

## **EARTO Answer to EC Consultation on Horizon Europe Programme Strategic Planning**

21 August 2019

The crucial role of Research, Development, and Innovation (RD&I) activities to support and boost industrial leadership is now at the heart of the European Industrial Policy with the ultimate goals to benefit society. As recently stated by the EC High-Level Group [Industry 2030](#), 'Europe will build its competitive advantage on cutting-edge and breakthrough technologies, respect for our environment and biodiversity, investment in our people and smart European and global alliances'. Europe's future competitiveness and the sustainability of the European social model largely depend on RD&I. Indeed, two-thirds of the economic growth in Europe derives today from RD&I, and RD&I investments are the key drivers of the technological developments at the basis of many impactful innovations for society. Today, European Leaders and Policy Makers have the chance to define Europe's Future: delivering on our key societal challenges, boosting job creation and growth in Europe, strengthening our competitiveness for Europe to remain a strong player on the global scale.

To achieve such goals, Europe's technological capabilities will be the decisive strategic factor: investing in RD&I makes the difference. Accordingly, EARTO and its members already put forward a [key set of recommendations](#) to support the elaboration of what needs to be recognised as one of the key European policies of the future: the Horizon Europe Programme.

EARTO [welcomed](#) the European Parliament and the Council provisional agreement on the Horizon Europe legislative package. Based on this agreement, EARTO very much appreciates the timing of the European Commission's proposal for a Strategic Plan putting forward the investments' priorities in RD&I for the first four years of Horizon Europe.

To support and strengthen the EC proposal on investments' priorities in RD&I, EARTO calls on the European Parliament and the Council to:

- **Scale-up Horizon Europe's overall budget to at least €120Bn.** EARTO has [repeatedly called](#) for an increased budget for RD&I in Europe: a €120Bn budget is the minimum needed to ensure continuity, build on the successes of Horizon 2020 and scale up previous investments, while at the same time covering new activities such as a mission-oriented approach, the funding of the new Key Enabling Technologies and the creation of new public-private partnerships in crucial sectors.
- **Reinforce Europe's excellent multi-disciplinary, collaborative and applied RD&I by strengthening the budget share of Horizon Europe Pillar II to 60% of the total Horizon Europe budget, thereby promoting European Industries' competitiveness and setting it as a key objective for Horizon Europe.** The strongest aspect of the EU Framework Programme is its focus on excellence and cross-border multi-disciplinary collaboration across a variety of RD&I actors. EARTO, with the support of its industrial partners, has repeatedly called for more emphasis to be given to Pillar II ([Joint Declaration I](#), [Joint Declaration II](#)).
- **Support the continuity of public-private partnerships, as efficient instruments for excellent industry-led collaborative research in Europe and strengthen and secure the role of Key Enabling Technologies (KETs) under Pillar II.** EARTO welcomes the continuity offered by the strategic planning on [public-private partnerships](#): trust between RD&I stakeholders takes time to create and it is an indispensable element for those partnerships to be able to face today's challenges. RTOs' participation in the governance of those partnerships will ensure their connection to the relevant national and regional initiatives. Such connections will become even more important when looking at the future [European Industrial Strategic Values Chains](#).
- **Create a European Strategy on Technology Infrastructures.** EARTO very much welcomes the [European Commission Staff Working Document on Technology Infrastructures](#) and is looking forward to further developing the European Strategy towards those technology infrastructures with the EU Institutions. This would enable to support technology scale-up and uptake by companies across Europe, developing their innovation capacity and business transformation.

- **Ensure RTOs' participation in the governance of European Missions, as key actors to foster co-creation in RD&I at EU level, connecting many private and public actors together.** With the increasing complexity and interdisciplinarity of RD&I, the importance of collaboration and networks and the establishment of [hubs and ecosystems](#) at regional and national level has been growing over the last decades. With their open-innovation business model, European RTOs naturally operate in an ecosystem approach, often playing the role of orchestrators. Being themselves mission-oriented actors, RTOs will be key actors of the future European missions.
- **Implement the EIC Pathfinder instrument to support the creation and scale-up of European deep-tech start-ups.** EARTO calls on the EU institutions to further use its recommendations on [how to Exploit the Untapped Potential of RTOs' Deep-Tech Start-Ups](#) to support RTOs' technology maturation and spin-offs creation under this new programme.
- **Continue the efforts undertaken to foster the synergy of funds between Horizon Europe and INTERREG.** EARTO and European Regions [jointly called](#) upon EU Institutions to ensure that the new INTERREG Component 5 for Interregional Innovation Investments will be preserved in the next EU Multiannual Financial Framework with at least its €970M budget. In addition, EARTO very much appreciates the opening in the Horizon Europe Pillar III Part on Innovation Ecosystems to develop new joint activities with DG REGIO future Component 5. In this context, EARTO very much welcomes the advances offered by the Commission in its [targeted review of the General Block Exemption Regulation \(State aid\): extension to national funds combined with certain Union programmes](#), which will be key to enable an effective synergy of funds in the next programming period.

In addition to the Horizon Europe Strategic Plan, EARTO very much appreciates the efforts of the EU Institutions to preserve continuity in the Framework Programme's rules for participation, while further improving simplification and efficiency. EARTO is actively involved in the co-creation process to prepare Horizon Europe Model Grant Agreement, and shared key recommendations and feedback especially on [FP's financial aspects](#) and on [lump-sums' pilot experiences](#).

EARTO and its members remain of course ready to further discuss these recommendations with the European Institutions' representatives.

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#### **RTOs - Research and Technology Organisations**

*From the lab to your everyday life. RTOs innovate to improve your health and well-being, your safety and security, your mobility and connectivity. RTOs' technologies cover all scientific fields. Their work ranges from basic research to new products and services' development. RTOs are non-profit organisations with public missions to support society. To do so, they closely cooperate with industries, large and small, as well as a wide array of public actors.*

#### **EARTO - European Association of Research and Technology Organisations**

*Founded in 1999, EARTO promotes RTOs and represents their interest in Europe. EARTO network counts over 350 RTOs in more than 20 countries. EARTO members represent 150.000 highly-skilled researchers and engineers managing a wide range of innovation infrastructures.*

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