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Lukewarm welcome for plan to prop up Horizon budget with €13.5B pandemic recovery money

There's more in the pot, but MEPs and research lobbies decry 'mismatch' between European Commission's revised research budget and the post-COVID-19 mountains to be scaled

By Florin Zubaşcu and Goda Naujokaitytė



Horizon Europe rapporteurs Christain Ehler (left) and Dan Nica. Photo: European Parliament

EU legislators and research stakeholders are not exactly thrilled by the European Commission's revised multiannual budget proposal, in which it pencils in €94.4 billion (in 2018 prices (https://sciencebusiness.net/framework-programmes/news/new-eu-budget-proposal-foresees-eu944-billion-horizon-europe)) for Horizon Europe.

While research organisations welcome a cash injection of €13.5 billion from the coronavirus crisis recovery fund, they lament the huge gap between the new proposal and the €120 billion requested by the European Parliament and are calling for more clarity on how the new budget will impact the content of the programme.

The complaints are many, and the commission will have a tough time selling this budget to the member states and the parliament.

Over the course of drawn out negotiations many figures have been proposed for the Horizon Europe budget. Most recently, in February European Council president Charles Michel suggested a €80.9 billion for the core programme and an additional €3.11 billion for research and innovation funded through InvestEU, a scheme meant to boost private and public investment.

The new figure presented by the commission on Wednesday, adds another €13.5 billion from the Next Generation Fund, a new €750 billion fund that is partly to be raised from taxes on carbon emissions and technology multinationals operating in Europe, and partly borrowed from financial markets.

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The two MEPs leading the Horizon Europe legislation through the parliament had slightly different takes on the proposal. But both agree the research funding does not match the commission's ambition to use scientific and technological breakthroughs as fuel for Europe's economic recovery.

German MEP Christian Ehler said the figures presented by the commission are "confusing" given the importance of R&D in kick starting economic growth. "Not having a significant increase of the European research budget is not just disappointing, it is almost suicidal - and doesn't give any credibility for their plans on recovery," said Ehler.

Romanian MEP Dan Nica said the new figure proposed by the commission is, "a step in the good direction" compared the initial figure of €80.9 billion. But he called for more clarity on how the commission intends to distribute the new money within Horizon Europe. "We still lack the details of where this money will go inside the programme," Nica said of the €13.5 billion top-up from the recovery fund.

The proposed amount "is still far" from the €120 billion the European Parliament is looking for. "I insist again that Europe will never be economically wealthy nor safe without substantial financing for its basic and applied research, and without adequate financing and coordination on the health dimension," Nica told Science | Business.

Maria da Graça Carvalho, a Portuguese MEP in charge of new legislation for the European Institute for Innovation and Technology (EIT) said she also expected a figure closer to the parliament's demand. "We can be moderately happy, but not extremely satisfied," she said.

Research associations are also largely unimpressed by the new headline figure for Horizon Europe.

The budget proposal "looks like back to square one," said Kurt Deketelaere, secretary general of the League of European Research-Intensive Universities.

"There is a mismatch between the rhetoric of the importance of investment in research and how this looks in figures," said Thomas Estermann, director for governance, funding and public policy at the European University Association.

"€94.4 billion is not a winning figure in our books," said Muriel Attané, secretary general of the European Association of Research and Technology Organisations. For her, €120 billion would be "the bare minimum to build the future that Europe needs."

Lidia Borrell-Damián, secretary general of Science Europe, said the €13.5 billion addition to the Horizon budget is a positive in a "world of compromises" however, "there is a disappointment that [the budget] isn't at least €100 billion."

Political games begin

The proposals for the next EU budget and the pandemic recovery fund are now on the table for member states to debate before forwarding them for a final vote in the parliament.

The commission hopes the budget and the recovery plan will be approved by September, opening the way for the new multiannual budget to enter into force on time, in January 2021.

The last attempt to get the budget approved failed over a two-day summit in February, just before the pandemic took hold of Europe and radically changed the EU's plans for the next seven years.

The February summit ran into a brick wall of disagreements between member states which were willing to increase their contribution to the EU budget, and those opposed the idea. The same fault line, together with new rows over how the EU should respond to the looming recession looks likely to continue stalling a deal on the budget.

Michel said the new budget proposal will be discussed by member states at a summit on 19 June and in hope of reaching an agreement before the summer break, he called on leaders to "work constructively towards a compromise."

In a departure from an unwritten convention that EU public servants refrain from engaging in political debates, the commission's director-general for research and innovation Jean-Eric Paquet called on EU heads of state to approve the proposed budget. "I urge EU leaders to reach a deal fast," Paquet said in a tweet (https://twitter.com/JEPaquetEU/status/1265640084407279616). "Cuts to [the] EU budget would prevent us from solving today's health, climate, social and economic issues."

But, even if a deal is reached by EU leaders, the parliament will have the final say. Judging by the reaction of some MEPs to the commission's budget proposal, the parliament could hold things up. "In her consultations, president von Der Leyen left the parliament completely out, which shows her poor estimation of one of the European institutions," Ehler said.

Research associations need more 'clarity'

Going beyond the headline figures and the political hurdles ahead, research bodies are calling on the commission to give more details of how the new budget proposal will change the content of the research programme, and what kind of projects will be funded through the €13.5 billion from the pandemic recovery fund.

In the multiannual budget proposal, the commission also announced a new health programme worth €9.4 billion but did not say how much of the money will be spent on research and how those projects will be coordinated with the main Horizon programme.

Deketelaere said the commission should clarify these questions "as soon as possible."