CESAER

The strong and united voice of universities
of science and technology in Europe

SUSTAINABLE FUNDING FOR UNIVERSITIES OF THE FUTURE IN EUROPE

POSITION DATED 16TH MARCH 2020

The leading universities of science and technology united within CESAER express appreciation for the ambitions communicated by the European Commission towards A Sustainable Europe by 2030, including the increasing focus on societal, economic and environmental sustainability. Research, education and innovation are pivotal for sustainable development through the creation and nurturing of European knowledge societies, with research-based universities as their beating heart.

However, we are very concerned about the current political debate on the budget from 2021 to 2027, imminent cuts to Horizon Europe and Erasmus and the lack of sustainable funding available to match these expectations, which puts universities and their foundations at risk and threatens to limit their contribution and impact on the future of Europe and beyond.

It is paramount to include sustainable funding for universities in the upcoming shaping of the European Research Area (ERA) and European Education Area (EEA) and the development of a vision 2030 on the Universities of the Future in Europe. We call upon the European and national institutions to take action in five areas: (i) benchmark against the best in the world, (ii) provide evidence and balance between competitive and non-competitive funding, (iii) expand support infrastructures for research, education and innovation, (iv) align with usual accounting practices and cover real costs, and (v) assure any demand management measures safeguard key values.

BENCHMARK AGAINST THE BEST IN THE WORLD

For Europe to show leadership in research, innovation and education, we must be on par with the best performers in the world. Despite this, we continue to see low, and even falling, funding levels - in terms of percentage of Gross Domestic Product (GDP) spending - in many EU member states and associated countries. For example, data from the EUA Public Funding Observatory show that many countries invested less in Research and Innovation (R&I) in 2018 than in 2008. While there was a target of 3% of GDP for R&I agreed in the Europe 2020 strategy, 24 out of 28 countries still fall short. In higher education, a similar benchmark target is still lacking.

- We call for the establishment of enforceable percentage of GDP targets for both (i) R&I, and (ii) Higher Education (HE), in line with the best performers in the world.
- We call for the formal inclusion of percentage of GDP targets for R&I and HE in the European Semester to monitor progress in these areas, and for EU institutions to effectuate progress towards both of these targets.

PROVIDE EVIDENCE AND BALANCE BETWEEN COMPETITIVE AND NON-COMPETITIVE FUNDING

In some regions, there is a shift towards increasing competitive funding streams at the expense of non-competitive funding streams such as direct public (block) funding. Acknowledging that competitive funding may help boost scientific excellence, we warn that if the proportion of non-competitive funding streams becomes too low, this creates instability, reduces institutional autonomy and hinders the capacity of universities for longer-term strategy and planning. While the EUA Public Funding Observatory provides some valuable information and insight in this area, we lack an effective approach to tackle this problem.

To facilitate sound debate and good policy-making at the regional, national and European levels, we need to establish a broad and robust evidence base ensuring transparency and clarity in the different levels, and proportions of competitive versus non-competitive funding available to universities across Europe.

- We urge the European and national institutions to establish a broad and robust evidence-base on funding levels and allocation models together with universities and their networks, building on the EUA Public Funding Observatory.
- We call upon the European and national institutions to engage with universities and their networks and agree upon a balance between competitive and non-competitve funding assuring sustainable funding for universities.

EXPAND SUPPORT INFRASTRUCTURES FOR RESEARCH, EDUCATION AND INNOVATION

European added value is created from synergies, by bringing together the best expertise, skills, competences, tools and approaches across disciplines and national boundaries. State-of-the-art infrastructures for research, education and innovation is fundamental to stay at the forefront of science and technology. Ensuring continued affordable access to state-of-the-art infrastructures is vital for European knowledge societies.

- We call on the European institutions to safeguard and expand support for European infrastructures for research, education and innovation as an integral part of the EU Framework Programme for Research and Innovation.
- We recall that universities are engines for excellence, talent and innovation and need to be acknowledged as preferred partners in and of infrastructures.

ALIGN WITH USUAL ACCOUNTING PRACTICES AND COVER REAL COSTS

For universities, many EU funding instruments do not fully cover real costs, even when they are intended to cover 100% of costs. Hidden co-funding forces universities to divert funds from other sources. A substantial part of the problem is the complexity and obscurity of rules, causing problems for universities in cost reporting and cost coverage, such as in personnel costs.

To solve this problem, we need to establish a culture of trust and base the calculation of costs on usual accounting practices. We agree with the partial general approach on the recitals as adopted by the Competitiveness Council on 29th November 2019, specifically recital 47 stating "the Programme should provide the basis for a wider acceptance of the usual cost accounting practices of the beneficiaries".

- We fully support the inputs from EUA and EARTO and call upon EU institutions to mitigate the complexity of rules, to ensure alignment with beneficiaries' usual accounting practices and to proceed with simplification for the beneficiaries following the three principles outlined by EUA:
  i. Continuity with the existing best practice rules for participation, capitalising on beneficiaries' prior knowledge of such rules and building on prior simplification progress;
  ii. Consistency in the robust implementation of all legally foreseen provisions for a more impactful simplification, especially those securing a broader acceptance of national and institutional accounting practices throughout the Framework Programme;
  iii. Variety of alternative funding, reporting and auditing models that can be selected by beneficiaries according to their specific interests and situations.

ASSURE ANY DEMAND MANAGEMENT MEASURES SAFEGUARD KEY VALUES

Many EU funding instruments for R&I suffer from being underfunded. For example, the then President of the European Research Council (ERC) Jean-Pierre Bourguignon said last year: "I have one major regret. It concerns the large number of truly excellent proposals the ERC cannot fund every year. Since the start of Horizon 2020 in 2014, each year between 350 to 630 projects considered excellent by ERC panels could not be funded because of insufficient funds. This is a terrible waste of potential and energy for Europe as we are likely to miss some great ideas. Note also that this leads to wasting the hard work that went into preparing the proposals and evaluating them!" Bourguignon goes on to say that a success rate of at least 15% would be needed to cover most of the unfunded top-rated proposals. A range of EU funding instruments are below such a rate.

The main solution to this significant problem is to raise the funding levels so that they are on par with the best performers, as stated. Moreover, demand management procedures can be of value, if applied correctly. These types of procedures can be of benefit to universities, if they ensure low administrative burdens and low levels of wasted efforts. But if applied incorrectly, demand management procedures will be detrimental and risk compromising on fundamental values.

We caution against an undue focus on narrow metrics, and endorse initiatives such as the Leiden Manifesto and the Declaration on Research Assessment. This is especially important for early-stage researchers, as we describe in our recent white paper. Additionally, we further caution against increasing administrative burdens for universities. We further recall our recent declaration and white paper where we emphasise the importance of safeguarding equality, diversity and inclusion for promoting excellence in all aspects of research, education and innovation.

Specific examples of demand management procedures which have been discussed include: (i) narrowing eligibility criteria, including limiting resubmissions; (ii) multiple-step evaluation procedures, with detailed applications submitted only after passing screening; (iii) partial randomisation procedures; and (iv) limiting the scope of calls and topics.

- We urge research funding organisations to assure that any demand management measures safeguard key values of European knowledge societies.
- Before considering which, if any, demand management procedures to deploy, they must comply with the following criteria: (i) focus on excellence; (ii) transparent and clear evaluation criteria and procedures; (iii) useful evaluation feedback to applicants; and (iv) balance in qualitative and quantitative evaluation approaches.
- We urge the European and national institutions to establish a broad and solid evidence-base on demand management procedures and their effects (intended and unintended), by working together with universities and their networks.

For more information, please contact our Advisor for Research & Innovation Mattias Björnmalm.

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CESAER is the European association of leading specialised and comprehensive universities of science and technology that: champion excellence in higher education, training, research and innovation; influence debate; contribute to the realisation of open knowledge societies; and, deliver significant scientific, social, economic, and societal impact.