



COUNCIL OF
THE EUROPEAN UNION

Brussels, 24 January 2014
(OR. en)

5648/14

Interinstitutional File:
2013/0233 (COD)

RECH 28
COMPET 44
TELECOM 21
SOC 40
MI 70
CODEC 171

NOTE

From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	16549/13 RECH 561 COMPET 853 TELECOM 320 SOC 962 MI 1056 CODEC 2652
No. Cion doc.:	12367/13 RECH 355 COMPET 574 TELECOM 204 DOC 204 MI 648
Subject:	Proposal for a Decision of the European Parliament and of the Council on the participation of the Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several Member States

Following the vote in European Parliament's ITRE committee on 23 January 2014 and in view of the RECH Working Party of 27 January 2014, delegations will find attached a 4-column document on the proposal for a Decision of the European Parliament and of the Council on the participation of the Union in a Research and Development Programme jointly undertaken by several Member States aimed at supporting research and development performing small and medium-sized.

In the column related to the position of the Council (doc.16549/13), the changes to the Commission proposal are indicated in **bold underlined** for additions and in ~~strikethrough~~ for deletions.

In the column related to the position of the ITRE Committee, the changes to the Commission proposal are indicated in ***bold italics*** for additions and in ~~strikethrough~~ for deletions.

Proposal for a DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
on the participation of the Union in the Active and Assisted Living Research and Development Programme jointly undertaken by several
Member States

RECITALS				
COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
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 Article 185 and the second paragraph of Article 188 thereof,	[no change]	[no change]		1
Having regard to the proposal from the European Commission,	[no change]	[no change]		2
After transmission of the draft legislative act to the national Parliaments,	[no change]	[no change]		3
Having regard to the opinion of the European Economic and Social Committee ³	[no change]	[no change]		4
(³) OJ C ..., ..., p.				5
Acting in accordance with the ordinary legislative procedure,	[no change]	[no change]		6

Whereas:	[no change]	[no change]	[no change]	7
(1) In its Communication Europe 2020 A strategy for smart, sustainable and inclusive growth ⁴ the Commission underscores the need to develop favourable conditions for investment in knowledge and innovation so as to achieve smart, sustainable and inclusive growth in the Union. Both European Parliament and Council have endorsed that strategy	[no change]	[no change]	[no change]	8

⁽⁴⁾ COM(2010)2020 final of 3 March 2010.

(2) Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 of the European Parliament and of the Council of ... 2013⁵ (hereinafter "Horizon 2020 Framework Programme") aims at achieving a greater impact on research and innovation by contributing to the strengthening of public-public partnerships, including through Union participation in programmes undertaken by several Member States in accordance with Article 185 of the Treaty. ⁽⁵⁾ OJ ... [H2020 FP]	(2) Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 of the European Parliament and of the Council of ... 2013³ (hereinafter "Horizon 2020 Framework Programme") aims at achieving a greater impact on of research and innovation by contributing to the strengthening of public-public partnerships, including through Union participation in programmes undertaken by several Member States in accordance with Article 185 of the Treaty. ³ OJ ... [H2020 FP]	AM 1 (2) Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 of the European Parliament and of the Council of ... 2013⁵ (hereinafter 'Horizon 2020 Framework Programme') aims at achieving a greater impact on research and innovation by contributing to the strengthening of developing closer synergies, increasing coordination and avoiding unnecessary duplication with international, national and regional research programmes. Public-public partnerships, including through Union participation in programmes undertaken by several Member States in accordance with Article 185 of the Treaty, should achieve these goals, meet the conditions specified in that Regulation, in particular in Articles 20, and fully comply with the general principles applying to Horizon 2020.	9
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		<u>AM 2</u> <i>(2a) Research and innovation activities carried out under AAL Programme should be in full compliance with the general principles of the Horizon 2020 Framework Programme in particular on gender equality, open access and ethical principles. They should comply with ethical principles and relevant national, Union and international legislation, including the Charter of Fundamental Rights of the European Union and the European Convention on Human Rights and its Supplementary Protocols. Particular attention should be paid to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of a person, the right to non-discrimination and the need to ensure high levels of human health protection.</i>		9.1
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		<u>AM 3</u> <i>(2b) Horizon 2020 Framework Programme lays down in its Chapter II, Section 1 that Horizon 2020 shall ensure the effective promotion of gender equality and the gender dimension in research and innovation content. Particular attention should be paid to ensuring gender balance, subject to the situation in the field, in evaluation panels and in bodies such as advisory groups and expert groups. The gender dimension should be adequately integrated in research and innovation content in strategies, programmes and projects and followed through at all stages of the research cycle.</i>		9.2
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(3) Decision No 742/2008/EC of the European Parliament and of the Council of 9 July 2008 on the Community's participation in a research and development programme undertaken by several Member States aimed at enhancing the quality of life of older people through the use of new information and communication technologies⁽⁶⁾ provides for a Community financial contribution to the Ambient Assisted Living Joint Research and Development Programme (hereinafter "AAL JP") matching that of the Member States but not exceeding EUR 150 000 000 for the duration of the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) established by Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006⁽⁷⁾.	[no change]	[no change]		10
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(4) In December 2012, the Commission communicated to the European Parliament and the Council a report on the interim evaluation of the AAL JP⁸. That evaluation was carried out by an expert panel. The overall opinion of that expert panel was that AAL JP had achieved good progress towards its objectives and remarkable results and that it should be continued beyond the current funding period. The expert panel noted however a few shortcomings, notably the need for stronger user involvement in projects and further improvements of the operational performance in terms of time to contract and time to payment. [⁽⁸⁾ COM(2010) 763 final of 16 December 2010.	<i>[no change]</i>	AM 4 (4) In December 2012, the Commission communicated to the European Parliament and the Council a report on the interim evaluation of the AAL JP⁸. That evaluation was carried out by an expert panel. The overall opinion of that expert panel was that AAL JP had achieved good progress towards its objectives and remarkable results and that it should be continued beyond the current funding period. The expert panel noted however a few shortcomings, notably the need for stronger user involvement in projects <i>from the earliest possible stage</i> and further improvements of the operational performance in terms of time to contract and time to payment. ⁸ COM(2010) 763 final of 16 December 2010.	11
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		<u>AM 5</u> <i>(4a) The interim evaluation of 2010 and the consultation process of 2012 highlighted in particular that fragmentation and insufficient coordination of the different financial instruments, eligibility rules and reimbursement systems are affecting participation and represent a barrier to innovation. For each call, Participating States, through AAL General Assembly, should agree on uniform funding rules to be implemented consistently with the rules of Horizon 2020 Framework Programme;</i>		11.1
(5) In its communication entitled ‘The demographic future of Europe — from challenge to opportunity’,⁹ the Commission underlined the fact that demographic ageing is one of the main challenges facing all the Member States and that increased use of new technologies could help to control costs, improve well-being and promote the active participation in society of elderly people, as well as improving the competitiveness of Union economy. ⁽⁹⁾ COM(2006) 571 final of 12 October 2006.	[no change]		[no change]	12

(6) In its entitled ‘Europe 2020 Flagship Initiative Innovation Union’¹⁰, the Commission indicated the ageing of the population as one of the societal challenges where innovation breakthroughs can play an important role and boost competitiveness, enable European companies to lead in the development of new technologies, to grow and assume global leadership in new growth markets, improve the quality and efficiency of public services and so contribute to creating large numbers of new quality jobs. ⁽¹⁰⁾ COM(2010) 546 final of 6 October 2012.	<i>[no change]</i>	AM 6 (6) In its entitled ‘Europe 2020 Flagship Initiative Innovation Union’¹⁰, the Commission indicated the ageing of the population as one of the societal challenges where innovation breakthroughs can play an important role and boost competitiveness, enable European companies to lead in the development of new technologies, to grow and assume global leadership in new growth markets, improve the quality and efficiency of public services and so contribute to creating large numbers of new quality jobs. ⁽¹⁰⁾ COM(2010) 546 final of 6 October 2012.	13
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(7) In its communication entitled ‘European flagship initiative Digital Agenda for Europe’¹¹, the Commission proposed to reinforce the AAL JP in order to help address the challenges of the ageing population. ⁽¹¹⁾ COM(2010) 245 final of 19 May 2010.	[no change]	[no change]		14
(8) In its communication entitled ‘Taking forward the Strategic Implementation Plan of the European Innovation Partnership on Active and Healthy Ageing’¹², the Commission proposed to take account of relevant priorities of the Plan for future research and innovation work programmes and instruments which are part of Horizon 2020 Framework Programme. The Commission also proposed to take into account the contributions that can be made by the AAL JP to the European Innovation Partnership on Active and Healthy Ageing ⁽¹²⁾ COM(2012) 83 final of 29 February 2012.	[no change]	[no change]		15

(9) Under the European Innovation Partnership on Active and Healthy Ageing established under the Innovation Union, ICT solutions are expected to play an important role in meeting its goals of two additional healthy life years by 2020 as well as improving quality of life for citizens and improving efficiency of care systems in the Union. Its Strategic Implementation Plan sets out priorities for accelerating and scaling up innovation in active and healthy ageing across the Union, in three domains: prevention and health promotion, care and cure, and independent living and social inclusion.	[no change]	AM 8 (9) Under the European Innovation Partnership on Active and Healthy Ageing established under the Innovation Union, ICT innovative solutions including products and services integrating ICT, are expected to play an important role in meeting its goals of two additional healthy life years by 2020 as well as improving quality of life for citizens without any discrimination on the basis of age, gender, ethnicity, disability, religious or sexual orientation and improving efficiency of care systems in the Union. Its Strategic Implementation Plan sets out priorities for accelerating and scaling up innovation in active and healthy ageing across the Union, in three domains: prevention and health promotion, care and cure, and independent living and social inclusion; the age and gender mainstreaming is an indispensable method and instrument in policy-making in the relevant domains.	16
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		AM 9 <i>(9a) Since ICT systems handle a large amount of personal data and profiles, and operate in real-time communication, thus bringing with them a high risk of data security breaches, the evaluation of data protection and data privacy of projects should be undertaken under the programme to ensure a high level of data protection and security.</i>		16.1
(10) The Active and Assisted Living Research and Development Programme (hereinafter 'the AAL Programme') should build on the achievements of the previous programme and address its shortcomings by encouraging stronger user participation in projects and by a more agile programme implementation.	<i>[no change]</i>	AM 10 (10) The Active and Assisted Living Research and Development Programme (hereinafter 'the AAL Programme') should build on the achievements of the previous programme and address its shortcomings by encouraging ensuring strong user participation in all projects and by a more, from the initial stage, in order to ensure that solutions developed are acceptable and respond to specific needs. In addition simplified, consistent and agile programme implementation is needed.		17

		<u>AM 11</u> <i>(10a) The AAL Programme should take into account a broad definition of innovation including organisational, business, technological, societal and environmental aspects. It should ensure a multidisciplinary approach and the integration of social sciences within the programme.</i>		17.1
		<u>AM 12</u> <i>(10b) In accordance with the target figure regarding participation of SMEs in indirect actions of the Horizon 2020 Framework, the AAL Programme should aim at dedicating 20% of its budget foreseen for indirect actions to SMEs.</i>		17.2

		AM 13 <i>(10c) The implementation of the AAL Programme should also address the gender dimension, which should adequately be integrated in research and innovation content and followed through at all stages of the research cycle, as stated in European Parliament's resolution of 11 December 2012 on prevention of age related diseases of women^{12a}, as well as in European Parliament's resolution of 7 September 2010 on the role of women in an aging society^{12b}</i> ^{12a} Text adopted, 7_TA(2012)0482. ^{12b} OJ C 308 E, 20.10.2011, p. 49.		17.3
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(11) A ceiling should be established for the participation of the Union in the AAL Programme for the duration of the Horizon 2020 Framework Programme. Union participation in the AAL Programme should not exceed the financial contribution of the Participating States for the duration of the Horizon 2020 Framework Programme in order to achieve a high leverage effect and ensure an active involvement of the Participating States in achieving the Programme objectives.	<i>[no change]</i>	<i>[no change]</i>	18
		AM 14 <i>(11a) Entities from Member States that are not participating and that are willing to get involved in AAL activities should not be discriminated against in terms of accessing the Horizon 2020 funds under this Programme. Such entities should be entitled to participate in calls, provided they ensure their own co-financing.</i>	18.1

(12) In line with the objectives of Regulation (EU) No .../2013[H2020 FP], any Member State and any country associated to the Horizon 2020 Framework Programme should be entitled to participate in the AAL Programme.	<i>[no change]</i>	AM 15 (12) In line with the objectives of Regulation (EU) No .../2013[H2020 FP], any Member State and any country associated to the Horizon 2020 Framework Programme should be entitled to participate in the AAL Programme at any time . <i>[no change]</i>	19
(13) In order to ensure that a financial commitment by the Union will be matched by the Participating States, the financial contribution by the Union should be subject to formal commitments from the Participating States before the launch of the AAL Programme and their fulfilment. The Participating States' contribution to the AAL Programme should include the administrative costs incurred at national level for the effective operation of the programme.	<i>[no change]</i>		20

(14) The joint implementation of the AAL Programme requires an implementation structure. The Participating States have agreed on the implementation structure for the AAL Programme and set up in 2007 the the Ambient Assisted Living Association IASBL, an international non-profit organisation under Belgian law (hereinafter 'AALA'). Given that, according to the report on the Interim Evaluation, the existing governance structure of AAL JP has proven to be efficient and of good quality, the AALA should be used as implementation structure and should take the role as allocation and monitoring body of the AAL Programme. The AALA should manage the Union financial contribution and should ensure an efficient implementation of the AAL Programme.	<i>[no change]</i>	AM 16 (14) The joint implementation of the AAL Programme requires an implementation structure. The Participating States have agreed on the implementation structure for the AAL Programme and set up in 2007 the Ambient Assisted Living Association IASBL, an international non-profit organisation under Belgian law (hereinafter 'AALA'). Given that, according to the report on the Interim Evaluation, the existing governance structure of AAL JP has proven to be efficient and of good quality, the AALA should be used as implementation structure and should take the role as allocation and monitoring body of the AAL Programme. The AALA should manage the Union financial contribution and should ensure an efficient implementation of the AAL Programme. <i>Differences between women and men in economic and social fields should be taken into account in designing and implementing the AAL Programme. Attention should also be paid in ensuring a better participation of women in research and policy process.</i>	21
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(15) In order to achieve the objectives of the AAL Programme, the AALA should provide financial support mainly through grants to participants in actions selected by the AALA. Those actions should be selected following calls for proposals under the responsibility of the AALA, which should be assisted by independent external experts. The ranking list should be binding as regards the selection of proposals and the allocation of funding from the Union financial contribution and from the national budgets for AAL Programme projects.	[no change]	[no change]		22
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(16) The Union financial contribution should be managed in accordance with the principle of sound financial management and with the rules on indirect management set out in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹³ and Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012¹⁴. ⁽¹³⁾ OJ L 298, 26.10.2012, p. 1. ⁽¹⁴⁾ OJ L 362, 31.12.2012, p. 1.	[no change]	[no change]		23
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(17) In order to protect the financial interests of the Union, the Commission should have the right to reduce, withhold or terminate the Union financial contribution where the AAL Programme is implemented inadequately, partially or late, or the Participating States do not contribute, or contribute partially or late, to the financing of the AAL Programme. Those rights should be provided for in the delegation agreement to be concluded between the Union and the AALA.	<i>[no change]</i>	AM 17 (17) In order to protect the financial interests of the Union, the Commission should have the right to <i>through proportionate measures to recover</i>, reduce, withhold or terminate the Union financial contribution where the AAL Programme is implemented inadequately, partially or late, or the Participating States do not contribute, or contribute partially or late, to the financing of the AAL Programme. Those rights should be provided for in the delegation agreement to be concluded between the Union and the AALA.	24
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(18) Participation in indirect actions funded by the AAL Programme is subject to Regulation (EU) No ... /2013 of the European Parliament and of the Council of ... 2013 laying down the rules for the participation and dissemination in the Framework Programme for Research and Innovation (2014-2020)⁽¹⁵⁾. However, due to specific operating needs of the AAL Programme it is necessary to provide for derogations from that Regulation in accordance with Article 1(3) of that Regulation. ⁽¹⁵⁾ OJ L...., ..., p. ... [H2020 RfP].	<i>[no change]</i>	AM 18 (18) Participation in indirect actions funded by the AAL Programme is subject to Regulation (EU) No ... /2013 of the European Parliament and of the Council of ... 2013 laying down the rules for the participation and dissemination in 'Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)',¹⁵. However, due to specific operating needs of the AAL Programme it is necessary to provide for derogations from that Regulation in accordance with Article 1(3) of that Regulation. <i>It also necessary to further reduce the fragmentation and insufficient coordination of the different financial instruments, eligibility rules and reimbursement system that act as a barrier to innovation.</i> ⁽¹⁵⁾ OJ L...., ..., p. ... [H2020 RfP].	25
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(19) Specific derogations from Regulation (EU) No ... /2013 [H2020 RfP] are necessary as the AAL Programme is intended as a close to market innovation programme, in which many different national funding streams are joined up (such as research innovation, health and industry funding programmes). Those national programmes have by their nature different participation rules and cannot be expected to fully align with Regulation (EU) No ... /2013 [Horizon 2020 Rules for Participation]. In addition, the AAL Programme is targeting in particular small and medium-sized enterprises and user organisations not usually participating in Union research and innovation activities. In order to facilitate the participation of those enterprises and organisations, the Union financial contribution is provided in accordance with the well-known rules of their national funding programmes and implemented through a single grant combining Union funding with the corresponding national funding.	(19) Specific derogations from Regulation (EU) No ... /2013 [H2020 RfP] are necessary as the AAL Programme is intended as a close to market oriented research and innovation programme, in which many different national funding streams are joined up (such as research innovation, health and industry funding programmes). Those national programmes have by their nature different participation rules and cannot be expected to fully align with Regulation (EU) No.../2013 [Horizon 2020 Rules for Participation]. In addition, the AAL Programme is targeting in particular small and medium-sized enterprises and user organisations not usually participating in Union research and innovation activities. In order to facilitate the participation of those enterprises and organisations, the Union financial contribution is provided in accordance with the well-known rules of their national funding programmes and implemented through a single grant combining Union funding with the corresponding national funding.	AM 19 (19) Specific derogations from Regulation (EU) No ... /2013 [H2020 RfP] are necessary as the AAL Programme is intended as a close to market innovation programme, in which many different national funding streams are joined up (such as research innovation, health and industry funding programmes). Those national programmes have by their nature different participation rules and cannot be expected to immediately fully align with Regulation (EU) No ... /2013 [Horizon 2020 Rules for Participation]. However, the AAL Programme should further address the complexity arising from different countries' financial and national eligibility and its effects on implementation and participation. In addition, the AAL Programme is targeting in particular small and medium-sized enterprises and user organisations not usually participating in Union research and innovation activities. In order to facilitate the participation of those enterprises and organisations, the	26
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		Union financial contribution is should be provided through the national funding bodies in accordance with the well-known rules of their national funding programmes and implemented through a single grant combining Union funding with the corresponding national funding.		
(20) The financial interests of the Union should be protected throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties in accordance with Regulation (EU, Euratom) No 966/2012, Delegated Regulation (EU) No 1268/2012, Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests ¹⁶ , ⁽¹⁶⁾ OJ L 312, 23.12.1995, p. 1.	[no change]	[no change]		27

Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities⁽¹⁷⁾ and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)¹⁸ ————— ⁽¹⁷⁾ OJ L 292, 15.11.1996, p. 2. ⁽¹⁸⁾ OJ L 136, 31.5.1999, p. 1.	Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities¹⁵ and Regulation (EC, Euratom) No 4073/1999883/2013 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)¹⁶ ————— ⁽¹⁵⁾ OJ L 292, 15.11.1996, p. 2. ⁽¹⁶⁾ <u>OJ L 248, 18.9.2013, p. 1.</u>	[no change]	28
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(21) The Commission should conduct an interim evaluation assessing in particular the quality and efficiency of the AAL Programme and progress towards the objectives set, as well as a final evaluation, and prepare a report on those evaluations.	<i>[no change]</i>	AM 20 (21) The Commission should conduct an interim external evaluation assessing in particular the quality and efficiency of the AAL Programme and progress towards the objectives set, and the overall contribution of the initiative to increasing coordination and interoperability of national programmes of research and innovation activities, as well as a final external evaluation, and prepare a report on those evaluations.	29
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(22) The evaluation should be based on precise and up-to-date information. Upon request from the Commission, the AAL-A and the Participating States should therefore submit any information the Commission needs to include in the reports on the evaluation of the AAL Programme.	<i>[no change]</i>	<i>[no change]</i>	30
		<u>AM 21</u> <i>The actions envisaged in the AAL programme should help underpin European public health systems and health cover, since they are an essential means of sustaining social welfare and reducing the welfare gap between regions and population sectors that is widening alarmingly owing to the current economic and social crisis.</i>	30.1
(23) The AAL Programme should ensure the effective promotion of gender equality and comply with ethical principles as reflected in the Horizon 2020 Framework Programme.	<i>[no change]</i>	<u>AM 22</u> (23) The AAL Programme should ensure the effective promotion of gender equality and comply with ethical principles as reflected established in the Horizon 2020 Framework Programme.	31

(24) Since Participating States have decided to continue the AAL Programme and its objectives directly support and complement the Union policies in the field of active and healthy ageing and given that the AAL Programme objectives cannot be sufficiently achieved by the Member States alone and can, by reason of the scale of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Decision does not go beyond what is necessary in order to achieve those objectives,	<i>[no change]</i>	<i>[no change]</i>		32
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	<u>(24a) It is appropriate to ensure a smooth transition without interruption between the AAL JP and the AAL Programme, as well as to align the duration of the AAL Programme with the Council Regulation laying down the multiannual financial framework for the years 2014-2020¹⁷. Therefore, the AAL Programme should apply as from 1 January 2014.</u> ⁽¹⁷⁾ OJ ... [MFF] [no change]			33
HAVE ADOPTED THIS DECISION:		[no change]		34

Art. 1

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 1</i> <i>Participation in the AAL Programme</i>	<i>Article 1</i> <i>Participation in the AAL Programme</i>	<i>Article 1</i> <i>Participation in the AAL Programme</i>		35
1. The Union shall participate in the Active and Assisted Living Research and Development Programme (hereinafter "AAL Programme") jointly undertaken by [Austria, Belgium, Cyprus, Denmark, France, Hungary, Ireland, Luxembourg, the Netherlands, Portugal, Romania, Poland, Slovenia, Spain, Sweden, United Kingdom and Switzerland] (hereinafter "Participating States"), in accordance with the conditions set out in this Decision.	[no change]	[no change]		36

2. Any other Member State and any other country associated to the Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 (hereinafter "Horizon 2020 Framework Programme") may join the AAL Programme provided it fulfils the criterion set out in Article 3(1)(c) of this Decision. Those Member States and countries that fulfil the condition set out in Article 3(1)(c) shall be regarded as Participating States for the purposes of this Decision.	2. Any other Member State and any other country associated to the Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 (hereinafter "Horizon 2020 Framework Programme") may <u>at any time apply to</u> join the AAL Programme provided it fulfils the criterion set out in Article 3(1)(c) of this Decision. Those Member States and associated countries that fulfil the condition set out in Article 3(1)(c) <u>and whose participation is approved by the AALA</u> shall be regarded as Participating States for the purposes of this Decision.	AM 23 2. Any other Member State and any other country associated to the Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020) established by Regulation (EU) No .../2013 (hereinafter "Horizon 2020 Framework Programme") may join the AAL Programme at any time provided it fulfils the criterion set out in Article 3(1)(c) of this Decision. Those Member States and associated countries that fulfil the condition set out in Article 3(1)(c) shall be regarded as Participating States for the purposes of this Decision.	37
		AM 24 <i>2a. Any entity from any other country associated to Horizon 2020 Framework Programme may participate in the indirect actions of the AAL Programme at any time provided it provides for its own co-financing.</i>	37.1

Art. 2

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 2</i> <i>Union's financial contribution</i>	<i>Article 2</i> <i>Union's financial contribution</i>	<i>Article 2</i> <i>Union's financial contribution</i>		38
1. The maximum Union financial contribution to the AAL Programme covering administrative costs and operational costs shall be EUR 175.000.000. The contributions in the general budget of the Union allocated to the relevant parts of the Specific Programme implementing Horizon 2020 Framework Programme, established by Decision/2013/EU in accordance with Article 58(1)(c)(vi) and Articles 60 and 61 of Regulation (EU, Euratom) No 966/2012.	<i>[no change]</i>	AM 25 1. The maximum Union financial contribution to the AAL Programme covering administrative costs and operational costs shall be EUR 475.000.000 166.250.000 . The contributions shall be paid from appropriations in the general budget of the Union allocated to the relevant parts of the Specific Programme implementing Horizon 2020 Framework Programme, established by Decision/2013/EU in accordance with Article 58(1)(c)(vi) and Articles 60 and 61 of Regulation (EU, Euratom) No 966/2012.		39
2. The annual financial commitment of the Union to the AAL Programme shall not exceed the annual financial commitment to the AAL Programme by Participating States.	<i>[no change]</i>	<i>[no change]</i>		40
3. A maximum of 6 % of the Union financial contribution shall be used to contribute to the administrative costs of the AAL Programme.	<i>[no change]</i>	<i>[no change]</i>		41

Art. 3

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 3</i> <i>Conditions for the Union's financial contribution</i>	<i>Article 3</i> <i>Conditions for the Union's financial contribution</i>	<i>Article 3</i> <i>Conditions for the Union's financial contribution</i>		42
1. The Union's financial contribution shall be conditional upon the following:	[no change]	[no change]		43
a) proof by the Participating States that the AAL Programme is set up in accordance with Annexes I and II;	[no change]	[no change]		44
		<u>AM 26</u> <i>(aa) the demonstration by the Participating States that the AAL Programme is set up in accordance with the objectives and research priorities laid down in the Horizon 2020 Framework</i>		44.1
		<u>AM 27</u> <i>(ab) the demonstration by the Participating States that the AAL Programme is set up in accordance with the general principles governing the Horizon 2020 Framework, in particular its Article 15 on gender equality;</i>		44.2

		<u>AM 28</u> <i>(ac) the demonstration by the Participating States that the AAL Programme is set up in accordance with the conditions laid down in Article 20 of the Regulation (EU) No.../2013 of the European Parliament and of the Council of ...2013 establishing Horizon 2020;</i>		44.3
b) the designation by the Participating States or by organisations designated by the Participating States, of the Ambient Assisted Living Association, a non-profit association with legal personality established under Belgian law (hereinafter "AALA"), as the structure responsible for the implementation of the AAL Programme and for allocating and monitoring the Union financial contribution;	<i>[no change]</i>	<i>[no change]</i>		45

c) the commitment by each Participating State to contribute to the financing of the AAL Programme;	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	46
d) proof by the AALA of its capacity to implement the AAL Programme including allocating and monitoring the Union contribution in the framework of indirect management of the Union budget in accordance with Articles 58, 60 and 61 of Regulation (EU, Euratom) No 966/2012;	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	47
e) the establishment of a governance model for the AAL Programme in accordance with Annex III.	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	48
2. During the implementation of the AAL Programme, the Union financial contribution shall also be conditional upon the following:	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	49
a) the implementation by the AALA of AAL Programme objectives as set out in Annex I and activities set out in Annex II in accordance with Regulation (EU) No ... [Rules for the participation and dissemination in Horizon 2020], subject to Article 5 of this Decision;	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	50

b) the maintenance of an appropriate and efficient governance model in accordance with Annex III;	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	51
c) the compliance by the AALA with the reporting requirements set out in Article 60 (5) of Regulation (EU, Euratom) No 966/2012;	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	52
d) the fulfilment of the commitments by each Participating State referred to in point (c) of paragraph 1 and the fulfilment of the annual commitments to contribute to the financing of the AAL Programme.	<i>[no change]</i>	<i>[no change]</i>	<i>[no change]</i>	53

Art. 4

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 4 Contributions from Participating States</i>	<i>Article 4 Contributions from Participating States</i>	<i>Article 4 Contributions from Participating States</i>		54
Contributions from the Participating States shall consist of the following:	<i>[no change]</i>	<i>[no change]</i>		55
a) financial contributions to the indirect actions supported under the AAL Programme in accordance with Annex II;	<i>[no change]</i>	<i>[no change]</i>		56
b) in-kind contributions corresponding to the administrative costs incurred by the national administrations for the effective implementation of the AAL Programme in accordance with Annex II.	<i>[no change]</i>	<i>[no change]</i>		57

Art. 5

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 5</i> <i>Rules for participation and dissemination</i>	<i>Article 5</i> <i>Rules for participation and dissemination</i>	<i>Article 5</i> <i>Rules for participation and dissemination</i>		58
1. For the purposes of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the AALA shall be considered a funding body and shall provide financial support to indirect actions in accordance with Annex II to this Decision.	<i>[no change]</i>	<i>[no change]</i>		59
2. By way of derogation from Article 14(5) of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the financial capacity of the applicants shall be verified by the designated national programme management organisation according to rules of participation in the designated national programmes.	2. By way of derogation from Article [14(5)] of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the financial capacity of the applicants shall be verified by the designated national programme management organisation according to rules of participation in the designated national programmes.	<i>[no change]</i>		60

3. By way of derogation from Article 16(1) of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the grant agreements with participants shall be signed by the designated national programme management agency.	3. By way of derogation from Article 16(1) of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the grant agreements with participants shall be signed by the designated national programme management agency.	AM 29 3. By way of derogation from Article 16(1) of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the grant agreements with participants shall be signed by the designated national programme management agency. <i>The time to contract shall be published and shall be limited to 5 months.</i>	61
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4. By way of derogation from Articles 19[(1), (5) to (7)] and 22 to 29 of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the funding rules of the designated national programmes shall apply to the grants administered by the designated national programme management agencies.	4. By way of derogation from Articles 19[(1), (5) to (7)] and [22 to 29] of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the funding rules of the designated national programmes shall apply to the grants administered by the designated national programme management agencies.	<u>AM 29</u> 4. By way of derogation from Articles 19[(1), (5) to (7)] and 22 to 29 of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the funding rules of the designated national programmes shall apply to the grants administered by the designated national programme management agencies and signed before 31 December 2015. <i>By 31st December 2015, the Participating States together with the AALA shall evaluate the existing financing rules and adopt a single set of financing rules to apply to grants signed as of 2016, aiming at reducing fragmentation and complexities involved with the use of financing rules of different national programmes.</i>		62
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5. By way of derogation from Articles 38 to 46 of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the rules of the designated national programmes governing results, access rights to background and results shall apply.	5. By way of derogation from Articles [38 to 46] of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the rules of the designated national programmes governing results, access rights to background and results shall apply.	<u>AM 29</u> 5. By way of derogation from Articles 38 to 46 of Regulation (EU) No .../2013 [Rules for the participation and dissemination in Horizon 2020], the rules of the designated national programmes governing results, access rights to background and results shall apply. regarding access rights to background and results shall apply, including requirements relating to the open access to scientific publications, that need to be ensured under the Horizon 2020 Framework Programme. <i>In accordance with the principles of transparency and non-discrimination as laid out in Article 60(1) and 128(1) of Regulation (EU, Euratom) No 966/2012, calls for proposals organised by AAL JP shall be published on the web-based Horizon 2020 Participant Portal.</i>	63
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Art. 6

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 6 Implementation of the AAL Programme</i>	<i>Article 6 Implementation of the AAL Programme</i>	<i>Article 6 Implementation of the AAL Programme</i>		64
1. The AAL Programme shall be implemented on the basis of annual work plans in accordance with Annex II.	1. The AAL Programme shall be implemented on the basis of <u>a strategy implemented through</u> annual work plans in accordance with Annex II.	[no change]		65

Art. 7

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 7</i> <i>Agreements between the Union and the AALA</i>	<i>Article 7</i> <i>Agreements between the Union and the AALA</i>	<i>Article 7</i> <i>Agreements between the Union and the AALA</i>		66
1. Subject to a positive ex-ante assessment of the AALA in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012, the Commission, on behalf of the Union, shall conclude a delegation agreement and annual transfer of funds agreements with the AALA.	<i>[no change]</i>	<i>[no change]</i>		67
2. The delegation agreement referred to in paragraph 1 shall be concluded in accordance with Article 58(3) and Articles 60 and 61 of Regulation (EU, Euratom) No 966/2012 and Article 40 of Delegated Regulation (EU) No 1268/2012. It shall also set out the following:	<i>[no change]</i>	<i>[no change]</i>		68

a) the requirements concerning the AALA's contribution regarding relevant indicators out of the performance indicators set out in Annex II to Decision (EU) No .../2013 [the Specific Programme implementing the Horizon 2020 Framework Programme];	[no change]	[no change]	[no change]	69
b) the requirements concerning the AALA's contribution to the monitoring referred to in Decision (EU) No .../2013 [the Specific Programme implementing the Horizon 2020 Framework Programme];	[no change]	[no change]	[no change]	70
c) the specific performance indicators necessary for monitoring the functioning of the AALA in accordance with Article 3(2);	[no change]	[no change]	[no change]	71
d) the arrangements regarding the provision of data and information necessary to ensure that the Commission is able to meet its dissemination and reporting obligations.	[no change]	[no change]	[no change]	72

Art. 8

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 8</i> <i>Termination, reduction or suspension of the Union financial contribution</i>	<i>Article 8</i> <i>Termination, reduction or suspension of the Union financial contribution</i>	<i>Article 8</i> <i>Termination, reduction or suspension of the Union financial contribution</i>		73
1. Where the AAL Programme is not implemented in accordance with the conditions set out in Article 3, the Commission may terminate, proportionally reduce or suspend the Union financial contribution in line with the actual implementation of the AAL.	<i>[no change]</i>	<i>[no change]</i>		74
2. Where the Participating States do not contribute, contribute partially or late to the financing of the AAL Programme, the Commission may terminate, proportionally reduce or suspend the Union financial contribution, taking into account the amount of funding allocated by the Participating States to implement the AAL Programme.	<i>[no change]</i>	<i>[no change]</i>		75

Art. 9

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 9 Ex-post audits</i>	<i>Article 9 Ex-post audits</i>	<i>Article 9 Ex-post audits</i>		76
1. Ex-post audits of expenditure on indirect actions shall be carried out by the designated national programme management agencies in accordance with Article 23 of Regulation (EU) No ... [the Horizon 2020 Framework Programme].	<i>[no change]</i>	<i>[no change]</i>		77
2. The Commission may decide to carry out the audits referred to in paragraph 1 itself.	2. The Commission may decide to carry out the audits referred to in paragraph 1 itself. <u>The Commission shall only do so in duly justified cases and in consultation with the relevant Participating States.</u>	<i>[no change]</i>		78

Art. 10

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 10</i> <i>Protection of the financial interests of the Union</i>	<i>Article 10</i> <i>Protection of the financial interests of the Union</i>	<i>Article 10</i> <i>Protection of the financial interests of the Union</i>		79
1. The Commission shall take appropriate measures ensuring that, when actions financed under this Decision are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative and financial penalties.	<i>[no change]</i>	<i>[no change]</i>		80

2. The European Anti-fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF) (OLAF)¹⁹ and Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities²⁰ with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract funded in accordance with this Decision. ⁽¹⁹⁾ OJ L 136, 31.5.1999, p. 1. ⁽²⁰⁾ OJ L 292, 15.11.1996, p. 2.	The European Anti-fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)¹⁸ and Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities¹⁹ with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract funded in accordance with this Decision. ¹⁸ OJ L 248, 18.9.2013, p.1. ¹⁹ OJ L 292, 15.11.1996, p. 2.	[no change]	81
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3. Contracts, grant agreements and grant decisions, resulting from the implementation of this Decision shall contain provisions expressly empowering the Commission, AALA, the Court of Auditors and OLAF to conduct audits and investigations, according to their respective competences.	<i>[no change]</i>	<i>[no change]</i>	82
4. The AALA shall grant the Commission staff and other persons authorized by the Commission, as well as by the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format, needed in order to conduct the audits referred to in paragraph 3.	<i>[no change]</i>	<i>[no change]</i>	83
5. In implementing the AAL Programme, the Participating States shall take the legislative, regulatory, administrative or other measures necessary for protecting the Union's financial interest, in particular, to ensure the full recovery of any amounts due to the Union in accordance with Regulation (EU, Euratom) No 966/2012 and Delegated Regulation (EU) No 1268/2012.	<i>[no change]</i>	<i>[no change]</i>	84

Art. 11

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 11</i> <i>Communication of information</i>	<i>Article 11</i> <i>Communication of information</i>	<i>Article 11</i> <i>Communication of information</i>		85
1. At the request of the Commission, the AALA shall submit to the Commission any information necessary for the preparation of the reports referred to in Article 12.	<i>[no change]</i>	<i>[no change]</i>		86
2. The Participating States shall submit, through the AALA, any information requested by the European Parliament and the Council concerning the financial management of the AAL Programme.	The Participating States shall submit, through the AALA, any relevant information requested by the European Parliament and the Council concerning the financial management of the AAL Programme.	<i>[no change]</i>		87
3. The Commission shall communicate the information referred to in paragraph 2 in the reports set out in Article 12.	<i>[no change]</i>	<i>[no change]</i>		88

Art. 12

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
<i>Article 12 Evaluation</i>	<i>Article 12 Evaluation</i>	<i>Article 12 Evaluation</i>		89
1. By 31 December 2017 the Commission shall conduct an interim evaluation of the AAL Programme. The Commission shall prepare a report on that evaluation which includes conclusions of the evaluation and observations by the Commission. The Commission shall send that report to the European Parliament and to the Council by 30 June 2018.	[no change]	AM 30 1. By 31 December 30 June 2017 the Commission shall conduct organise an independent interim evaluation of the AAL Programme. The Commission shall prepare a report on that evaluation which includes conclusions of the independent evaluation and observations by the Commission. The Commission shall send that report to the European Parliament and to the Council by 30 June 2018 31 December 2017 . The result of the independent interim evaluation of the AAL shall be taken into account in the interim evaluation of Horizon 2020. In order to respond to unforeseen situations or to new developments and needs the Commission may, following the interim evaluation of Horizon 2020 as referred to in Article 32(3) of the Regulation Regulation (EU) No 1291/2013 review the current programme, including within the annual budgetary procedure, the budget of the AAL.		90

2. At the end of Union participation in the AAL Programme but no later than 31 December 2022, the Commission shall conduct a final evaluation of the AAL Programme. The Commission shall prepare a report on that evaluation which includes results of the evaluation. The Commission shall send that report to the European Parliament and to the Council.	<i>[no change]</i>	AM 30 2. At the end of Union participation in the AAL Programme but no later than 31 December 2022, the Commission shall conduct a final <i>independent</i> evaluation of the AAL Programme. The Commission shall prepare a report on that <i>independent</i> evaluation which includes results of the evaluation. The Commission shall send that report to the European Parliament and to the Council.	91
	<i>[no change]</i>	AM 31 <i>2a. The Commission shall present to the European Parliament and to the Council an annual report on the progress achieved by the AAL Programme. That report shall contain details of implementation, including the number of proposals selected for funding, type of participants, including SMEs, and statistics by country.</i>	

Art. 13

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
Article 13 <i>Entry into force</i>	Article 13 <i>Entry into force</i>	Article 13 <i>Entry into force</i>		92
This Decision shall enter into force on the twentieth day following that of its publication in the <i>Official Journal of the European Union</i> .	This Decision shall enter into force on the twentieth -day following that of its publication in the <i>Official Journal of the European Union</i> . It shall apply from 1 January 2014.	[no change]		93

Art. 14

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
Article 14 Addressees	Article 14 Addressees	Article 14 Addressees		94
This Decision is addressed to the Member States.	[no change]	[no change]		95

OBJECTIVES OF THE AAL PROGRAMME

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
1. The AAL Programme shall fulfil the following objectives:	[no change]	[no change]		96
1.1. accelerate the emergence of innovative ICT-based products and healthy services for active and healthy ageing at home, in the community, or at work, thus improving the quality of life, autonomy, participation in social life, skills or employability of older adults and increasing the efficiency of health and social care provision;	1.1. accelerate the emergence <u>and take-up</u> of innovative ICT-based products and services for active and healthy ageing at home, in the community, or at work, thus improving the quality of life, autonomy, participation in social life, skills or employability of older adults and increasing the efficiency of health and social care provision;	<u>AM 32</u> 1.1. accelerate the emergence of <i>relevant and affordable</i> innovative <i>integrated solutions</i> , ICT-based products and services, <i>including ICT-based, for people with disabilities and</i> for active and healthy ageing, at home, in the community, or at work, thus <i>aiming at improving their the</i> quality of life, <i>social well-being and inclusion</i> , autonomy, participation in social life, skills or employability of older adults and increasing the efficiency, <i>relevance and effectiveness</i> of health and social care provision;		97

		<u>AM 32</u> <i>1.1a. support development of solutions that contribute to the independence and alleviation of a sense of social isolation of older people, whereby the ICT component should not replace the human contact, but are complementary to the human contact. ICT-based solutions supported under the programme should integrate non-ICT aspects by design;</i>		97.1
1.2. maintain and further develop a critical mass of applied research, development and innovation at Union level in the areas of ICT-based products and services for active and healthy ageing;	<i>[no change]</i>	<u>AM 32</u> 1.2. maintain and further develop a critical mass of applied research, development and innovation at Union level <i>integrating solutions</i> , in the areas of ICT-based products and services, <i>including ICT-based</i> , for active and healthy ageing <i>and for people with disabilities;</i>		98

1.3. develop cost-effective solutions, including establishing relevant interoperability standards and facilitating the localisation and adaptation of common solutions, which are compatible with varying social preferences and regulatory aspects at national or regional level, respect the privacy and dignity of the older adults and, where applicable, support access to services in rural and peripheral areas or benefit other groups of people, such as people with disabilities.	<i>[no change]</i>	AM 32 1.3. develop cost-effective and energy efficient solutions, including establishing relevant interoperability standards and facilitating the localisation and adaptation of common solutions, which are compatible with varying social preferences, socio-economic factors (including energy poverty, social inclusion), gender aspects, and regulatory aspects at national or regional level, respect the privacy and dignity of the older adults, ensure protection and security of personal data, and, where applicable, support access to services in rural and peripheral areas or benefit other groups of people, such as people with disabilities. To improve accessibility, a mandatory implementation of the concept of Design for All will ensure the development and deployment of products that are fully accessible for older people, people with disabilities and the broader population as a whole.	99
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		<u>AM 32</u> 1.3 a Ensure that all ICT-product and services to be supported shall include privacy-by-design features to ensure highest levels of confidentiality of private data, data protection and protection of privacy from the design stage;	99.1
		<u>AM 32</u> 1.3b. Protect older people from high energy bills and contribute to the achievement of the energy and climate policy objectives by promoting solutions improving energy efficiency, including from the perspective of the end-user.	99.2
2. The AAL Programme shall establish a favourable environment for the participation of small and medium-sized enterprises.	<i>[no change]</i>	<u>AM 33</u> 2. The AAL Programme shall establish a favourable environment for the participation of small and medium-sized enterprises. At least one SME shall be part of each consortium receiving grants under the annual calls.	100
		<u>AM 34</u> 2a. The AAL Programme shall ensure the effective promotion of gender equality.	100.1

3. The AAL Programme shall focus on close-to-market applied research and innovation and shall complement related longer-term research and large scale innovation activities envisaged under the Horizon 2020 Framework Programme, and other European and national initiatives. It shall also contribute to the implementation of the European Innovation Partnership on Active and Healthy Ageing.	The AAL Programme shall focus on close-to-market oriented applied research and innovation and shall complement related longer-term research and large scale innovation activities envisaged under the Horizon 2020 Framework Programme, and other European and national initiatives. It shall also contribute to the implementation of the European Innovation Partnership on Active and Healthy Ageing.	AM 35 3. The AAL Programme shall focus on close-to-market applied research and innovation and shall complement related longer-term research and large-scale innovation activities envisaged under the Horizon 2020 Framework Programme, and coordinate as appropriate with other European and national initiatives such as Joint Programming initiatives and activities undertaken within the European Institute of Technologies and the Knowledge and Innovation Communities. It shall also contribute to the implementation of the European Innovation Partnership on Active and Healthy Ageing.	101
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ACTIVITIES OF THE AAL PROGRAMME

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
I. Indirect actions	[no change]	[no change]		102
1. The implementation of the AAL Programme shall mainly support market-oriented research and innovation projects for active and healthy ageing, which shall demonstrate the capability to exploit the project results within a realistic time frame; The financing of those indirect actions under the AAL Programme shall mainly take the form of grants. It may take other forms such as prizes, pre-commercial procurement, and public procurement of innovative solutions.	[no change]	AM 36 1. The implementation of the AAL Programme shall mainly support market-oriented research and innovation projects for active and healthy ageing, which shall demonstrate the capability to exploit the project results within a realistic time frame; The financing of those indirect actions under the AAL Programme shall mainly take the form of grants. It may take other forms such as prizes, pre-commercial procurement, and public procurement of innovative solutions <i>as well as access to financial instruments</i>		103

2. In addition, actions for the purposes of brokerage, programme promotion, actions to raise awareness of the current capabilities, foster deployment of innovative solutions and connect supply and demand side organisations and investors may be supported.	<i>[no change]</i>	AM 36 2. In addition, actions for the purposes of brokerage, programme promotion, actions to raise awareness of the current capabilities, foster deployment of innovative solutions and which connect supply and demand side organisations and investors may be supported.	104
3. Actions aimed at improving the quality of proposals, feasibility studies and workshops may also be supported. The collaboration with the regions of the Union may be envisaged to enlarge the group of stakeholders involved in the AAL Programme.	<i>[no change]</i>	AM 36 3. Actions aimed at improving the quality of proposals, feasibility studies and workshops may also be supported. The collaboration with the regions of the Union, whether or not from participating countries may be envisaged to enlarge the group of stakeholders involved in the AAL Programme.	105

		<u>AM 36</u> <i>3a. Action aiming at assessing and improving the energy efficiency of proposals shall be supported such as providing support for quantifying the environmental footprint of ICT products, networks, services developed, including from the perspective of the end-user.</i>		105.1
		<u>AM 36</u> <i>3b. Actions shall aiming at consolidating and analysing different methods of end-user involvement in order to develop evidence based best practice guidelines;</i>		105.2
		<u>AM 37</u> <i>3a. The AAL Programme shall promote health innovation and e-Health: increasing the interoperability of patient registers and other e-Health solutions, such as those using the Internet of Things (IoT).</i>		105.3

II. Implementation	[no change]	[no change]		106
1. The AAL Programme shall be implemented on the basis of annual work plans identifying topics for calls for proposals.	1. The AAL Programme shall be implemented on the basis of annual work plans identifying topics for calls for proposals. <u>The work plans shall be derived from a published strategy adopted by the AAL/A.</u>	<u>AM 38</u> 1. The AAL Programme shall be implemented on the basis of annual work plans identifying topics for the challenges and priorities to be addressed and the types of instruments used (calls for proposals <i>or other forms such as prizes, pre-commercial procurement and procurement of innovative solutions</i>). [no change]		107
2. The annual work plans shall be agreed with the Commission as a basis for the annual financial contribution from the Union.	[no change]	[no change]		108

3. The implementation of the AAL Programme shall entail consultations with relevant stakeholders (including decision-makers from public authorities, user representatives, private-sector service providers and insurance providers as well as industry including small and medium-sized enterprises) concerning the applied research and innovation priorities to be addressed.	<i>[no change]</i>	<u>AM 38</u> 3. The implementation of the AAL Programme shall entail consultations <i>on the annual work programmes</i> with relevant stakeholders (including decision-makers from public authorities, user representatives, private-sector service providers and insurance providers as well as industry including small and medium-sized enterprises) concerning the applied research and innovation priorities to be addressed.	109
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4. The implementation of the AAL Programme shall take into account demographic trends and demographic research in order to provide solutions that reflect the social and economic situation across the Union.	<i>[no change]</i>	<i>[no change]</i>		110
		<u>AM 38</u> <i>4 a. The implementation of the AAL Programme shall take into account a broad definition of innovation including organisational, business, technological, societal and environmental aspects. It shall ensure a multidisciplinary approach and the integration of social sciences within the programme.</i>		110.1
		<u>AM 38</u> <i>4b. In implementing the AAL Programme, account must be taken of situations arising from the digital divide and therefore ensure the involvement of final users in the programme.</i>		110.2

		AM 38 <i>4c The implementation of the AAL Programme shall contribute to the climate and energy policy objectives of the Union by promoting energy efficiency and reflecting the need to tackle energy poverty</i>		110.3
5. Due account shall be taken of possible gender, ethical and privacy issues, in line with international guidelines.	<i>[no change]</i>	AM 38 5. Due account shall be taken of possible gender, ethical and privacy issues, in line with the Horizon 2020 programme principles and rules, relevant EU and national legislation and international guidelines. In particular the implementation of the AAL Programme shall take shall comply with ethical principles and relevant national, Union and international legislation, including the Charter of Fundamental Rights of the European Union and the European Convention on Human Rights and its Supplementary Protocols. Particular attention shall be paid to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of a person, the right to non-discrimination and the need to ensure high levels of human health protection		111

6. In line with the close-to-market nature of the AAL Programme and in compliance with the rules set out in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union, the AALA shall establish appropriate minimum performance targets for time to grant and time to payment in accordance with the [Rules for Participation and][the Financial Regulation] and ensure compliance with them by Participating States during the implementation of the AAL Programme.	<i>[no change]</i>	AM 38 6. In line with the close-to-market nature of the AAL Programme and in compliance with the rules set out in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union, the AALA shall establish appropriate minimum performance targets for time to grant and time to payment in accordance with the [Rules for Participation and][the Financial Regulation] and ensure compliance with them by Participating States during the implementation of the AAL Programme. <i>In particular the time to grant shall be made public by the Participating States to the programme participants and in any case it shall not exceed 5 months.</i>	112
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7. Each Participating State shall facilitate the participation of organisations representing demand side actors.	7. Each Participating State shall facilitate the participation of organisations representing demand side actors, <u>including end users</u> .	AM 38 7. Each Participating State shall facilitate ensure the participation of organisations representing demand side actors, which shall be involved from the earliest stage of all research and innovation projects financed under the programme . [no change]	113
8. Each Participating State shall co-finance the selected projects of the participants in their relevant national programmes through designated national programme management agencies. Those agencies shall subsequently channel the Union funding from the AAL/A on the basis of a common project description, which forms part of an agreement to be concluded between the designated national programme management agencies and the respective participants for each funded project.	8. Each Participating State shall co-finance the selected projects of the its national participants in their relevant national programmes whose proposals are successful through designated national programme management agencies. Those agencies that subsequently additionally channel the Union co -funding from the AAL/A dedicated implementation structure , on the basis of a common project description, which forms part of an agreement to be concluded between the designated respective national programme management agencies and the respective their national participants for each funded project.		114

9. After the closure of a call for project proposals, a central eligibility check shall be carried out by the AALA in cooperation with the designated national programme management agencies. The check shall be performed on the basis of the common eligibility criteria for the AAL Programme which shall be published with the call for project proposals.	<i>[no change]</i>	<i>[no change]</i>	115
10. The AALA shall, with the assistance of the national programme management agencies, check the fulfilment of additional national eligibility criteria set out in the calls for project proposals.	<i>[no change]</i>	<i>[no change]</i>	116
11. The national eligibility criteria shall relate only to the legal and financial status of the individual applicants and not to the content of the proposal and shall concern the following aspects:	<i>[no change]</i>	<i>[no change]</i>	117
11.1. applicant type, including legal status and purpose;	<i>[no change]</i>	<i>[no change]</i>	118
11.2. liability and viability, including financial soundness, fulfilment of fiscal and social obligations.	<i>[no change]</i>	<i>[no change]</i>	119

12. Eligible project proposals shall be evaluated and selected by the AALA with the assistance of independent experts, on the basis of transparent and common evaluation criteria, as set out in the published call for proposals. That selection, once adopted by the General Assembly of the AALA, shall be binding on the Participating States.	Eligible project proposals shall be evaluated and selected by the AALA with the assistance of independent experts, on the basis of transparent and common evaluation criteria, as set out in the published call for proposals <u>and a list of projects in order of score will be produced.</u> <u>Projects will be selected in accordance with that ranking and taking account of available funding.</u> That selection, once adopted by the General Assembly of the AALA, shall be binding on the Participating States.	<i>[no change]</i>	120
13. If a project participant fails to meet one or more of the national eligibility criteria or if the corresponding national budget for commitment for funding is exhausted, the Executive Board of the AALA may decide that an additional central independent evaluation of the proposal concerned should be carried out with the assistance of independent experts, in order to evaluate the proposal either without the participation of the participant in question or with a replacement participant, as suggested project participants.	<i>[no change]</i>	<i>[no change]</i>	121

14. Legal and financial issues concerning participants in projects selected for funding shall be handled by the designated national programme management agency. National administrative rules and principles shall be applied.	[no change]	[no change]		122
		<u>AM 38</u> <i>14a. In order to ensure effective and timely implementation of the programme, the time taken for establishing consortium agreements between project participants selected for funding shall be limited. Consortium agreements between project participants shall be signed within a maximum of 5 months from the date of notification of selection.</i>		122.1

GOVERNANCE OF THE AAL PROGRAMME

COMMISSION PROPOSAL (Doc. 12367/13)	COUNCIL GENERAL APPROACH (3.12.2013)	EP ITRE VOTE (23.1.2014) PROVISIONAL	COMPROMISE TEXT	Line No
1. The AALA, an international not-profit association established under Belgian law, shall constitute the dedicated implementation structure created by the Participating States.	<i>[no change]</i>	<i>[no change]</i>		123
2. The AALA shall be responsible for all the activities of the AAL Programme. The AALA's tasks shall include contract and budget management, the development of the annual work plans, organisation of the calls for proposals, handling of the evaluation and ranking of proposals for funding.	<i>[no change]</i>	<i>[no change]</i>		124

3. In addition, the AALA shall supervise and be responsible for project monitoring and shall transfer the associated payments of the Union contributions to designated national programme management agencies. It shall also organise dissemination activities.	<i>[no change]</i>	<i>[no change]</i>	125
4. The AALA shall be governed by the General Assembly. The General Assembly shall be the decision-making body of the AAL Programme. It shall appoint the members of the Executive Board and supervise the implementation of the AAL Programme, including the approval of annual work plans, allocation of national funding to projects and the handling of applications for new membership. It shall work on the basis of a one-country one-vote principle. Decisions shall be taken by simple majority, except for decisions on the succession, admission or exclusion of members or the dissolution of the Association, for which specific voting requirements may be set out in the statutes of the Association.	<i>[no change]</i>	<i>[no change]</i>	126

5. The Commission shall have an observer status in the meetings of the AALA General Assembly and shall approve the annual work plan. The Commission shall be invited to all the meetings of the AALA and may take part in the discussions. All the relevant documents circulated in connection with the AALA General Assembly shall be communicated to the Commission.	<i>[no change]</i>	<i>[no change]</i>	127
6. The AAL Executive Board — consisting of at least a president, a vice-president and a treasurer — shall be elected by the General Assembly to undertake the specific management responsibilities such as budget planning, staffing and contracting. It shall legally represent the Association and report to the General Assembly.	6. The AAL Executive Board — consisting of at least a president, a vice-president and a <u>treasurer and vice-treasurer</u> — shall be elected by the General Assembly to undertake the specific management responsibilities such as budget planning, staffing and contracting. It shall legally represent the Association and report to the General Assembly.	<i>[no change]</i>	128

7. The Central Management Unit established as a part of the AALA shall be responsible for the central management of the implementation of the AAL Programme in close coordination and cooperation with the national programme management agencies, which shall be authorised by the Participating States to undertake work associated with project management and administrative and legal aspects for the national project participants as well as to provide support for the evaluation and negotiation of project proposals. The Central Management Unit and national programme management agencies shall work together as the Management Unit under the supervision of the AALA.	[no change]	[no change]	129
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8. An Advisory Board with representatives from industry, users and other stakeholders, seeking balance between generations and gender, shall provide recommendations for priorities and topics to be addressed in the calls for proposals and other actions of the AAL Programme.	8. An Advisory Board <u>shall be established by the AALA</u> with representatives from industry, users and other relevant stakeholders, seeking balance between generations and gender; <u>It</u> shall provide recommendations for <u>to the AALA</u> <u>on the overall programme strategy, concerning</u> priorities and topics to be addressed in the calls for proposals and <u>regarding other relevant</u> actions of the AAL Programme.	[no change]	130
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