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**REPORT FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN
PARLIAMENT**

**On the European Research Council's operations and realization of the objectives set out
in the Specific Programme "Ideas" in 2013**

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1. INTRODUCTION AND LEGAL BASE

The European Research Council (ERC), established by Commission Decision 2007/134/EC¹, has as its essential task the implementation of the Specific Programme "Ideas", with an overall budget of € 7.51 billion.

The ERC consists of an independent Scientific Council supported by a dedicated implementation structure, which took the form of the ERC Executive Agency (ERCEA), created under the general regime of executive agencies². Responsibility for implementing the "Ideas" programme and supporting the Scientific Council was delegated to the Agency by the Commission in 2008 and autonomy was granted to the Agency in July 2009.

In conformity with Article 4.4 and Annex I of the Council Decision on the Specific Programme "Ideas", this Annual Report of the Commission, drawn up in co-operation with the ERC Scientific Council and the ERC Executive Agency, presents the Commission's assessment of the ERC's operations and the achievement of its objectives in 2013. This report is complemented by a report from the Scientific Council on the scientific implementation and achievements of the programme during the year 2013³.

2 STRATEGY MATTERS

The Scientific Council is responsible for setting the ERC's scientific strategy, including establishing the ERC's most important strategy document, the annual Ideas Work Programme.

2.1 Types of action

Two types of grant form the core of the Ideas Work Programme:

Starting Grants, supporting researchers at the early stage of their careers, with the aim of providing working conditions that enable them to become independent research leaders.

Advanced Grants, designed to support outstanding and established research leaders by providing resources necessary to enable them to continue the work of their teams, seeking new breakthroughs in their line of research.

¹ OJ L 57, 24.02.2007, p.14.

² 2008/37/EC: Commission Decision of 14 December 2007 setting up the European Research Council Executive Agency for the management of the specific Community programme Ideas in the field of frontier research in application of Council Regulation (EC) No 58/2003 (OJ L9, 12.01.2008, p.15).

³ erc.europa.eu/sites/default/files/publication/files/erc_annual_report_2013.pdf

In 2012, the Scientific Council introduced, on a two-year pilot basis, the *Synergy Grants*, addressed to small groups of Principal Investigators and their teams. In contrast to consortia, the Synergy Grant targets individual investigators whose complementary skills, knowledge and resources enable them to jointly address research problems at the frontier of knowledge, going beyond what the individual researchers could achieve alone. Synergy Grants follow the strict ERC excellence-only approach, and are open to proposals from all fields of science and scholarship.

An additional granting opportunity – the *Proof of Concept* – is offered to ERC grant holders to establish the innovation potential of ideas arising from their ERC-funded projects. It aims to cover a funding gap in the earliest stage of an innovation.

2.2 2013 Work Programme for the Specific Programme "Ideas"

The 2013 Work Programme for the Specific Programme "Ideas" was established by the Scientific Council on 12 March 2012 and subsequently adopted by the Commission on 9 July 2012⁴.

In 2013, in response to the rapidly rising number of applications, the Starting Grant scheme was divided into two separate calls, ‘starters’ and ‘consolidators’. Consolidator Grants support researchers who are still at the early stage of their careers (7-12 years after the award of their PhD), very often already working with their own group, while the ‘starters’ are at an earlier stage (2-7 years after the award of their PhD) of the road to research independence.

In addition the Scientific Council formalizes its approach on scientific misconduct.

2.3 Peer review methodology

The ERC’s evaluation is based on a structure of high-level peer review panels whose members are selected by the Scientific Council. It involves scientists, engineers and scholars from both within the EU and beyond. These panels cover all research disciplines and are organised in a framework of three main research domains: Physical Sciences and Engineering, Life Sciences, and Social Sciences and Humanities. Consistent with previous calls, the number of panels was 25 for all Starting, Consolidator and Advanced Grants. Proof of Concept proposals were evaluated by a specific set of peer reviewers working remotely. These experts were selected for their familiarity with the process of helping projects getting closer to the market or to fulfilling societal needs. The Synergy Grants were evaluated by five different panels in a 2-step evaluation procedure specifically designed for this purpose.

3. PROGRAMME IMPLEMENTATION

In 2013 the ERC Executive Agency managed its biggest operational budget. The commitment credits amounted to € 1.8 billion and the payment credits to € 1.1 billion. Both payment and commitment credits were fully consumed at the end of 2013.

⁴ C(2012)4562 of 9.07.12, not published

3.1 Grants

Since the 2008 Work Programme, ERC calls involve a one-stage submission process, where applicants are required to submit their full proposal, and a two-step evaluation.

Grants are offered to the best proposals depending on the budget available. The offer is made on the basis of the proposal itself and the funding recommended by the peer review evaluation.

3.1.1 *ERC Starting Grants 2013*

The 2013 ERC Starting Grant call was published in July 2012 with an indicative budget of EUR 398 million. In total, 3 329 proposals were received, distributed by domain as follows: 1 486 proposals in Physical Sciences and Engineering (45 %), 1 073 in Life Sciences (32 %) and 770 (23 %) in Social Sciences and Humanities. A total of 300 proposals were selected for funding (data as of December 2013). More than EUR 430 million was awarded with an overall average grant size of around EUR 1.5 million.

3.1.2 *ERC Consolidator Grants 2013*

The 2013 ERC Consolidator Grant call was published in November 2012 with an indicative budget of EUR 523 million. In total, 3 673 proposals were received, distributed by domain as follows: 1 668 proposals in Physical Sciences and Engineering (45 %), 1 203 in Life Sciences (33 %) and 802 (22 %) in Social Sciences and Humanities. A total of 312 proposals were selected for funding (data as of December 2013). More than EUR 590 million was awarded with an overall average grant size of around EUR 1.9 million.

3.1.3 *ERC Advanced Grants 2013*

The 2013 ERC Advanced Grant call was published in July 2012 with an indicative budget of EUR 662 million. A total of 2 408 proposals were received, distributed by domain as follows: 1 053 proposals in Physical Sciences and Engineering (44 %), 788 in Life Sciences (33 %) and 567 in Social Sciences and Humanities (23 %). The evaluation process resulted in a total of 289 proposals being retained for funding (data as of December 2013) for a total of about EUR 670 million and an overall average grant size of around EUR 2.4 million.

3.1.4 *ERC Proof of Concept 2013*

The 2013 ERC Proof of Concept call was published in January 2013, with a first deadline on 24 April and a second one on 3 October and a budget of EUR 10 million, approximately half per deadline. A total of 145 proposals were received at the first deadline and 147 at the second one. The evaluation process resulted in a total of 33 proposals being retained for funding at the first deadline and 34 at the second.

3.1.5 *ERC Synergy Grants 2013*

In its 2012 and 2013 work programmes, the ERC Scientific Council launched on a pilot basis a new funding opportunity, the ERC Synergy Grant. The number of applications submitted to the second Synergy Grant call (2013) was 449, down from more than 700 in 2012. Thirteen Synergy projects were selected for funding in 2013. As each Synergy Grant project involves between two and four Principal Investigators, 45 outstanding researchers are being supported

through these 13 grants. Nine proposals out of the 13 retained were resubmitted from the 2012 Synergy call. The total budget allocated to the Synergy call in 2013 was EUR 150 million.

3.2 Co-operation between the ERC and the NSF

Following the signature on 13 July 2012, by the European Commission and the National Science Foundation of USA (NSF), of an "implementing arrangement" between the ERC and the NSF, further steps were taken to enable top talent, based in the U.S. and pre-selected by the NSF, to spend some time – between 6 and 12 months – in Europe, hosted as members of ERC grantees' teams. The initiative aims to connect researchers with shared interests and complementary strengths in their endeavour to advance the frontiers of science and to enhance scientific and technological cooperation between the two continents. The first expression of interest resulted in 12 USA-based researchers scheduled to join 12 ERC grants as team members; a second call is under way.

A similar initiative to boost opportunities for early-career Korean scientists to come to Europe and join the research teams of ERC grantees was signed by the Ministry of Science, ICT and Future Planning of the Republic of Korea and the European Commission on 8 November 2013.

3.3 Programme Committee

The Programme Committee of the Specific Programme "Ideas" serves, in addition to its formal duties, as an important communication channel between the Member States and FP7 Associated Countries, the Scientific Council, the ERC Secretary General and the Commission. In 2013 meetings of this committee were held on 16 April and 15 October.

3.4 Ethical review

In 2013, four proposals involving research on Human Embryonic Stem Cells were cleared following the ethics review and the regulatory comitology. Another two have just cleared the ethics review.

As regards the monitoring of ethics aspects in running grants, the internal control system has implemented an Ethics Monitoring Clearance procedure, which ensures that the proposed research complies with the ethical principles referred to in the rules for submission. Around 270 Ethics Monitoring Clearance Notes were issued in 2013.

3.5 Redress

With 261 requests for redress received, the number of redress cases as a percentage of proposals submitted in 2013 remained stable compared to 2012 (around 2,5%). Although 2 redress cases were successfully re-evaluated in 2013, they did not reveal any systemic weakness of the evaluation process.

3.6 Communication

The year 2013 saw significant initiatives which were developed in the context of the future Horizon 2020 programme and aimed at raising the ERC's visibility in Europe and beyond.

The ERC issued several press announcements covering its calls, as well as a great number of stories featuring ERC-funded research which were all actively shared on social media networks. Certain events lent themselves well to communication and press activities: the celebration of the 3 000th ERC grantee, the World Economic Forum meeting in Davos, the “Summer Davos” meeting in China and the ERC/European Round Table of Industrialists joint letter in support of the European research budget. In September, the Lithuanian Presidency organised a conference addressing the benefits of investing in Social Sciences and Humanities in Europe, with the active participation of the ERC.

The international awareness-raising campaign, ‘ERC goes Global’, led by the ERC Secretary General, continued to Argentina, Chile, Mexico, India, China as well as Australia and New Zealand, to inform researchers about the ERC funding and to forge closer ties with key representatives and researchers from the leading universities in these countries.

In addition to these visits, the ERC was present at major international scientific conferences, events and exhibitions, as well as career fairs and workshops: the European Month of the Brain, the 63rd Lindau Nobel Laureate Meeting, the European Society for Cognitive Psychology conference, the European Economic Association, the European Sociological Association, the European Alpbach Technology Forum, the EMBO meeting, the Annual meeting of the Young Academy of Europe, as well as the annual meeting of the American Association for the Advancement of Science (AAAS) held in Boston in February 2013.

The National Contact Points (NCPs), based across Europe and serving as information multipliers to potential applicants, were continuously kept informed about ERC calls and events, also through biannual meetings organised in Brussels (in June and November 2013). As a result of the 'ERC goes Global' campaign, the NCP network is gradually being expanded with delegates of interested third countries. For the first time, an ad hoc meeting for NCPs based outside the European Research Area was organised in Brussels.

3.7 Monitoring, Assessment and Evaluation of the Specific Programme "Ideas"

On 15 January 2013, the ERC celebrated its 3 000th grantee. The continuous monitoring of the Ideas Programme has provided the following findings for the year 2013:

- The ERC counts eight Nobel laureates and three Fields Medalists among its grant holders. A total of 134 ERC grantees have received other prestigious international scientific prizes and awards.
- Over 20 000 articles acknowledging ERC-funding have appeared in peer-reviewed high impact journals between 2008 and 2013.
- Each ERC grantee employs on average six other researchers, contributing in this way to the training of a new generation of excellent researchers.
- The analysis of a significant sample of projects shows that around half of all ERC team members hold a nationality that is different from that of the Principal Investigator of their project. Furthermore, ERC team members are represented by nationalities of almost all of the European Research Area (ERA) countries and another 55 nationalities from outside the ERA. This surely demonstrates the global appeal of the ERC. The same analysis shows positive figures in terms of gender balance: Current estimates show that

some 38 % of team members are women, which is a higher share than the number of women grantees (20 %). The share of female team members in Life Sciences as well as in the Social Sciences and Humanities is already reaching 50 % of all team members (23 % in Physical Sciences and Engineering). The majority of them are postdocs or PhD students at the start of their research career. .

- In July 2012, the ERC Executive Agency completed 3 years of autonomous existence and underwent an external evaluation, which included a cost-benefit analysis. The evaluation report was completed in 2013 and was transmitted on 27 January 2014 to the Budget Authority (European Parliament and Council⁵) as well as to the Court of Auditors⁶.

4 STRUCTURE OF THE EUROPEAN RESEARCH COUNCIL

4.1 The Scientific Council

A staged renewal of the members of the Scientific Council took effect in February and April 2013 and the new members were announced in the previous annual report of the Commission to the Council and the European Parliament⁷.

The Scientific Council held five plenary meetings in 2013, three in Brussels, one in Bratislava (Slovakia) and one in Utrecht (the Netherlands). The members of the Scientific Council also meet in working groups addressing specific issues: innovation and relations with industry, open access, internationalisation and gender balance. A new working group on key performance indicators started its activities in 2013, with mandate to develop a roadmap for monitoring and evaluating the ERC's accomplishment of its mission as can be approached by such tools. In accordance with the ERC policy on scientific misconduct adopted by the Scientific Council in October 2012, the ERCEA and the Scientific Council's Standing Committee on conflicts of interest, scientific misconduct and ethical issues analysed 10 cases of scientific misconduct in 2013.

The Scientific Council's plenary meetings and the meetings of its members with ERC stakeholders are prepared with the organisational and administrative support of the Executive Agency. The Agency also provides advice and analysis to facilitate the Scientific Council fulfilling its tasks as described in Annex 1 of the Ideas Specific Programme, as well as support to the operational activities of its Working Groups and Standing Committees.

To further assure its liaison with the European Commission and the Executive Agency, the Chair and vice Chairs of the Scientific Council, the ERC Secretary General and the Director of the Agency meet regularly as the ERC Board. These meetings are also attended by the senior management of the Agency. The Board met in Brussels 10 times in 2013, in particular to prepare or to follow up the meetings of the Scientific Council.

⁵ Ares(2014) 181203

⁶ Ares(2014) 181052

⁷ COM(2013) 318 of 30.5.2013

4.2 The ERC Executive Agency

Since July 2009 the Agency has been responsible for all aspects of administrative implementation and programme execution as provided for in the Work Programme.

The operations of the Agency are supervised by a Steering Committee, appointed by the Commission. It is chaired by the Director-General of DG Research and Innovation and includes as members two members of the Scientific Council. In 2013, the Steering Committee held three meetings and adopted decisions related to the Agency's Annual Work Programme, budget and accounts, as well as its organisational structure.

4.2.1 Agency Staff

The 2013 operating budget provided for the employment of 100 temporary agents, 281 contract staff and 8 seconded national experts, adding up to a total of 389 agents. At the end of December 2013, the agency employed a total of 379 agents: 99 temporary agents, 270 contract agents and 10 seconded national experts.

Statistics of December 2013 show that the agency employs approximately 35% men and 65% women. As regards the gender balance of highly specialised staff (temporary agents and contract agents function group IV), 59% of the posts are occupied by women. At the end of 2013, the ERCEA employed nationals from 25 EU Member States.

5 CONCLUSIONS AND OUTLOOK FOR THE ERC UNDER HORIZON 2020

In 2013 and for the first time since its creation, the ERC ran four major calls in one year, with an overall budget of EUR 1.8 billion and 900 grants awarded across Europe. With over 4000 grantees to date and an ever-increasing number of applicants, the ERC is already generating a host of new discoveries, knowledge and ideas. In its six years of existence, it has earned a world-class reputation, rapidly becoming the point of reference for excellent frontier research in Europe.

The year 2013 has also seen the consolidation and finalisation of the next EU multi-annual financial framework and the adoption of Horizon 2020, the next framework programme for research and innovation. The increase in the ERC budget acknowledges that the ERC has been a success story of European integration and confirms its position in the global research landscape.

As announced in the previous annual report and in line with the recommendations of the ERC Task Force, incorporated in its proposals for Horizon 2020, the Commission set up a high level independent search committee for the next ERC President⁸. Under Horizon 2020, the ERC President, who will also ensure the tasks of the ERC Secretary General, will be based in Brussels and devote most of his time to ERC activities. The search committee, chaired by Lord Sainsbury of Turville, reported back to the Commission in July 2013 and this led to the

⁸ europa.eu/rapid/press-release_IP-12-1393_en.htm

appointment of Professor Jean-Pierre Bourguignon as the first ERC President under Horizon 2020⁹.

The legal framework of the ERC under Horizon 2020 was established in December 2013 by Commission Decision 2013/C 373/09¹⁰, which also renewed the membership of the Scientific Council, with the appointment of three new members: Professor Nils Christian Stenseth (Centre for Ecological and Evolutionary Synthesis, University of Oslo), Professor Martin Stokhof (Department of Philosophy, Faculty of Humanities, University of Amsterdam) and Professor Michel Wieviorka (Fondation Maison des sciences de l’homme, École des hautes études en sciences sociales, Paris). Finally, the Commission renewed the mandate of the ERC Executive Agency by its Decision 2013/779/EU¹¹.

⁹ europa.eu/rapid/press-release_IP-13-1260_en.htm

¹⁰ OJ C 373, 20.12.2013, p.23.

¹¹ OJ L 346, 20.12.2013, p.58