

**Horizon Europe:**  
EUA analysis of the  
European Commission  
proposal

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# Horizon Europe: EUA analysis of the European Commission proposal

The European University Association (EUA) welcomes the European Commission's proposal for the next Framework Programme for Research and Innovation (Horizon Europe). The Association is pleased to see that many of its proposals and suggestions from previous positions have been taken up. However, there are several areas that deserve further reflection.

The present document is EUA's detailed reaction to the proposal. It is divided into two parts: one that presents European universities' response to the underlying principles and the structure of Horizon Europe; and one that highlights the Association's stance on the Rules for Participation.

As successful implementation of the Programme hinges on a timely approval, EUA calls on the European Commission, the Council of the EU and the European Parliament to take notice of the following points and to reach an agreement on the next Multiannual Financial Framework and Horizon Europe ahead of the European elections in May 2019. This will ensure continuity with Horizon 2020 and proper preparation of its successor Programme.

Generally speaking, EUA wishes to highlight the following main points concerning the European Commission's proposal:

- **Investing in research and innovation**

The proposed increase to €100 billion for Horizon Europe is a step in the right direction, however it does not match the ambitious goals assigned to the programme. €160 billion is needed to address all components of fundamental science, particularly for the successful European Research Council and for the Marie Skłodowska-Curie Actions which have proven to be crucial in spreading excellence across Europe. In a related note, Open Science is set to gain ground under the Commission's proposal. EUA welcomes the strong policy stance of making it mandatory and calls for the opt-out rules to be used sparingly.

- **Minimising discrepancies across the EU**

Horizon Europe will dedicate more means to strengthening the European Research Area through a new, reshaped set of actions that should contribute to reducing the participation gap. Nevertheless, supportive frameworks both at the national and European levels are needed to address this issue efficiently. This includes lowering risks to participation, enhanced consistency in the interpretation of rules, and broader acceptance of the accounting practices of beneficiaries. The possibility for member states to finance the Seal of Excellence via European Structural and Investment Funds will also contribute to this objective.

- **Aligning EU policies for education, research and innovation**

Human talent as the fundamental driver for research and innovation must be bolstered across all pillars of Horizon Europe. In addition, further alignment between EU funding programmes, rules and policies, in particular with Erasmus+ and the European Structural and Investment Funds, is paramount to enhancing the multifarious contribution of the university sector to societal welfare and economic competitiveness across Europe. Increasing the linkages between education, research and innovation will put universities at the centre of the knowledge triangle leading to breakthrough innovation, high-level employment opportunities and numerous other spill over effects in the economy and society.

In this context, EUA calls on national and EU policy makers to pay special attention to the recommendations provided in both the "[LAB-FAB-APP](#)" and "[Mission-Oriented Research & Innovation in the European Union](#)" reports to finalise the design of Horizon Europe.

### **Horizon Europe budget**

At €100 billion, the proposed budget for Horizon Europe opens the door to addressing the efficiency issue that plagues Horizon 2020 and its record-low success rates. However, the increase is not ambitious enough to meet the combined objectives of an improved average success rate, enhanced funding for innovation and resourcing large-scale "missions", among others. EUA calls on the European Parliament and the member states to back a full-scale doubling of the current budget to €160 billion in order to deliver efficiently on the declared ambitions.

EUA welcomes more funds for fundamental research, with an increase to the European Research Council that is in line with the overall increase of funds to the programme. However, the Association is concerned about the limited increase in funds (+10%) allocated to the Marie Skłodowska-Curie Actions, despite their crucial contribution to structuring the European Research Area. Research excellence embodied by these instruments requires more funding. This is necessary if Horizon Europe is to support the entire research and innovation chain.

The funding increase dedicated to strengthening the European Research Area is also welcomed. European universities are pleased to see that the European Commission is reinforcing its efforts to minimise discrepancies across Europe by spreading excellence. In this context, it is important to recall that sufficient investment and supportive frameworks at the national level are also needed to close the R&I divide across and within member states.

## **Part I: The structure of Horizon Europe**

### *Overarching principles*

#### **1. Towards a knowledge-based learning society**

EUA fully subscribes to the need of developing a knowledge-based learning society in Europe and universities are willing to play their part. One should not, however, limit this to establishing an entrepreneurial society as proposed in the May 2018 European Commission Communication on “a renewed agenda for R&I.” EUA has outlined that the European university sector plays a key role in regional innovation ecosystems going beyond marketable products, including, most importantly, innovation in education, culture and social welfare (1\*). In addition, universities are increasingly reorganising their research around interdisciplinary challenges (2). Current research, for example in the field of energy, often takes a broad collaborative and interdisciplinary approach (3). The European university sector contributes to sustainable development through research and innovation, facilitating economic growth, welfare and the empowerment of citizens, as well as the protection of the environment.

#### **2. A civilian programme for the benefit of society**

EUA is pleased that Horizon Europe will remain a civilian programme. This will maximise the societal benefits of its R&I activities. The European Defence Fund, which is to be established separately, must receive fresh funds. The Association recommends that its rules of participation be simple, clear, transparent and broad. Defence research needs to accommodate a variety of stakeholders. It must not be limited to the defence industry only. Synergies between Horizon Europe and the European Defence Fund must be based on strict dual-use research and technology. Europe should make clear efforts in fostering peace through diplomacy, particularly science diplomacy, in the context of Horizon Europe.

#### **3. More transparency in strategic programming**

European universities applaud the efforts towards more transparency and openness through the co-creation of a strategic R&I Plan with member states, stakeholders and citizens. This will increase the societal acceptance and relevance of the R&I activities pursued under Horizon Europe, as EUA has highlighted in the past (2).

#### **4. Flexible and accountable programming**

The dynamic approach to programming in Horizon Europe as set out in Article 9.3 of the Commission proposal is welcomed. This allows for the shifting of up to 10% in the annual budgetary procedure within and across pillars. Exceptions are provided only for the Joint Research Centre and the transversal pillar on strengthening the European Research Area. This safeguard should also be applied to Pillar 1 of Horizon Europe. By limiting budget shifts to Pillars 2 and 3, the programme will be sufficiently responsive to fast-paced societal, political and scientific developments. In general, the use of this article should be cautious and strictly limited to emerging large-scale crises, especially of humanitarian or epidemiological nature.

*\*References to previous EUA statements are indicated in brackets in the text.*

## 5. Novel forms of performance monitoring and evaluation

EUA gladly observes that its key recommendation to move towards more sophisticated models of impact analysis has been taken up through the introduction of impact pathways in Horizon Europe (4). These will notably include qualitative and quantitative information. In addition, EUA suggests developing indicators to capture the innovation possibilities and potential of research outcomes as an element of impact analysis in Horizon Europe (5).

## 6. Increasing synergies across EU funding programmes

European universities support the efforts of the European Commission to increase synergies between Horizon Europe and the European Structural and Investment Funds (ESIF) with an increased focus on Smart Specialisation strategies and regional innovation ecosystems. As argued in past statements, a bold step would consist in ring-fencing funds within ESIF to invest in more excellent Horizon Europe proposals with participation from less-represented countries or regions (5, 6). EUA calls on member states and the European Parliament to take up this suggestion.

The Association also positively notes new synergies with the European Social Fund Plus (ESF+) to expand the update and implementation of new and innovative curricula based on Horizon Europe projects. This measure will effectively increase linkages between research, innovation and education, thus strengthening Europe's human talent base, which is a fundamental driver in the creation of jobs and growth.

Synergies with the future Erasmus programme are equally important and can be useful in supporting closer links between education, research and innovation, such as through the networks of "European Universities" as included in the Commission's Erasmus proposal.

In line with the overall objective of further simplification, increasing synergies and better connecting various EU funding instruments should, however, not lead to increased complexity for beneficiaries and applicants.

## 7. Integrating social sciences and humanities disciplines and intensifying multidisciplinary

EUA welcomes the integration of social sciences and humanities (SSH) across all thematic clusters and missions of Pillar 2 as their expertise is crucial in addressing global challenges, such as energy, climate change and health. It is, however, also pivotal to fully recognise the importance of SSH scientific areas in other parts of Horizon Europe. Achieving the general objectives of Horizon Europe will require not only the knowledge from STEM disciplines, but also a deep understanding of human and societal aspects. This will require, in many cases, approaches rooted in the SSH disciplines, which are not adjuncts to scientific and technological advances.

The Association reminds the European Commission, member states and European Parliament that more efforts are needed in intensifying multidisciplinary in the next Framework Programme. The latest data from the European Commission demonstrates that the integration of SSH disciplines in the current Framework Programme has decreased quantitatively since 2014-2015 and is also qualitatively highly uneven across Horizon 2020. EUA has suggested several measures, such as providing clearer outlines of the general components of multidisciplinary in projects and describing requirements for multidisciplinary research in a user-friendly way. Moreover, SSH experts should be involved

in all phases of the programming process, including problem formulation, work programme drafting and topic design. Disciplinary mobility should also be fostered through calls for personnel involving training in areas different from that of their expertise. Evaluation panels need to include reviewers with broad multidisciplinary experience (5).

## **8. Fostering Open Science and a renewed agenda for R&I in Europe**

European universities support the ambitions of the European Commission in fostering Open Science in Europe. As the Association underlined in previous statements, it will be crucial to embed Open Science in all parts of Horizon Europe, including measures to support a more competitive environment in the scientific publishing market. It will also be key to strengthen mandatory policies for depositing outputs in repositories and databases, as well as accept project expenses for good practice in research data management as eligible costs – for example, making data “Findable, Accessible, Interoperable, and Re-usable” (FAIR) (5, 7). Coherent and harmonised legal frameworks based on Open Science principles, recognising the specific needs of different research fields and respecting the freedom of researchers to publish in their preferred journals are important elements in this context (7, 8).

An Open Science label for higher education could have the potential to help universities in their transition towards more openness in their research, teaching and recruitment activities. It could provide incentives for further institutional development of universities across Europe. EUA notes that the criteria for institutions to be awarded this label should be clearly and comprehensively defined by the European Commission in collaboration with stakeholders. Associating the label with meaningful rewards or incentives should also be taken into account for this initiative to gain traction. The label promises to increase trust in science and its empirical findings in an era of populism and fake news. Its implementation should not enlarge the administrative burden for beneficiaries and its alignment with other initiatives, such as the Human Resources Strategy for Researchers, should be explored. EUA calls on the European Commission, member states and the European Parliament to organise a broad dialogue with stakeholders to agree on the most effective instruments, dimensions and criteria, for example through the Open Science Policy Platform (OSPP) and similar fora.

## **9. Extending international cooperation**

As universities and their researchers normally establish links with regional, national and international partners, EUA welcomes the possibility of association of third countries from across the globe, including the UK. This measure corresponds well to the global reality of university cooperation. Open Science policies and emphasis on the exploitation of results in the EU are significant in strengthening the R&I capacities in Europe’s regions and member states.

## **10. Rationalising the partnership landscape**

EUA welcomes the rationalisation of the partnership landscape to three intervention modes of a) co-programming, b) co-funding, and, c) institutionalised partnerships as an element of a simplified and more efficient programme structure. To promote broad participation, it will be of utmost importance to provide simple and equitable access to all types of research performing organisations.

## *The Pillars*

### **1. Pillar 1: Open Science**

European universities are pleased with the fact that the activities under Pillar 1: “Open Science” should be developed based only on “the needs and opportunities of science” and that the scientific community at large should be deeply involved in setting the research agenda in Europe for 2021-2027. To avoid confusion with the overall, cross-cutting policy objective of Open Science, EUA recommends changing the name of Pillar 1 to “Open and Excellent Science”.

EUA welcomes the ongoing importance of the European Research Council (ERC) in Horizon Europe and the continuing emphasis on fundamental research. The Association is also pleased with the long-term funding perspective of the ERC, which is in line with recommendations from Europe’s universities (5).

Moreover, European universities are pleased with the EU’s acknowledgement and continuing efforts in ensuring that excellence is at the core of EU research funding and that the focus of the ERC remains in generating scientific impact. This is the basis for other types of impact, namely socio-economic or technological, which in turn drive entrepreneurship.

EUA further notes that it is important to better leverage the research talent in all member states, particularly in those that are less research-intensive. Engaging their researchers is critical to minimising discrepancies across the EU, as EUA has noted in the past (5, 6, 9).

In Horizon Europe, the Marie Skłodowska-Curie Actions (MSCA) will continue to be an important activity in upskilling researchers and strengthening the quality of human capital. Stronger linkages with the European Research Area (ERA) will also contribute to strengthening the quality and competitiveness of Europe’s research system. This is an ambition that EUA welcomes. It is, however, important to match this approach with appropriate levels of funding. The current budget proposal for MSCA is too low to fulfil Europe’s ambitions. More investment is needed to better leverage the potential of researchers’ talent and skills.

EUA also considers it is critical to enhance synergies between MSCA and other programmes and instruments, namely Erasmus+ and ESF+. Aligning policies for education, research and innovation will strengthen Europe’s talent base and increase the global attractiveness of the European Research Area (5).

The proposal for Horizon Europe gives consideration to the importance of open and accessible physical and e-infrastructures. In this respect, the European Open Science Cloud (EOSC) should provide researchers with access to data generated and collected by other research infrastructures in Europe. EUA has previously welcomed the EOSC and its important role in Horizon Europe (5, 7, 10).

Finally, it is crucial that researchers, namely doctoral candidates, have simple and equitable access to both physical and e-infrastructures for research and to related networks and their services. Usage of research infrastructures by early-career researchers will be an important dimension in ensuring the scientific relevance of research output across Europe.

## 2. Pillar 2: Global Challenges and Industrial Competitiveness

European universities are pleased that Pillar 2 will aim at tackling global challenges articulated in the Sustainable Development Goals. The Association calls, however, for innovative ways of approaching these challenges by ensuring interdisciplinarity and cross-sectoral collaboration. They are highly interconnected and thus cannot be solved by a single discipline.

Addressing global challenges through achievable missions programmed within Pillar 2 will help Europe deliver on strategic policy priorities. It will also foster widespread support for core European values such as equity and solidarity. European universities have an essential role to play in achieving missions since they are highly-responsive to societal needs. They educate and supply creative and skilful people to all sectors of the economy and perform ground-breaking research. This promises or leads to disruptive innovation that requires disciplinary expertise as its foundation. This potential will be fully unleashed only when a number of framework conditions are met.

EUA therefore calls for the following conditions in designing and implementing the missions (2):

- Missions should be based on an approach driven by research excellence in order to create a level playing field across countries and sectors. Such missions will decrease fragmentation and further strengthen links within the R&I landscape in Europe.
- Missions require involving a broad and diverse range of stakeholders within and beyond the R&I community. However, the pre-requisite for success is their willingness to engage in dialogue based on mutual trust, transparency of actions and open mindsets.
- Missions boards responsible for co-designing the missions and steering their implementation processes should consist of various institutional and sectoral actors, including meaningful representation from universities and research institutions.
- The portfolio of interlinked projects within missions should range in scale from large to small and should be collaborative, flexible and dynamic to bring about innovative change on specific targets.
- It will also be necessary to involve citizens in selecting and solving missions to maximise societal benefits in the long term.
- Clear, transparent and dynamic evaluation must take place to ensure that projects are on track in fulfilling the goals set in the overall architecture of the mission.

EUA recommends that the Commission, the European Parliament and the Council of the EU reflect on all these conditions in Horizon Europe programme.

## 3. Pillar 3: Open Innovation

Placing the European Innovation Council (EIC) as the main instrument in Pillar 3 is appreciated by European universities, as is the proposal to include researchers amongst the members of its board. The Association points out that senior researchers with broad leadership experience in universities are suitable candidates who can offer a comprehensive view of the development of the R&I landscape.

The proposed Pathfinder instrument for advanced research seems to be a step in the right direction. EUA reminds the European Commission, member states and the European Parliament that turning the EIC into a long-term success requires more measures to strengthen the links between education, research and innovation. EUA considers that the EIC should foster mutual exchange of personnel between industry and academia. It should learn from existing good university practices in collaborative research with private companies and consider successful instruments on the national level. In addition, the EIC should support existing initiatives on university campuses that offer opportunities for students to develop their innovative ideas with guidance from professors and entrepreneurs (12). EIC Fellowships and Challenges could become important instruments in this regard, as long as they are embracing a broad range of beneficiaries from entrepreneurial students and early-career researchers, to senior scientists and citizens. These measures will help unlock the considerable innovation potential residing in European universities.

The allocation of grants and equity- or guarantee-based financial products in the proposed Accelerator instrument should be based on clear and transparent Key Performance Indicators. The scope of beneficiaries also needs further clarification as this instrument should not have market-distorting effects, nor crowd out private investors in an area where engagement by public authorities should be limited to necessary minimal interventions.

EUA observes that the European Institute of Innovation and Technology (EIT) and its Knowledge and Innovation Communities (KICs) will receive reinforced support for promoting innovation ecosystems and fostering entrepreneurial learning and skills. The EIT should then be able to continue its role in strengthening the knowledge triangle. In this regard, it will be crucial to improve access to KIC actions for a wider range of participants. Links with the EIC should be well established and clarified.

#### **4. Strengthening the European Research Area**

EUA welcomes the inclusion of a transversal programme section to strengthen the European Research Area (ERA) and its five key priorities, namely more effective national research systems; optimal transnational cooperation and competition; an open labour market for researchers; gender equality and gender mainstreaming in research; and, optimal circulation and transfer of scientific knowledge. The section echoes the March 2017 call from the major founding members of the ERA Stakeholder Organisations (ERA SHO) Platform, which provided new momentum for the ERA through stronger branding; more integration; more ambitious priorities; and more openness. It also reflects the December 2017 Council conclusions “from the interim evaluation of Horizon 2020 towards the 9th FP”. In taking these statements to the next level, it will be critical to improve the interaction among pan-European stakeholders represented in the ERA SHO Platform and bodies comprising representatives from national governments, particularly the European Research and Innovation Committee (ERAC).

In order to reinforce collaboration and minimise discrepancies across the ERA, EUA welcomes a strong focus on collaborative research by excellent consortia from high- and less-performing regions. The Association further insists on the need to provide sufficient funding and to increase the average country success rates; to explore possibilities to mitigate the risks of evaluation biases, for example through blind evaluation techniques; and, to provide supplementary funds for the engagement of emerging excellent researchers from

less research-intensive member states in successful collaborative research teams leading Horizon Europe projects (5). A coherent frame for previously existing schemes and new initiatives that have been brought together in this transversal pillar should also be ensured.

Moreover, the Association supports the efforts of the European Commission in policy reform at the national level through the Policy Support Facility. As shown by EUA Autonomy Scorecard data, supportive frameworks for universities and research based on autonomy and governance reforms can improve the performance capacity of universities.

## **Part II: EUA's response to the Horizon Europe Rules for Participation**

The Association welcomes steps taken to improve the programme's Rules for Participation and is pleased that several of its recommendations have been taken onboard by the European Commission (13). At the same time, EUA notes that many intentions expressed in the document will be further developed in the Model Grant Agreement (MGA) and their impact will depend on the actual implementation. Trust should not only guide the fundamental principles of FP9, but also find its practical application in the implementation. Embracing a trust-based approach towards participants would help improve the alignment between EU funding requirements and institutional financial management systems. It would also lead to a decrease in the corresponding risk of errors and would acknowledge the diversity of beneficiaries and actions. The following recommendations are based on these principles.

### **1. Participation costs remain high, challenging sustainability**

European universities welcome the fact that a 100% co-financing rate for total eligible costs incurred by research projects is retained. However, a 25% flat rate for indirect costs provides only minimum support given that in many cases the full indirect costs can be significantly higher. In a difficult economic context for universities, this level of indirect cost coverage remains challenging for the financial sustainability of some institutions (5). It can also be a barrier to participation, especially for less funded institutions in Europe. In this context, EUA calls on member states to provide sufficient and sustainable national public funding for research, education and innovation, which is paramount to support the participation of universities in Horizon Europe and enable them to co-fund FP projects.

### **2. Evolution over revolution: opening up funding and reporting options**

EUA subscribes to the approach retained by the European Commission to favour an "evolution" rather than a "revolution" principle to the Rules for Participation. Indeed, costly processes have been set up by beneficiaries to abide by the rules under Horizon 2020. Therefore, adaptation leading to a reduced administrative burden is recommended over an overall change in the rules (14). Beneficiaries should be able to choose from different funding instruments and cost reporting options, allowing them to continue using successful Horizon 2020 procedures where appropriate. New forms of funding should reduce the administrative burden, ensure fair competition and accessibility, and come with clear guidance on using the relevant schemes.

### **3. Broadening the acceptance of institutional accounting practices**

The Association welcomes the Commission effort to move towards the acceptance of institutional accounting practices with the latest improvements for internal invoicing. However, bolder steps are necessary in this direction and the acceptance of institutional accounting procedures needs to become a reality. To have a significant impact, simplification measures must address the mismatch between national and EU cost reporting requirements, which is a main source of complexity and error (4, 13).

Universities are established institutions with professional financial management procedures that are regulated and audited at the national level. This was previously acknowledged for example with the possibility in FP7 to certify institutional cost accounting methodologies, an option that nevertheless failed to convince beneficiaries due to the attached excessively burdensome requirements. A new approach is therefore needed, which broadens the acceptance of the beneficiaries' practices in an operational way.

An adequate and functional certification procedure of institutional practices available from the beginning of the programme could greatly reduce the burden for both beneficiaries and the Commission services.

Another option that could lead to significant simplification is the acceptance of national accounting methodologies developed by the university sector and recognised by national regulators and research funders. This would guarantee greater transparency, limit errors and create a positive signal for other countries to develop such common approaches.

As a minimum step for further simplification, provisions related to the greater acceptance of beneficiaries' practices with regard to personnel costs through project-based remuneration should be specified in greater detail in the Rules for Participation rather than left to be defined in the subsequently developed Model Grant Agreement (13, 14).

EUA further recommends that options include the possibility of claiming reimbursement based on real actual costs.

### **4. Cross-reliance on audits: Moving towards a framework for trust**

European universities are pleased with the introduction of the principle of wider cross-reliance on audits and assessment across different Union programmes. Overall, this has the potential to reduce the administrative burden and its related costs on beneficiaries. EUA welcomes this approach as a signal of improved trust towards beneficiaries by moving control from ex post to ex ante and recommends that this procedure be made available for all participants. Examples of similar auditing procedures are already available in EU countries. In Ireland, for example, auditors check and rate beneficiaries' control systems and focus their audits only on the institutions with lower performances. In Austria an ex-ante control of the beneficiaries' systems replaces ex-post controls.

In this context, EUA highlights the importance of clarifying the scope of the above-mentioned measures and recommends expanding the certification of processes to the reporting stages, as well as from a project-based perspective, to the broader certification of the institutional accounting methodology.

## 5. High financial risks and barriers of participation in Horizon Europe

Participation comes with substantial financial risks for beneficiaries. The right of the EU funder to terminate an action “where expected results have lost their relevance for the Union due to scientific, technological or economic reasons” raises questions in this regard. It is unclear what kind of specific evidence will be used to justify the termination of an action, and the consequences this would have on the different parties engaged.

Furthermore, the risk of systemic errors at the cost accounting and reporting stages remains quite high and penalties may not be adequate ways to address this issue. Instead, EUA recommends that Horizon Europe include an effective framework for a broader acceptance of national and institutional accounting practices (13, 14), as indicated above. This framework should be supported by measures to enhance the financial management capacity of both newcomers and returning beneficiaries to limit the risk of error and avoid any subsequent penalties or corrections. In this respect, the Association welcomes the Commission’s step-by-step guidance on personnel costs (SyGMA Wizard) and reiterates the need for regular training opportunities, coherent interpretation and efficient and instructive feedback loops.

## 6. Simplification and the participation gap

EUA notes that the Commission proposes to abolish the so-called “additional remuneration” scheme and align rules for project-based remuneration with the respective national provisions. EUA has shown that the scheme available under Horizon 2020 has not delivered the envisaged effects on the participation gap, which affects less research-intensive member states. The scheme remains under-used because of complexity and lack of guidance (14). EUA calls on the Commission, European Parliament and member states to develop an operational solution to the issue of EU-project researcher remuneration across Europe.

The Association considers that more efforts at the national level are needed to address the participation gap. At the European level, the key is to lower the cost and financial risk of participation, improve clarity and consistency of rules and as detailed in point 3, improve the acceptance of national and institutional cost accounting practices (13, 15).

## 7. A more flexible and conducive framework for the Seal of Excellence

European universities are pleased with steps taken to fund excellent, yet unsuccessful Horizon Europe proposals labelled with the Seal of Excellence via other shared-management EU programmes under the same rules as under Horizon Europe.

This proposal echoes EUA’s recommendation for member states to earmark part of ESIF funds to unlock the potential of the Seal of Excellence and transform it into a more efficient and attractive scheme (6, 15, 16). Member states and associated countries that adopt this approach would gain a competitive advantage in Horizon Europe. Currently, the Seal of Excellence is primarily limited to single beneficiary grants. In practice, applying the Seal of Excellence to transnational research is too difficult, as national funders would have to engage in the coordination of funding priorities and procedures. EUA recommends defining more specific provisions on how this could be done, for example under ESIF, both at the EU and national level.

## 8. Flexibility in combining funding schemes, while limiting loans and lump sums

The Association welcomes the possibility to combine various funding schemes, such as grants, on the one hand, and debt and equity financial instruments, on the other. This provision offers different funding options for beneficiaries and more flexibility for various types of projects, especially in the field of innovation. However, EUA warns against the expanded use of loans and other financial instruments under Horizon Europe, considering that some beneficiaries are either prohibited or restricted from borrowing money (13).

EUA considers the possibility to use lump sums a positive step towards a greater diversity of funding schemes for beneficiaries. However, considering the nature of research and innovation, the use of lump sums should remain optional. An evaluation of experiences with the use of lump sum funding should be made during the mid-term evaluation of Horizon Europe (14).

## 9. More transparency and efficiency in the application stage

The Commission's continued efforts to further simplify technical procedures through an improved and expanded use of the participant portal are welcome (4). The possibility to provide feedback to applicants on the progress and the timeline of their applications, as well as the possibility for applicants to request an evaluation review if deemed necessary, are steps towards greater transparency and improved efficiency in the management of EU funds for beneficiaries. Yet, a more differentiated approach to the time-to-grant targets to accommodate the needs of various types of projects could help improve the quality of these processes and outcomes and ensure that the quality of evaluations and peer reviews is not compromised (13).

EUA and its broad membership of more than 800 universities in 47 countries highly appreciate the willingness of EU policy makers to engage in a dialogue on Horizon Europe and look forward to a continued fruitful exchange with all relevant stakeholders to turn Horizon Europe into a success for society and the economy.

This response builds on EUA's work on the ongoing and future Framework Programmes for Research and Innovation. It draws from EUA's positions on the future programme and its major pillars and underlying principles. It is further informed by the results of the Association's member consultation for the Horizon 2020 mid-term review, the campaign for "EU funding for universities", and the Association's ongoing work on Open Science, Smart Specialisation and simplification of European funding programmes.

For more information on EUA positions related to Horizon 2020, the next Framework Programme, missions, the European Innovation Council, Open Science, funding, simplification, the MFF and the ERA, please refer to our earlier papers:

1. [EUA's Response to the Renewed EU Agenda for Higher Education](#)
2. [The Design of Missions in the Next Framework Programme – Views from European Universities](#)
3. [UNI-SET Universities Survey Report on energy research and education at European universities](#)
4. [EUA member consultation: a contribution to the Horizon 2020 mid-term review](#)
5. [From vision to action: EUA proposals for the next framework programme for research and innovation \(FP9\)](#)
6. [Ambitious funding for excellent research in Europe post-2020](#)
7. [EUA Statement on Open Science to EU Institutions and National Governments](#)
8. [Towards open access to research data: aims and recommendations for university leaders and national rectors' conferences on research data management and text and data mining](#)
9. [EUA vision for the next EU framework programme for research and innovation \(FP9\)](#)
10. [Towards full open access in 2020: aims and recommendations for university leaders and national rectors' conferences](#)
11. [Artificial intelligence: EUA calls for openness, multidisciplinary and ethical standards](#)
12. [Designing the European Innovation Council for the benefit of society: Recommendations from European universities](#)
13. [Taking simplification of EU Funding to the next level – the university perspective](#)
14. [EUA member consultation 2017-2018: Impactful simplification of the EU Framework Programme for Research and Innovation](#)
15. [Where the EU should invest in the future – EUA recommendations for the post-2020 Multiannual Financial Framework and related funding programmes](#)
16. [Excellence, synergies and alignment: Lamy Group sketches out future EU research and innovation programme](#)
17. [EU long-term budget proposal takes the right direction, but does not take the plunge](#)
18. [New momentum for the European Research Area](#) (joint statement with CESAER, LERU and Science Europe)
19. [Towards the 9th Framework Programme: EUA assesses EU Competitiveness Council Conclusions](#)
20. [Double Investment in Research, Innovation and Education to boost Europe's Competitiveness and Sustainability](#) (joint statement by major networks of European universities)
21. [A sustainable energy future at the centre of Horizon Europe](#) (joint statement of EUA, EERA and InnoEnergy)

The European University Association (EUA) is the representative organisation of universities and national rectors' conferences in 47 European countries. EUA plays a crucial role in the Bologna Process and in influencing EU policies on higher education, research and innovation. Thanks to its interaction with a range of other European and international organisations EUA ensures that the independent voice of European universities is heard wherever decisions are being taken that will impact their activities.

The Association provides a unique expertise in higher education and research as well as a forum for exchange of ideas and good practice among universities. The results of EUA's work are made available to members and stakeholders through conferences, seminars, website and publications.

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