

**EARTO Open Letter to the Members of the European Parliament
EARTO members are calling upon you to:
hold your position during the EFSI trilogue negotiations**

24 April 2015

Dear Members of the European Parliament,

On behalf of EARTO's 350 European Research & Technology Organisations (RTOs), I would like to congratulate you for the work done in the last weeks in defining your position amending the EC Draft Regulation on the European Fund for Strategic Investments¹ (EFSI).

This week, your relevant EP committees have adopted the right positions on the new EFSI plan by:

- 1. Supporting EFSI creation while also keeping the support to EU R&I activities already on-going within Horizon2020 programme.** EARTO members fully support the EC ambitions of the EFSI in terms of growth and job creation. Improving EU's innovation performance will be key for achieving these goals.
- 2. Protecting Horizon2020's planned budget, and by doing so avoiding to enter into a discussion of which parts of the programme should suffer more or less cuts.** Such division would be disastrous as it will risk pitching all the different R&I stakeholders against each other, as they fight for "their" budgets. This would be catastrophic in a context where R&I stakeholders forces should be pulled together within innovation ecosystems and value chains. Today, all R&I stakeholders should be focusing their efforts in achieving impact from Horizon2020. EU R&I stakeholders must avoid being pulled backwards, erasing years of hard work with the EU Institutions in negotiating this programme: Europe needs EU R&I stakeholders to look forward! Accordingly, **EARTO members strongly call on the EP negotiators to hold their position in avoiding cuts to Horizon2020 budget.**
- 3. Including R&I as one of the key priorities for projects to be financed under the new EFSI Funds.** As a lending tool, EFSI will only be able to be a complement to Horizon2020 grants. Loans will not answer the need of R&I activities which have to be partly publicly supported. European leaders should realise that the EU R&I model based on having programmes like Horizon2020 supporting cooperation among various R&I stakeholders, including RTOs, is being considered very seriously by Canada² and the United States³. Our model fits Europe today: our challenge is to ensure coherence and complementarity between different policies and their funding mechanisms to ensure maximum impact of policies and instruments. This is a challenge that RTOs are picking up today.

Finally, EARTO members remain open for further dialogue with EP, EC and Council to help identify alternative ways to finance EFSI. The European Parliament has already placed alternatives on the table. Member States and EC should not fear to review the Union's Multiannual Financial Framework in order to find a suitable solution. This is certainly the best way forward for Europe.

Yours sincerely,



Ms Maria Khorsand
President
EARTO

EARTO - European Association of Research and Technology Organisations

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.
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¹ [COM\(2015\) 10 final](#)

² [Canada sets up its first RTO following EU RTOs model which is driven by innovation, committed to providing leading-edge support and dedicated to building economic competitiveness](#)

³ [Obama will unveil \\$1-billion national manufacturing innovation network initiative based on Germany's Fraunhofer Institutes](#)