

National Foundation: Use of Funds for 2011

Pursuant to § 11 section 1.1. of the RTD National Foundation Act, the Chairman of the National Foundation on 14 October 2010 invited the Austrian Council for Research and Technology Development to issue a statement and a recommendation by 7 December 2010 concerning the use of the Foundation's resources based on the applications received from beneficiaries.

At a time when public budgets are tight, the National Foundation (NSFTE) plays an especially important role, which manifests itself in the support given to interdisciplinary research measures with a long-term impact (see § 2 of the RTD National Foundation Act). The focus of funding awards should be determined by strategic and also social policy relevance. The Austrian Council once again draws attention to the need for financial resources of 125 million euros as was originally intended when the Foundation was established.

Recommendation

The Austrian Council for Research and Technology Development has discussed the applications submitted in detail and recommends the allocation of funding in 2011 as follows:

Institution	Amount in € mn.	Programme or initiative
FFG	27.5	Headquarter Strategy and BRIDGE
FWF	19.4	Priority Programmes (SFB, NFN) and Translational Research
CDG	4.5	CD Laboratory
LBG	4.8	LB Institute
ÖAW	13.8	ÖAW Initiatives
AWS	0.0	VC Initiative
Total	70.0	

The Austrian Council considers it essential that research, development and innovation are used to secure Austria's position as a business location. The **FFG** programme lines of Headquarter Strategy and the BRIDGE programme should therefore be supported, with the Headquarter Strategy given priority. Depending on the volume of BRIDGE projects which receive positive evaluations the FFG bridging programme should also be covered. The application concerning the doctoral college for business and

its specific form and organisation should be pursued for the future, and the Austrian Council will explore this matter. However, it must be established which need is to be covered by this programme line. The creation of parallel structures must be avoided and potential synergies must be generated with projects which have similar objectives.

Furthermore, the Austrian Council recommends that the cooperation between science and industry established at the COMET centres be continued as a funding measure. To this end, the Austrian Council will set up a working group with the institutions concerned in the first half of 2011.

Given the Foundation's current endowment, full funding for the FWF priority research programmes does not appear realistic at present. However, the Austrian Council considers that **FWF** priority research programmes are consistent with the focus defined by the Foundation Board – excellence in basic research – and therefore recommends appropriate funding in accordance with the submissions that are positively evaluated. The Austrian Council attaches great importance to initiatives and programmes that strengthen links between universities, nonuniversity research and companies. For this reason, the four CD laboratories belonging to the **Christian Doppler Gesellschaft** should be fully funded with 4.5 million euros.

The Austrian Council also acknowledges that the life sciences have an important role to play (see, for example, the key areas and areas of emerging research set out in Strategy 2020). The Austrian Council therefore recommends supporting the Ludwig Boltzmann Research Association with 4.8 million euros in order to support the LB Institute for Pulmonary Research for four of the seven years for which funding was originally sought. If the institute receives a positive evaluation, an effort will subsequently be made to provide full funding for the remaining period. The Austrian Council is committed to expanding scientific knowledge through basic research and the scientific and social opportunities this creates, and progress can be achieved here by supporting the **Austrian Academy of Sciences** with 13.8 million euros. Due to the limited financial resources of the National Foundation for RTD it is not possible to support all projects. The Austrian Council therefore recommends that priority be given to setting up the Austrian Center for Disease Modeling and the New Worlds project.

In the past the Austrian Council has advocated strengthening national venture capital (VC) structures and last year therefore lent its support to the VC initiative (see the recommendation from December 2009). Before this AWS initiative can move into the second phase and the next instalment is provided, the Austrian Council would like to wait for the first reports and the results of the start-up phase. The Council therefore recommends that no funding be provided for the VC initiative for the time being. Owing to Austria's well-known structural weaknesses in this area it should be made clear that even greater support must be given to this initiative in future. The Austrian Council therefore calls upon the **AWS** to resubmit its application for the financing phase in 2012.