



4th MEETING OF THE EUROPE'S RAIL SRG

22 September 2022

13:45-15:45

1. Introduction

Welcome by the Chairperson and introductory speech from the EC

Declarations of conflict of interest based on the Agenda items

Sarah BITTNER-KRAUTSACK, the Chairperson of the SRG, welcomed the participants to the fourth meeting of the SRG organised in InnoTrans, Berlin. She thanked participants for their presence at the dinner hosted on 21 September by the EU-RAIL JU. She proposed to perform a tour-the-table with a short introduction of the representatives and their organizations.

2. Approval of the meeting agenda and previous MoM

The Chairperson introduced the Agenda which was adopted by the SRG with a slight change of order with a view to give more time to discuss material points in the agenda. The participants adopted the revised minutes of the third meeting, including some comments from France to include further information on system pillar, and comments from the Czech Republic.

3. State of Play –information from EUROPE'S RAIL, including outcome of the Call 2022-1 (MS feedback is welcomed)

Carlo Borghini, the Executive Director of Europe's Rail, provided an overview of the activities of the JU since the last SRG meeting.

He presented the call for proposals HORIZON-ER-JU-2022-01. On 1 March 2022, the Governing Board (Decision N°03/2022) adopted the amended Europe's Rail Work Programme and Budget 2022-2024 ("WP 2022-2024"). This WP 2022-2024 was the basis for the launch of the call for proposals HORIZON-ER-JU-2022-01, which was published on the Horizon Europe Funding and Tenders Portal on 10 March 2022 with a deadline of 23 June 2022 17:00:00 Brussels time.

The Executive Director indicated that the call for proposals HORIZON-ER-JU-2022-01 comprised a total of 6 topics open to entities eligible under the general rules of Horizon Europe Work Programme,. Each of those topics had its own dedicated budget line.

In return to its 2022-01 Call for Proposals with a total budget €234 million, the Europe's Rail received 7 proposals (2 proposals for FA4) with a funding request of € 239.6 million.

He stated that the proposals submitted were evaluated by an evaluation committee composed of independent experts, as set out in Horizon Europe Work Programme (General Annexes - Annex F) and in accordance with the evaluation rules set out in the WP 2022-2024 (Annex VIII).

The evaluation of proposals was carried out between 30th June and 15th July. The evaluation committee/panel was composed of 23 external technical experts and an additional 4 external experts contracted as recorders (one per panel). A total of 27 external experts were involved in the evaluation, in addition to the 3 external ethics experts which intervened in parallel to the technical evaluation.

On the basis of this evaluation, amongst the 7 proposals considered eligible, the experts established a ranking list per topic (Annex 1), providing a recommended priority order of proposals having equalled or passed all the award criteria thresholds (i.e.: “excellence”, “impact” and “quality and efficiency of the implementation”), as well as a list of proposals not retained for funding (Annex 2) since they did not meet the overall thresholds and/or one or more of the individual thresholds.

Based on the ranking by the evaluation committee and the budgetary constraints, the responsible authorizing officer drew up the EU call ranked lists (annex I of the Call Evaluation Report), with:

- A main list of proposals to be invited to grant preparation – *6 proposals*
- A reserve list – *none*
- The list of proposals that cannot be funded because below threshold – *1 proposal*.

The Executive Director underscored that according to Article 19.4(j) of the SBA, the Executive Director shall “*submit for approval to the Governing Board the list of actions to be selected for funding by the joint undertaking*”, and according to Article 17.2(u) of the SBA, the Governing Board shall “[...] *approve the list of actions selected for funding*”. On this basis, GB Decision n° 11/2022 approving the list of innovation actions selected for funding under the Europe's Rail call for proposals HORIZON-ER-JU-2022-01, was adopted during the 4th GB meeting on 3rd August. This GB Decisions also includes annexes - the list of awarded grants, list of grants not awarded because below threshold, and the independent observer's report.

He underlined that in accordance with the procedures laid down in the Guide on the procedures from proposal submission to managing grants under Horizon Europe (Online Manual), one independent observer was appointed by the Europe's Rail to observe and offer independent advice on the conduct and fairness of all phases of the evaluation process, on how evaluators apply award criteria and on how to improve processes. He stressed that the report of the independent observer (Annex 3) found that the evaluation was impartial, fair, conducted in full compliance with all Horizon Europe rules and that each proposal received adequate and equal treatment, according to the pre-defined evaluation rules.

The ED Decision with its Annex, the Call Evaluation Report, was also submitted to the Governing Board. The Call Evaluation Report contains the results of the evaluations, including statistics related to the proposals submitted, results of the technical evaluation, the proposed call

ranked list(s) based on independent experts ranking, as well as those proposals which are below the threshold.

The Executive Director concluded by presenting his recommendation to the GB:

1. **to finance one activity per topic in the ranking order stemming from the independent experts' evaluations** (see "Main list" flagged proposals in the "ANNEX 1: EU ranked list(s)" of the Call Evaluation Report) **for an indicative total amount of EUR 232.764.699,37;**
2. **to consider the unclaimed budget of EUR 1.235.300,63** (compared to the total budget appropriation of EUR 234.000.000,00) **for other operational activities of the JU in 2022 or future years;**
3. in addition, and considering
 - the provisions of the Call 2022-01;
 - the intrinsic link and interdependencies of the proposed Flagship Projects within the Innovation Pillar and System Pillar activities;

to take note of the fact that any substantial misalignment or inconsistency not satisfactorily addressed during the Grant Preparation Phase will be reported back to the Governing Board to establish a possible way forward, including the termination of the preparation phase without signature of the concerned Grant(s).

He emphasized that the aim will be to crystallise the Grant Agreements' signature by end of November 2022 with a start in December or an early start date.

The Executive Director then indicated that in terms of budget, the request was lower than the available budget (1,2 Million euros), possibly linked to the effect of one founding member's reduced participation in the first call.

The French and German representatives inquired why only one or two proposals were submitted per topic. The Executive Director answered that the topics of the call 2022-01 were specifically tailored to deliver impact and that the consortia succeeded in federating the sector in their answers, including a very large number of participants. He stressed that all EU-RAIL calls are fully open and competitive. The Chair highlighted also that the cost associated to the preparation of a proposal should not be underestimated. The French representative underlined the challenge to finance part of its costs for any proponent. He further inquired as to whether any facts had come up in the build up to the calls' response which could have suggested that the reported open character of such calls was in effect difficult to implement. The ED answered that it was not the case.

For the call 2022-2, the ED indicated that the expectation is to have smaller and much more numerous proposals, considering also the nature and content of the call topics. He stated that the call 2022-02 is again fully open and the deadline for submission is set for 14 December 2022. He emphasized that Info-Days can be organized to promote the call. Several Member States' representatives showed interest in organising national info-days. The ED further indicated that

the press release on the call had been released: <https://rail-research.europa.eu/press-releases/europes-rail-announces-its-call-for-proposals-2022-2-at-innotrans/>

The Polish representative inquired about the results of the call and the use of CIRCABC to share the results. The Chairperson also asked for the detailed reports on the outcome of the call. The Vice-Chairperson asked how SMEs and universities can join the calls.

The Executive Director indicated that a technical problem in the IT system prevented the JU from sharing the data until now, but that they will be shared with the SRG representatives as soon as possible. He stated that the JU does not use CIRCABC, but will further investigate whether other JUs use this tool or not, and if so, whether they are satisfied with it.

Moreover, the Executive Director presented the initial statistics of the call, subject to GAP verification (please refer to the slides).

The Executive Director emphasized that, once confirmed, these statistics would show the openness and inclusiveness of the call. However, he stressed that 7 private Founding Members did not seem to have added any other affiliated or other beneficiaries. He indicated that this should be addressed.

The SRG Vice-Chairperson stated that according to HE rules, universities are funded 100% but not in this call. He questioned who would cover the non-funded portion. The ED answered that on average per action, the funding was established at 60% and that consortia were clearly informed about the fact within the consortia, the HE funding rate could be applicable for those who can benefit from it.

The Executive Director further underlined that the objective of the partnership is to bring the rail sector to work together. If a further need arises to introduce corrective measures to foster inclusiveness, this will be tackled.

The Chairperson stated that the Austrian ministry had contacted the two Austrian Founding Members to share the message that they expected them to include SMEs and universities in their consortia.

The German representative expressed concerns that the figure of one proposal per FA does not achieve the important competition for the best ideas, which is essential for research and development. The ED indicated that within proposals, there are different solutions that are researched and tested before progressing to higher TRLs. One should also consider that many topics included in the Call 2022-1 were not starting from TRL-1, but building upon the results achieved in the S2R Programme. Therefore, both in light of the topics' content and as well as in terms of representativeness and inclusiveness of the consortia, a lack of competitive ideas does not appear to be a sustained statement.

The AT representative speculated that, in her opinion, the low number of proposals might also be linked to lack of resources and time on the applicants' side.

The Executive Director highlighted that the overall quality of proposals was considered quite high and that no significant shortcomings were detected by evaluators. He further stressed that 85% of the market of the operating community mobilized in answering this call 2022-01. The major actors in the supply industry and those integrating the system are largely present,

involving subcontractors. Under-representation of Eastern Europe, as well as of urban operators, is still to be better addressed. He emphasized that these actors need to be pushed to engage in the calls.

In terms of timing, he reminded that the WP 2022-2024 was published in December 2021, and the call was open until June 2022, leaving ample time to build up the most pertinent proposals and consortia in answer to this call.

In answer to a question on inflation and high-energy prices, the ED highlighted that lump sum grants imply a commitment to deliver results. Therefore, high-energy prices and inflation rates will not modify the beneficiaries' ultimate commitment to deliver the actions tasks in compliance with the Grant Agreement obligations. Clearly the evolution of the situation will require in depth scrutiny, as it may substantially affect the focus of the entities involved in the Europe's Rail Programme.

The French representative also asked the question of how the SP as a work in progress item would potentially impact the IP projects, in particular in terms of cost and schedule management. The ED advised that because the SP work had already proceeded within the S2R Programme, the ensuing inputs could be partly loaded in the IP call for proposals, but concurred that this interface needs to be further detailed.

The French representative also asked what type of information regarding what is "produced" by the IP projects would be made available to the SRG year in year out. Answering this question as well as further questions on project monitoring, the ED underlined that various levels of monitoring are in place in EU grant management, encompassing technical compliance with the description of the action, financial compliance with the cost eligibility rules and legal compliance with the Grant Agreement obligations. This is translated in ex-ante and ex-post monitoring in the e-grant management system, with a high degree of automation and streamlining, *inter alia*:

- *continuous monitoring* (SyGMA continuous reporting module), which is an any-time check during the project lifecycle on deliverables, milestones (control points to chart the progress), critical risks and policy monitoring indicators;
- *the periodic reporting (standard REPA)*, which are the dedicated progress reviews against the planned work as a pre-requisite for the certified correct and passed-for-payment;
- Further possibility to mobilize the *SygMa Reinforced Monitoring* (for suspected irregularities, scientific risk, operational capacity risk, financial capacity risk, established serious audit findings);
- Additional possibility of *ad hoc-checks, project reviews* (in-depth assessment of progress and quality by qualified reviewers), *specific issue reviews* (in-depth analysis of a specific technical issue), *financial audits, and joint reviews and financial audits*.

Furthermore, the ED stated that a flagship manager will also be introduced in order to enhance monitoring.

He indicated that the organisation of monitoring in the EU e-grants system can be shared with the SRG representatives, as well as the interim outcomes. He however emphasized that project results are already included in the AAR released on an annual basis. He stated that the Governance and Process Handbook will be published soon and will also be shared with the SRG. It is the basis for continuous project monitoring and risk management. He stated that an SRG meeting can be organized to present these documents with the coordinators. Moreover, all projects will have a project site with public information as soon as the GAs are signed by the end of November. The French representative clarified the question as being any plans for the SRG receiving proper “project production” (i.e. what is achieved by the projects according to plan, deviations, issues, etc rather than grant monitoring) information of an executive summary type, as one would assume is put together by the Projects for the perusal of the JU staff on a regular basis. The ED invited the MSs to look at the internet site, and also at the EU-Rail Consolidated Annual Activity Reports which actually contain all this type of information. Finally, the ED reminded the respective roles of the SRG and the JU as defined in the SBA.

Furthermore, the Executive Director presented the upcoming events the JU will be participating in, as well as the various communications activities.

The full list of events is available here: <https://rail-research.europa.eu/events/>

4. Discussion points

The Head of the System Pillar Unit, Ian CONLON, presented the SRG engagement in the System Pillar.

He indicated that the System Pillar’s aim is to develop a unified operational concept and system architecture for the future railway system and to be the system integrator for the Europe’s Rail Joint Undertaking, including for regulatory outputs and standards. This is reflected in Article 84(5) of the SBA. The System Pillar Steering Group is set-up under Art 93 of the SBA.

He presented the System Pillar general structure and tasks, TMS/CMS and CCS system of systems in the context of the Railway System Architecture, as well as the timing of contracts under the framework services contracts for the provision of services to the EU-Rail in the fields of system pillar core group (lot 1), system pillar expertise (lot 2) and CCS TSI maintenance activities (lot 3).

Moreover, he introduced the links in the legal base between the SRG and SP:

- The SRG Chairperson is a member of the SP Steering Group;
- The SP Steering Group shall regularly report to the SRG on its activities.

He stressed that such links are reflected in two obligations:

- First, there is an established mechanism to follow when no consensus is achieved in the SP. According to the legal provisions on SP governance, the recommendations in the SP Steering Group should be adopted by consensus. Should no consensus be reached, the ED shall prepare a report for the GB, in consultation with ERA and the EC, outlining the key common points and diverging views. In this case, the SRG shall also prepare an opinion for the Governing Board;

- Secondly, the SRG should provide information gathered and expressed by the MS at the RISC committee (established by Article 51 of Directive (EU) 2016/797) to the JU. In this respect, the SRG could serve as a bridge between RISC and SP.

Moreover, Ian CONLON further clarified how MS views are encompassed within the decision-making process:

- Opinion on the JU WP, which includes the SP activities
- Where consensus is not feasible on SP decisions at the SP Steering Group, SRG should produce a report.

He also clarified how the SRG can act as a bridge between RISC and EU-Rail/SP :

- SP coordinates the regulatory outputs from the JU, which are handled at the RISC
- SRG can be a focus for/bridge to the activities of EU-Rail and the MS representation in the RISC
- To this end, SP can discuss the TSI and Standardisation Input Plan with the SRG on a regular basis

Ian CONLON emphasized that ER and the SRG should establish processes to follow these two tasks, e.g. setting up of quarterly meetings on SP progress, areas of work, etc.; informal opinions on key documents and concepts, etc.

The German representative asked if the work in the System Pillar also includes a possible change/enlargement of the scope of the TSIs (OPE and CCS). The ED confirmed this.

The Executive Director summarized the discussion. He commented on the role of the SP in connection to the IP and discussed the governance processes. He highlighted the necessity of coherent views on the SP from the SRG, especially should no consensus be reached by the SP Steering Group.

The ED confirmed that, if necessary, an opinion with a coherent view of the SRG would be expected. The SRG members should discuss and agree at national level on a coherent position in the context of the SRG and RISC to smoothen out the regulatory processes (i.e. in terms of the TSI revisions). He also discussed the risks related to comitology procedures in case of lack of consensus among the MS.

The ED discussed the composition of the SP Core Group and Tasks/Domains experts. He provided an overview of selection process, which followed an open tender procedure. As informed, the tender was awarded to the consortium representing a wide spectrum of key actors in the railway sector. He mentioned the role of associations in the work of the SP. He also invited SRG members to promote contacts between associations and national stakeholders.

The Chairperson asked the JU to provide a draft document on best practices or proposed types of engagement between the SP and SRG in advance of the next SRG meeting.

➔ **The JU will provide a document and circulate it before the meeting**

Due to time restrictions, the Chairperson proposed to postpone further discussions on the SP and DAC to the next SRG meeting, scheduled for 9 November 2022.

➔ **The discussion on DAC was postponed to the next SRG meeting**

➔ **The discussion on SP was postponed to the next SRG meeting**

5. Closing remarks and AoB

- Date of the next SRG meeting – proposal to move the meeting to 9 November due to the conflict with the event of the Czech Presidency (Rail Forum Europe)

Miroslav HALTUF (CZ) proposed to change a date and time for the next SRG meeting. He mentioned the current timing conflicted with the Rail Forum Europe event under the Czech Presidency in the Council. The SRG agreed with the proposal to postpone the meeting to the 9th November PM. The meeting would take place in hybrid form. The SRG Members willing to join in-person were requested to inform the JU in advance.

- Information about the IRFC 2022 in Prague (5-7 October 2022)

Miroslav HALTUF (CZ) invited the SRG Members to the IRFC event in Prague. He stressed that the registration was still open.

Date(s) of the next meeting

9 November 2022 – **14h00-18h00**

[Due to a conflicting agenda with National Security Authority meeting the meeting date was later decided to be postponed to beginning of 2023. Instead, there will be three focus meetings organized until the end of 2022 to cover all topics identified with need for discussion in this meeting: SRG Workshop n°1 – EU-Rail Governance with particular focus on the System Pillar on 18 November; SRG Workshop n°2 - EU-Rail Innovation Pillar, presentation of the 6 FP and JU Project Management Approach meeting on 25 November and SRG Workshop n°3 - DAC status and progress on 16 December]