



The slide features a header with the European Commission logo and 'Community research' text on the left. The main title is 'Joint Technology Initiatives: Origins and Approach'. Below it, the event details are: 'Presentation to Italian Association of Electrical and Electronic Industries' Information Day', 'Roma, 17 October 2007', and the speaker's name 'Seán O'Reagain' with 'European Commission - DG Research' below. The Seventh Framework Programme logo is on the right. A decorative blue wave graphic spans the middle, and a multi-colored bar is at the bottom.

 EUROPEAN COMMISSION
Community research

Joint Technology Initiatives: Origins and Approach

Presentation to
Italian Association of Electrical and Electronic Industries'
Information Day

Roma, 17 October 2007

Seán O'Reagain
European Commission - DG Research



Good morning, ladies and gentlemen.

In my presentation, I would like to set out the origins and approach to JTIs by addressing three aspects.

Firstly, I will recall the background to and rationale for the Joint Technology Initiatives (JTIs).

Secondly, I will outline the main elements in their development.

Thirdly, I will set out the main implementation modalities insofar as we know them to date, given that the Commission's proposals are still under discussion in the Council and the European Parliament has still to give its Opinion.

Objectives

- Strengthen Europe's position as technologically innovative economy
- Support trans-national co-operation in fields of key importance for industrial research
- Respond to industry needs
- Build on European Technology Platforms

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Let me begin by saying something about our aims with the JTIs.

The objectives with JTIs are fourfold. Firstly, as public-private partnerships in key areas where research and development could contribute to Europe's wider competitiveness goals, JTI are intended to strengthen Europe's position as a technologically innovative economy.

At the same time, JTIs are expected to play an important role in fostering stronger links between research and industry by supporting trans-national co-operation in fields of key importance for industrial research. In this way, they will contribute to the realisation of the European Research Area.

In this regard, JTIs are intended to be an important expression of the European Union's intention to respond to industry needs.

In this respect, the Commission's proposals for JTIs build on the Strategic Research Agendas developed by European Technology Platforms (ETPs).



Rationale

- Support implementation of key elements of Strategic Research Agendas of European Technology Platforms where:
 - scale and scope of objectives are particularly ambitious
 - high and sustained levels of industry commitment
 - substantial public and private investment and resourced required
 - existing instruments are insufficient
- Provide necessary leadership to achieve ambitious research objectives

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Thus, the rationale for JTIs is the need to go further than loose co-ordination in order implement effectively important elements of the Strategic Research Agendas of ETPs in certain cases.




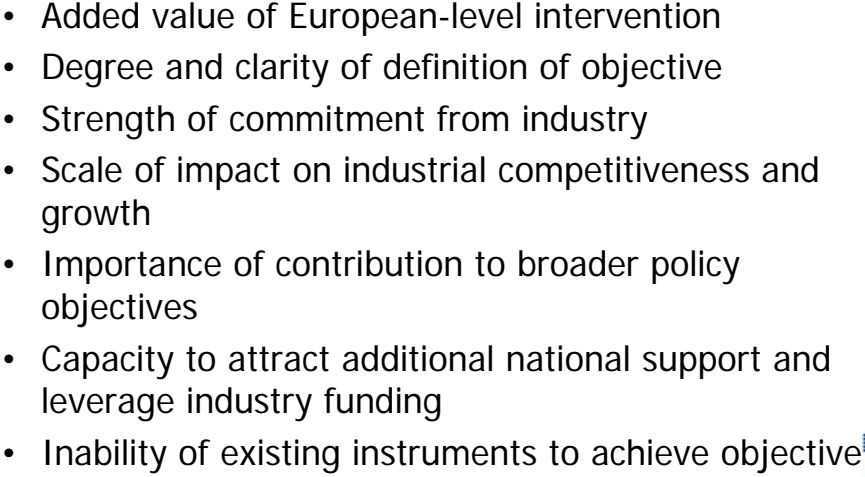


The justification for a JTI arises where the scale and scope of the objectives of part of a Strategic Research Agenda are so ambitious that it is necessary to set up a dedicated legal structure to provide the necessary certainty to the partners to participate.

There must also be high and sustained levels of industry commitment of finance and human resources for the long term.

A further pre-requisite for a JTI is that there is a need for substantial public and private investment and resources and that this can only be realised in a co-ordinated way by setting up a JTI.

An essential criterion for a JTI is that there must be clear evidence that the normal instruments of the Framework Programme are not sufficient to meet the ambitious objectives. This may be because of the scale of what is proposed in the JTI or because the expected life of the JTI exceeds that of the Framework Programme, for example.

A further rationale for the JTI is that its objectives are of such strategic importance for European research and wider competitiveness goals that a dedicated legal structure is required to provide the necessary leadership to ensure that the objectives are achieved.



Identification Criteria

- Added value of European-level intervention
- Degree and clarity of definition of objective
- Strength of commitment from industry
- Scale of impact on industrial competitiveness and growth
- Importance of contribution to broader policy objectives
- Capacity to attract additional national support and leverage industry funding
- Inability of existing instruments to achieve objective

Accordingly, a rigorous process to identify potential JTIs is set out in the Seventh Framework Programme.

Firstly, potential JTIs must demonstrate clearly that there is added value to an initiative at European level that cannot be achieved by action at national level alone.

Secondly, the objective that the JTI aims to address must be clearly defined and the expected deliverable from the JTI must be specified in concrete terms.

Thirdly, there must be strong commitment from industry for the long term.

Fourthly, the proposed JTI must offer the potential for large-scale impact on industrial competitiveness and growth.

Linked to this, the impact of JTIs should not be confined to the research sector but should also make an important contribution to broader policy objectives, such as the environment and sustainability, transport or public health, for example.

In addition, JTIs should have the capacity to attract additional funding over and above current levels both through greater co-ordination with national programmes and leverage of increased private investment.

Finally, and most importantly, JTIs must demonstrate that the existing instruments of the Framework Programme are not sufficient to achieve the ambitious objective set out.



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Topics

In the “Cooperation” Specific Programme,
six fields identified:

- Fuel Cells and Hydrogen (FCH)
- Aeronautics and Air Transport (“Clean Sky”)
- Innovative Medicines (IMI)
- Embedded Computing Systems (ARTEMIS)
- Nanoelectronics Technology 2020 (ENIAC)
- GMES (Global Monitoring for Environment and Security)

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Based on the application of these criteria, six areas have been identified in the Cooperation Specific Programme where a JTI is considered appropriate.

In addition to ARTEMIS and ENIAC, the other areas are fuel cells and hydrogen, aeronautics and air transport, innovative medicines and GMES – global monitoring for environment and security.

Thus, the areas where JTIs are proposed cover a range of critical and diverse technologies where it is important that Europe remains at the forefront in order to ensure its continuing competitiveness.

The slide features a header with the European Commission logo and 'Community research' text. A central box contains the title 'Approach'. Below it, a bulleted list details the approach. The bottom of the slide includes the 'European Commission - DG Research' text and the 'SEVENTH FRAMEWORK PROGRAMME' logo. A decorative bar with colored squares runs along the bottom edge.

Approach

- No “one size fit all” approach
 - nature of technological challenges vary
 - stakeholder relations differ
 - tailored financial engineering needs
- But need for key guiding principles
 - ensure efficiency and durability
 - support long-term stakeholder commitment
 - promote openness, transparency and co-operation

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Given the range of technologies across the JTIs, it is clear that there cannot be a "one-size-fits-all" approach. The nature of the technological challenges is quite different say between embedded systems and innovative medicines.

Stakeholder relations also differ very much. For example, industry relations are far better established in the nanoelectronics industry than in a newly emerging sector such as fuel cells and hydrogen.

At the same time, there is a need for a number of guiding principles for the JTIs. Thus, JTIs must be set up efficiently and in a way that ensures they are appropriate for the long-term challenges that they are addressing. They must also be appropriate to support the long-term nature of the stakeholder commitment required for JTIs.

Very importantly, JTIs must remain open to new members, they must be transparent in the way they function and they must promote co-operation between stakeholders and with other interested parties.

Legal Basis

Joint Undertakings set up under Article 171 of the Treaty
(Council decides; Parliament consulted)

Article 171

"The community may set up joint undertakings or any other structure necessary for the efficient execution of Community research, technological development and demonstration programmes."

An important guiding principle is that all JTIs are being set up on the basis of Article 171 of the Treaty. Article 171 provides for the setting up of joint undertakings or other structures necessary for efficient implementation of European-level R&D and demonstration projects.



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Legal Structure

- “Community body” (confirmed by Competitiveness Council)
 - Discharge of budget by European Parliament
 - Framework Financial Regulation applies (with derogations, if justified)
 - Protocol on Privileges and Immunities applies
 - Staff Regulations of Officials of the European Communities apply
- Commission is responsible for Community contribution to the Joint Undertaking
- Executive Director responsible for implementation of the activities and budget
- Joint Undertaking has a dedicated internal audit capacity

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In terms of the legal structure of JTIs, the Competitiveness Council of Ministers has confirmed that JTIs should be "Community bodies".

This legal structure is intended to provide the appropriate balance to allow the JTIs to function effectively while ensuring that there is adequate protection for the public money invested in the Joint Undertaking.

In practice, this means that the European Parliament will give the discharge on the budget.

It also means that the financial operations of the JTIs are governed by the Framework Financial Regulation of the European Communities.

As regards the general workings of the JTIs, they will apply the Protocol on Privileges and Immunities and staff will be recruited under the Regulations governing officials of the European Communities. The European Commission will be responsible for the European contribution to the Joint Undertaking.

With respect to the day-to-day operations of the JTIs, the Executive Director will be responsible for the correct implementation of the activities and for budgetary expenditure and there will be a dedicated internal audit capacity.

Organisation of Consortia and Calls

- JTIs are open structures – any legal entity established in the EU or Associated countries may become a member
- Key principle: research should be performed in Europe
- Calls for proposals are open: any legal entity can respond
- Wide dissemination of calls (CORDIS / Official Journal)
- Community funding supports projects selected on the principles of excellence and competition
- Harmonised approach to intellectual property rights

Turning to the activities of the JTIs, they must function as open structures.

The key principle is that the research should be performed in Europe. With this proviso, any legal entity established in the European Union or in an Associated Country may become a member.

Calls must also be open to all legal entities and projects must be selected in accordance with the principles of excellence and competition, following wide dissemination of information throughout Europe.

There will also be a harmonised approach to intellectual property rights, following the principles of the Seventh Framework Programme as far as possible.

Accountability and Reporting


- Transparent principles for assessing in-kind contributions from industry: FP7 Rules for Participation provide basis
- Annual activity report from the Joint Undertaking to its members
- Annual report from the Commission to the Council and the European Parliament
- Commission carries out mid-term and final evaluations of the Joint Undertaking

Effective accountability and regular and timely reporting will be essential to ensure ongoing support for the JTIs.

In this regard, development of an effective system for assessing the in-kind contributions from industry will be important and the Rules for Participation of the Seventh Framework Programme are intended to provide the basis.

In respect of reporting, there will be an Annual Activity Report from the Joint Undertaking to its members and the Commission will make annual reports to the Council of Ministers and the European Parliament.

In addition, the Commission will carry out mid-term and final evaluations.




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EC Role

- EC contributes in all cases a maximum of 50% of total project cost (EC contribution lower in practice in ARTEMIS and ENIAC)
- EC (represented by the Commission) is founding member of each JTI
- Community has veto right
- On-the-spot checks (Commission; Court of Auditors)
- Right to suspend Community contribution and recover monies unduly received

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More widely, the Commission, representing the European Communities, participates as a founding and equal partner in the Joint Undertakings.

It contributes up to 50% to total project cost. In the case of ENIAC and ARTEMIS, this proportion will tend to be less, given that Member States will also be partners, unlike in the other JTIs.

As guardian of the European public funding element in JTIs, the Commission has a right of veto and a right to suspend Community contributions should this become necessary.

In this regard, both the Commission and the Court of Auditors has the right to carry out on-the-spot checks.

Next Steps

First JTI's expected to be launched in 2008

Adoption before end-2007 anticipated:

- IMI
- Clean Sky
- ARTEMIS
- ENIAC

- Fuel Cells and Hydrogen: Commission Proposal adopted October 2007

- GMES: 2008/2009

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As Director General Colasanti has already indicated, we are now at an important point in the process of adoption of the JTI's.

It is hoped that the Competitiveness Council of Ministers will reach political agreement on ARTEMIS and ENIAC, as well as Innovative Medicines and "Clean Sky" before the end of the year and that the European Parliament will give a favourable Opinion soon after.

On this basis, we look forward to being able to launch the first JTI's as early as possible in 2008.

Thank you for your attention.