

## EARTO Reaction to President von der Leyen's Speech on Future EU RD&I Investments at the EP STOA

11 June 2025

Following the speech by [Ursula von der Leyen](#), President of the [European Commission](#), at the [European Parliament Panel for the Future of Science and Technology \(STOA\)](#) event on 4 June 2025, EARTO would like to reiterate some key aspects regarding Research, Development and Innovation (RD&I) investments to be taken on board by the European Commission in its upcoming proposal for the next Multiannual Financial Framework (MFF) from 2028 onwards.

First and foremost, we are **pleased by the announcement that the EU RD&I Framework Programme (FP10) will remain a self-standing programme anchored in the next 7-year EU budget.**

Europe urgently needs to catch up in the global technology race, particularly in public and private RD&I investments compared to the USA and China. Therefore, committing to EU technological leadership must continue to be matched by effective policies and instruments, alongside timely and adequate investments. Public investments in RD&I are crucial to alleviate market failures, as well as to stimulate private RD&I investments by lowering the risks investments present for industry. Accordingly, EARTO would like to emphasise again **two key elements to be considered in the upcoming MFF proposal:**

### 1. Unlocking Europe's potential - Achieving the 3% R&D target with €220 billion in EU RD&I investments:

**The next MFF must aim at making the 3% target of EU GDP investment in RD&I a reality. To reach this target, a minimum of €220 billion of the future EU budget must be allocated to FP10 in order to get one step closer to the 3% goal,** as recommended in the [Heitor report](#). An increased €220 billion budget for EU RD&I will play a foundational role in setting the direction and scale of ambition needed to secure Europe's long-term competitiveness and technology sovereignty, while also sending a clear signal to industry that Europe is the place to invest in RD&I. Equally important, the share of EU investments in applied RD&I will be essential for leveraging private RD&I investments, crucial complements to public ones to render the 3% target achievable.

**In addition, a roadmap to define concrete commitments by Member States and EEA EFTA countries should be the focus of the upcoming European Research Area Act.** This approach should draw inspiration from the current best practices of Member States<sup>1</sup> and EEA EFTA countries. Member States' contributions **must be clearly reflected in national reform plans** to be proposed by the European Commission in the next MFF and **monitored through a new EU RD&I Semester**, as recommended in the [Draghi report](#).

### 2. EU RD&I grants needed to reduce risk & uncertainty to stimulate private investment in Europe:

**The successful orchestration of FP10 and the new Competitiveness Fund - crucial for Europe's competitiveness, sovereignty, resilience and ability to tackle global challenges - will rely on the clear recognition and targeted support to the different stages in the lifecycle of technology and on the innovation journey. These distinct stages each require tailored financing: technology creation and maturation require RD&I grants for Europe to keep developing its own pipeline of EU technologies with its needed Technology Infrastructures and explore new fields of application,** while technology scaling-up can also be supported by a set of different financial instruments and [IPCEIs](#). Today, Horizon Europe's structure - with 60% of its budget targeting applied RD&I - reflects this pipeline covering the needed research and development, from low to higher TRLs, with dedicated investments for each RD&I stage (See our [success stories](#) of RTOs in advancing EU tech development and fostering industry as well as start-ups and scale-ups creation and RD&I ecosystems).

To secure Europe's technological sovereignty and global competitiveness, the next MFF must place RD&I at its core and ensure a proper balance between each type of RD&I investment. Achieving the 3% GDP investment target in R&D is not only a long-standing commitment - it is a strategic imperative. This requires a bold and coordinated approach: committing to a €220 billion RD&I budget for FP10 through grants, focussing investments in developing, as well as scaling-up critical technologies while ensuring in parallel that Europe has the Technology Infrastructures it needs to do so, and simplifying the financial toolbox to ensure fast, fair, and effective access.

<sup>1</sup> See the [national plan to raise R&D funding](#), State Treasury Republic of Finland, 2022.