

Horizon Europe: more - not less - to overcome the innovation gap

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Today the European Parliament's Committee on Industry, Research and Energy voted on the EU's Framework Programme for Research and Innovation for the 2021-2027 period. The so-called Horizon Europe programme is an essential tool for Europe to stay competitive within the global innovation race.

BusinessEurope Director General Markus J. Beyrer said:

"The single most important objective of Horizon Europe is to overcome Europe's innovation gap. Europe must better harvest the economic benefits of innovation and bring more innovative technologies from the lab to the market. We're lagging behind here while on global level the pace of innovation is accelerating fast.

Today's vote brings us half way through only. It's very positive to see the Committee pushing for a higher budget. There is a clear expression of policy ambition. But several amendments such as the re-allocation of budget among the pillars or the narrow approach to third countries' participation all risk making the programme less attractive for companies. But without these companies actively engaged, Europe will hardly overcome its innovation gap."

Further to the increased overall budget, we also support proposals from the Committee on open access, on the European Partnerships or on the Key Enabling Technologies (KETs). On the opposite, we think that the lower budget allocated to the second pillar "Global challenges and industrial competitiveness", the separate instrument for SMEs instead of addressing both breakthrough and incremental innovation under the EIC or the restrictive approach to third countries participation are missed opportunities to further improve the programme.

BusinessEurope is committed to continue engaging with EU policy-makers.

Japan spends above 3% of its GDP on research and innovation, the US spends about 2,7% and China has now also overtaken the EU in R&I spending while the EU is now at just 2% of its GDP. And Europe faces a shrinking population and would need to spend even more on research and innovation than the US - and certainly much more than China.

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