

## EU long-term budget proposal takes the right direction, but does not take the plunge

The European University Association (EUA) appreciates the European Commission's proposal for the 2021-2027 EU budget and welcomes its willingness to step up investment in forward-looking policies including research and education. EUA appreciates the Commission's efforts to align political priorities with resources, especially against a challenging political and economic backdrop. The proposal, which provides a new orientation to the budget, reflects EUA's position that investment in research and education brings high European added value and is a crucial and effective long-term, future-oriented commitment of the EU towards its citizens.

Universities across Europe consider the proposed doubling of the Erasmus+ programme (€30 billion compared to about €15 billion for 2014-2020) as an absolute pre-condition to work towards the achievement of the EU's new goals in the field, which require more European mobility and collaboration.

Investment in research fuels competitive innovation, growth and jobs and therefore contributes to all key policy priorities of the European Union. Accordingly, ambitions for the future EU Framework Programme for Research & Innovation have never been greater: The Commission has consistently referred to the need to increase the budget for fundamental research as well as to new mission-oriented research achieving wider social and economic policy aims and has also worked towards strengthening the "innovation" capacities of the EU.

The specific context in which the Multiannual Financial Framework is developed makes it difficult to fully assess how much extra money will really go into the future research programme. Brexit, in particular, and the format of future UK participation in the programme, are important considerations. Significant money in "Horizon Europe" will also be dedicated to guarantees for financial instruments (€3.5 billion under InvestEU), to which not all research actors have access.

At €100 billion, the new programme will receive about 30% more than Horizon 2020 – and possibly more in the case that the UK will be associated to the programme and contribute to its funding –, allowing it to start addressing the efficiency issue that plagues Horizon 2020 and its record-low success rates. However, the increase is not ambitious enough to meet the combined objectives of an improved average success rate, enhanced funding for innovation and resourcing large-scale "missions", among others. Indeed, this would require a full-scale doubling of the budget allocated to Horizon 2020.

EUA calls on member states, when entering the new phase of negotiations, to remember that R&I investment at the European level enhances synergies, reduces excessive duplication and fragmentation, creates critical mass and generates economies of scale. R&I investment generates significant leverage and GDP gains for participating countries. As a result, the taxpayer's money is more efficiently used.



Today, the costs of excellent yet unfunded research proposals are borne by the states themselves, with no return on investment. Regardless of whether member states are willing to increase their contribution to the EU budget, they all should be interested in getting better value for their money. Investing more in R&I is a smart, future-proof way to get there.

While there are still constraints to work through, EUA calls on all stakeholders to keep in mind that this is a future-defining discussion, the consequences of which we will have to live and work with for seven years. Now is the time to seize the chance to create high-quality jobs, boost GDP and make Europe a strong global leader in tomorrow's knowledge- and human talent-driven global economy.

With more than 800 members, the **European University Association** (EUA) is the representative organisation of universities and national rectors' conferences in 47 European countries.

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