

Reflection Document summarising ETNO's views on the 7th Framework Programme proposals

Executive Summary:

The paper expresses ETNO's views in relation to the 7th Framework Programme (FP7) preparation. The separation of objectives between Cooperation (the most important and driver behind the others), Ideas, People and Capacities is considered positive. In terms of budget, resource allocation to IST in FP7 should be in line with these objectives, and tend towards 25 % of the Framework Programme.

ETNO supports the significant simplification of management and financial rules for FP7. In particular, a company rather than a project based approach is much more efficient.

ETNO supports European Technology Platforms (ETPs) as they are the most efficient instruments in order to ensure research transition to industry. During the FP7 building process, ETPs should lead on work programmes and key topics definition, objectives definition and project proposal evaluation. Where ETPs exist, Integrated Projects (IPs) facilitate the creation of synergy between different players and should remain the main vehicle for research.

Finally, the number of industry experts in the evaluation teams should be increased and the Association lists its priorities where content related research topics are concerned.

ETNO wishes to draw the attention of the European Parliament, Council and Commission to a number of important points in relation to the preparation of the 7th Framework Programme (FP7).

The ICT industry has one of the fastest "times to market" for its products and services, which contributes to global economic growth. European telecom network operators, as **technological leaders**, are the drivers of this growth due to their innovation capacity. It is key for Europe to maintain its leadership in this field.

Separation of objectives

The separation of objectives between Cooperation, Ideas, People and Capacities is considered a positive idea. However, the *objectives* are different and may require a different budget. Considering European competitiveness as the highest priority, the Cooperation program should clearly be the most important objective and the driving force behind the others. **In terms of budget, resource allocation to IST in FP7 should be in line with these objectives, and tend towards 25 % of the Framework Programme.**

In addition, ETNO finds that European Technology Programmes may need additional funds, such as Structural Funds to fully achieve their goals in terms of interoperability and deployment.

Simplification in the 7th Framework Programme

ETNO supports a significant simplification of the management and financial rules for FP7. In particular a company (rather than a project) based approach is much more efficient. A single financial management and probity audit per company per framework should be sufficient to safeguard the distribution and use of public funds. A similar approach should be adopted for all general information about companies.

In this context the use of a flat rate for overheads must be an agreed average for each company to maintain the spirit of a real cost approach.

Participation in the 7th Framework Programme

In the ICT area, SMEs play an indispensable part in innovation. Through the diversity and multiplicity of innovations they give momentum to the industry. They also benefit from technology transfers from large private or public research laboratories. However, **ETNO considers that devoting specific funds or quotas to enhance their participation is not required and may distort the efficiency of European research¹.**

Process and management

Integrated Projects should have greater flexibility on matters such as the composition of the consortium, distribution of work, structure of the project and deliverables. The consortium ought to be allowed to manage changes at the working level provided the high level objectives and budget are respected. The partners also ought to be able to outsource work up to an agreed limit.

¹ TeliaSonera thinks specific quota or funds should nevertheless be reserved for SMEs as SMEs represent a considerable potential in Europe and the 7th Framework Programme should facilitate for innovations to draw on this potential.

European Technology Platforms

European Technology Platforms (ETPs) pave the way for a concerted and joint approach between public authorities and private initiatives. **ETNO supports Technology Platforms as they are the most efficient instruments in order to ensure research transition to industry.** They must therefore be both strengthened and amply used in order to orientate Community policies when both expertise and relevance of prospective choices are needed. The already established ETPs: Mobile & Wireless Communications, (eMobility), Networked & Electronic Media (NEM) Embedded Systems (Artemis), Space, Software, Systems & Services (Seaside) and some others that may arise soon (e.g. Security), should be strongly supported by the Commission in order to gain the expected benefits.

During the FP7 building process, ETPs should lead on work programmes and key topics definition, objectives definition and project proposal evaluation.

Instruments

ETNO believes that where ETPs exist, Integrated Projects (IPs) enable the synergy of different players from the ICT sector and should remain the main vehicle for research.

In such cases, at least 75 % of the budget should be dedicated to Integrated Projects.

Networks of excellence (NOEs) in their current form are only attractive to university participants, who need the funding in order to network. For industry, the administrative load of participation is too heavy compared to the benefits. **Industry, both large and small companies, should be allowed to participate on a self-funding basis across a range of NOEs of their choice without formal contractual obligations.** This would improve cross-fertilisation within the European research area.

Evaluation

In order to achieve rapid technological transfers and produce the greatest driving effect in economic terms and at the national market scale, evaluation criteria should also take into consideration the industrial relevance of the proposals and their alignment with the European industry needs. **To ensure that evaluations are made with a deep understanding of the economic implications and down streaming of the project results, it is important to increase the number of industry experts in the evaluation teams.**

Content

The selection of themes is good, in the sense that possibly most of the promising new areas for development are properly covered. However, there is no clear distinction between areas that are already significant for building European future and those areas which are only promising avenues. For example “Knowledge, cognitive and learning systems” or “Simulation, visualisation, interaction and mixed realities” even taking into account their importance, cannot be considered to be on an equal footing with “Ubiquitous and unlimited capacity communication networks”. The latter constitute, at present, one of the most important pillars of European industry and where existing leadership has to be assured and promoted.

It is expected this distinction will be clearly made when the actual program is proposed.

ETNO wants to emphasise the following key technologies and areas which are of high importance in maintaining leadership for the European ICT industry:

- network migration to the New Generation network (NGN)
- the “Beyond 3G” channel for mobility
- software technologies
- home services

Finally, **networks and service security** is the cornerstone of Community programmes. This domain is essential to preserve the European Union's goal of reaching the i2010 objectives and its capability of evolution towards a knowledge economy.

The Commission proposal in COM(2005)119 does not adequately provide an objective to enable trusted network supported transactions. E-government and E-payment are poorly represented. All these fields require next generation integrated identity and privacy mechanisms to ensure trust in network services.