 5 million. In addition to each EMRP project a researcher excellence grant and/or researcher mobility grant might be associated. The overall programme budget of EUR 400 million is contribution.

estimated to fund 180 projects and associated grants.

As described under Section 5.3

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8.2. Administrative Expenditure

Types of post		Staff to			t of the action umber of pos		g and/or
		Year 2007	Year 2008	Year 2009	Year 2010	Year 2011	Year 2012
Officials or temporary	A*/AD						
staff ²⁷ (XX 01 01)	B*, C*/AST						
Staff financed ² XX 01 02	²⁸ by art.						
Other staff ²⁹ fin art. XX 01 04/0	2						
TOTAL							

8.2.1. Number and type of human resources²⁶

8.2.2. Description of tasks deriving from the action

8.2.3. Sources of human resources (statutory)

- Posts currently allocated to the management of the programme to be replaced or extended
- D Posts pre-allocated within the APS/PDB exercise for year n
- D Posts to be requested in the next APS/PDB procedure
- □ Posts to be redeployed using existing resources within the managing service (internal redeployment)
- □ Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

²⁶ There are no Commission officials that will work for the EMRP in the DIS.

²⁷ Cost of which is NOT covered by the reference amount.

²⁸ Cost of which is NOT covered by the reference amount.

²⁹ Cost of which is included within the reference amount.

8.2.4. Other Administrative expenditure included in reference amount (XX 01 04/05 – *Expenditure on administrative management*)

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013 and later	TOTAL
1 Technical and administrative assistance (including related staff costs)	0	0	0	0	0	0
Executive agencies ³⁰						
Other technical and administrative assistance						
- intra muros						
- extra muros						
Total Technical and administrative assistance	0	0	0	0	0	0

EUR million (to 3 decimal places)

A total maximum amount of EUR 16 million (4% of the total cost) has been fixed for the running costs of the DIS and will be covered solely by the participating States.

Calculation- Estimated costs of the dedicated implementation structure

Estimation of the costs is based on estimates provided by EURAMET e.V. following experiences in iMERA, ERA-NET and iMERA Plus. The total cost include for the period 2010-2016:

- EMRP management: programme manager and secretarial/office support
- Dissemination and Communication cost: events, material, press and print, website
- IT support, maintenance and licences
- Travel
- Proposal evaluation with independent experts: Expert fees and travel

³⁰ Reference should be made to the specific legislative financial statement for the Executive Agency(ies) concerned.

8.2.5. Financial cost of human resources and associated costs <u>not</u> included in the reference amount

Information related to human resources and administrative expenditures not included in the reference amount must be considered as internal re-deployment inside the envelopes of FP7 administrative appropriations.

Type of human resources	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013 and later
Officials and temporary staff Budget line XXXXXX	0,117	0,176	0,176	0,176	0.704
Staff financed by Art XXXXX (auxiliary, END, contract staff, etc.) (specify budget line)					
Total cost of Human Resources and associated costs (NOT in reference amount)	0,117	0,176	0,176	0,176	0.704

EUR million (to 3 decimal places)

Calculation- Officials and Temporary agents

An average cost of EUR 117,000 per post FTE. In year 2009, 1 FTE is taken into account for the contract negotiation phase. From 2010 till 2016, 1.5 FTE is taken into account.

Calculation-*Staff financed under art. XX 01 02*

1,5 FTE/year are anticipated for the follow-up of this initiative by the Commission services from 2010 onward. 1 FTE is required for the contract negotiation phase which is expected to start in the second half of 2009. The main tasks will be:

Participation in meetings of the EMRP committee and the meetings of the EMRP Research Council as member, +/- 3-4 times two-day meetings/year (Director/HoU level)

Observer in EMRP proposal evaluations, 2-3 days per years (Project Officer level)

Participation in workshops and dissemination events, 2-3 times per year (Project Officer level)

Negotiation and Preparation of agreement with the DIS (Project Officer level + Assistant level)

Monitoring of implementation based on the yearly reports, and coordination of the mid-term and final evaluations (Project Officer level)

Financial and legal auditing of the implementation of the EMRP (Financial Officer level)

	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013 and later	TOTAL
08 01 02 11 01 – Missions	0,007	0,014	0,014	0,014	0,056	0,105
08 01 02 11 02 – Meetings & Conferences						
08 01 02 11 03 – Committees ³¹						
08 01 02 11 04 – Studies & consultations						
08 01 02 11 05 - Information systems						
2 Total Other Management Expenditure (08 01 02 11)	0,007	0,014	0,014	0,014	0,056	0,105
3 Other expenditure of an administrative natureIndependent experts for mid-term and final review.				0,030	0,050	0,080
Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount)	0,007	0,014	0,014	0,044	0,106	0,185

EUR million (to 3 decimal places)

Information related to human resources and administrative expenditures not included in the reference amount must be considered as internal re-deployment inside the envelopes of FP7 administrative appropriations.

Calculation - Other administrative expenditure <u>not</u> included in reference amount

Missions: Costs are based on EUR 700 average travel cost per mission plus EUR 149,63 of daily allowance; average mission duration is 1,5 days; number and nature of missions: 4 missions per year for 2 officials to attend EMRP meetings, 3 missions per year for one official to attend workshops and other events, 4 missions per year for one official to attend to the EMRP committee meeting (if elsewhere than in Brussels). For 2009, half of the annual costs are assumed.

External assistance: Cost estimates for external support for interim and final evaluation with 3 external experts. Midterm review estimated at EUR 30.000 and final review at EUR 50.000 (including expert cost, daily allowances, and travel).

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Specify the type of committee and the group to which it belongs.