

Information Note



Higher Education European Funding Services

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Select Committee on the European Union

EU Financial Framework from 2014

Evidence provided by the Higher Education Sector

Introduction

- 1 This response has been drawn together by Higher Education European Funding Services Limited¹ (HEEFS) on behalf of the Higher Education sector in the United Kingdom. The information below can be considered to be a national response, it is also expected that individual institutions or groups of institutions will respond on behalf of their own locality or territory. As HEEFS' area of expertise relates to EU funds for international collaboration and the Structural Funds, this response is limited to those areas.

EU Funding Opportunities

- 2 HEEFS has identified more than 20 EU Programmes that offer grants to support international collaboration. The main opportunities for HEIs occur under Programmes designed to support EU policies in the field of education. Programmes such as Erasmus Mundus, TEMPUS and ATLANTIS, for example, offer support for groups of HEIs to collaborate to develop and deliver joint study programmes. The Lifelong Learning Programme offers opportunities for HEIs to work together and with other providers and stakeholders, such as business and community organisations to develop and deliver innovative projects designed to address specific issues in the provision of lifelong learning.
- 3 HEIs are however, also eligible applicants to other EU Programmes designed to address a range of policy issues. Programmes such as those managed by DG Justice which address issues including fundamental rights and citizenship offer significant opportunities for collaborative research amongst HEIs. The EU Culture Programme offers support for a wide range of cultural and arts related activities, and HEIs are seen as key participants within the Programme. Other Programmes, such as the

¹ A company wholly owned by Universities UK and GuildHE, that supports Universities and Colleges of Higher Education to access EU funds for transnational collaboration.



Competitiveness and Innovation Programme offer grants that support the development of innovation and bringing innovation to markets, for HEIs support is available for knowledge exchange and transfer activities and for the development of entrepreneurship programmes.

- 4 In general, these Programmes require an applicant to be working with at least 2 from at least 2 different countries. In the main, maximum EU grant contributions are set at around €300,000 – 400,000, although for some Programmes larger projects are encouraged up to around €1,500,000. Grant rates vary from between 50-90%, the majority operating around 75%.

Current Involvement by UK HEIs

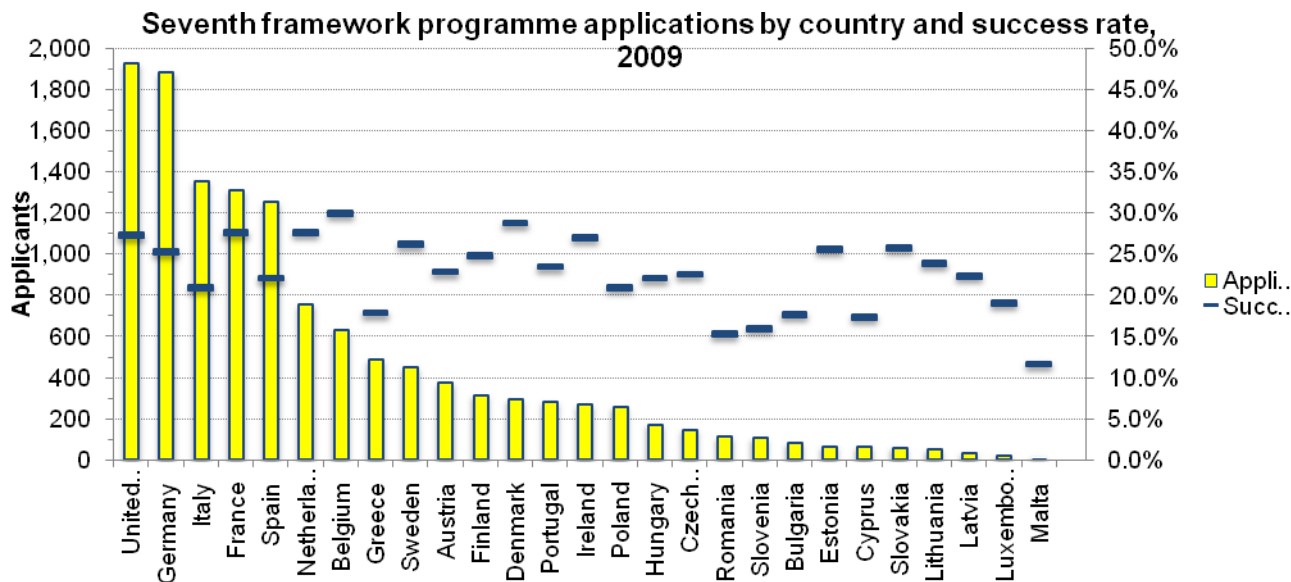
- 5 The European Union distributes monies to HEIs in Europe in three basic ways; the provision of grants for research through the Framework Programme, through tenders for specific pieces of activity, and grants by way of open competition organised under a series of programmes.
- 6 The EU's Seventh Framework Programme for Research (FP7) provides financial support to research organisations in the public and private sectors in order to help develop Europe's global competitiveness. Under FP7, the United Kingdom currently has the greatest success rate in terms of the number of its applications receiving funding. This success is in no small part due to the central support provided to applicants by the UK HE sector through the UK Research Office (UKRO).
- 7 Currently, the EU operates a number of programmes that offer any public, private or third sector organisation the opportunity to secure funding for a wide variety of activities that address key policies areas for the EU. All programmes require applicants to work collaboratively with partners from other members states, and increasingly with partners from outside Europe, all operate on a multi-annual basis (2007 to 2013). In the three years for which information is available (2007, 2008 and 2009), HEIs across Europe have been awarded almost €700m to deliver projects collaboratively. Using European Commission data, the table below identifies the amount of grant awarded to HEIs in the larger member states.

TABLE 1 Comparison of amounts of grant awarded to HEIs in Member States

	2007 €m	2008 €m	2009 €m	Total €m	% Share
Total EU	132.80	175.80	389.40	698.00	100
Belgium	10.00	14.30	42.60	66.90	9.6
France	20.30	26.00	41.40	87.70	12.6
Germany	16.00	20.80	36.00	72.80	10.4
Italy	12.00	14.50	54.90	81.40	11.7
Netherlands	11.10	13.50	26.40	51.00	7.3
Spain	18.00	15.00	60.00	93.00	13.3
Others	34.90	57.50	104.80	197.20	28.2
UK	10.50	14.20	23.30	48.00	6.9
England	8.10	10.20	15.50	33.80	70.4
Scotland	2.40	2.30	3.50	8.20	17.1
Wales	0.00	1.70	4.30	6.00	12.5

- 8 As can be seen from the above, the UK is currently lagging behind Belgium, France, Germany, Italy, the Netherlands and Spain as regards the relative success of HEIs. The HE sector is therefore currently increasing the level of support available to UK HEIs in order to improve their involvement and relative success in transnational programmes.

TABLE 2



Source: Third Monitoring report 2009 (European Commission)

- 9 Table 2 above shows the success achieved by UK HEIs in accessing funding from FP7, in 2009 the UK outperformed its closest rivals in terms of the number of applications submitted and the number subsequently selected for funding.

Expenditure

- 10 With regards to research, as shown in Table 2 the UK is a major research player in Europe, engaging actively in and benefitting substantially from European funded programmes. It is committed to engaging constructively with this important agenda. The UK supports the continuation of research and development as a major priority for the European Union, and believes it is important not to lose sight of the EU's goals for R&D intensity, set out in the Lisbon Treaty.
- 11 The current programming period (2007-2013) saw an increase in resources for FP7 compared to previous programming periods. This increase was welcomed by the HE sector² in the UK as it was seen as recognising the importance of research and university-business collaboration. The HE sector would therefore welcome a further increase in funding for research in future programming periods.

Cohesion Funds

- 12 Particularly in relation to the Structural Funds, UK HEIs have in previous programming periods made great use of European Social Fund (ESF) and European Regional Development Funds (ERDF) to finance a range of activities including:

² UK HE Sector position on the future of European Research, UK HE Europe Unit, March 2010

- Widening participation
- Raising the level of skills in the workforce
- Technology transfer
- Higher level vocational training
- Research that supports programme delivery
- Enterprise development and business support

- 13 In the previous programming period (2000-2006) HEIs in England were awarded over £490m of funding from ESF and the ERDF. In the current programming period (2007 – 2013) all the indications are that, in the main owing to a change in priorities under the previous government, the amount of resource awarded to HEIs, particularly under the ESF, will be greatly reduced. Current ESF programmes place a much greater emphasis on low and basic skills than previously, with the result that the level of HE involvement in programmes has reduced dramatically.
- 14 The Commission has repeatedly indicated that there should be closer alignment between the Structural Funds and research in order to support the development of innovation capacity and entrepreneurial activity. The HE sector in the UK would recommend that better use should be made of the Structural Funds to support the development of a broad-based research capacity in Europe. Such a change would not in itself require any increase in resources for the Structural Funds, rather it would require the priorities of the Structural Funds, particularly in Member States like the UK, to be better aligned with the research priorities of FP7 and other funding programmes that provide support for research.

Current economic circumstances

- 15 The European University Association (EUA) has been monitoring the effects of the global economic crisis upon Higher Education systems in Europe since 2008. In January this year, the EUA reported³ that in many Member States public funding for Higher Education has been severely reduced. Private funding has become more difficult to obtain with the result that many institutions in Austria, Belgium, Finland, Germany, Norway and Switzerland have found difficulty in starting new projects and universities in Portugal, the Netherlands and the United Kingdom have reported cases of existing projects being discontinued. Similar reductions in income from philanthropic and other foundations has also been observed.
- 16 The reductions referred to above will have an obvious effect upon teaching and research and will have major implications for future collaboration between HEIs, and between HEIs and industry. It is vital therefore that EU contributions to Higher Education are maintained and, wherever possible increased.

HEEFS will be happy to provide any further information which would assist the Committee.

Martin McCauley
Executive Director
HEEFS

³ Impact of the economic crisis on European Universities, EUA, January 2011