

# recommendation

Austrian Council for Research and Technology Development

27 November 2014



## **Recommendation regarding the use of the funding provided by the National Foundation for RTD for 2015**

### **Preamble**

In conjunction with the awarding of resources for 2015, based on the resolution of the Foundation Council of 17 September 2014 to the Council for Research and Technology Development on 25 September 2014, an invitation was made to submit a recommendation in acc. with § 11 Para. 1 Z 1 of the RTD National Foundation Act on the use of subsidies of the Foundation for 2015. This should happen based on the applications of the recipients received.

The total application volume for 2015 is **EUR 120,098.394 m**. The Foundation Council asks the Council for a statement against the background of three possible scenarios for available Foundation funds for 2015:

- 1) EUR 40 m
- 2) EUR 50 m
- 3) EUR 60 m

In view of the tense financing situation, the National Foundation takes on special importance, which is manifested in the support of long-term active interdisciplinary research measures (see § 2 RTD National Foundation Act).

The Council advocates a sufficient and sustainable financing by the National Foundation. The Council is concerned about the **highly fluctuating payment of funds**. The amount of the paid out funds has been hovering since at least 2008 far below the EUR 125 million per year stipulated in legislative guidelines.

The basis for the decision on awarding funds is the strategic importance and socio-political relevance of the proposals submitted and their integration into the overall context of Austrian research funding. The following priorities have also been defined by the RTD Council for awarding funds for 2015.



### **Priorities for awarding funds 2015:**

- Boosting the research infrastructure by focusing on initiatives with corresponding critical variables and risk potential
- Boosted national human potential basis
- Increased risk capital
- Increased contribution by intellectual property to growth and innovation
- Increased innovation potential with "Open Innovation"
- Coordination and consultation between regional and federal RTI activities
- Excellence in basic research
- Measures for boosting Austria as a location for research-active companies
- Research and technology initiatives for the industrial location

### **Recommendation**

The applications of the recipients for funding by the National Foundation basically concur with the Council recommendation for setting priorities and can therefore be supported in principle.

Following in-depth consultation and while considering the three financing scenarios communicated by the National Foundation, the Council recommends the following funds distribution for RTD:

Institution	Title	Applied for total in EUR m	Scenario 1 Recommendation EUR 40 m	Scenario 2 Recommendation EUR 50 m	Scenario 3 Recommendation EUR 60 m	Reason – Comment
The Austrian Research Promotion Agency (FFG)	Headquarter	10	3	4	5	The "Headquarter" programme has been in existence for some time now and comparably high amounts have been invested in this programme. The background research shows that the average funding amount per funded project was just under EUR 1 million. It must therefore be asked if a lower allocation on the basis of budgetary specifications would be logical, as only very few projects are funded, but the administrative expense still has to be paid. From an optimum use of resources point of view, with poor allocation of funds of the National Foundation, at least EUR 3 m must be targeted.
FFG	Bridge	20	6	7.9	10.9	Similar to the "Headquarter" programme, "Bridge" has long also been an established programme. The cooperation between science and economy is very appealing here. For this reason, the Bridge programme should be preferred on the basis of scarce resources. The highest possible allocation of funds according to the proportion of resources is recommended.
FFG	Research partnerships	4	3	3	4	This relatively new programme line promises a boost to human resources in terms of training; the industry shall be integrated in this programme, too. It is recommended at least the funding amount of the previous year (EUR 3 m) be paid out, and with corresponding budgetary possibilities of the Foundation, an increase also be made up to the requested amount of EUR 4 m. With the programme assessment targeted for 2015, an actual effect in the RTI system can be estimated.
Austrian Science Fund (FWF)	SFB and DK	22.15	7.5	10	13	The special research areas (SFB) are a superb funding concept with very high quality and maximum requirement for research and teaching. Financing of the SFBs is an essential factor of top-quality interdisciplinary research in Austria. A renewed programme evaluation will be contracted out and performed in 2015. The PhD programme (DK) received a very positive evaluation in 2014 with a view to its value for training highly qualified scientists. It is also evident that, although the PhD courses are among the core tasks of the universities, the additional and complementary financing of the structured PhD programme by the FWF appears to be essential for the universities until further notice. The amount applied for from the National Foundation is EUR 22.15 m [total costs are EUR 44.73 m for (i) extension of 4 SFBs and 6 PhD to the tune of EUR 31.56 m, as well as of (ii) re-contracting out for 2015 (2 SFBs and 2 PhD programmes to the tune of EUR 13.17 m); according to the application, the Ministry for Science, Research and Economic Affairs funds EUR 22.58 million of this for 2015]. Assuming that all current SFBs and PhDs will be positively evaluated and extended, a funding of new applications on the basis of the available resources is not possible or only possible with restrictions.
FWF	Matching Funds	3	3	3	3	Matching Funds is an innovative governance model in terms of an efficient interconnection of federal and state funding, and it in particular pursues the priorities and recommendations of the Austrian Council. Funding in full is recommended.
Austrian Academy of Sciences (ÖAW)	New Frontiers Infrastructure	2.5	2.5	2.5	2.5	The programme serves to set up cutting edge research infrastructures for risk-intensive research projects within the scope of the New Frontiers Groups of the ÖAW. Funding is recommended in terms of the Austrian Council's recommendation to allow for more risk in research funding.
ÖAW	DI-ACDH: Digital Infrastructures for the Austrian Centre for Digital Humanities	4	2.5	4	4	With DI-ACDA, digital infrastructures and specialised competencies for humanities, social and cultural sciences in the Austrian Centre for Digital Humanities will be organised and developed. Funding in terms of fortifying the research infrastructure is recommended.
ÖAW	HumanIS – Humanities and Information Science	4	0	0	0	HumanIS will renew and extend the research portfolio and infrastructure of the "Digital Humanities" programme required for this. "Digital Humanities" has been recommended as an instrument for networking scientific data last year with Foundation funding of EUR 4 m. As the ÖAW's application has been almost completely met and the Council also already supports the application by the Austrian Centre for Digital Humanities, financing for HumanIS is not recommended.
Ludwig Boltzmann Society (LBG)	Health Sciences	4.6	4.6	4.6	4.6	Due to the social importance of health sciences on one hand and the definition of the area of health sciences as an LBG priority for the coming years, the foundation of Ludwig Boltzmann Institute in this research area appears to be beneficial and worthy of funding. The LBG's application does not, however, explain how many institutes are actually to be founded. At 7 percent, the estimate for the administration costs appears to be quite high.
Christian Doppler Society (CDG)	10 Christian Doppler-Laboratories	10.681	4.4	6	7	A continuance of the proven CD lab characteristics with regard to the applications. Depending on the available funding, a series of the requested CD labs should be funded, as CD labs take on an important role in the still quite weak knowledge transfer system.
austrian business service (aws)	Venture Capital Initiative	5.4	0	0	0	The Venture Capital Initiative basically addresses a priority of the Austrian RTI landscape. However, the investments of the funds from recent years must now have an effect in the system. The share of the investments outside of Austria is very high, so this trend must be monitored in the coming year. Additional funding is therefore not recommended for 2015.
aws	Industry 4.0	23.5	3	4.5	5.5	The initiative supports and provides incentives for the implementation of the methods of Industry 4.0, and therefore represents an investment incentive for Austrian industry. A topic that could make a potential contribution to strengthening the research location Austria is therefore addressed.
aws	Social Business Initiative	6.8	0.5	0.5	0.5	The initiative supports social enterprises that address social and economic challenges with new innovative methods. Sector-specific start-up initiatives are consequently funded and the number of company start-ups increases. The contribution of intellectual property to growth and innovation is also promoted. A new idea, which addresses the important trend of social enterprises and links it with the start-up initiatives in this sector. Provision of a basic allowance for the further elaboration of the initiative is recommended.
<b>Total</b>		<b>120.631</b>	<b>40</b>	<b>50</b>	<b>60</b>	