

## **EARTO Press Release: MFF: More ambition is needed for EU RD&I investments**

11 December 2019

EARTO has taken note of the preliminary [Finnish presidency proposal](#) for the next Multiannual Financial Framework (MFF) for the period 2021-2027, which will serve as basis for the European Council discussions and negotiations. As stated in its last [EARTO policy recommendations](#) and [Joint Statement with 90+ key European industrial associations](#), EARTO has repeatedly called for an MFF at the level of EU's ambitions. A future-oriented MFF requires clear and ambitious commitments to prioritise Research, Development and Innovation (RD&I) investments. This is essential to build a safer, fairer, greener, more inclusive and sustainable future for the next generations, ensuring that Europe remains a model of economic and social prosperity. Such commitment would give the right signal to boost public and private RD&I investments in Europe, thereby strengthening Europe's capabilities to stand amongst the frontrunners of the innovation race.

EARTO is concerned about the Finnish presidency's proposed limitation of the overall size of the MFF to 1.07% of the EU27 GNI (compared to 1.11% of the [EC proposal](#) and 1.3% of the [EP position](#)). This is even lower than the 1.16% of EU27 GNI of the current MFF 2014-2020 (without the UK). Such limitations would mean significant cuts to key future-oriented EU programmes. EARTO strongly supports the EP's position for an ambitious European budget that enables Europe to jointly tackle our common challenges.

Regarding the Horizon Europe's programme, the Finnish presidency's proposed figure of €84.013 billion (in 2018 prices) seems now close to the EC proposal of €86.596 billion (in 2018 prices). This shows that the voices of the EC, EP and the whole RD&I community against cuts to the Horizon Europe programme have had an impact. However, the Finnish presidency proposal does not mention if the funds earmarked for the InvestEU fund and the Euratom programme are included in that figure or not. This makes comparisons with the EC and EP proposals difficult. In any case, the Finnish proposal is far below the EP call of €120 billion (in 2018 prices), which would be the minimum needed to reach the current ambitions with high impact for the European society. EARTO strongly restates its support to the EP position and calls for a ring-fenced EU RD&I budget for the whole duration of the MFF.

EARTO is also concerned about the Finnish presidency's proposed cuts to other EU funded programmes that will be essential to the implementation, deployment and optimal (re-)use of new technologies and innovation, in complementarity with Horizon Europe. For instance, the Finnish proposal does not mention any amount to be dedicated to the new Digital Europe programme, for which the €8.192 billion (in 2018 prices) proposed by the EC would be essential to target the digitalisation of European industry. EARTO also regrets the Finnish proposed cuts for the new European Space programme (-11% compared to EC proposal) and the new Defence programme (-47%). These programmes will be essential to leverage the technologies and innovations that are reaching market maturity in areas of key public interest.

Creating concrete possibilities for effective synergies between EU funds will also be key in the next MFF, especially between EU FPs and the Cohesion Funds. EARTO very much welcomes the provision enabling Member States and regions to transfer up to 5% of their initial national allocations (e.g. Cohesion Funds) to other EU programmes (e.g. Horizon Europe), which is a key advancement in the area of joint programming and synergy of funds. EARTO also strongly supports the new Component 5 for "Interregional Innovation Investments", which requires adequate resources, at the level of the €970million proposed by the EC, to enable its envisaged impact. The Finnish presidency's proposed cuts to the Component 5 therefore need to be reversed.

EARTO can only support the [EP's strong call](#) for more ambition towards the future EU budget, which is crucial if we do not want to "condemn the European Union to failure". European Leaders now need to take the necessary decisions to build the future that Europe needs, with increased investments in EU RD&I post-2020 policies and programmes.

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**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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