

# Public Funding Observatory 2020/2021

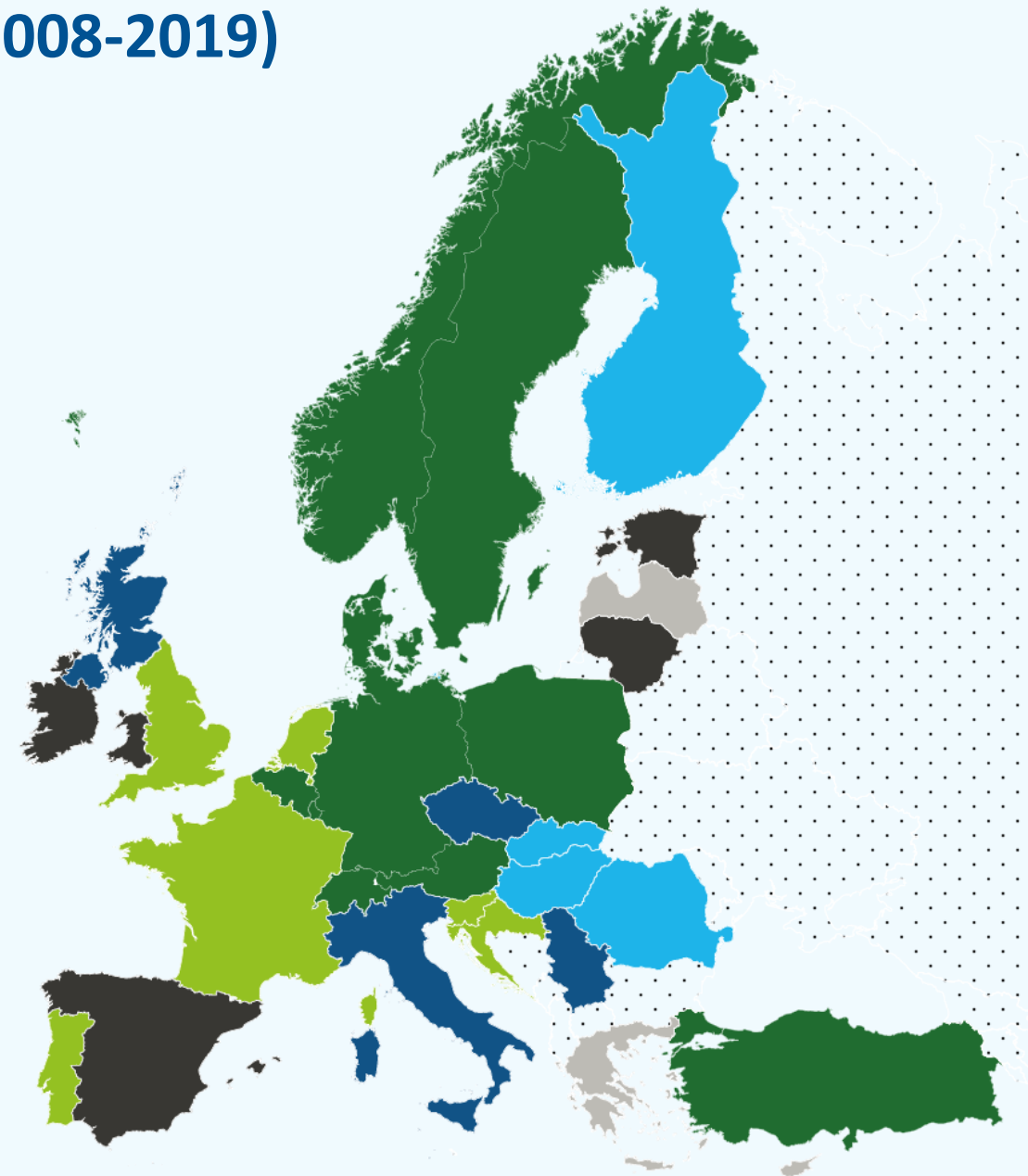
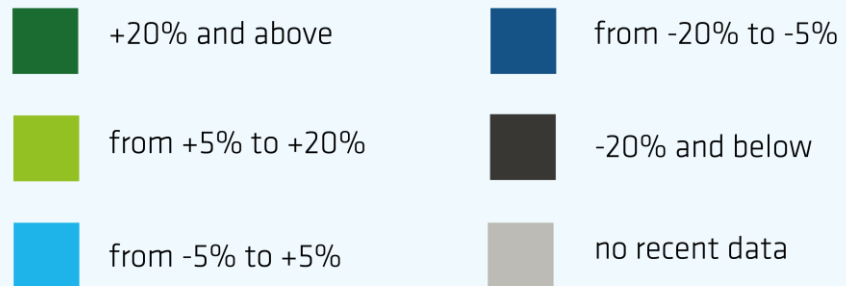
Enora Bennetot Pruvot

Deputy Director – Governance, Funding and Public Policy Development

European University Association

# Evolution of public funding to universities (2008-2019)

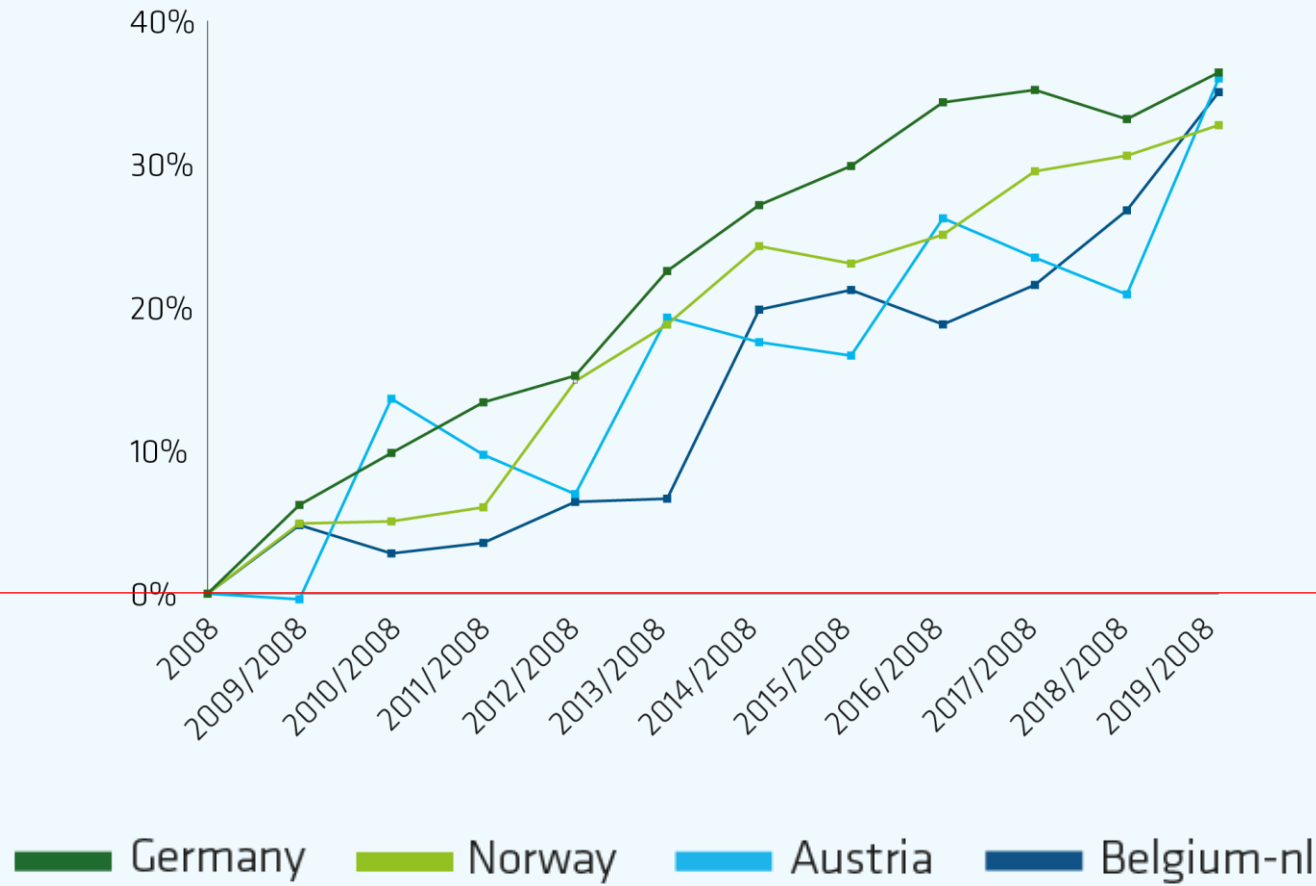
- Picture before the pandemic hit
- Gradual improvement since 2015
- Changes in 2019 were mostly positive



## \*How to read this map:

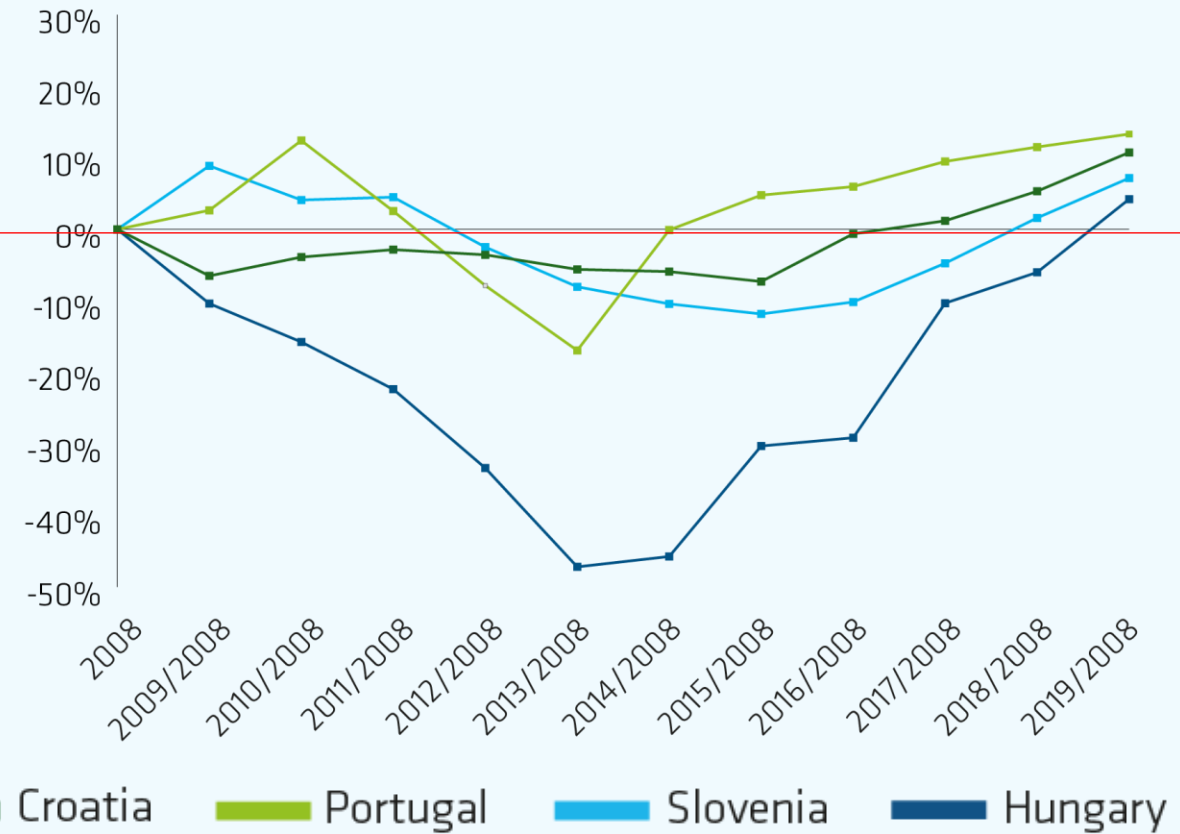
The map shows the inflation-adjusted change in public funding to universities in 2019 compared to 2008. Different colour codes refer to different levels of investment or cuts. Top investors appear in dark green. Countries with the biggest decrease in funding in 2019 compared to the base year appear in black. Shorter timeframes for: EE; FI; LU; PL; UK-ni; UK-sc and UK-wa. Public subsidies to student loans included for UK-en; UK-ni and UK-wa.

# Patterns



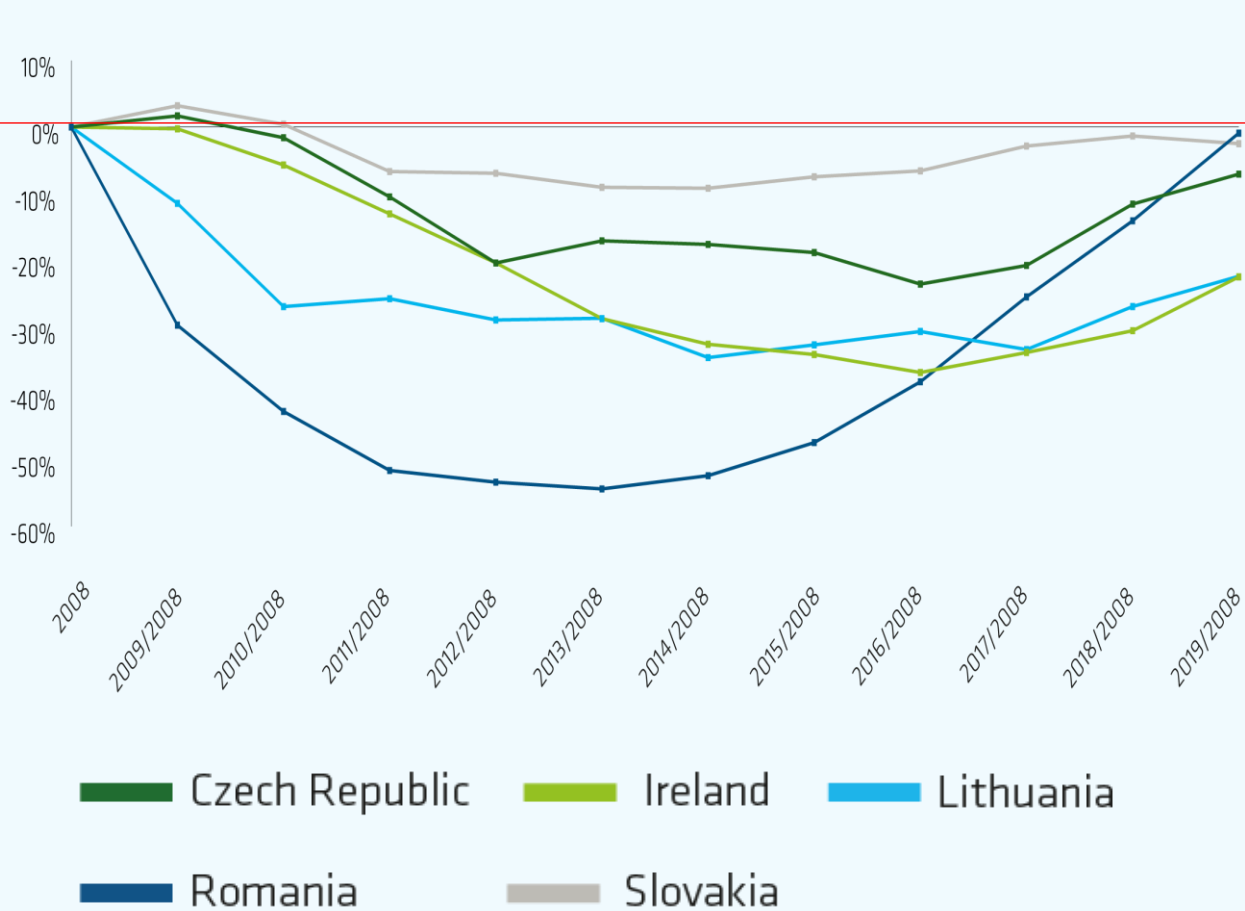
Sustained growth

Improving

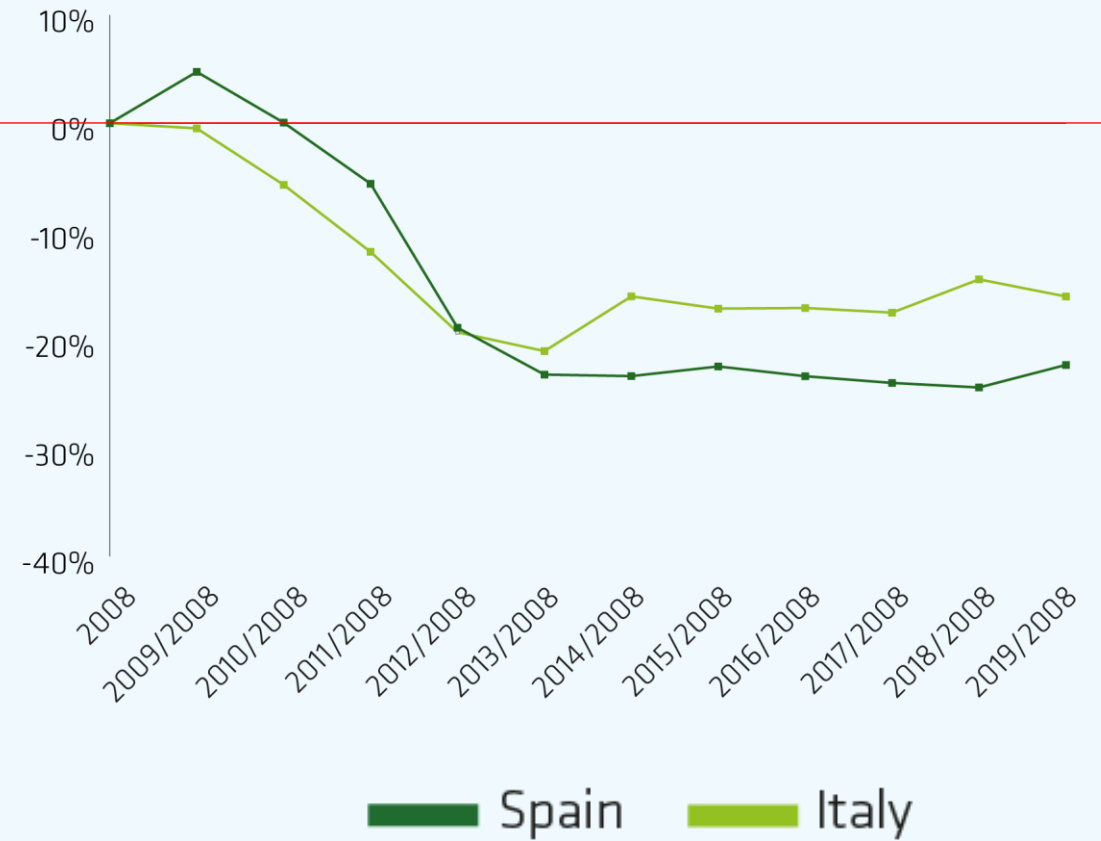


# Patterns

## Improving



## In decline

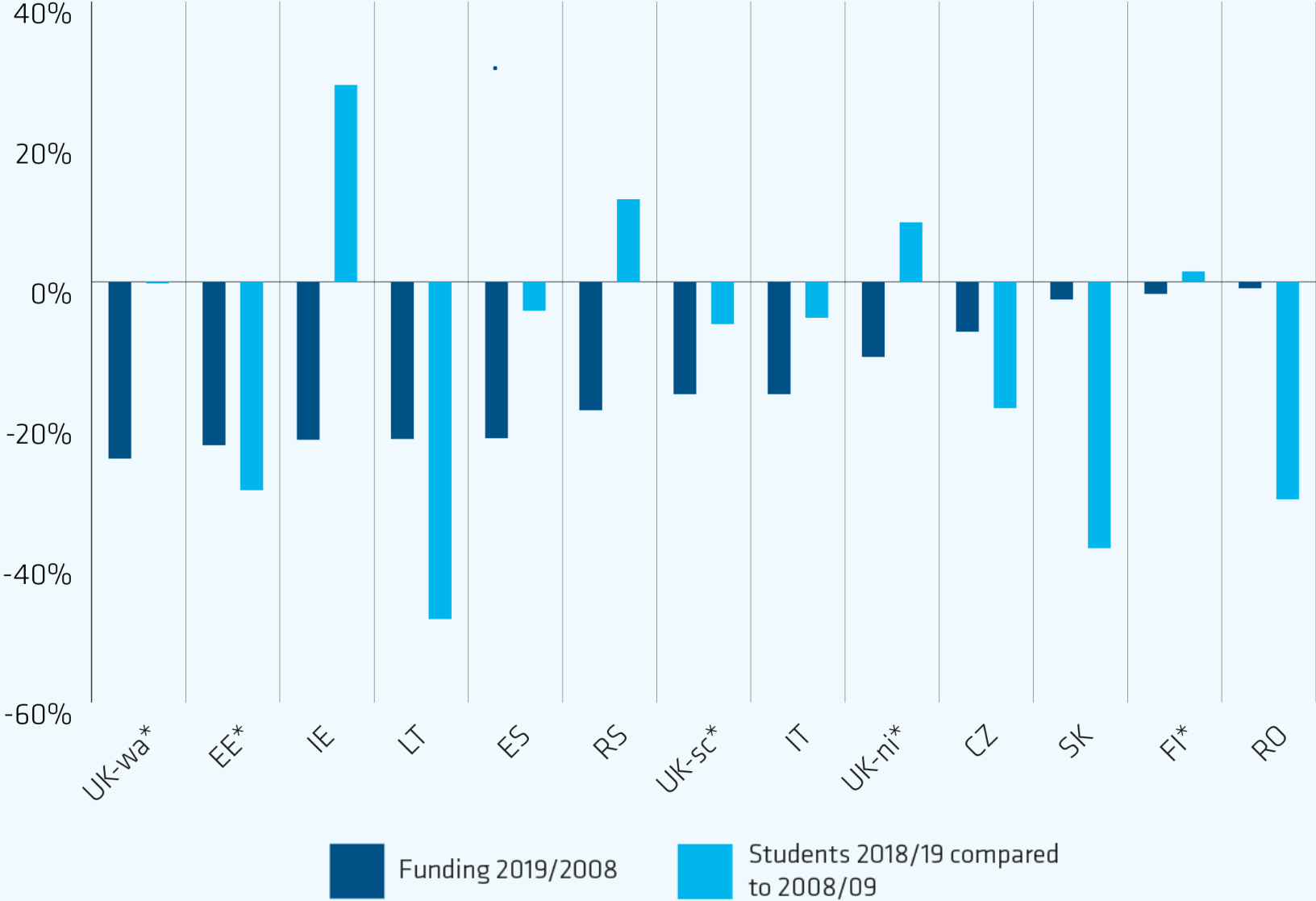


# Funding growth and student enrolment growth



**\*How to read this graph:**  
Shorter timeframes are used for LU (2009-2019); CH (2008-2017); PL (2008-2018). Student numbers for TR are capped at 100% to enhance the readability of the graph. The actual figure is +230%, for students enrolled in public and private higher education institutions. Funding data for England (UK-en) covers total public funding.

# Funding growth and student enrolment growth



**\*How to read this graph:**  
Shorter timeframes are used for EE (2008-2017); FI (2010-2016); UK-ni (2008-2018); UK-sc (2010-2018); UK-wa (2010-2019). For Wales (UK-wa) the student numbers value is -0.2%. Funding data for Northern Ireland and Wales covers total public funding.

## Public funding to universities and GDP growth

Category	Description	Systems
Funding $\uparrow$ > GDP $\uparrow$	Investment higher than economic growth	AT, CH*, DE, DK, HR, IS, LU*, NL, NO, PT, SE, TR
Funding $\uparrow$ < GDP $\uparrow$	Investment lower than economic growth	FR, HU, PL*, RO, SI
Funding $\downarrow$ / GDP $\uparrow$	Disinvestment despite economic growth	CZ, EE*, ES, FI*, IE, LT, RS, SK
Funding $\downarrow$ > GDP $\downarrow$	Disinvestment greater than economic decline	IT

### \*How to read this graph:

This graph compares the average annual funding growth rate to the average annual real GDP growth rate for the period from 2008 to 2019. The following systems are not included in the analysis: BE-fr, BE-nl, UK-en, UK-ni, UK-sc, UK-wa. \*Shorter timeframes are used for CH (2008-2017); EE (2008-2017); FI (2010-2019); LU (2009-2019); PL (2008-2018).

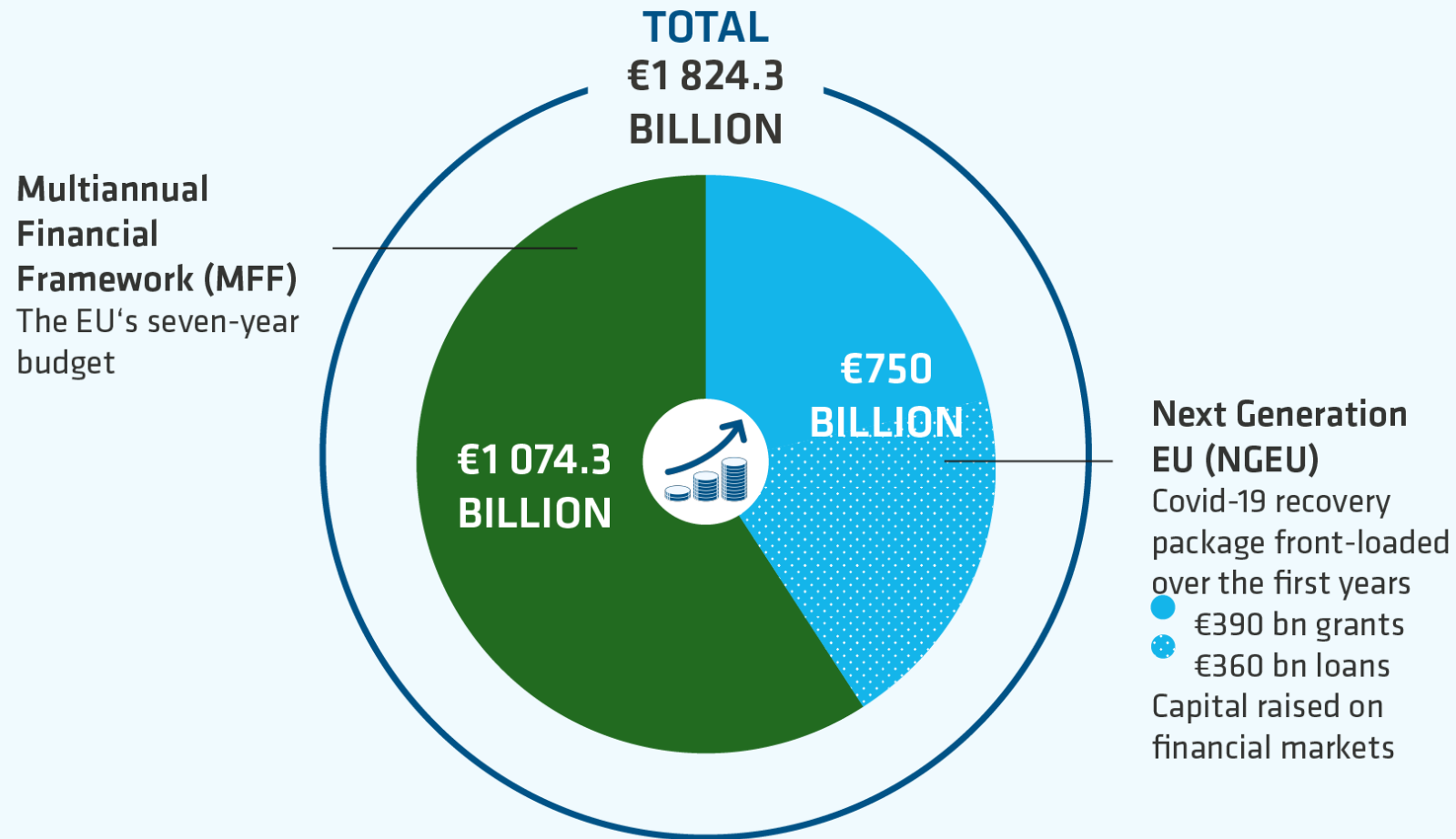
## Short-term trends: Topics for discussion and reform in 2020

<b>Funding allocation model for research</b>	AT, BE-nl, DK, FI, IS, NL, SE, SI, UK-en, UK-ni, UK-sc, UK-wa
<b>Performance-based funding</b>	AT, BE-nl, DK, FI, IE, IS, NO, RO, SK, UK-en, UK-sc
<b>Funding allocation model for teaching</b>	AT, DK, FI, FR, IS, NL, RO, SK, UK-sc
<b>Regulatory framework</b>	DK, IE, IS, NO, SE, SI, UK-sc, UK-wa
<b>Infrastructures and investments</b>	CH, IE, IS, NO, SE, SK
<b>Efficiency</b>	IS, NO, RO, UK-sc
<b>Mergers</b>	FR, IE, RO, UK-en
<b>Staffing policies</b>	IE, RO, SK
<b>Tuition fee policies</b>	ES, IE
<b>University governance</b>	IE



# EU funding to universities (2021-2027)

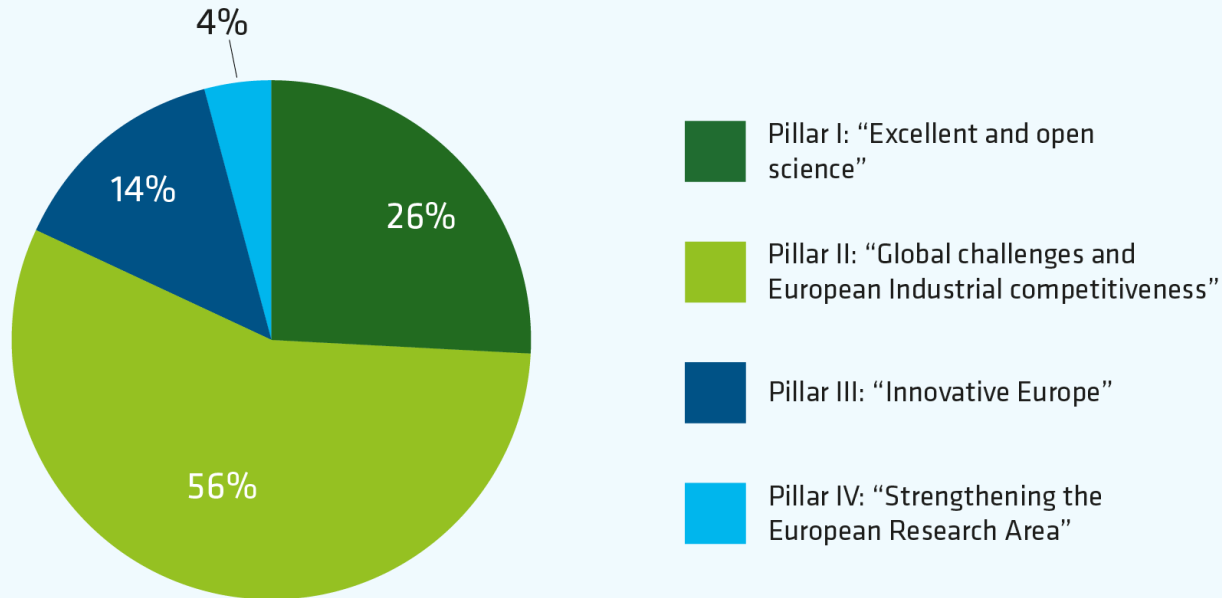
## EU expenditure 2021-2027



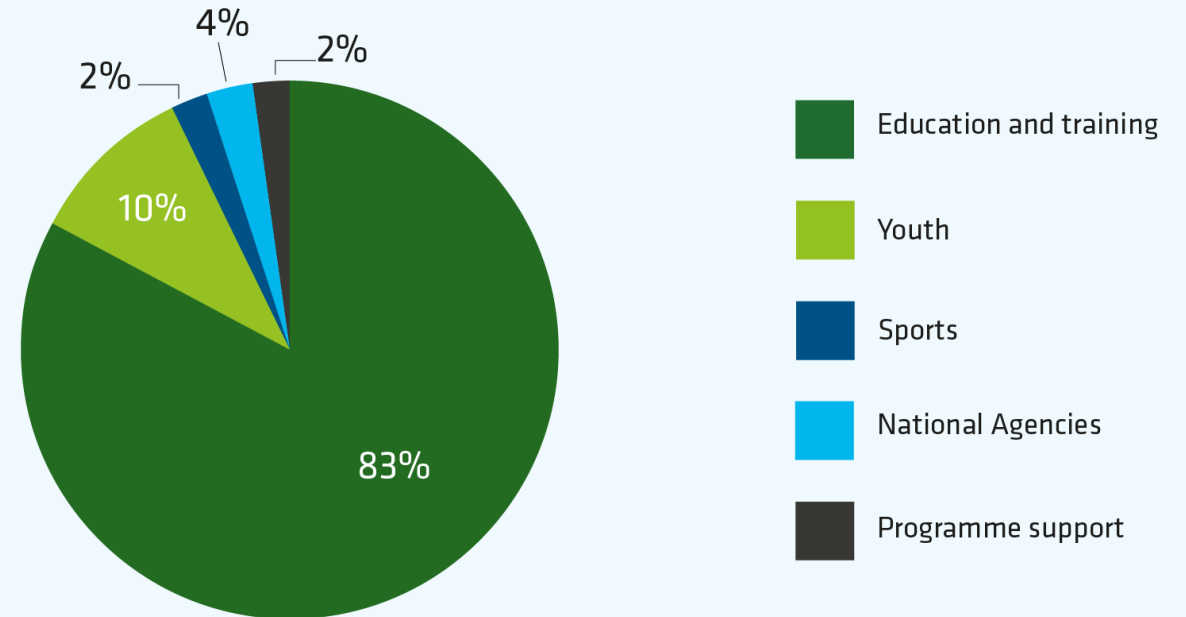
Source: <https://www.consilium.europa.eu/en/infographics/recovery-plan-mff-2021-2027/>

# Horizon Europe and Erasmus+

Horizon Europe internal budget allocation (€84.9bn) 2021-2027



Erasmus+ internal budget allocation (€23.4bn) 2021-2027



Source: EUA elaboration, 2018 prices

# Next Generation EU (NGEU)

## Investing in a green, digital and resilient EU



Source: <https://www.consilium.europa.eu/en/infographics/ngeu-covid-19-recovery-package/>

# NGEU: Recovery and Resilience Facility (RRF)

## Recovery and Resilience Facility: grants

Total grants: €312.5 billion

€218.75  
BILLION

### GRANT ALLOCATION KEY

- unemployment 2015-2019
- inverse GDP per capita
- population share

2021 - 2022

€93.75  
BILLION

### GRANT ALLOCATION KEY

- drop in real GDP over 2020
- overall drop in real GDP 2020-2021
- inverse GDP per capita
- population share

2023

- 37% to climate investments and reforms & 20% to the digital transition
- Universities have various roles to play in fostering the green and digital transitions:
  - developing research and skills
  - adapting campus infrastructure
- Objectives of reskilling and upskilling the working age population, and strengthening the link between education & the labour market.

Source: <https://www.consilium.europa.eu/en/infographics/ngeu-covid-19-recovery-package/>

## Key messages

- Recovery has been slow
- It is now endangered by economic impact of the pandemic
- Tensions with student growth – investment in general not sufficient
- Large degree of uncertainty economically
- Potential backlash on HE and R&I: lessons from the 2008 crisis should not be forgotten
- A more efficient funding landscape to universities is key to the system sustainability over the long run

# Resources

- EUA Public Funding Observatory online tool
- EUA Public Funding Observatory country sheets 2020/2021
- EUA Public Funding Observatory methodological note

## All available here:

<http://efficiency.eua.eu/public-funding-observatory>

## For additional information, please contact:

EUA Governance, Funding and Public Policy Development Unit  
[funding@eua.eu](mailto:funding@eua.eu)

