NETH-ER POSITION PAPER on Horizon Europe
March 2019

Key principles:
• An excellent knowledge base, to be achieved through competition and cooperation
• Cooperation, to strengthen European industry
• Impact on society through open standards

Key conditions:
• A modern knowledge-oriented budget
• A strong and coherent ‘knowledge first’ policy
Introduction

Research and innovation are key drivers of a knowledge-based society, productivity, economic growth, and new and better job opportunities. Research and innovation are two sides of the same coin and are crucial for addressing global challenges and continuously improving the quality of life. They are at the heart of an inclusive European Union and strengthen our European public values and culture, including human rights, democratic institutions and the rule of law. Investments are needed to maintain the world-class level of European science and to strengthen Europe's power to innovate.

Europe must maintain its leading role in the world. We need to further strengthen our knowledge-based society and economy by employing all our talents and other resources optimally. Therefore, the unparalleled European Framework Programme for research and innovation must rise to fulfil its full potential in the next budgetary period. Horizon Europe, the successor to Horizon 2020, must be based on the principles of excellence, cooperation and impact. To achieve that, at least 15% of the EU’s post-2020 Multiannual Financial Framework (MFF), or at least 160 billion euros, must be allocated to Horizon Europe. It is also crucial for Horizon Europe to be part of a coherent Europe-wide policy to put ‘knowledge first’, to leap towards a sustainable future. This also means that the whole MFF should be modern and knowledge-oriented, shifting funding from old policies to new needs.

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Neth-ER’s key principles and key conditions for Horizon Europe

There are three leading principles and two conditions to be met for Europe to maintain its leading role as a knowledge-based society and economy. These principles and conditions should be leading for the negotiations between the European institutions on Horizon Europe.

Key principle 1: An excellent knowledge base, to be achieved through competition and cooperation

Excellence in research should continue to be achieved through competition. Competition mobilises talents and resources and is required to build the best possible cooperative research communities. However, competition and cooperation are not goals in themselves but only means to achieve the goal of excellence.

Europe’s global leadership is partly based on its excellent scientific base. The programmes under pillar I, particularly the ERC and MSCA, have led to major scientific breakthroughs and societal impact. They also play a key role in maintaining and strengthening this leadership position. These programmes need more funding, as was also concluded in the interim evaluation of Horizon 2020.
Cooperation is key to reaping maximum benefits from competitive systems for research excellence and to ensuring the competitiveness of Europe’s industry in a globalised world. Horizon Europe can bring together actors along the entire value chain and develop world-class innovation ecosystems to optimise the benefits of Europe’s excellent knowledge base for our industries and our societies. All stakeholders in both the public and private sectors (government, industry, research and education, and civil society organisations) need to collaborate, with respect for each other’s ambitions, codes and arenas.

Innovation must be stimulated throughout the entire value chain of research and innovation, from fundamental, curiosity-driven research to applied research. Close cooperation between all actors in the innovation ecosystem should be facilitated to ensure the highest European added value. The EIC ought to be founded on these collaborative structures, bringing together research institutes, institutions of higher education, governments, organisations and companies, including SMEs. For the sake of collaboration, the focus of the EIC should be on collaborative research in the Pathfinder and thus, this part of the EIC should get at least 75% of the funding. Earmarking too much budget for SMEs should be avoided as it will make cooperation very difficult.

Key principle 2: Cooperation, to strengthen European industry
Impact on society is an important goal of Horizon Europe. Open science facilitates this engagement while also improving the generation of impact in society, e.g. by sharing data and formulating research questions. The impact of European investments in research and innovation should eventually be tangible to European citizens in the form of new products, services and solutions for recognisable challenges. This requires clear communication of the results and of the impact of Horizon Europe projects. Excellence, cooperation and impact can only bear fruit on solid financial ground and within a strong and coherent ‘knowledge first’ policy.

Neth-ER supports the ambition for missions in Horizon Europe and the Dutch knowledge community is looking forward to contributing to more elaborated plans. To avoid pressure on the clusters’ budgets and ensure coherence within the clusters, missions should be implemented through bottom-up calls within the cluster work programmes. That would mean project proposals contributing to the mission but also fitting the thematic focus of the cluster from which they are funded. The Societal Challenges and LEIT programmes have very low success rates under Horizon 2020. The Lamy Report considers this one of the most significant problems of the programme. This pillar II requires more rather than less funding, because of the missions and the earmarked budget for Fast Track to Innovation. Moreover, missions should not lead to too many projects in higher Technology and Societal Readiness Levels being funded within the clusters. All clusters need fundamental and applied research.

The Horizon Europe proposal mentions the ambition to fully integrate the Social Sciences and Humanities (SSH). However, further clarification is necessary about how this will happen. Because of their key insights into major challenges that societies currently face, it is crucial that the SSH do not only serve as a ‘helpdesk’ but work together with other domains from the start. A profound and inclusive dialogue between all actors in society is needed. Both integration of SSH in the challenges and the intrinsic value of SSH have been stressed by the Lamy group and the Mazzucato report.

Key principle 3: Impact on society through open standards
Key condition 1: A modern knowledge-oriented budget

The future of Europe needs a modern and knowledge-oriented budget. The proposed 94 billion euros for Horizon Europe is not enough to maintain the world-class level of European research, to meet grand challenges and strengthen Europe’s innovative power. 160 billion euros would be desirable given the ambitions; at least 120 billion euros is the minimum necessity for Horizon Europe, as called for by the European Parliament. This is also needed in order to ensure a success rate of at least 50% for proposals that have been evaluated as excellent. The further increase in the budget should primarily go to pillars I and II. In the Commission’s proposal, most of the budget increase for pillar II goes to the Food and Natural Resources cluster. Neth-ER argues that the budget increase for this pillar should be divided more evenly between the five clusters according to the width of their areas and potential for cross-overs.

In its Communication on the Multiannual Financial Framework (MFF) published on 2 May 2018, the Commission announced its plans to reserve 10 billion euros from the Horizon Europe budget for priorities under the Common Agricultural Policy (CAP). This will be allocated to research areas related to agriculture in the Food and Natural Resources cluster. Neth-ER strongly believes that the budget allocation for European programmes should not be part of the MFF regulation and discussions, but should be decided in the context of the programme itself. That is why Neth-ER calls for the removal of any research priorities from the MFF Communication and instead allow for a decision about priorities and the budget allocation for the different clusters in the regulation establishing Horizon Europe.
Key condition 2: Big ambitions require a bigger budget

To allow Europe to use all of its potential as a knowledge economy, as well as that of the European Research Area, the Dutch knowledge community calls for the introduction of a Europe-wide coherent ‘knowledge first’ policy that connects all efforts in relevant policy areas, programmes (including Horizon Europe) and instruments that support the research and innovation ecosystem. Coherence is needed both at EU and Member State levels. The Strategic Planning Process offers a good opportunity to take first steps towards such an integrated approach.

While scientific excellence is a cornerstone of the EU framework programmes, Neth-ER also acknowledges the importance of joining the three pillars with the aim of strengthening the European Research Area (ERA). By sharing excellence and reforming the EU research and innovation systems, research and innovation as a whole and across all of Europe will gain strength considerably. European efforts to strengthen the ERA must go hand-in-hand with increased national efforts, both public and private, to strengthen national R&I systems. National R&I communities, both public and private, will at least have to live up to the Europe 2020 promise of spending 3% of Gross Domestic Product on R&D. Neth-ER welcomes the simplification efforts in the proposal for Horizon Europe in the form of lump sums, two-stage evaluation, internal invoicing, cross-reliance on audits and acceptance of beneficiaries’ usual accounting principles. Continuation of the simplification efforts is recommended.
This paper was drafted to support EU institutions during the negotiations for the next EU Framework Programme for research and innovation, Horizon Europe.

Neth-ER is a Brussels-based association of eleven Dutch organisations working in the field of education, research and innovation. Neth-ER looks forward to help shaping the future of EU research and innovation together with European institutions, national governments and stakeholder organisations.

Neth-ER members:
KNAW - Royal Netherlands Academy of Arts and Sciences
MBO Raad - Netherlands Association of Vocational Education Colleges
NFU - Netherlands Federation of University Medical Centres
Nuffic - Netherlands Organisation for the internationalisation of education
NWO - Netherlands Organisation for Scientific Research
TNO - Netherlands Organisation for Applied Scientific Research
VH - Netherlands Association of Universities of Applied Sciences
VSNU - Association of Universities in the Netherlands

Neth-ER associated members:
ISO - Dutch National Student Association
JOB - Union of Vocational Students
LSVb - Dutch National Student Union

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ZonMw - Netherlands Organisation for Health Research and Development