

Press Release

Multiannual Financial Framework Mid-Term Review/Revision: EARTO Members Welcome the European Parliament's Position to Safeguard R&I Funding

Brussels, 26th July 2016

Ahead of the decision regarding the mid-term review/revision of the Multiannual Financial Framework (MFF) 2014-2020, EARTO welcomes the European Parliament's [own-initiative report](#) adopted this month and calls on the Commission and the Council to support the report's proposal to safeguard Europe's research & innovation budget in the next MFFs.

In its report, the European Parliament "*regrets that the portion of the EU budget dedicated to research and innovation has often been the first to be affected by any cuts in the budget*" and demands to increase the ceiling of the competitiveness heading of the MFFs in order to compensate for the EFSI-related cuts, thus restoring funds as they were agreed before the [European Fund for Strategic Investments \(EFSI\)](#).

EARTO members support EFSI's aim to leverage private R&I investments in Europe and very much welcome the openness of the European Investment Bank (EIB) to evaluate additional possibilities for RTOs under EFSI via the [InnovFin Advisory Services](#), jointly organised by DG RTD and the EIB. While open for discussion regarding new financial tools for R&I such as investments platforms for part of their close to market activities, EARTO members will continue to advocate against any cuts to Horizon 2020, the only real pan-European R&I programme. Today, Horizon 2020 uniquely fosters the development of pan-European collaborative research & innovation, combining an array of stakeholders and disciplines. As such, its budget should be protected in the next MFFs.

EARTO Secretary General Muriel Attané said: "*Preserving and strengthening Europe's technology sovereignty will require supporting Europe's capacity to generate and transfer knowledge across actors and regions in order to innovate. This will also depend on Europe's readiness to invest in pan-European collaborative research and innovation. In today's economic and political context, Europe should make research and innovation a much stronger priority for the years to come, as one element to bring vision and stability. This should start by making R&I a key priority in its budget as advocated by the European Parliament.*"

As shown by the [FP7 ex-post evaluation report](#), EU R&I programmes are worth the investment: "*each euro spent by the European Commission on FP7 generated approximately 11 euros of estimated direct and indirect estimated effects through innovation, new technologies and products*". Investments in R&I are often considered as long term only, however, the [EARTO economic footprint study](#) estimated that in 2014 alone for every €1 invested in an RTO, €3,8 returns back to governments (this also includes investments via Horizon 2020 grants). European R&I programmes generate strong added value and support competitiveness and jobs creation in the EU already today, strengthening them should be a key priority.

Notes to Editors

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[Research and Technology Organisations](#) (RTOs) have a distinct mission and a key role in the knowledge and innovation economy: they produce, integrate and transfer science and technology to help resolve the grand challenges of society and support Europe's industrial competitiveness. RTOs occupy nodal positions within innovation eco-systems, bringing together key players across the whole innovation chain, from fundamental to technological research, from product and process development to prototyping and demonstration, and on to full-scale implementation in the public and private sectors.

[EARTO](#) is the European trade association of the research and technology organisations (RTOs), a non-profit organisation founded in 1999. EARTO groups over 350 RTOs with a combined staff of 150,000, an annual turnover of €23 billion, special equipment and facilities to a value of many € billions and more than 100,000 customers from the public and private sectors annually. [EARTO Corporate Video](#)