

EUROTECH UNIVERSITIES ALLIANCE STATEMENT ON EUROPEAN COMMISSION'S EFSI PROPOSAL:

FEBRUARY 2015

CLEAR EVIDENCE IS NEEDED THAT EFSI WILL NOT DAMAGE EUROPEAN RESEARCH AND INNOVATION

The EuroTech Universities Alliance welcomes the European Fund for Strategic Investment proposal's overall aim to create jobs by mobilizing public and private investment in the real economy. With their primary mission of educating and training the scientists, engineers and entrepreneurs of tomorrow, the EuroTech Universities recognize the huge importance of providing attractive career opportunities in Europe for this precious human capital.

The EuroTech Universities Alliance regrets that the Commission proposes to fund a significant part of EFSI by transfer of resources allocated to HORIZON 2020. It also calls for a clear explanation of the rationale underlying the proposed distribution of the cuts across different parts of H2020. The EuroTech Universities Alliance is particularly concerned that research and innovation activities which address the grand societal challenges are especially penalized - activities with the double dividend of directly serving European society while promoting economic growth.

The highly disproportionate reduction in the EIT budget is of particular concern. The inevitable perception that politics rather than substantive factors are at play in relation to the EIT is damaging stakeholders' much needed confidence in the future development of this unique European experiment.

The Commission's proposal justifies the reduction of 3.5% in the H2020 budget by promising that the overall investment in innovation mobilized by the EU budget "[...] will be higher than with H2020 only." Putting aside the highly optimistic assumption of EFSI leveraging 20 times the EU institutions' contribution, the Commission's proposal fails to provide any indication that this promise would be tested and how such evidence-based test(s) would be carried out. Furthermore, the promise is given only in terms of "financial effect", without making any reference to 'impact' (e.g. societal impact).

The EuroTech Universities Alliance welcomes the Commission proposal's focus on providing increased access to financing for SMEs. This access should certainly include university start-ups which are essential drivers of a vibrant and globally competitive SME sector in Europe.

While welcoming the priority given to supporting the development of infrastructures, the EuroTech Universities Alliance notes that the examples provided by the Commission do not include 'knowledge' infrastructures. The Alliance considers that the latter are essential to one of the three key criteria of EFSI, notably European added value and contribution to Europe 2020 policy priorities in relation to climate, energy etc. The need for promoting knowledge infrastructures within EFSI is further reinforced by the proposed reduction of 4.3% in the budget of the "Infrastructures" sub-pillar of H2020.

It is noted that investment supporting education, research and innovation are explicitly highlighted in the Commission proposal's general objectives. For eventual EFSI projects supporting these objectives the expertise and capabilities of Europe's educators, researchers, engineers and entrepreneurs must be fully harnessed across all stages of the projects' cycles. The EuroTech Universities Alliance therefore



calls on the Parliament and Council to ensure that robust and transparent mechanisms to this end are fully integrated within EFSI. In addition to enhancing these projects' success, this will also help to reassure stakeholders and citizens alike that the future of Europe's research is safe in its leaders' hands.

About the EuroTech Universities Alliance:

The EuroTech Universities Alliance is a strategic partnership of four leading universities of science and technology in Europe: DTU (Technical University of Denmark), EPFL (École Polytechnique Fédérale de Lausanne), TU/e (Eindhoven University of Technology) and TUM (Technische Universität München). Together the EuroTech Universities are committed to finding technical solutions which address the major challenges of modern society. Their intensive collaboration across research, education and innovation support the EU's goals of smart, sustainable and inclusive growth.

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