Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)" and repealing Regulation (EC) No 1906/2006 (Text with EEA relevance)

REGULATION (EU) No 1290/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 11 December 2013

laying down the rules for participation and dissemination in "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)" and repealing Regulation (EC) No 1906/2006

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 173, 183, and the second paragraph of Article 188 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the Court of Auditors[(1)],

Having regard to the opinion of the European Economic and Social Committee[(2)],

Acting in accordance with the ordinary legislative procedure[(3)],

Whereas:

(1) "Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)" ("Horizon 2020") is established by Regulation (EU) No 1291/2013 of the European Parliament and of the Council[(4)]. That Regulation needs to be complemented by rules for participation in indirect actions undertaken under Horizon 2020, and for exploitation and dissemination of the results of those actions.

(2) Horizon 2020 should be implemented with a view to contributing directly to creating industrial leadership, growth and employment as well as citizens' welfare in Europe, and should reflect the strategic vision of the Commission Communication of 6 October 2010 entitled "Europe 2020 Flagship Initiative Innovation", in which the Commission commits itself to radically simplify access for participants.

(3) Horizon 2020 should support the achievement and functioning of the European Research Area in which researchers, scientific knowledge and technology circulate freely, by strengthening cooperation both between the Union and the Member States, and among the Member States, in particular through the application of a coherent set of rules.

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(4) The rules for participation, exploitation and dissemination in Horizon 2020 laid down in this Regulation ("the Rules") should adequately reflect the recommendations of the European Parliament in its resolution of 11 November 2010 on simplifying the implementation of the Research Framework Programmes[(5)], and of the Council with regard to the simplification of the administrative and financial requirements of the research framework programmes. The Rules should provide continuity to the simplification measures already implemented under Decision No 1982/2006/EC of the European Parliament and of the Council[(6)]. They should take up the recommendations made in the final report of the Expert Group entitled 'Interim Evaluation of the 7th Framework Programme' of 12 November 2010 and they should enable further progress in reducing the administrative burden for participants and the complexity of the financial provisions in order to facilitate participation and reduce the number of financial errors. The Rules should also duly reflect the concerns raised and recommendations made by the research community resulting from the debate initiated by the Commission Communication of 29 April 2010 entitled "Simplifying the implementation of the research framework programmes", and the subsequent Green Paper of 9 February 2011 entitled "From Challenges to Opportunities: Towards a Common Strategic Framework for EU Research and Innovation funding".

(5) The interim evaluation of Horizon 2020 should include an evaluation of the new funding model, including its impact on funding levels, on participation in Horizon 2020 and on the attractiveness of Horizon 2020.

(6) The Commission or the relevant funding body should ensure that guidance and information is made available to all potential participants at the time of publication of the call for proposals.

(7) In order to ensure coherence with other Union funding programmes, Horizon 2020 should be implemented in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council[(7)], and Commission Delegated Regulation (EU) 1268/2012[(8)], taking due account of the specific nature of research and innovation activities.

(8) An integrated approach should be ensured by bringing together activities covered by the Seventh Framework Programme for research, technological development and demonstration activities (2007-2013) adopted by Decision No 1982/2006/EC, the Competitiveness and Innovation Framework Programme established by Decision No 1639/2006/EC of the European Parliament and of the Council[(9)] and the European Institute of Innovation and Technology (the EIT) established by Regulation (EC) No 294/2008 of the European Parliament and of the Council[(10)] to make participation easier, create a more coherent set of instruments and increase the scientific and economic impact, while avoiding duplication and fragmentation. Common rules should apply in order to ensure a coherent framework which should facilitate participation in programmes receiving Union financial contributions from the budget of Horizon 2020, including participation in programmes managed by the EIT, joint undertakings or any other structures under Article 187 of the Treaty on the Functioning of the

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European Union (TFEU), and participation in programmes undertaken by Member States pursuant to Article 185 TFEU.
However, flexibility to adopt specific rules should be ensured when justified by the specific needs of the respective actions. In order to take into account the specific operating needs as identified in the framework of the relevant basic act of the bodies set up under Article 187 TFEU, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure the simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(9) Actions which fall within the scope of this Regulation should respect fundamental rights and observe the principles acknowledged in particular by the Charter of Fundamental Rights of the European Union. Such actions should be in conformity with any legal obligation including international law and with any relevant Commission decisions such as the Commission notice of 28 June 2013[(11)], as well as with ethical principles, which include avoiding any breach of research integrity.

(10) In line with the objectives of international cooperation as set out in Articles 180 and 186 TFEU, the participation of legal entities established in third countries and of international organisations should be promoted. The implementation of the Rules should be in conformity with the measures adopted in accordance with Articles 75 and 215 TFEU and should be in compliance with international law. Moreover, the implementation of the Rules should duly take into account the conditions for the participation of Union entities in third countries' corresponding programmes.

(11) The Rules should provide a coherent, comprehensive and transparent framework to ensure the most efficient implementation possible, taking into account the need for easy access by all participants through simplified procedures, in particular with regard to micro-, small-, and medium-sized enterprises (SMEs). The financial assistance from the Union could be provided in various forms.

(12) In line with the principle of transparency and in addition to the publicity requirement set out in Regulation (EU, Euratom) No 966/2012 and in Regulation (EU) No 1268/2012, the Commission should publish open calls for proposals on the internet pages of Horizon 2020, through specific information channels, and should ensure their wide dissemination, including via national contact points and upon request in accessible formats, where practicable.

(13) The selection and award criteria laid down in this Regulation should be applied in a transparent way and based on objective and measurable parameters, taking into account the overall aim of Horizon 2020 to achieve a well-functioning European Research Area.

(14) In general, the period between the final date for the submission of complete proposals and the signing of grant agreements with applicants or notifying grant decisions to them should be shorter than the period provided for in Regulation (EU, Euratom) No 966/2012. In duly justified cases and for actions of the European Research Council a longer period should be allowed.

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(15) The Commission should continue its efforts to simplify the procedures in ways made possible by the improvement of IT systems, such as the further expansion of the portal for participants which should function as the single entry point from the moment of publication of the calls for proposals, through submission of proposals, until implementation of the action, with the aim of establishing a one-stop shop. The system may also provide feedback to applicants on the progress and the timeline of their applications.

(16) The handling of confidential data and classified information should be governed by all relevant Union law, including the Institutions' internal rules, such as Commission Decision 2001/844/EC, ECSC, Euratom[(12)] which lays down the provisions on security of European Union classified information.

(17) It is necessary to establish the minimum conditions for participation, both as a general rule and with regard to the specificities of the actions under Horizon 2020. In particular, rules should be laid down regarding the number of participants and their places of establishment. In the case of an action without the participation of an entity established in a Member State, the attainment of the objectives laid down in Articles 173 and 179 TFEU should be pursued.

(18) Pursuant to Council Decision 2001/822/EC[(13)], legal entities of overseas countries and territories are eligible to participate in Horizon 2020 subject to the specific conditions laid down in the latter.

(19) The Commission should consider the timings of calls for proposals and requests for information taking into account, where possible, standard holiday periods.

(20) In the case of unsuccessful proposals, the Commission should give feedback to the applicants concerned.

(21) Clear and transparent mechanisms to develop calls for proposals on specific topics should enable a level playing field, increase the attractiveness of Horizon 2020 and increase participation.

(22) The Commission should in all aspects of Horizon 2020 act in accordance with the principles of the European Code of Good Administrative Behaviour as set out in the annex to Commission Decision 2000/633/EC, ECSC, Euratom[(14)].

(23) It is appropriate to establish the terms and conditions for providing Union funding to participants in actions under Horizon 2020. In order to reduce the complexity of the existing funding rules, a simplified cost reimbursement system should be adopted with enhanced use of lump sums, flat rates and unit costs.

(24) The reimbursement rates in this Regulation are referred to as maximums in order to comply with the non-profit requirement and the co-financing principle, and to allow participants to request a lower rate. In principle, the reimbursement rates should however be 100 % or 70 %.

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(25) The OECD definitions regarding Technological Readiness Level (TRL) should be taken into account in the classification of technological research, product development and demonstration activities.

(26) Specific challenges in the area of research and innovation should be addressed through new forms of funding such as prizes, pre-commercial procurement, public procurement of innovative solutions, the SME Instrument and the Fast Track to Innovation actions, which require specific rules.

(27) In order to maintain a level playing field for all undertakings active in the internal market, funding provided by Horizon 2020 should be designed in accordance with State aid rules so as to ensure the effectiveness of public spending and prevent market distortions such as crowding-out of private funding, the creation of ineffective market structures or the preservation of inefficient firms. Care should be taken to ensure that funding of innovation actions neither distorts competition nor leads to market interference without sufficient cause.

(28) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, ensuring an appropriate balance between trust and control.

(29) In accordance with Regulation (EU, Euratom) No 966/2012, the Rules should provide the basis for a wider acceptance of the usual cost accounting practices of the beneficiaries.

(30) The participant Guarantee Fund set up under Regulation (EC) No 1906/2006 of the European Parliament and of the Council[(15)] and managed by the Commission has proved to be an important safeguard mechanism which mitigates the risks associated with the amounts due and not reimbursed by defaulting participants. Therefore, a new participant Guarantee Fund ("the Fund") should be established. In order to ensure more efficient management and better coverage of participants' risk, the Fund should cover actions under the programme set up under Decision No 1982/2006/EC, under the programme set up by Council Decision 2006/970/Euratom[(16)], under the programme set up by Council Decision 2012/93/Euratom[(17)] as well as actions under Horizon 2020 and Regulation (Euratom) No 1314/2013 of the Council[(18)]. Programmes managed by entities other than Union funding bodies should not be covered by the Fund.

(31) In order to enhance transparency, the names of experts that have assisted the Commission or relevant funding bodies in the application of this Regulation should be published. Where the publication of the name would endanger the security or integrity of the expert or would unduly prejudice his or her privacy, the Commission or funding bodies should be able to refrain from the publication of such names.

(32) Personal data relating to the experts should be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council[(19)].

(33) Rules governing the exploitation and dissemination of results should be laid down to ensure that participants protect, exploit and disseminate those results as appropriate, and to provide for the possibility of additional exploitation conditions in the European