

## HORIZON 2020 THE EU FRAMEWORK FOR RESEARCH AND INNOVATION

*This policy brief is designed to provide a short summary of the Horizon Programme for the period 2014 - 2020. It explores the key aspects of the Programme identifying some of its potential implications.*

### I. INTRODUCTION

The Member States of Europe are currently facing serious challenges in attempting to stabilise financial and economic systems whilst maintaining high standards of living and dealing with important societal challenges such as an ageing population. In an effort to collectively address these challenges the European Union (EU) adopted in 2011 the Europe 2020 Strategy which looks to promote smart, sustainable and inclusive growth. One of the flagship initiatives under the strategy is the Innovation Union which provides a set of actions for increasing research and innovation performance with the aim of delivering jobs, prosperity, quality of life and global public goods. The EU's new funding programme for research and innovation – Horizon 2020 – will be a key tool in implementing the Innovation Union flagship initiative.

### II. BACKGROUND

In 2000 the EU adopted the Lisbon Strategy which was an action plan with the central theme of making the EU "the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion"<sup>1</sup>. To achieve this objective the EU implemented instruments in the form of Framework Programmes for Research and Innovation which consolidated together all research - related EU initiatives under a single approach, the most recent of which was the Seventh Framework Programme also known as FP7. This is the EU's main instrument for funding research in Europe for the period 2007 – 2013 and was supported by a budget of €50.521 million. Under the FP7, broad objectives were grouped into four main categories: Cooperation; Ideas; People; and Capacities. For each of these objectives a specific programme corresponding to the main areas of EU research policy was implemented. The programmes worked together to promote and encourage the creation of European areas of scientific excellence.

The Europe 2020 Strategy was introduced in 2011 as the successor to the Lisbon Strategy looking to build upon its achievements with a central theme of promoting smart, sustainable and inclusive growth. As part of this strategy, the European Commission announced on the 31 November 2011 the Horizon 2020 Framework Programme for Research and Innovation which will cover the period

<sup>1</sup> [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/00100-r1.eno.htm](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/00100-r1.eno.htm)

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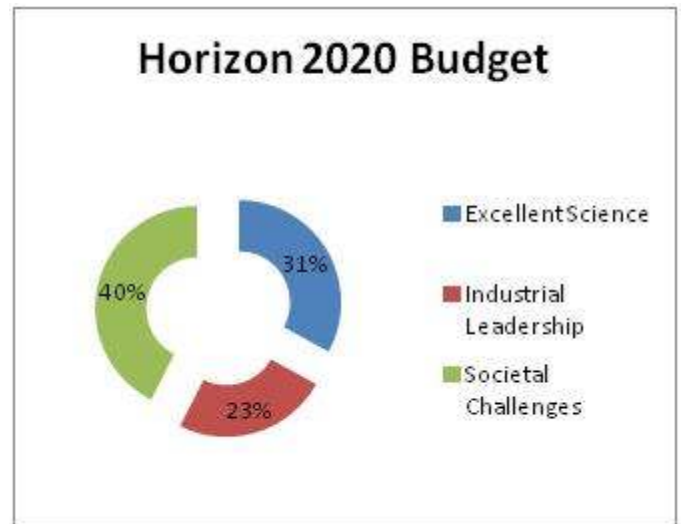
from the 1 January 2012 to the 31 December 2020 and is supported by a budget of €80 million (at current prices).

Horizon 2020 will look to contribute to building an economy based on knowledge and innovation across the whole EU by leveraging sufficient additional research, development and innovation funding.

### III. MAIN ASPECTS OF THE PROGRAMME

One of the key developments that will be introduced under Horizon 2020 is a simplification of the applicable procedures and rules. This should help to reduce the administrative burden for participants, which - it is anticipated - will encourage new entrants to join the programme and create more possibilities for promising ideas and applicants to obtain funding. Horizon 2020 will also merge and consolidate all existing EU research and innovation funding including the Framework Programme for Research, the Competitiveness and Innovation Framework Programme (CIP) and the European Institute of Innovation and Technology (EIT).

The budget for the programme at current prices has been set at €80 million (it is to be noted that the figures in the proposal take into account inflation over the seven year lifespan of the programme and are therefore slightly higher with a total budget of approximately €90 million).



The programme looks to stimulate research and innovation across three main priorities:

1. **Excellent science:** the aim of this priority is to raise the level of excellence in Europe's science base ensuring a steady stream of first – class research to secure Europe's long term competitiveness. It will look to provide support for ideas, develop talent within Europe, provide researchers with access to priority research infrastructure and make Europe an attractive location for researchers.

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Actions under this priority will be supported by €24.598 million which represents 31% of the programmes total budget.

**2. Industrial leadership:** the aim of this priority is to make Europe a more attractive location to invest in research and innovation by promoting activities in which businesses set the agenda. It will look to provide investment in key industrial technologies, maximise the growth potential of European companies by providing adequate levels of finance and assist innovative SME's to expand into leading companies.

Actions under this priority will be supported by €17.938 million which represents 23% of the programmes total budget.

**3. Societal challenges:** this priority will adopt a challenge-based approach which will bring together resources and knowledge addressing several issues such as climate change and transport. One of the major societal challenges that will be addressed is health, demographic change and wellbeing. The programme recognises that the cost of health and social care systems is rising across Europe and that access to health systems must be ensured for all Europeans if persistent health inequalities are to be addressed. This priority will look to address these challenges, delivering better health and wellbeing for all whilst positioning Europe as a leader in the rapidly expanding global markets for health and wellbeing innovations. To achieve these objectives the programme will provide support to improve decision-making in prevention and treatment provision, to identify and support the dissemination of best practice in the health and care sectors, and to support integrated care and the wide uptake of technological, organisational and social innovations empowering in particular older persons as well as disabled persons to remain active and independent. Specific activities will include: understanding the determinants of health; improving health promotion and disease prevention; understanding disease and improving diagnosis; developing effective screening programmes; better use of health data; and reducing inequalities by evidence-based decision-making and dissemination of best practices.

Actions under this priority will be supported by €31.748 million which represents 40% of the programme's total budget. Of this, the health, demographic change and wellbeing challenge will receive €8.033 million.

Horizon 2020 will continue to allocate funding on the basis of competitive calls for proposals.

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### IV. FUNDING OF ACTIONS

Under the rules for the participation and dissemination in Horizon 2020, the grant may reach a maximum of 100 % of the total eligible costs, without prejudice to the co-financing principle.

The Horizon 2020 grant shall nonetheless be limited to a maximum of 70 % of the total eligible costs for the following actions:

- Actions primarily consisting of activities such as prototyping, testing, demonstrating, experimental development, piloting, market replication;
- Programme co-fund actions.

### V. NEXT STEPS

- Mid 2012: final calls under FP7 – which will already be linked to Horizon2020
- End 2013: adoption of legislative acts on Horizon 2020
- 1 January 2014: Horizon 2020 starts: launch of the first calls

### VI. ADDITIONAL INFORMATION

- Horizon 2020 [http://ec.europa.eu/research/horizon2020/index\\_en.cfm?pg=home](http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home)
- Proposal for a Regulation of the European Parliament and Council establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014 – 2020) [http://ec.europa.eu/research/horizon2020/pdf/proposals/proposal\\_for\\_a\\_regulation\\_of\\_the\\_european\\_parliament\\_and\\_of\\_the\\_council\\_establishing\\_horizon\\_2020\\_-\\_the\\_framework\\_programme\\_for\\_research\\_and\\_innovation\\_\(2014-2020\).pdf#view=fit&pagemode=none](http://ec.europa.eu/research/horizon2020/pdf/proposals/proposal_for_a_regulation_of_the_european_parliament_and_of_the_council_establishing_horizon_2020_-_the_framework_programme_for_research_and_innovation_(2014-2020).pdf#view=fit&pagemode=none)
- Europe 2020 Strategy [http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm)
- Innovation Union flagship initiative [http://ec.europa.eu/research/innovation-union/index\\_en.cfm](http://ec.europa.eu/research/innovation-union/index_en.cfm)
- Seventh Framework Programme (FP7) [http://cordis.europa.eu/fp7/home\\_en.html](http://cordis.europa.eu/fp7/home_en.html)
- Health for Growth Programme [http://ec.europa.eu/health/programme/policy/proposal2014\\_en.htm](http://ec.europa.eu/health/programme/policy/proposal2014_en.htm)



This publication is supported by the European Union Programme for Employment and Social Solidarity (2007-2013). For more information see: <http://ec.europa.eu/progress>.  
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