

EUA Press statement – 10 May 2012

### **EUA outlines university concerns with Horizon 2020 Rules for Participation**

The European University Association (EUA) has today (10 May 2012) published an input statement outlining a series of recommendations with regard to the Rules for Participation that have been put forward by the European Commission in its current proposal for the next Framework Programme for Research and Innovation (Horizon 2020) that will run from 2014 to 2020.

The input statement will be presented today at the EUIMA project final event on "[Horizon 2020 and the modernisation of European universities](#)" that is taking place at the European Commission in Brussels.

Together with a group of expert practitioners from 21 universities with different profiles and from different national contexts, and drawing on evidence gathered from its projects, EUA has carried out a thorough assessment of the proposed Rules for Participation in Horizon 2020.

In the resulting statement, EUA welcomes the fact that the Horizon 2020 proposals foresee 100% reimbursement for direct costs, since this is an important element in fostering funding on a full cost basis and supports the financial sustainability of universities. It also recognises the EC's intention to simplify the funding rules of the programme and its aim to achieve a better balance between control and trust.

However, the analysis carried out by EUA has shown that the EC proposal for a single reimbursement rate (100% of direct costs and a flat rate of 20% for indirect costs or 70% / 20% depending on the type of project), does not achieve the necessary balance between reducing complexity and responding to the real needs of different actors.

EUA calculations show that a 20% flat rate is too low and does not sufficiently cover the actual indirect project costs. Therefore, EUA believes a single reimbursement rate with a 20% flat rate for indirect costs would punish universities that have already implemented full costing and would hinder the further development of full costing methodologies and the greater transparency that results from it across Europe.

"Real simplification is not achieved through a single flat rate", the EUA statement highlights, but, for example, through the acceptance – in practice – of nationally recognised and usual accounting and management practices (which has not been the case under the 7<sup>th</sup> Framework Programme). Also crucial are a clear definition of ineligible costs, improved clarity in terminology, removal of inconsistencies and avoidance of recourse to additional criteria in subsequent regulation, and finally the improvement in management and control processes.

EUA's recommendations highlight that declaration of the full costs incurred should be the general rule for those universities and other actors who are able to identify their costs through an appropriate costing methodology, as this will foster transparency and accountability of public spending. However, those universities that are not able to identify their indirect costs should be granted a flat rate high enough to cover their indirect costs. A 100% / 40% model would provide an acceptable level of reimbursement while also giving an incentive for the further development of full costing methodologies.

Please download the full statement here:

[http://www.eua.be/Libraries/Policy\\_Positions/EUA\\_Input\\_to\\_the\\_Debate\\_on\\_the\\_Rules\\_for\\_Participation\\_in\\_Horizon\\_2020.sflb.ashx](http://www.eua.be/Libraries/Policy_Positions/EUA_Input_to_the_Debate_on_the_Rules_for_Participation_in_Horizon_2020.sflb.ashx)

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*The European University Association, as the representative organisation of both the European universities and the national rectors' conferences, is the main voice of the higher education community in Europe. EUA's mission is to promote the development of a coherent system of European higher education and research.*

Notes for editors:

- The EUIMA (European Universities Implementing their Modernisation Agenda) project is funded by the Seventh Framework Programme (FP7) through a Support Action within the 2009 Capacities - Science in Society Programme. <http://www.eua.be/euima>
- More information on the European Commission's proposals for the Horizon 2020 programme can be found here: [http://ec.europa.eu/research/horizon2020/index\\_en.cfm?pg=home&video=none](http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home&video=none)
- Over the next months, European Ministers will carry out a series of discussions on the EU budget for 2014-2020 and the distribution of funds across the different policy fields including Horizon 2020. Member states (Council of the EU) and the European Parliament will have to come to an agreement on programmes before 2014.