

## **The Guild calls on EU institutions to increase investments in fundamental research in Horizon Europe**

The coming weeks will decide the direction of the EU's research and innovation policy for the coming seven years. This happens in a context where the need for investments in research and innovation have never been greater. The EU institutions are negotiating for the EU's Multiannual Financial Framework for 2021-2027 and an unprecedented recovery package that should provide the necessary means for building a future based on sustainability, well-being and competitiveness. As the global pandemic has brought societies and economies nearly to a standstill in the past six months, it has become clear that researchers are at the forefront of Europe's ability to overcome the pandemic and orient our societal development towards the future.

The pandemic has shown that our future is more unpredictable than we have thought. It has also proven that more knowledge is needed on the vulnerabilities and potential of our current societies in terms of their social, economic, environmental and health aspects. The current situation has highlighted the necessity for Europe to foster a world-leading knowledge base that serves politicians, citizens and companies to make us better prepared for future crisis.

Considering this background, the difficult negotiations that the EU Member States had on the EU's long-term budget and the recovery programme Next Generation EU led to an outcome of stagnating investments to research and innovation, which present a huge setback when Europe's recovery and competitiveness rely on its knowledge base more than ever. Horizon Europe's budget was reduced to €75,9bn, with the potential addition of €5bn from the Next Generation EU to support pandemic-related projects. This is far from the €120bn demanded by the European Parliament, the [more than 800 universities](#) and the [Lamy report published in 2017](#). This stagnation would trigger a worrying trend at the time when the EU is still falling short of the goal of investing 3% of the GDP in research and innovation, and when Europe's role as a global scientific powerhouse is already challenged by increasing investment levels in countries such as the United States and China.

### **1. Ensure increased funding for excellent research through ERC and MSCA**

In parallel with these high-level negotiations, the EU institutions are preparing to negotiate how the budget of Horizon Europe will be split according to its pillars for excellent science, global challenges and industrial competitiveness, and innovation. The EU's Framework Programmes have for decades set the standards of excellence to European science, and attracted global talent to work in our universities and research institutes. Avoiding the stagnation of investments in fundamental research is urgently

needed through increasing investments in this area of Horizon Europe, and providing leading scientists adequate resources to use their creativity and cutting-edge expertise to explore realities that are still unknown to us through breakthrough research.

When it comes to Horizon Europe's overall budget, the budget of the Excellent Science pillar covering highly distinguished programmes such as the European Research Council (ERC), the Marie Skłodowska-Curie Actions (MSCA) and research infrastructures is currently considered to be reduced to only 27% as compared to the current 31% in Horizon 2020. An adequate share of the Excellent Science pillar needs to be restored to maintain the pipeline of research needed for the European R&I ecosystem, but also to ensure adequate support for the next generation of research talent that the ERC and MSCA train and empower. We call on the Council and European Parliament to reverse this trend of reducing resources from best European scientists to study the immediate and long-term challenges that our societies are facing.

These programmes are at centre of the global reputation for excellence that the Framework Programmes have built over the years, which highlights the need to retain the scientific leadership they have helped to build, and the trend of attracting global talent to Europe that they have established. This can only be achieved by ending their structural underfunding: between 2012 and 2019, a third of the highest ranked project proposals that exceeded the funding threshold in the ERC were unfunded due to budget constraints. Moreover, the recent increase in the applications to the ERC Advanced Grant call by 42% indicates the urgent need for adequate resourcing for the ERC that is considered one of the clearest successes of the European collaboration and the EU in general. Failing to invest adequately in these programmes could send a negative signal to the best research talent in Europe, and at worst result in brain drain to countries with better funded research systems.

At the same time, the Global Challenges and European Industrial Competitiveness pillar covers two clusters whose budget allocation was undermined in the Commission's proposal presented in 2018. These are cluster 1 focusing on health, and cluster 2 focusing on culture, creativity and inclusive societies. Increasing their budget is essential for enabling research collaboration in the disciplines of medicine and social sciences and humanities. Investing in these areas is essential not only to overcome the social and health related consequences of the current crisis, but also to build resilient and sustainable societies that will be better equipped to confront other challenges that Europe is facing and will face in the future.

## **2. Mobilise investments for pandemic-focused research through Next Generation EU and the national recovery plans**

Europe's ability to recover from the pandemic and its effects will be soon boosted by a three-year Next Generation EU programme. We urge the Council and the Parliament to use the opportunity to channel funding from the €5bn currently negotiated for Horizon Europe to support fundamental research in Pillar 1 and research collaboration in clusters 1 and 2 in Pillar 2, to study the social and health aspects of the crisis. Whereas the Next Generation EU funding will be used for activities related to recovery from the pandemic, establishing additional thematic calls to programmes like MSCA and ERC is not possible due to their bottom-up nature. However, we urge Next Generation EU top-up funding to be used to support those projects that are selected for funding under the normal evaluation procedures of MSCA

and ERC, and that are after their positive evaluation identified as contributing to studying the Covid-19 pandemic and its effects.

Besides this additional and targeted support for Horizon Europe, vast resources will soon become available for EU Member States to facilitate recovery in their national contexts through the Recovery and Resilience Instrument of Next Generation EU. **We encourage all Member States to earmark funding for research and innovation activities in their national recovery plans that will define how these resources are used.** Strengthening the pandemic-related research capacities and infrastructures would constitute a significant contribution to the national and European recovery from the crisis. This would also support Member States in their progress towards achieving the 3% investment goal in research and innovation, as reflected in the European Semester process.

### **3. Secure the fair and transparent allocation of the shares of associated countries within Horizon Europe**

The Guild has shown consistent support for the full association of countries such as Norway, Switzerland and the United Kingdom into Horizon Europe. As the negotiations advance, we call on the Council and European Parliament to ensure that the eventual shares paid by the Associated Countries are transparently allocated across the different programmes of Horizon Europe. **We urge the Council and the European Parliament to introduce a guideline in the Horizon Europe legislation that ensures transparency and fairness in the allocation of the shares of Associated Countries back to the programmes across Horizon Europe, so that programmes such as ERC and MSCA would not lose on their budget share as a result of the Commission's reallocation of the Associated Countries' contributions.**