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The Voice of the Universities

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Europe is not keeping its promises – the budget priorities must change

The fundamental dictum of the EU 2020 strategy remains correct: innovation in Europe is the raw material that will make the European economy fit for the future. The European Union should continue to pursue the objective of improving the framework conditions for stakeholders in research and innovation, such as the universities. However, the implementation measures proposed under the Innovation Union initiative in 2010 should be subject to a critical review because, to date, no sustainable results are on the horizon.

It is foreseeable that Europe will fail to meet some key targets of the EU 2020 strategy, such as the overall "3% target", even though a few member states, including Germany, are well performing. According to the German federal government's European Research Area Roadmap from 2014, Europe is still in a future-proof starter block to remain the "Continent of Ideas", generating almost a third of the world's knowledge. However, current estimates by the German Federal Government indicate that Asia is rapidly increasing its investment in research and innovation (2012: USD 561 billion; 2014: USD 632 billion) while expenditure in Europe is stagnating (2012: USD 350 billion; 2014: USD 351 billion).

With a few exceptions, including Germany, the first priority of the "Innovation Union" – to continue to invest in education, research, development and innovation, even at times of serious fiscal difficulty – has not guided the fiscal actions.

The European Commission and the European Parliament have not reached their ambitious budget targets - EUR 80 Billion and EUR 100 Billion respectively - for the Horizon 2020 Framework Programme for Research and Innovation: the target line was a budget of EUR 68 Billion. Considering that this amount does also fund shifted lines of funding – previously covered by budget items outside the Framework Programme for Research – the result is rather an inflationary adjustment of the previous 7th Framework Programme for Research and Technical Development (2007 - 2013).

The member states are aiming to reduce the payment obligations for research by EUR 1 Billion in the 2015 budget – a position of the European Council. Those member states hit by the financial crisis have consolidated their budgets by cutting expenses in education and research. It is however precisely investment in education, research and innovation that would contribute most to budget consolidation in the medium term, because it generates sustainable growth and creates jobs through innovation.

The budget priorities are not in line with the EU2020 Strategy. Only adequate funding enables us to implement the targets that have announced by the Innovation Union. The HRK is therefore demanding that fiscal action is in line with political objectives and announcements.

The European Research Area – embracing diversity as a strength

The "Innovation Union" makes many references to the targets of the European Research Area (ERA). Overall, the HRK welcomes the process and the five priorities of the ERA: more effective national research systems; optimised transnational co-operation and competition; an open labour market for researchers; gender equality and gender mainstreaming in research and optimal circulation of scientific knowledge.

The HRK would like to highlight as Europe's strength – and not a weakness – the diversity of its research systems. The European Research Area should build on it. The European Commission should monitor, classify and present the different ways of doing research in Europe. By making Europe's diversity, transparent, we can exchange and harness best practices for a European-wide development of national systems. We believe that by making the existing success models more widely known, the EU has an important role to play in supporting the less innovative member states who need to strengthen their science systems.

The HRK does not believe in harmonised legal measures at a European level. For German universities, the federal government's national roadmap on the European Research Area and the channelisation of such strategies at a European level seems to be the most suitable way of advancing the German science system within a common ERA. We fully support the recent political decisions to take this direction.

Setting the 3% target more flexible – and higher

Germany already invests 3% of its GDP in research and innovation; other member states will most probably not meet the target until 2020. To maintain dynamic development in Germany and to avoid discouraging other member states, the HRK urges the European Commission to make the 3% target more flexible. By doing so, successful countries continue to receive political and financial incentives to invest in research and innovation. The new target could be a 0.5% increase of total GNP in expenditure on research and innovation by 2020 in respect to the 2015 individual national results. This would mean a target of 3.5% for Germany by 2020. In view of the high growth rates in Asia, such ambitious targets are indispensable.

Collecting data more carefully and reviewing performance indicators

In May 2014, Professor Ann Glover, Chief Scientific Advisor to the former Commission, accused the European Commission of showing tendencies to prioritise the "political imperative" over the analysis of facts and accurate accumulation of data. She reminded EU officials to keep the analysis of facts and political ambitions clearly distinct from each other.

EU policy makers should exercise the greatest care when collecting and analysing data or when defining performance indicators in order to avoid misinterpretation and mismanagement. German universities note, that methods of the 2013 and 2014 ERA survey are insufficient for correctly observing the different situations in the member states – they need to be improved.

Developing specific regional innovation strategies with universities

The HRK welcomes the aim of the European Commission to include universities in the programming phase of Structural Funds for innovation by giving universities and private business a key role in the drafting process of Smart Specialisation Strategies. However, the degree to which the universities in the various German (Bundesländer) and European regions have been involved in the process has varied a lot. In the meantime the programming phase of the Structural Fund has finished or is about to finish. In many cases, it seems to be next to impossible to lobby for any improvements in the next seven years. The HRK therefore demands an official midterm evaluation for the Operational Programmes, similar to the European Framework Programmes for Research. The EU Commission should, as foreseen, present examples of good practice with the European University Association (EUA) in order to publicise successful models of drafting inclusive regional Smart Specialisation Strategies in cooperation with universities.

Strengthening the autonomy of universities

The Innovation Union flagship initiative highlights the importance university autonomy as an important value and key objective stating that Europe's universities should be freed from over-regulation and micro-management in return for full institutional accountability. These targets are more relevant than ever, but there have not been sufficient actions following the announcement. HRK therefore urges the European Commission to collect, evaluate and classify successful models of university autonomy in Europe and present them as examples of good practice.

The key role of universities in the centre of the knowledge triangle

In member states fostering innovation, such as Germany, universities are drivers of economic success at the centre of the knowledge triangle formed by research, education and innovation. Cooperative research projects by universities support local and regional companies who are successfully defending their position in global markets. University researchers work with companies in campus-based technology centres or on common projects. Therefore, many students are already in contact with companies as they study.

It is regrettable that the EU Commission largely ignores this role of universities for innovation, maybe because the German model is not universal in all the EU member states. The HRK demands the European Commission to acknowledge the potential central role of universities for innovation and to re-establish a unit for universities in DG research. Universities should be a topic in all relevant directorates of the Commission while the EU Commission only treats universities as a policy topic in the field of education.

Strengthening mobility of researchers by improving the interoperability of supplementary pension schemes

It is understandable that the European Commission aims to improve the transferability of supplementary pension schemes with a supplementary pension fund ("RESAVER") for researchers who spend part of their career in another EU country. However, the HRK points out the potential benefits that an improved coordination of national supplementary pension schemes can offer researchers. The providers of national supplementary pension schemes should agree on a user-friendly process to register and disburse the accumulated pension entitlements of European-wide mobile researchers. The vigorous support of the member states is essential for moving in this direction. Improved coordination between the existing national supplementary pension providers, supported by the EU Commission, would retain the diversity of supplementary pension schemes in Europe, create more transparency and simplify the transferability of supplementary pension entitlements.

Retain the research performance as the central feature of the European doctoral phase

The EU has expressed interest in improving the quality of the doctoral phase under the Innovation Union initiative. Against this background, German universities urge that the independent research performance of doctoral students should remain the core of the doctoral phase. It should also be the center of all discussions on improvements to and harmonisation of the doctoral phase. For

early career researchers the research performance is the basis for successfully developing scientific thinking and scientific working methods. It strengthens the creativity of the European innovation system. Europe should adhere to this success model of the doctoral phase.

Attracting leading foreign researchers with good entry conditions

The HRK welcomes the objective under the Innovation Union initiative to bring highly qualified workers from non-European countries to Europe and retain them here. The relevant regulations should be continuously scrutinised in terms of their attractiveness to foreign researchers in all career stages. For example, doctoral students, as "first stage researchers", have different requirements compared to advanced researchers. The merging of researchers and student directives into a "REST directive", currently under negotiation, should however not lead to regulations that are more restrictive as the currently applicable EU directive on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment. As few bureaucratic barriers as possible should be associated with research visas. Otherwise, the residence permit will become less attractive for foreign researchers. Furthermore, parallel regulations at a European level, such as the scientific visa and the EU Blue Card, should not counteract each other.