

EARTO Reaction to European Parliament’s Draft Report on the Assessment of the Implementation of Horizon Europe & Recommendations for FP10

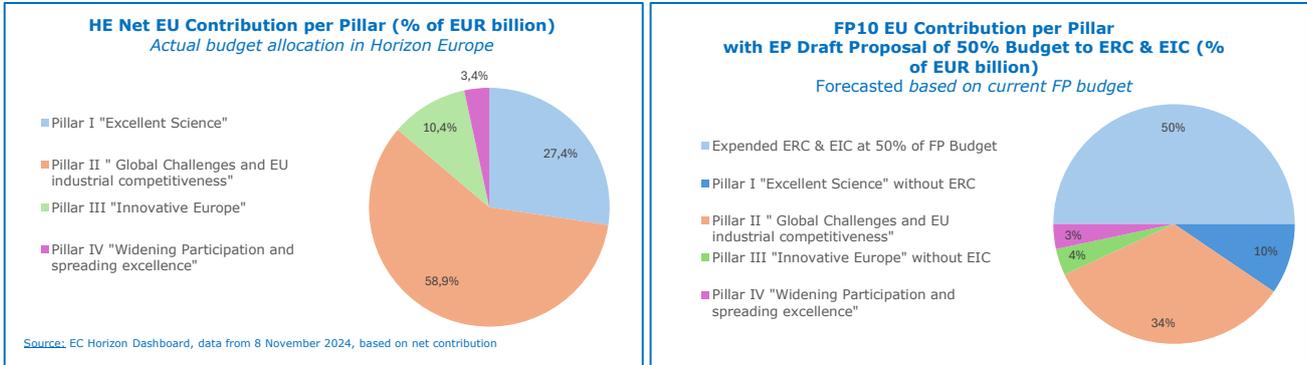
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EARTO appreciates the [draft report](#) from the European Parliament’s ITRE Committee on the implementation of Horizon Europe (HE) and the future of the next Framework Programme (FP10). The report rightly emphasises that the EU’s sustainable competitiveness and sovereignty hinges on Europe’s maintained leadership in scientific knowledge and technology development along the entire value chain of Research, Development and Innovation (RD&I).

EARTO supports the urgent need for administrative simplification, including a provisional reduction of lump-sum funding under Horizon Europe and streamlined programme management, as well as the discontinuation of missions due to significant underperformance. EARTO welcomes the recommendation for a redesigned and fit-for-purpose governance structure that is tailored to scientific, societal, and industrial needs. This structure must foster excellence, independent of short-term political agendas, leaving RD&I actors a maximum degree of freedom to work on future innovation.

FP10 must be the key instrument to put Europe at the frontier of knowledge and innovation in the global technology race. Reaching the 3% GDP spending target for RD&I in Europe requires substantially higher investments, notably through FP10.

However, the recommendation to allocate 50% of the FP10 budget to the European Research Council (ERC) and the European Innovation Council (EIC) seems arbitrary and overlooks the crucial role of pre-competitive collaborative and applied research as well as of public-private partnerships under Horizon Europe.



If the current Pillar II is complex and can be improved, nevertheless, pre-competitive collaborative research provides tangible added value and a proven track record. It is a vehicle for industry involvement, pan-European cross-border knowledge generation and exchange, and RD&I transfer from lab to fab. Pre-competitive collaborative research benefits not only single beneficiaries but a wide array of European stakeholders and finally citizens. Its added value lies in enhancing the absorptive capacities of industry, including SMEs, across various industrial sectors and value chains. Today, **Pillar II drives a substantial portion of industry participation in the FP: it accounts for 74% of overall industrial involvement in Horizon Europe, underscoring its key role in fostering competitiveness and an inclusive European RD&I ecosystem.** Additionally, increased RD&I activities lead to productivity gains, higher employment rates, and long-term growth perspectives for companies, contributing to Europe’s prosperity. In this context, European public-private partnerships (PPPs) de-risk and leverage private investments in new technologies. **Pillar II PPPs and linked RD&I projects foster close, mutually beneficial collaboration between RD&I actors and industries, which is essential for technology scale-up as much as for addressing our socio-economic challenges. To reinforce the added value of pre-competitive collaborative RD&I and European public-private partnerships, a substantial budget is a prerequisite.**

EARTO stands ready to contribute insights to reform funding instruments and to shape the future of European R&I policy together with policymakers, industry, and other research actors.