

Towards Horizon Europe

APRE analysis of Horizon Europe Implementation Strategy

16 September 2019

This paper represents APRE's contribution to Implementation Strategy of Horizon Europe, which will put forward the R&I priorities for the years from 2021 to 2024. APRE, the Italian Agency for the Promotion of European Research, presents its position, based on the EARTO analysis (10 July 2019), on the relevant issues outlined in European Commission's first partial proposal on the following topics:

- *Personnel costs*
- *Internal invoicing*
- *Equipment costs*
- *Proposal submission and evaluation*

| Horizon Europe MGA text | EARTO Analysis | APRE Analysis |
|---|--|--|
| Personnel Costs | | |
| <p>Costs for employees (or equivalent) are eligible as personnel costs if they fulfil the general eligibility conditions for actual costs and are related to personnel working for the beneficiary under an employment contract (or equivalent appointing act) and assigned to the action.</p> <p>They must be limited to salaries [Option for HE: (including net payments during parental leave)], social security contributions, taxes and other costs linked to the remuneration, if they arise from national law or the employment contract (or equivalent appointing act) and be calculated as follows:</p> <p>{daily rate for the person multiplied by number of actual days worked on the action (rounded up or down to the nearest half-day)}.</p> | <p>Basing the calculation of personnel costs on daily rates, instead of hourly rate (in H2020) is a major change that would not bring the simplification intended:</p> <ul style="list-style-type: none"> This would not reflect the reality and usual cost accounting practices of RTOs, based on hourly time reports. Researchers run several projects in parallel, which makes it necessary for them to be able to claim costs on an hourly basis. This may actually result in increased workload and administrative burden for making a periodic report, especially to manually convert and “round up or down” the number of hours to the number of days (or half days) for each single person participating in a project. This could create problems with the separation of costs from other funding programmes where personnel costs calculation are based on hourly rates. Problems of double funding or under funding could occur. There is no information on the calculation base for the annual personnel cost (e.g. last financial year? average for the period?). In any case, RTOs are required to use timesheets and hourly based time recording (other regional/national competitive funding programmes, collaboration with industry, etc.). The existing differences from country to country on duration of a workday, could lead to inequalities. <p>Please use the last available version of the H2020 rules, which already led to a reduction of the error rate by enabling the use of the monthly salary when calculating the hourly rate.</p> | <p>We do support EARTO analysis for amending the text as follows:</p> <p><i>They must be limited to salaries [Option for HE: (including net payments during parental leave)], social security contributions, taxes and other costs linked to the remuneration, if they arise from national law or the employment contract (or equivalent appointing act) and be calculated as follows:</i></p> <p><i>{daily hourly rate for the person multiplied by number of actual days hours worked on the action (rounded up or down to the nearest half-day)}.</i></p> |

| | | |
|---|--|--|
| <p>The daily rate must be calculated as: {annual personnel costs for the person divided by 215}</p> <p>The number of actual days declared for a person must be identifiable and verifiable (see Article 24).</p> | <p>Only one option to calculate the number of annual productive days/hours is proposed (fixed number of working days per year), out of the 3 that applied to H2020. A “one size fits all” solution should be avoided as it does not lead to simplification for all beneficiaries. The two other options “standard annual productive hours” and “individual annual productive hours” should still be available in Horizon Europe:</p> <ul style="list-style-type: none"> • They are well integrated in the usual cost accounting practices of the beneficiaries and enable to take into account the type of organisation and the national situation: standard hours are based on general collective agreements and national rules and systems in place. • National rules and laws in terms of number of working days per year and number of hours per day differ considerably from country to country. Disregarding the national situation by limiting Horizon Europe to only fixed numbers would lead to inequalities on the hourly/daily rate between countries. This would end up in a considerable reduction of hourly rates for many beneficiaries compared to H2020, and even wider gaps between real personnel costs and eligible personnel costs. <p>Please use the last available version of the H2020 rules, which already led to a reduction of the error rate by enabling the use of the monthly salary when calculating the hourly rate.</p> <p>Besides, even for the option of “fixed number of working days/hours per year”, the fixed number should be discussed and based on realistic EU average calculations of the number of standard working hours in the different EU countries. For example, based on OECD data for 2018, the <u>actual</u> average annual number of working hours for European countries is close to 1600 hours, which is already more realistic than the 1720 hours used in H2020.</p> | <p>We do support EARTO analysis (<u>but not relating to the fixed number of hours, we prefer maintain the current number: 1720</u>) for amending the text as follows:</p> <p><i>The daily rate must be calculated as:</i> <i>{annual personnel costs for the person divided by 215}</i></p> <p>For the ‘number of annual productive hours’, the beneficiaries may choose one of the following:</p> <p>(i) ‘fixed number of hours’: 1 720 hours for persons working full time (or corresponding pro-rata for persons not working full time);</p> <p>(ii) ‘standard annual productive hours’: the ‘standard number of annual hours’ generally applied by the beneficiary for its personnel in accordance with its usual cost accounting practices. This number must be at least 90% of the ‘standard annual workable hours’. If there is no applicable reference for the standard annual workable hours, this option cannot be used.</p> <p>(iii) ‘individual annual productive hours’: the total number of hours worked by the person in the year for the beneficiary, calculated as follows: {annual workable hours of the person (according to the employment contract, applicable collective labour agreement or national law) plus overtime worked minus absences (such as sick leave and special leave)}</p> <p>‘Annual workable hours’ means the period during which the personnel must be working, at the employer’s disposal and carrying out his/her activity or duties under the employment contract, applicable collective labour agreement or national working time legislation.</p> <p>If the contract (or applicable collective labour agreement or national working time legislation) does not allow to determine the annual workable hours, this option cannot be used;</p> <p><i>The number of actual days hours declared for a person must be identifiable and verifiable (see Article 24).</i></p> |
| <p>[Option for HE: The actual time spent on parental leave by a person assigned to the action may be deducted from the 215 days indicated in the above formula.]</p> | <p>Clarification would be needed in the Annotated Model Grant Agreement on parental leave (e.g. add hours and deduct salary?)</p> | <p>We do support EARTO analysis for amending the text as follows:</p> <p><i>[Option for HE: For all options, the actual time spent on parental leave by a person assigned to the action may be deducted from the 215 days indicated in the above formula number of annual productive hours.]</i></p> |

| | | |
|--|---|---|
| <p>[OPTION 2 for HORIZON supplementary payments:</p> <p>If the person concerned gets supplementary payments for work in projects (project-based remuneration), the personnel costs must:</p> <ul style="list-style-type: none"> • correspond to the actual remuneration costs paid by the beneficiary for the time worked by the person in the action over the reporting period • not exceed the remuneration costs paid by the beneficiary for work in similar projects funded by national schemes ('national projects reference') • be defined based on objective criteria allowing to determine the amount to which the person is entitled to <p>and</p> <ul style="list-style-type: none"> • reflect the usual practice of the beneficiary to pay consistently supplementary payments for work in projects funded by national schemes. <p>The national projects reference is the remuneration defined in national law, collective labour agreement or written internal rules of the beneficiary applicable to work in projects funded by national schemes.</p> <p>If there is no such national law, collective labour agreement or written internal rules or if the project-based remuneration paid to the person was not based on objective criteria, the national project reference will be the average remuneration of the person over the reporting period, excluding remuneration paid for work in Horizon Europe grants. If the person worked exclusively for Horizon Europe actions during the whole reporting period, the national projects reference will be the average remuneration of the most recent financial year in which the person did not work exclusively in Horizon Europe actions, excluding remuneration paid for work in Horizon Europe grants.]</p> | <p>Option for supplementary payments: will this be an option for all beneficiaries?</p> | |
| <p>[additional OPTION for average personnel costs: If the beneficiary uses average personnel costs (unit cost according to usual cost accounting practices), the personnel costs must fulfil the general eligibility conditions for unit costs and be calculated:</p> <ul style="list-style-type: none"> - with a daily rate calculated according to the beneficiary's usual cost accounting practices, using the actual personnel costs recorded in the beneficiary's accounts and excluding any costs which are ineligible or already included in other budget categories; the actual personnel costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the personnel costs, reasonable and correspond to objective and verifiable information <p>and</p> <ul style="list-style-type: none"> - using cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.] | <p>This option of using average personnel costs should be maintained in Horizon Europe. The calculation base for the annual personnel costs, including number of productive hours, need to be set in accordance with the usual cost accounting practices of the beneficiaries.</p> <p>Further clarification should be brought in the Annotated Model Grant Agreement, including the general eligibility conditions for unit costs, fluctuation margin within which salaries must be in order to form an average rate, criteria</p> <p>to adjust actual personnel costs with budgeted or estimated elements.</p> | <p>We do support EARTO analysis for amending the text as follows:</p> <p><i>[additional OPTION for average personnel costs: If the beneficiary uses average personnel costs (unit cost according to usual cost accounting practices), the personnel costs must fulfil the general eligibility conditions for unit costs and be calculated:</i></p> <ul style="list-style-type: none"> - with a daily hourly rate calculated according to the beneficiary's usual cost accounting practices, using the actual personnel costs recorded in the beneficiary's accounts and excluding any costs which are ineligible or already included in other budget categories; the actual personnel costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the personnel costs, reasonable and correspond to objective and verifiable information <p>and</p> <ul style="list-style-type: none"> - using cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.] |

| Horizon Europe MGA text | EARTO Analysis | APRE Analysis |
|---|--|--|
| | Internal Invoicing | |
| <p>Costs for internally invoiced goods and services directly used for the action may be declared as unit cost according to usual cost accounting practices, if they fulfil the general eligibility conditions for unit costs and are calculated:</p> <p>A) using the actual costs for the good or service recorded in the beneficiary's accounts, attributed either by direct measurement or on the basis of cost drivers, and excluding any cost which are ineligible or already included in other budget categories; the actual costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the costs, reasonable and correspond to objective and verifiable information and</p> <p>B) using the usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.</p> | <p>EARTO members very much welcome the acceptance of usual cost accounting practices in Horizon Europe. This would in particular enable to cover the costs for infrastructures (equipment and platforms) in Horizon Europe, allowing methodologies equivalent to the ones used within H2020 Large Research Infrastructure (LRI) scheme as they are part of the beneficiaries' usual cost accounting practices.</p> <p>EARTO members very much appreciate the reference to cost drivers as basis for cost attribution within Horizon Europe.</p> <p>Beneficiaries' usual cost accounting practices are often based on averages calculated using historical data (e.g. costs of the last three years), or technical costs measured by allocation keys (e.g. quantity, working hour or unit). Therefore, the MGA should foresee these possibilities.</p> <p>To improve implementation, further guidance would be needed in the Annotated Model Grant Agreement on the general eligibility conditions for the use of unit costs and the criteria to adjust actual costs with budgeted or estimated elements, including on how internally invoiced good and service costs will be audited.</p> | <p>We do support EARTO analysis.</p> <p>We do support EARTO analysis for amending the text as follows:</p> <p><i>(a)using the actual costs for the good or service recorded in the beneficiary's accounts, attributed either by direct measurement or on the basis of cost drivers, allowing for average costs based on actual historical data (e.g. overall costs of the last 3 years) or direct technical costs measured by allocation keys (e.g. quantity, working hours or units), excluding any cost which are ineligible or already included in other budget categories; the actual costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the costs, reasonable and correspond to objective and verifiable information</i></p> <p><i>and</i></p> <p><i>(b) using the usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.</i></p> |
| <p>'Internally invoiced goods and services' means goods or services which are provided within the beneficiary's organisation directly for the action and which the beneficiary values on the basis of its usual cost accounting practices.]</p> | <p>The wording "directly used for the action" could lead to misunderstanding, and should be clarified to include both the costs for goods and services directly purchased for the action, as well as those bought upfront by the beneficiary and directly allocated or used for the action in a second stage, according to the usual cost accounting practices of the beneficiary, using fair allocation methods.</p> <p>Useful examples on how the method could be implemented following the lines of H2020 LRI ex-ante assessment or animal housing would also be very much welcomed. This would enable to assure sound implementation of this rule and avoid errors and misunderstandings.</p> <p>With regards to internal invoiced goods and services, a clarification is needed to enable and distinguish between the two following cases of personnel costs:</p> <p>the costs of personnel who are fully dedicated to a process (e.g. operators' workforce for animal housing, cleanrooms, laboratories, etc.) do not need timesheets and can be included in the unit costs according to the usual cost accounting practices of the beneficiary (without special personnel costs calculation according to Horizon Europe's personnel costs accounting rules).</p> <p>the costs of personnel who directly take part in a project can be used as cost driver for the calculation of unit costs for infrastructure by using working hours (hourly rate, €/hour) according to the usual cost accounting practices of the beneficiary, for which timesheets are needed.</p> | <p>We do support EARTO analysis.</p> <p>In addition it would be useful to provide more examples in the MGA, not only for research activities (e.g. about meeting room rental) and foreseen a provision which can concretely include all costs (goods, services and personnel).</p> |

| Horizon Europe MGA text | EARTO Analysis | APRE Analysis |
|--|---|--|
| Equipment Costs | | |
| <p>[OPTION 2: CALL LEVEL: EITHER DEPRECIATION OR FULL CAPITALISED COSTS FOR ALL EQUIPMENT</p> <p>[OPTION 1 by default:</p> <p>The depreciation costs for equipment, infrastructure or other assets used for the action are eligible, if they fulfil the general eligibility conditions for actual costs, were purchased in accordance with Article 14.1.1 and written off in accordance with international accounting standards and the beneficiary's usual accounting practices.</p> <p>They must be calculated on the basis of the costs actually incurred. Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.</p> <p>The costs for renting or leasing equipment, infrastructure or other assets (including related duties, taxes and charges, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.]</p> <p>[OPTION 2 if applicable to the type of action:</p> <p>The full capitalised costs for equipment, infrastructure or other assets purchased specifically for the action (or developed as part of the action tasks) may be declared as equipment costs:</p> <ul style="list-style-type: none"> • they fulfil the general and specific cost eligibility conditions applicable to their respective cost categories • they were purchased in accordance with Article 14.1.1 • [and if [insert additional eligibility conditions, if any]]. <p>‘Capitalised costs’ means:</p> <ul style="list-style-type: none"> • costs incurred in the purchase or for the development of the equipment, infrastructure or other assets and • which are recorded under a fixed asset account of the beneficiary in compliance with international accounting standards and the beneficiary's usual cost accounting practices. <p>If such equipment, infrastructure or other assets are rented or leased, the full costs for renting or leasing (including related duties, taxes and charges, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.])</p> <p>[OPTION 3: IN PRINCIPLE ONLY DEPRECIATION, BUT FULL CAPITALISED COST FOR LISTED EQUIPMENT</p> <p>The depreciation costs for equipment, infrastructure or other assets used for the action are eligible, if they fulfil the general eligibility conditions for actual costs, were purchased in accordance with Article 14.1.1 and written off in accordance with international accounting standards and the beneficiary's usual accounting practices.</p> <p>They must be calculated on the basis of the costs actually incurred. Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.</p> <p>The costs for renting or leasing equipment, infrastructure or other assets (including related duties, taxes and charges, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.</p> <p>[additional OPTION if applicable to the grant: However, for the following equipment, infrastructure or other assets purchased specifically for the action (or developed as part of the action tasks):</p> <ul style="list-style-type: none"> - [insert name/type of equipment] - [insert name/type of equipment] [same for more equipment] <p>the full capitalised costs can exceptionally be declared as equipment costs if:</p> <ul style="list-style-type: none"> • They fulfil the general and specific cost eligibility conditions applicable to their respective cost categories - they were purchased in accordance with Article 14.1.1 - [and if [insert additional eligibility conditions, if any]] <p>‘Capitalised costs’ means:</p> <ul style="list-style-type: none"> • costs incurred in the purchase or for the development of the equipment, infrastructure or other assets and • which are recorded under a fixed asset account of the beneficiary in compliance with international accounting standards and the beneficiary's usual cost accounting practices. <p>If such equipment, infrastructure or other assets are rented or leased, the full costs for renting or leasing (including related duties, taxes and charge, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.]]</p> | <p>EARTO members very much appreciate the continuity with H2020 and reference to the usual costs accounting practices of the beneficiaries. The 3 options offer the necessary flexibility.</p> <p>In Option 2, the mention of “full capitalised costs” is welcomed, as it would include costs incurred in the purchase but also for the development of the equipment, infrastructure or other assets, including the building costs of a prototype. Not all components of a prototype can be listed in a proposal, which is why flexibility and eligibility of costs should also be included.</p> <p>Some clarification would be welcome in the Annotated Model Grant Agreement, for instance:</p> <ul style="list-style-type: none"> • how such costs can be claimed if the infrastructure is used for more than one project. • how this would work for Lump-sum funded projects. • how this will take into account the usual cost accounting practices of the beneficiaries and national laws with regards to the depreciation period taken into account. | <p>We do support EARTO Analysis, especially with regards to the need to include also all costs incurred for the development of the equipment, infrastructure or other assets, including the building costs of a prototype.</p> |
| <p>[OPTION 3: IN PRINCIPLE ONLY DEPRECIATION, BUT FULL CAPITALISED COST FOR LISTED EQUIPMENT</p> <p>The depreciation costs for equipment, infrastructure or other assets used for the action are eligible, if they fulfil the general eligibility conditions for actual costs, were purchased in accordance with Article 14.1.1 and written off in accordance with international accounting standards and the beneficiary's usual accounting practices.</p> <p>They must be calculated on the basis of the costs actually incurred. Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.</p> <p>The costs for renting or leasing equipment, infrastructure or other assets (including related duties, taxes and charges, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.</p> <p>[additional OPTION if applicable to the grant: However, for the following equipment, infrastructure or other assets purchased specifically for the action (or developed as part of the action tasks):</p> <ul style="list-style-type: none"> - [insert name/type of equipment] - [insert name/type of equipment] [same for more equipment] <p>the full capitalised costs can exceptionally be declared as equipment costs if:</p> <ul style="list-style-type: none"> • They fulfil the general and specific cost eligibility conditions applicable to their respective cost categories - they were purchased in accordance with Article 14.1.1 - [and if [insert additional eligibility conditions, if any]] <p>‘Capitalised costs’ means:</p> <ul style="list-style-type: none"> • costs incurred in the purchase or for the development of the equipment, infrastructure or other assets and • which are recorded under a fixed asset account of the beneficiary in compliance with international accounting standards and the beneficiary's usual cost accounting practices. <p>If such equipment, infrastructure or other assets are rented or leased, the full costs for renting or leasing (including related duties, taxes and charge, [such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority][except for value added tax (VAT)]) are eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.]]</p> | | |

| Horizon Europe proposed text | EARTO Analysis | APRE Analysis |
|--|---|--|
| Proposal submission and Evaluation | | |
| <p>Introduction</p> <p>[...]</p> <p>transparency on selection and award criteria, including their weighting and interpretation, in the work programmes</p> | <p>The whole evaluation procedure as such should be transparent (and not only the selection and award criteria). Feedback should be given on an individual basis to those which were not successful so that they can indeed improve their \</p> | <p>We do support EARTO analysis</p> |
| <p>3. Horizon Europe Novelty</p> <p>The draft Horizon Europe rules recognise that special arrangements will be needed for the parts of the Programme where it is important to establish a consistent portfolio of projects, (EIC, missions):</p> <ul style="list-style-type: none"> Proposals will be ranked according to the evaluation score and, as a novelty, their contribution to the achievement of specific policy objectives, including the constitution of a consistent portfolio of projects; the evaluation committee may propose adjustments to the proposals in as far as needed for the consistency of the portfolio approach. | <p>the preparation of a proposal is a significant investment so the success criteria (primary and secondary) must be fully transparent and any secondary criteria need to be mentioned in the call for proposals, to enable applicants to assess the cost versus benefit of applying.</p> <p>Proposals should continue to be primarily ranked according to their evaluation score. A secondary ranking based on their contribution to specific policy objectives shall be done very transparently, described in the call for proposals and within the control of the applicants to</p> <p>decide if they can meet the criteria (and therefore wish to apply).</p> <p>The excellence, impact and quality and efficiency of the implementation (in the respective research field(s)), should remain the primary criteria. The consistency of the portfolio, as secondary criteria, shall be evaluated very transparently and consistently, and described in the call for proposals.</p> <p>Especially for missions, mostly funded within Pillar II, care needs to be taken not to reintroduce budget negotiations during contract making like in FP7.</p> | <p>We do support EARTO analysis</p> |
| <p>3. Horizon Europe Novelty</p> <p>[...]</p> <p>- Recognise that the approach adopted will largely depend on the design of a mission call, and may need to vary from mission to mission; a particular approach would be needed if a call adopts a 'stage-gate' approach (initial funding of a large number of projects that are either stopped or funded further after a review);</p> | <p>Missions will be set up to achieve grand challenges and therefore need a long-term perspective. If they want to attract the best researchers and industry in Europe, they need to provide the necessary components, including limiting the funding uncertainty once the project has been approved.</p> | <p>APRE welcomes the design of new approaches to funding, which introduces the possibility of <i>in itinere</i> considerations regarding the subsequent phases of funding.</p> <p>While a long-term approach is needed to pursue missions and impact, on the other side a stage-gate approach - appropriately managed - could help in rationalizing efforts (for example, in a logic of project clusters) and maximising impact.</p> |
| <p>4.1 Evaluation criteria</p> <p>[...]</p> <p>- Clearly link references to inter-disciplinarity (including integration of social sciences and humanities), and gender, to the assessment of the concept and credibility of the proposal;</p> | <p>The excellence, impact and quality and efficiency of the implementation (in the respective research field(s)), should remain the primary criteria.</p> <p>Linking the interdisciplinary aspects to the assessment of the concept would then need to be evaluated consistently, as secondary criteria. The model used to take these criteria into account in H2020 by mentioning them in the call for proposal, fully transparently, should be continued.</p> | <p>We support the need to link references to interdisciplinarity (including SSH integration and gender) to the subriterion of soundness of concept and credibility of the proposed approach. We confirm the importance of clearly and explicitly mentioning in the call for proposal the need to take these aspects into account.</p> |
| <p>4.1 Evaluation criteria</p> <p>[...]</p> <p>- Simplify or remove assessment of management structures. Management structures and procedures should no longer be evaluated, since this aspect has become a cut-and-paste exercise, since there are only limited ways to manage a project (applicants might instead be asked to select 'off-the-shelf models).</p> | <p>It is indeed not essential to take the management structure into account for the evaluation, and EARTO members can acknowledge that this has sometimes become cut-and-paste exercise. The use of "off-the- shelf" models for management structures and procedures could provide for an interesting simplification measure in some circumstances. However, such management structure has generally been adapted to the need, using past experiences of the beneficiaries. The possibility to continue do so whenever appropriate should remain in Horizon Europe.</p> | <p>Simplify or remove the assessment of management structures. Management structures and procedures should no longer be evaluated, since this aspect has become a cut-and-paste exercise, since there are only limited ways to manage a project applicants might have the opportunity to select 'off-the-shelf' models and evaluation should be limited to their relevance with respect to the proposal structure.</p> |

| | | |
|---|--|--|
| <p>4.2 Evaluation modalities</p> <p>[...]</p> <p>Two-stage and two-step procedures should continue to be used as alternatives to simple single-stage calls, where appropriate. The first stage of two-stage could be run 'blind' if a pilot indicates that such an approach is feasible;</p> <p>[...]</p> | <p>Within H2020, the workload in preparing a two-stage proposal is still as such that the aim of the approach (reducing workload for participants) was not fully reached. This proposal to reduce the requirements/ evaluation aspects during the first stage is welcomed. This would help to make sure that the success rate of proposals presented as full proposals is significantly higher than in single-step calls.</p> | <p>Two-stage and two-step procedures should continue to be used as alternatives to simple single-stage calls, where appropriate. The first stage of two-stage could be run 'blind' if a pilot indicates that such an approach is feasible;</p> |
| <p>Examine ways for further simplifying two-stage, for example: reduce aspects evaluated at first stage; arithmetic methods for deriving first stage score; abolish 'substantial change' rule for second stage proposals (or at least define it with a very low bar); abolish first stage ESR for successful first stage applicants (while maintaining system of generalized feedback);</p> | <ul style="list-style-type: none"> abolish 'substantial change' rule for second stage proposals (or at least define a very low threshold): in H2020, the proposal (de facto) had to be written almost completely for the outline since there was no possibility to changes ("substantial change rule") in the second step. depending on the call, and especially for small and medium scale projects, the first stage should be reduced to describing the idea, the approach, the key partners, the indicative budget and the ideas for the impact. For larger scale complex multidisciplinary proposals, care needs to be taken to make sure that the consortium will have the possibility to show its full capabilities already in the first stage. <p>Blind first stage should not be made possible, as they would hamper the possibility for a consortium to show its full capabilities and excellence, which is one of the 3 main criteria.</p> | <p>The quest for a further simplification of two-stage evaluation process shall be balanced and shall not go to the detriment of the capacity to effectively capture the added value of proposals.</p> <p>Aritmetic methods to derive proposal scores shall be generically discouraged. Experts assessing the majority of topics have multidisciplinary and complementary backgrounds, and their evaluations normally highlight and stress on different dimensions of the proposal's concepts and approach. Therefore, their evaluation cannot be compared through linear arithmetic average. Qualitative exchange remains essential among experts to assess the overall value of concepts and approach. We advocate then for the strengthening of remote collaborative tools, making them more usable.</p> <p>We stress the importance of receiving a ESR feedback, especially with negative results.</p> |
| <p>4.2 Evaluation modalities</p> <p>[...]</p> <p>Develop a fair procedure for prioritising ex aequos on the basis of simulations and lessons learned; as part of this, develop an appropriate indicator to capture geographical diversity (as indicated in the draft legislation);</p> | <p>In general, the preparation of a proposal is a significant investment so the success criteria (primary and secondary) must be fully transparent and any secondary criteria need to be mentioned in the call for proposals, to enable applicants to assess the cost versus benefit of applying.</p> | <p>The development of an appropriate indicator to capture geographical diversity in the prioritisation of <i>ex aequo</i> proposals could be used as the latest of the residual prioritisation criteria supporting <i>de facto</i> also the cohesion policy.</p> |
| <p>4.2 Evaluation modalities</p> <p>[...]</p> <p>Consider testing an approach, drawing on national experience, whereby an initial expert evaluation would be followed by a randomised component (e.g. among top quality proposals; among ex aequos).</p> | <p>Admittedly, it is a challenge to carry out quality-based, objective/impartial, and transparent evaluations. However, introducing random components would not help in this respect. An expert panel should be able to come to a qualified funding decision without following a randomized component, even when confronted with seemingly "ex aequos".</p> | <p>We do support EARTO analysis</p> |

| | | |
|---|--|--|
| <p>4.3 Interaction with applicants</p> <p>[...]</p> <p>Increase the interaction with applicants in our evaluation process, whenever possible.</p> <p>[...]</p> <p>Run a pilot rebuttal scheme. Possible scheme that would allow applicants to react to preliminary evaluation comments, before they are finalised.</p> | <p>This approach is welcomed: it would ensure a fairer evaluation procedure since the applicants could “defend” the project before the evaluators. This could also lead to a more balanced evaluation process since it would reinforce the decision to be taken by the whole panel and reduce influence of a single evaluator.</p> <p>The possibility for applicants to react before the final decision is very much appreciated. This would enable easier changes to the evaluation before finalising it and reduce the number of redress procedures undertaken.</p> <p>Some clarifications would still be needed in the AMGA, including how that would be implemented in practice (financing, evaluators’ time, deadlines, etc.)? This should not bring the re-introduction of budget negotiations like in FP7.</p> | <p>The interaction could take the form of interviews (as in EIC accelerator).</p> <p>It must be specified in which cases the interviews will be carried out (e.g. all the proposal above a certain threshold) ensuring transparency and equal treatment for all the eligible proposals. For example, interaction with applicants is extremely important in case of reserve list.</p> |
| <p>4.4 Proposal template</p> <p>[...]</p> <p>Where feasible, capture information needed to assess the quality of applicants in a structured form;</p> | <p>Proposal template simplification possibilities could include: minimising the required “double-posting” of information and, when appropriate, a stronger reliance on structured forms or specify requested information.</p> | |
| <p>4.4 Proposal template</p> <p>[...]</p> <p>Reduce the maximum length of the proposal (e.g. 50 pages). Explore options for implementing this (masking of excess pages, as now; character counting; watermarking and warnings);</p> | <p>Reducing the maximum length of the proposal could bring simplification. However, it needs to be adapted to the calls and project size and length in time. For large projects with high number of partners and (intertwined) work packages, the current length is already quite limiting. The primary interest shall continue to be</p> | <p>We do support EARTO analysis and we highlight some sections where there is room for optimization, since redundancies and overlaps are present: e.g. part on exploitation and business plan; part on exploitation and part on innovation management; part dissemination and communication.</p> |
| <p>4.5 Other aspects</p> <p>[...]</p> <p>Resubmissions: Define measurable and legally acceptable criteria to implement restrictions in order to investigate the implementation of an IT tool as an aid to identify resubmissions based on proposal content, as a support to both plagiarism detection, and any further demand management rules.</p> | <p>This would be difficult to handle and depends on the used tools and their services/features. A proposal cannot be compared to a scientific paper where nowadays plagiarism checks/detection are being used. Sometimes proposals are using content from papers and it is unclear how to handle such a situation.</p> | <p>We do support EARTO analysis</p> |
| <p>4.5 Other aspects</p> <p>[...]</p> <p>Use of artificial intelligence: Application areas should be chosen where there is a clear business case. In general, the principle should be ‘human-led AI’. Meanwhile, continue to develop sophisticated tools to automate or semi-automate parts of the process; and monitor developments across the globe.</p> | <p>The potential improvements that this could use would depend on the approach/tools used. Special care should be taken to provide full transparency (to all participants: evaluators, POs, applicants, and the public in general) which steps are performed by AI (and based on which criteria).</p> | <p>We do support EARTO analysis</p> |



Agenzia per la Promozione della Ricerca Europea
Via Cavour, 71 00184 Roma - Tel.: +39 06 489 399 93 - Email: segreteria@apre.it
APRE EU Liaison Office, Rue du Trône, 98 1050 Bruxelles - Email: bruxelles@apre.it

www.apre.it

