The future of European Funding

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2. The way towards European Funding
3. Funding for research and key challenges
   - Underinvestment
   - Widening Participation
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National and European Funding are linked

SOME TRENDS

• Cuts in public funding
• Growth in student numbers
• Disparity in overall funding between the systems
• More performance indicators
• Demands on efficiency
• Different degrees of Autonomy
Multiannual Financial Framework 2014-2020

- Smart and Inclusive growth 47%
- Economic, social and territorial cohesion 33.9%
- Competitiveness for growth and jobs 13.1%
- Compensations 0.0%
- Administration 6.4%
- Global Europe 6.1%
- Security and citizenship 1.6%
- Sustainable growth: natural resources 38.9%
MFF 2014-2017

Heading 1a: Competitiveness for growth and jobs

- 56.6% Horizon 2020
- 9.4% Education, Training, Youth and Sport (Erasmus+)
- 1.7% Competitiveness of enterprises and SMEs (COSME)
- 0.7% Social change and Innovation (PSCI)
- 0.7% Customs, Fiscalis and Anti-Fraud
- 12.0% Connecting Europe Facility (CEF)
- 0.1% Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission
- 1.4% Decentralised agencies
- 14.7% Large Infrastructure projects (+)
- 0.8% Nuclear Safety and Decommissioning
- 0.8% Other actions and programmes
The steps towards future European Funding

- **Programmes Mid-term review**
- **FP9 proposal**
- **Other relevant programmes Erasmus+, ERDF,…**
- **EFSI**

**EU annual budgets**

- **2017**
- **2020**

**MFF 2014-2020 Mid-term review**

**MFF post 2020 ??? €**

**European Commission**

**European Parliament**

**Council of the EU**

**Stakeholders**

**Brexit**

**Financial & economic crisis**

**Security/Defense**

**Terrorism**

**Refugee crisis**

**European University Association**
Some developments to watch

• Less Europe?
  ▪ Less money at European level (Brexit, etc.)
  ▪ Higher pressure on setting priorities

• More financial instruments and tools
  ▪ More loans and equity instruments instead of grants
  ▪ Cascade funding

• More efficiency
  ▪ Budget focused on results
Added value of European Funding programmes

Mobility and research programmes are delivering high added value!

- High return on public investment
- New R&D expenditures
- Growth in GDP
- Jobs
- Collaboration
- Student and staff mobility

High effectiveness but low efficiency
Three challenges for future European funding for Research

- **Underinvestment**
  - Low success rate
  - Low cost-benefit ratio
  - High application and management costs
  - Lost opportunity
  - Impact on academic behaviour

- **Widening participation gap**

- **Lack of simplification**
## Two different ways to look at it

<table>
<thead>
<tr>
<th>Low success rates</th>
<th>European Commission</th>
<th>EUA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due to attractiveness of the programme and simplification</td>
<td>Underinvestment and national funding</td>
<td></td>
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<table>
<thead>
<tr>
<th>Widening participation</th>
<th>European Commission</th>
<th>EUA</th>
</tr>
</thead>
<tbody>
<tr>
<td>A bit more of current widening instruments + To be mainly solved by national actors</td>
<td>All actors together Integration of instruments across funding, while keeping excellence as key principle</td>
<td></td>
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</tbody>
</table>

<table>
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<tr>
<th>Simplification</th>
<th>European Commission</th>
<th>EUA</th>
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</thead>
<tbody>
<tr>
<td>In principle achieved</td>
<td>Improvements but important key issues still open</td>
<td></td>
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</table>
Research funding, success rates and participation (I)

- National funding $\uparrow$
- European funding $\downarrow$
- Public loss from participation $\leftrightarrow$
- Costs of application $\leftrightarrow$
- Success rate $\leftrightarrow$
- Universities from Austria, Belgium, Denmark, France, Germany, Netherlands, Sweden

- Attractiveness of EU programmes $\leftrightarrow$
Research funding, success rates and participation (II)

- National funding ↓
- European funding ↓
- Public loss from participation ↑
- National expectations for EU programmes ↑
- Costs of application ↑
- Attractiveness of EU programmes ↑
- Success rate ↓

Universities from Czech Republic, Ireland, Italy, Slovakia, Spain
Simplification

- Progress has been achieved with regard to several aspects to further simplify the Framework Programme

- Still several problems with red tape remain like.....
  - cost accounting
  - 62% cannot use their usual accounting practices
How to increase efficiency

• **Institutions:**
  ✓ Strategy and support to only put forward top proposals

• **National funders:**
  ✓ Calculate real costs of participation
  ✓ Fund unsuccessful top proposals (common pots)
  ✓ Support institutions in strategic development
  ✓ Sufficient Funding at national level
  ✓ Simplification at national level

• **European funders:**
  ✓ Increase Funding for grants
  ✓ Reduce costs of application:
    • 2 – stage calls
    • More guidelines and clearer description of calls, esp. with regard to impact
    • Support at application stage
  ✓ Reduce costs of participation
    • Accept nationally recognised costing methodologies and institutional management and accounting practices
What if.....

• Shifting priorities

• Less money at all levels

• Less grants and more loans
Discussion: What can you do?

• How to communicate use of research at your universities?

• How to get prepared for new developments and funding instruments?

• How to improve internal efficiency in terms of participation?

• How to better link European and national funding?

• What else?
THANK YOU!
More information, data and studies:
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