



BRITISH  
ACADEMY

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Dear Prime Minister,

With the negotiations on the EU's budget continuing, there remain considerable concerns within the UK research community about the government's commitment to research and innovation funding from the EU. I am thus taking the unusual step of writing to you directly in order to urge the UK to oppose cuts in the Horizon 2020 six-year budget of €80 billion.

The government, to its credit, has maintained the national science and research budget due to its recognition that, despite the difficult and uncertain financial times we are facing, innovation and research are vital for the future prosperity of our country. The emphasis the government places on innovation and research at home, however, is in danger of being undermined in the current negotiations on the EU's budget from 2014-2020.

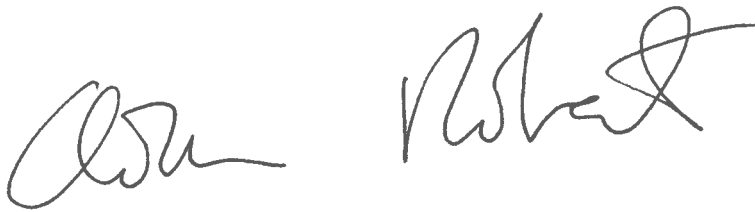
Between 2007 and 2011 the UK received €3.7 billion in research and innovation funding from the EU research funding programme, Framework Programme 7 (FP7); second only to Germany. Our funding from FP7 represents 13% of the UK's receipts from the EU. The UK has also won more than 16% of all FP7 funding to EU Member States and 27% of funding from the European Research Council (ERC). These are both far higher than the UK's contribution to the EU budget, at roughly 11.5%, and the UK's share of overall EU spending, at around 5.6%. The clear point here is that the UK does very well indeed out of research and innovation funding from the EU; so well in fact, that such funding is critical to the future sustainability of the UK's knowledge base, which the government has recognised as a "national asset".

The government's red line for negotiations for the next EU budget is therefore deeply troubling. As shown by the negotiations at the 22-23 November 2012 Summit, the government appears to envisage cutting the Horizon 2020 budget from the proposed €80 billion to something that may at best constitute a freeze on funding provided between 2007-14, and quite possibly a reduction. Such an approach would be deeply damaging to our ability to generate jobs and wealth here in the UK. For example, the estimated long-term impact of FP7 is that it will have generated an extra 0.96% of GDP and created 900,000 jobs. That is a boost to growth the size of the total expenditure on all other EU budget lines combined.

The Academy calls on the government to renew its commitments under its own Innovation and Research Strategy for Growth by pledging itself to the proposed €80 billion Horizon 2020 budget as it stands. Indeed, a target such as the €100 billion for Horizon 2020 set by the European Parliament would be well worth supporting.

EU funding, alongside national funding, is key to driving private and foreign investment in high quality UK research so that we can continue to compete. The UK's ability to successfully win EU research funding vis-à-vis other Member States is an essential platform for the UK's ability to leverage private research and innovation funding. Currently, 22% of UK research and development funding comes from abroad, which is more than any other large economy and double the EU average. The UK's current stance in the negotiations towards the EU budget places in jeopardy our ability to leverage this crucial private financing. A cut in the proposed budget for Horizon 2020 would represent a clear own goal in the government's strategy for driving growth, jobs, wealth creation and prosperity.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Adam Roberts', written in a cursive style.

Adam Roberts  
President