EUROPEAN UNIVERSITY ASSOCIATION



EUA STATEMENT REGARDING THE EU BUDGET NEGOTIATIONS: "POLITICAL RHETORIC MUST BE BACKED UP BY COMMITMENT AND ACTION"

Context

In September, the Council of the European Union (EU member states) formally <u>approved its position</u> on the EU draft budget for 2015, which has been proposed by the European Commission. The Council of the EU proposal recommends making considerable cuts to payment appropriations, notably in the areas of research and innovation, which includes the framework programme, Horizon 2020. By contrast, the European Parliament, which negotiates the EU budget with the Council and <u>approved its position</u> on the 2015 draft budget in late October, is proposing in its position to reverse these cuts and further invest in priority areas. From the 28 October, three weeks of "conciliation" talks are due to take place between both institutions with the aim of agreeing a Council/ Parliament deal by mid-November.

EUA position

As outlined in a <u>recent press release</u> (on 28 August), EUA believes that the cuts proposed by member states are not in line with the EU's objective to create a competitive European knowledge society or the commitments made by member states when agreeing the EU's multiannual financial framework (MFF) for 2014-2020. Research and education have consistently been highlighted by EU policy makers as being crucial for Europe's future – and were prioritised as key areas for increased investment in the MFF. Therefore, EUA is deeply concerned that such cuts, if implemented, would not only affect European universities but also further jeopardise economic growth and job creation.

Both the European Parliament and the European Commission have also raised their concerns about the impact of reducing payments which are needed to meet the commitments that have already been made at EU-level and also the problems caused by rolling over "unpaid bills" from one year to the next.

The <u>European Commission highlighted</u> in late September, for example, that €2.1 billion cuts as proposed by the Council would further worsen the tight situation of payments. For Research (Horizon 2020), the current situation of payment shortages had already meant that the Commission had to reduce the level of pre-financing for new commitments, from 60% under FP7 to 35% under Horizon 2020. Over 70 projects amounting to €36 million had been blocked, and were incurring interests for late payments. In terms of the Erasmus+ programme, the European Commission expected a disruption in the payment of grants to beneficiaries.

This situation is clearly a concern for universities across Europe, particularly as EUA's latest Public Funding Observatory report notes that there is an expectation (either from governments or universities themselves) in some countries that universities will supplement shortfalls in public funding with increased European funding from the new EU programmes. Furthermore, the European Commission has, for example, also highlighted a sharp increase in the level of competition in the Horizon 2020 funding calls. This is also likely to impact universities seeking this competitive funding.

EUA therefore supports the views of the <u>European Parliament</u> which proposes to reverse the cuts put forward by the Council and proposes additional funds in priority areas such as education and research.

The frequently stated political rhetoric which places emphasis on the central role of research and education in Europe's future competitiveness must now be backed up by real commitment and action by member states and the other EU institutions.

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- Universities Austria
- Rectors' Conference, French Community of Belgium
- Flemish Interuniversity Council
- Croatian Rectors' Conference
- Cyprus Rectors' Conference
- Czech Rectors Conference
- Universities Denmark
- Universities Estonia
- Universities Finland
- Conference of University Presidents (France)
- German Rectors' Conference
- Greek Rectors' Conference
- Conference of Rectors of Roman Pontifical Universities
- Hungarian Rectors' Conference
- Rectors' Conference of Iceland
- Irish Universities Association
- Conference of Italian University Rectors
- Latvian Rectors' Council
- Lithuanian University Rectors' Conference
- University of Luxembourg
- Association of Universities in the Netherlands
- Norwegian Association of Higher Education
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- Conference of Rectors of Academic Schools in Poland
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