



## European Affairs Committee

### Uncorrected oral evidence: The UK's participation in Horizon Europe

Tuesday 1 February 2022

4 pm

Watch the meeting

Members present: Earl of Kinnoull (The Chair); Baroness Couttie; Lord Faulkner of Worcester; Lord Foulkes of Cumnock; Lord Jay of Ewelme; Lord Lamont of Lerwick; Lord Liddle; Viscount Trenchard; Lord Tugendhat; Lord Wood of Anfield.

Evidence Session No. 1

Heard in Public

Questions 1 - 10

### Witnesses

**I:** Peter Mason, Head of International Engagement, Universities UK; Professor Robin Grimes FREng FRS, Foreign Secretary, The Royal Society; Professor Kurt Deketelaere, Secretary-General, League of European Research Universities.

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## Examination of witnesses

Peter Mason, Professor Robin Grimes and Professor Kurt Deketelaere.

Q1 **The Chair:** Welcome everyone to this hybrid House of Lords and the European Affairs Committee where we have a public evidence session today on Horizon Europe. We are very grateful indeed to the three witnesses who have agreed to assist the committee. They are Peter Mason of Universities UK, Professor Robin Grimes of the Royal Society, and Professor Kurt Deketelaere of the League of European Research Universities. I am going to ask each of those witnesses to say a few, very brief few words about themselves when they speak for the first time. While we know everything about you, I am afraid those who are watching do not.

As it is a public evidence session, a transcript will be taken and we will forward to you, the witnesses, the transcript in due course. I would be grateful if you could look at that and check that it is correct because we will be using the transcript in what results from this evidence session, which may be a report and a chain of correspondence.

Because we have a lot of questions to get through, I would ask that answers are crisp and also answer the question—otherwise there is a danger that you might be answering a question later in the session.

I will ask the first question, which I suppose is a high-level question, because we will be getting into the detail as we go through the question sets with my colleagues. How important for your institutions is the finalising of the Horizon Europe association for the UK, and how important is it for the wider EU and UK scientific and research sectors? I will start with Peter Mason.

**Peter Mason:** Thank you for the invitation today to address the committee. I work at Universities UK International, which is the international arm of Universities UK, the principal representative body for the UK higher education sector, with 140 member institutions across the country. I work as the head of global research and innovation policy.

To answer your question, it is absolutely critical to the interests of our sector and for the wider EU science and research sectors. It is a question on three fronts. It is essential for enabling and facilitating scientific collaboration with European but also global counterparts. It is a question for the UK particularly of attracting world-leading researchers to our institutions, and for safeguarding institutional research income. Non-association, it is fair to say, makes life more complicated in all three respects. I will go into more detail as we progress, I imagine.

**The Chair:** Thank you very much indeed. I am sorry that the volumes are difficult for hybrid sessions. Could you please speak up a bit more because the sound is not very good here in the room? Perhaps I could then ask Professor Robin Grimes to take up the running.

**Professor Robin Grimes:** I am the foreign secretary of the Royal Society. In addition to that, I am professor of engineering and science

materials for energy at Imperial College. Peter made a good start on that question, and I agree with everything he said. I will also come at it from the point of view of how important it is regarded by UK and EU scientists, and the answer to that is very important indeed. They very strongly feel that it is important to have the UK as part of that. UK scientists believe that we should be part of this and for all the reasons that Peter just talked about. So I think plan A has the full support of the UK's research and innovation community.

**The Chair:** That is very helpful. Perhaps I could ask Professor Kurt Deketelaere to come in.

**Professor Kurt Deketelaere:** Thank you very much, Chair, and good evening, everybody. I am the secretary-general of the League of European Research Universities, which is a group of 23 research-intensive universities in Europe, in particular in 12 European countries. Five of our members are in the UK—Oxford, Cambridge, Imperial, UCL and Edinburgh; and two of them are in Switzerland—Geneva and Zurich. Almost one-third of our membership is concerned with association issues, so you can imagine that this is an absolutely crucial issue for the League but also beyond the League. Continental universities all share the same desire that the UK, just like Switzerland, will associate to the framework programme. As Peter and Robin already indicated, the arguments for that are, of course, absolutely valid from our side also. I can only confirm that, from the side of the EU27 regarding universities and university leadership in those countries, the desire is absolutely great that the UK will join Horizon Europe.

**The Chair:** Thank you very much indeed. It is often said that there are wider benefits than just the pure research that is the subject of the money concerned. They might be cultural benefits, other scientific benefits and commercial benefits. Do you believe that that is the case for the whole Horizon programme? If so, are you aware of any metrics that exist so that one can begin to try to measure that? I will begin in the same order with Peter Mason.

**Peter Mason:** I would absolutely subscribe to the view that there are wider commercial, scientific and cultural benefits. These are inherent in international collaborations in research and innovation across the piece, across disciplines and across geographies, which is why we support an increase in the range and scope of international funding opportunities across the board. Can I check that you can hear me, because I know that previously I was a little bit on the quiet side?

**The Chair:** Yes, you are in good shape now. Thank you.

**Peter Mason:** Fantastic. Horizon is important in this regard for several reasons. First, it is a function of scale. It is unparalleled in its size and scale if you look at global research and innovation funding programmes. It is a common pot with excellence as the core assessment criteria, which is different from a lot of the smaller-scale, bilateral and multilateral funding initiatives that we see in different disciplines. It also has a really

long-standing track record established nearly 40 years ago, meaning that a lot of the scientific networks funded through the programme are now very mature and there is that legacy impact.

On top of that, UK research partnerships with our European counterparts tend to be more deep-rooted given the long-standing historic and cultural ties, not to mention the geographical proximity that we enjoy, and, importantly, they are a trusted partner from a risk and security perspective. Undoubtedly, there is a wider set of benefits that go beyond the research outputs alone, which relates to several characteristics of the programme.

In terms of metrics, we could certainly share reports with the committee later that could help to provide quantitative and qualitative evidence.

**The Chair:** I would be very grateful if you could send those to us later. We are very interested in that. Thank you. Could we move on to Robin Grimes, please?

**Professor Robin Grimes:** I am going to expand on something that Peter commented on, which I think is extremely important. It is the point that it is more than just about the money. It is also about more than just a programme called Horizon. It is actually a continuity of a series of programmes. For example, I was involved in FP3, FP5 and FP7. I think I was in FP9. I lose count. It is not unusual for a scientist like me. We researchers have developed all sorts of networks. We have written papers together. We have presented. We have developed ideas beyond into the commercial regime, and we have done that together. We have been challenged through this process as well. The Horizon programme is the combination of an evolution of a set of programmes, which have changed as the requirements and needs of industry and commerce have changed to affect them. Association brings with it a really vast experience, and that is why it is more than the pounds and pence.

In terms of the metrics, I have a little bit of that evidence here. I am going to start off with almost a negative comment, and that is that Switzerland's experience of being shut out of Horizon 2020 for the first few years of the programme has resulted in a significant decrease in projects led by Swiss participants. We can see what has happened to others and understand. There has also been evidence submitted to the Smith-Reid review of 2019, which has tried to understand some of the additional intangible benefits of programme participation, including raising standards, accelerating research processes and increasing diversity. Again, if I could be permitted to send some of those metrics to you afterwards, I would be delighted.

**The Chair:** Thank you very much indeed.

**Professor Kurt Deketelaere:** I would like to focus on another advantage of having the UK on board. I am not going to repeat what Peter and Robin have indicated, but the presence of the UK in the EU in research, education and innovation policy in the past has also indicated

very well what was the major contribution of the UK to policy development regarding research, innovation and education in the EU28 at that point in time. We have seen on many issues such as diversity, gender, technology transfer, foreign interference, dual use, the use of animals for scientific research purposes and things like that, that the UK very often was a front-runner. It had developed policies on all those issues that have also inspired many countries in continental Europe when they were reflecting on developing policy on those issues.

It is clear that, if the UK does not associate any more with Horizon Europe, involvement in policy advice and policy formulation will become much more problematic than in the past. Certainly, in the past, I would even have considered this as an export product of the UK, from which continental Europe benefited to a large extent; it would be a pity if that is not possible any more.

**The Chair:** Thank you very much. I am about to hand on to one of my colleagues. In one word, everything you have said would appear to me to suggest that all the Horizons are really win-win for both parties. Would you agree with that?

**Professor Kurt Deketelaere:** Absolutely. A win-win is obvious and is also the reason why I think that on both sides of the channel the support for the UK joining Horizon Europe is so great. In continental Europe, it is not that we would win a lot of money, projects and appointments if the UK does not participate any more. Statistically, that will be the case, of course, but, certainly, that would have a very significant downside if it comes down to collaboration, exchange of staff, joint projects and things like that. That certainly would be an impoverishment of the policy development and the research that can be developed.

**The Chair:** Thank you very much. I was just about to ask the other two about the win-win point, but I do not know if there is anything you can do about your sound, Kurt, because it is still very difficult for us to hear what you are saying. If you can turn it up in any way, we would be very grateful. Perhaps I can put the win-win point for a one or two-word answer, starting with Robin and then on to Peter.

**Professor Robin Grimes:** I think that win-win is demonstrated by the fact that it is not just UK scientists wanting to associate but our collaborators in Europe wanting others to associate. The evidence that it is a win-win is that.

**The Chair:** Peter, are you in agreement as well?

**Peter Mason:** Yes, unequivocally. I have nothing further to add—absolutely so.

**The Chair:** Thank you very much. I will hand over to my colleague, Lord Jay.

Q2 **Lord Jay of Ewelme:** This is also in a way an introductory question. Could you explain to us how association with Horizon Europe under the

terms of the joint declaration, assuming it all goes ahead as we hope, will differ from the position when the UK was a member of the EU? As a scientific participant, how different will it feel?

**Professor Robin Grimes:** There is more budget, and that is always important to understand. I am looking through my numbers here. My memory is that Horizon 2020 ran from 2014 to 2020 with a budget of €77 billion, and the UK received €7 billion in research funding. We were the second largest recipient after Germany. Horizon Europe's budget has increased by €18 billion to €95 billion. As I said, you have to see all of these programmes as an evolution. There are small changes to the various programmes as well to reflect needs more, but they are not tremendously different.

**Peter Mason:** I agree with the point that Robin made about the finances. One of the differences is that the payments that the UK will make will be on a different basis compared to when we were a Member State with a contribution model based on our GDP relative to the EU. There is the addition of a participation fee as well. As we will come on to, the added value of participation continues to justify that.

There are a few other small changes. We will not have a formal oversight role in the programme as we had as a Member State—it is obviously an EU programme—but we would continue to sit on all the programme committees as an observer. These committees tend to operate by consensus, as I understand it, so there is still scope for a UK voice to be heard. There are going to be a small number of calls in which the UK would not be able to participate, which are limited to Member States in a number of duly justified cases, primarily relating to security and a small number of sensitive technologies. But we are reassured that the scope of those exclusions is small and has been reduced through efforts from the EU Council last year.

Finally, another important point is that association is a time-limited agreement compared with life as a Member State where you know you will be part of this programme on an ongoing basis. There is a mid-term review of this agreement under the terms of the draft Protocol, and it is obviously renewable at the end of it. There is that time-limited element. However, the cool thing to add is that none of this changes our view of the fact that association is still the most desirable outcome for the UK.

**Lord Jay of Ewelme:** Professor Deketelaere, do you have any comments on that?

**Professor Kurt Deketelaere:** Perhaps I can add to that. Peter and Robin summarised the situation very well. The differences will not be that big. Obviously, on the basis of the new funding rules, the UK will not be a net benefiter any more. It will be able to take out what it puts into the budget but not more, as certainly was the case in the past. Secondly, as Peter also indicated, the UK will continue to be part of the programme committees, but only as an observer. Imagine that voting will take place there; the UK will not be able to vote. But those programme committees

do not have the habit of voting. Normally, they decide with a kind of consensus where the observers can participate in expressing their views on what the development should be.

There is one part of the programme where the UK cannot participate. That is the EIC Fund—the European Innovation Council Fund—which is part of the EIC Accelerator. The situation for the academics who apply for EU funding through Horizon Europe will be more or less the same. They will also not be able to be co-ordinators of a project any more, but more or less the basic rules will continue to apply.

**Lord Jay of Ewelme:** I have a final question to Professor Grimes and Peter Mason. I think the answer to this, from what Professor Grimes said just now, is yes. As I understand it, the British Government's contribution is estimated at about £15 billion a year gross over the next seven years or so. Is that good value for money? I take it from what you said that you think it is good value for money. Perhaps you can confirm that.

**Professor Robin Grimes:** That is one of those sorts of questions that takes quite a lot of unpacking. Remember, this is £15 billion over the seven years, not per year. You have to ask what you would have to do in order to develop something else. As a consequence of that, it leads me to the conclusion that it is good value for money. As we have said, it is really not just about money. It is good value because of all the other things that it brings with it and—I keep saying this, and I am sorry I sound like a broken record—all that evolution of networks.

**Lord Jay of Ewelme:** Peter Mason, is it good value?

**Peter Mason:** Absolutely. I want to add a little more detail to two of those dimensions that Robin alluded to. First, there is the prestige and the global attractiveness of a lot of the EU funding schemes, particularly the European Research Council, which is difficult for any individual system to replicate at a domestic level. Another really important point when you are talking about value for money is the fact that collaboration with Europe as a region is far more important for the UK than any other individual continent.

If you look at the number of co-authored publications that UK researchers have produced in the last few years, I believe that 13 of the top 20 partner countries are in Europe. Even if you look at the research behemoths, the US and China, collaboration with Germany, France and Italy alone significantly outstrips that. In terms of with whom we are collaborating, there is immense value for money in ensuring our continued access to that fully funded means of collaborating with those close partners.

**Lord Jay of Ewelme:** Thank you very much. That is very helpful. Thank you, Lord Chair.

Q3 **Baroness Couttie:** What are the implications of the delay that we have experienced for the UK science and research community in joining the

association? I will start with Professor Grimes.

**Professor Robin Grimes:** I go back to the concept of the research networks. Because the environment for research collaboration remains very uncertain, there has been an erosion of confidence, and we really have to re-instil that quite urgently through some very clear communication, perhaps, dare I suggest, overcommunicating to ensure that people really get the message.

The problem is that research networks and the scientists in those research networks are a little fragile, frankly. They are constantly evolving; they are reconnecting. When you develop a network to do a project, you take parts of other networks that you had before and reassemble them. They are quite organic things. They need to be nurtured. It is an odd thing to say that scientists can be a little fickle on this, but I am afraid that is what my observations over the years have been.

There is some quite good evidence that the UK has been missing out on research funding since 2016. There have been estimates of £1.5 billion. I am sure we could try to find some evidence for those numbers for you if you would like us to do that. There are also the discussions in the media. In particular, the ERC guarantees and issues, and some of the people who have gained those grants moving to other countries erodes confidence. Those are my main concerns.

**Baroness Couttie:** Thank you very much. If you have any data, it would be useful for us to see it. Peter Mason.

**Peter Mason:** Thank you. Robin has made all the main points I was going to make. There is, as he very clearly explained, the impact on individual researchers but also on institutions and institutional research budgets. We have seen a challenge to the certainty that researchers have enjoyed regarding their participation in the scheme over the last few years, not just in the last few months regarding Horizon Europe, but at the latter end of Horizon 2020. There is a cumulative effect that we are trying to fight against. If you look at where UK participation was in Horizon 2020, in the middle of the programme around 2016 and 2017, compared with where it was at the end, there is already evidence of an opportunity cost in institutional funding.

To give you some context, in the last figures that we have, I believe EU research income was about 12% of total UK university research income. Even a few percentage points' change in that is a pretty significant dent in overall research budgets. I will not go into further detail on the impact on individual researchers, but we are increasingly hearing from our members of examples of counterparts across the continent having doubts about including the UK in particular consortia and really having to fight a battle about certainty in the scientific community. I absolutely echo the ask for a concerted comms effort around this. We will perhaps come on to the UKRI guarantee, which obviously has a key role to play.

**Baroness Couttie:** Thank you. Professor Deketelaere, do you have anything to add?

**Professor Kurt Deketelaere:** I confirm what Peter just indicated. It is a job for us on the continent to keep on convincing and stimulating researchers in our universities to continue what they did in the past, such as inviting UK colleagues and setting up joint projects. Do not be discouraged by the delay and all the politics that are involved. Within the League of European Research Universities, we have continuously given the message to keep on collaborating and applying together with UK colleagues, hoping that at the end of the day it will get in order.

It is clear that, as the weeks and months pass by, it becomes more and more problematic, in the sense that on the continent people want guarantees that everybody there will be able to play their role in the consortia that they are composing, and that, from a financial point of view, they will contribute to the work that has to be done. It is clear that the longer it takes, the more difficult it becomes to convince people to continue business as usual.

**Baroness Couttie:** Thank you. You have all talked about the concern about funding and the difficulties that institutions are now facing getting funding for new applications. The Government have guaranteed funding for existing applications to the programme. Has that in any way mitigated some of the issues that you have been talking about? Perhaps Professor Grimes could go first.

**Professor Robin Grimes:** It is very much to be welcomed. The Government, as I said in my last answer, need to do more to ensure that people are aware of that and to make it quite clear that it is a guarantee. That will always help. I still think the ultimate guarantee would be swiftly to resolve association with Horizon Europe. That is what is really going to give the long-term certainty that people are looking for.

**Baroness Couttie:** Thank you. Peter Mason.

**Peter Mason:** Yet again I agree, but with one caveat. While the guarantee as a whole is very much to be welcomed, the fact that it is still limited to the first tranche of calls—I think about seven or eight calls are explicitly covered in the existing guarantee—is somewhat problematic, and we would definitely welcome an expansion of that call. We have said to the Government that we would see a comprehensive guarantee for third-country participation—that is to say participation on a self-funded basis—as a core element of plan B as a whole. We would certainly welcome that being expanded.

Similarly, we are aware that researchers are still waiting for the green light to register their grant funding with UKRI. Due to the bureaucratic process, that has to be completed at the commission side with the completion of grant agreements, which is creating some additional stress. As Robin said, the best resolution is swiftly completing the association process.

**Baroness Couttie:** Thank you. Professor Deketelaere, do you have anything to add?

**Professor Kurt Deketelaere:** Indeed. I hope the safety net that the UK Government have installed is clear for most UK researchers, although the messages that we get from our UK members often indicate that it is clear if it concerns ERC grants, for example, but it is not so clear for many other grants that can be won under Horizon Europe. Secondly, it is clear that the safety net is still a little bit troubled when it concerns our continental members. The way this will be developed, applied and, one hopes, extended, is not often very clear to our members in the EU27. There is a job for us to explain that, if they are involved in consortia and things like that, there is a certain financial guarantee. The question is then how long everything is covered by the guarantee. It still remains quite obscure at the end of the day for many continental partners.

**Baroness Couttie:** Thank you very much indeed.

Q4 **Lord Liddle:** Pursuing further, Professor Deketelaere, the impact on European institutions of what we are seeing in the delay in implementation, do you think that, in European universities when scientists are beginning to think about new projects that they are putting forward for grants, there is already visible a tendency to say, "Let's not bother with the British because of all the funding uncertainties"?

**Professor Kurt Deketelaere:** Absolutely. We are not going to deny that. It demands conviction from our side and persuasion of people not to give into that. In many places, you hear, "Should we still do that? Should we still go on with that?" The good thing is that we have seen in our group of 23 universities that Brexit and everything surrounded by it has none the less had a positive effect. Many of our continental members have signed and operationalised stronger bilateral agreements with our UK members than they did in the past. It has a number of positive effects that cannot be denied, but it is clear that more and more universities, certainly if it takes longer and longer, ask themselves whether it is still worth doing.

**Lord Liddle:** I was chairman of Lancaster University for seven years until relatively recently. One of the things we noticed after the referendum was more reluctance by continental scientists and academics to take jobs that were offered to them at Lancaster. Obviously, the people dimension is an important element of whether people feel part of a network. At Lancaster, about 20% of our academics were from the EU. If that number declines, the likelihood of people seeking partnerships will decline. Is that an issue?

**Professor Kurt Deketelaere:** It is certainly a problem, and the problem is increasing daily. One of the major consequences of non-association, in my view, and I have warned about it many times, is that we will get not only a much more limited influx to the UK from academics from the continent but an exodus, a word I often use, of a lot of top academics from the UK to other countries. The best example, or the most

problematic case, is the whole group of ERC grantees who are based in the UK. If association does not go through, those people will have to decide at a certain point in time whether they are going to move every year for six months to an EU Member State or an associate EU member state where they have to be to comply with the conditions of their ERC grant, and then spend the rest of the year in the UK.

A lot of universities in the EU27 are already pitching to ERC grantees in the UK, in view of possible non-association, in order to convince them to come to universities in the EU27 to make sure that they can continue to comply with the conditions of their ERC grant and make life certainly a bit easier for those people. We are certainly not stimulating that. We still hope that at the end of the day Protocol I will be signed to operationalise association, but it is clear that we cannot deny that a kind of football transfer system is starting up in continental Europe looking at the best people—those ERC grantees are of course the best people—who are based in the UK and can perhaps be seduced by all kinds of interesting offers from EU27 universities.

**Lord Liddle:** Have you noticed any other trends on the continent as a result of the delay in the implementation of the agreement?

**Professor Kurt Deketelaere:** It is clear, as we already indicated in our answers, that universities are reluctant to make UK universities partners in consortia and are not being able to be a co-ordinator any more for research projects under the framework programme and things like that. It is not the research policy, but in educational policy last week the *Times Higher Education* indicated a significant reduction of bachelor students coming from the continent to the UK. Increased tuition fees do not play to the advantage of the UK. You feel that in the continent there is a whole kind of movement that, if this association is not going to go through, we will choose other priorities and other partners. We can say as LERU that we continue to push our members to keep going, but at the end of the day it will have to be yes, but no.

**Lord Liddle:** Thanks for that rather depressing reply.

Q5 **Lord Foulkes of Cumnock:** We are hearing the problems of the delay. Would each of you like to hazard a guess about what is causing the delay in the agreement of UK association and why it has not yet been finalised? Do you think, for example, that Horizon Europe may be being used as a bargaining chip in relation to other disagreements that we have with the European Union?

**Peter Mason:** It would appear to be the case that the question of association is being used as part of the negotiating capital, I suppose you would say, in the context of the broader range of issues stemming from the implementation of the TCA and the Withdrawal Agreement. The Commission has not confirmed this officially, to my knowledge, but there were some comments from the Commissioner for Innovation, Research, Culture, Education and Youth last year in a European Parliament hearing

that obliquely alluded to the question of the Northern Ireland Protocol alongside the question of association.

One thing we are aware of, which I am sure Kurt will probably speak to in more detail, is that this is seemingly part of a broader trend for the Commission to treat participation in science programmes as part of the range of negotiating tools it has at its disposal in its negotiation of various treaties. As he mentioned, Switzerland is currently in the same situation. We from a Universities UK International perspective think that is regrettable, and we are very grateful for the support of a wide range of European science and university stakeholders, including LERU, a number of other university networks and our European umbrella body, the European University Association. We welcome their support in calling for the Commission to depoliticise the issue.

Next week, there is a pan-European campaign being launched called "Stick to Science", which is urging the EU to change direction and expedite the association of the UK and Switzerland to the programme. I believe there is a Twitter feed @Stick2Science if you want to follow it.

**Lord Foulkes of Cumnock:** Thank you. Professor Grimes, do you agree with that, and do you have anything to add?

**Professor Robin Grimes:** I agree with that, and I thought that was a rather excellent piece of advertising for the new programme, which the Royal Society knows about and is very supportive of.

Research funding in collaborations is an area of constructive engagement, and it should not be politicised. Conversely, science is often a diplomatic issue. Science relationships, the sort of things that we are talking about here, help to forge diplomatic relationships, particularly on technology issues where agreements between scientists provide the confidence for politicians to see that specific agreements are possible. It is not political, but it can be useful in that regard.

**Lord Foulkes of Cumnock:** Professor Deketelaere, do you agree from the other side of la Manche?

**Professor Kurt Deketelaere:** Let me perhaps be a bit more outspoken than my colleague.

**Lord Foulkes of Cumnock:** Good.

**Professor Kurt Deketelaere:** I do not think it is a bargaining chip: I am sure it is a bargaining chip. It is a bargaining chip on both sides of the Channel. The UK Government know that the EU absolutely wants the UK to associate, so the UK Government are looking at the price they can get for that. If the price is, for example, excluding the European Court of Justice from the application of the Northern Ireland Protocol, it is clear that that is a step too far for the EU and that the EU can never comply with it. On the other side, the EU also knows that the UK academic world absolutely wants to join the framework programme and is abusing that.

As Peter already indicated, I see the same happening for my Swiss members. The Swiss Government are saying, "We want to be tough vis-à-vis the EU because we have elections in 2023 coming up, and we are certainly not going against the mood in Switzerland that the EU and Brussels cannot dictate what is happening here". On the other side, the EU is saying, "Before Switzerland can associate again, it has to sign this new co-operation agreement that we have negotiated". We see that on both sides, between the EU and the UK and between the EU and Switzerland, there is an abuse of the Horizon Europe programme as a bargaining chip.

As Peter correctly indicated, that is why, with the support of LERU, Universities UK and Swiss universities, next week we launch the campaign "Stick to Science". Do not politicise this thing because at the end of the day we will only have losers if it continues like that. That is why it is important that next week again we give a very clear signal. Peter was modest in what he said about the Commissioner. In fact, the European Commissioner for Innovation, Research, Culture, Education and Youth has clearly indicated in several interviews that as long as the Northern Ireland protocol is not solved Horizon Europe association will not go through.

It is unfortunate that France now has the presidency of the EU. President Macron has indicated that if the fisheries issue is not solved this will not go forward. That is the reason why LERU is now pushing the French presidency that none the less it has to make efforts and it has to invest in making sure that this is solved before the French presidential elections in April, because if it is not done by April it is not going to be done by July.

**Lord Foulkes of Cumnock:** Our hearing is very timely then. It has given you publicity for your campaign. You were one of the signatories of a letter to President von der Leyen about this. Do you have the whole of the European Union science community behind you on getting this fixed as soon as possible, and have you had any response yet?

**Professor Kurt Deketelaere:** Absolutely. If you see what kind of institutions and the number of institutions that we have been able to set up for the letter that we wrote to von der Leyen, it is clear that the whole EU27 is united behind this in the academic and scientific world. It is clear that the Commission itself is refraining from commenting and reacting. It is clear that this is played at the highest level. It is not useful any more, I would say, to lobby the research commissioner. It is not useful to lobby those who are already on our side any more. Preaching to the converted is not necessary any more. We really have to go to the top of the Commission, the top of the Parliament and the Council, just as you have to go to your Government in the UK and in Switzerland to make sure that this is sinking in, and that they realise what is at stake and that the necessary decisions are taken.

The text of Protocol I and the agreement were ready to be signed on 24 December 2020. No more negotiations were necessary to trigger the association. It is already January 2022 for something that only needs a

signature. We need to end the political game. We need to end the politicisation of something that threatens the fantastic scientific community in the UK and in the EU. We are both going to lose.

**Lord Foulkes of Cumnock:** Thank you all very much indeed. Maybe once we get those signatures, we can have a party, but within the guidelines, of course.

**Professor Kurt Deketelaere:** My pleasure.

**The Chair:** Thank you very much indeed. I am sure Lord Foulkes was a very naughty boy in earlier times.

**Lord Foulkes of Cumnock:** It will be a work event.

**The Chair:** We move on to Lord Faulkner.

Q6 **Lord Faulkner of Worcester:** I am going to follow up that very interesting set of answers from Kurt just now and particularly ask our two British friends, Robin and Peter, what the implications for the science and research sectors will be if there is a further delay or, heaven forbid, a non-association. What is going to happen to our sectors?

**Professor Robin Grimes:** Do you want me to start?

**Lord Faulkner of Worcester:** Please do.

**Professor Robin Grimes:** The evidence is quite clear. The Government have a science superpower ambition. I do not think that is achievable without a very strong commitment to international scientific collaboration, and Horizon Europe is the world's largest multinational research funding programme. That answers that quite clearly.

Remember, we are also in a race. If we look at the global commitments to increase domestic R&D budgets, they tell us the same sort of story. The new German coalition—I have just collected this data—is committed to increase government spending on R&D to 3.5% by 2025. China's five-year plan has a 7% year-on-year increase. The US is investing an additional \$250 billion in the core science and technology budget. I can say the same things for France, Spain and Sweden, for example.

I can provide that data afterwards. The OECD average R&D proportion as a function of GDP has risen from an average of 2.4% very significantly. If we are to speed up that science superpower, we have to be associated with programmes that allow us to collaborate with other nations that have the same ideas.

**Lord Faulkner of Worcester:** Thank you. Peter, I imagine you concur with that.

**Peter Mason:** Yes, absolutely. For all the reasons that Robin outlined, certainly, non-association would make realisation of that objective harder. One critical aspect that we hear a lot from our members is the importance of the stable and reliable and, over time, increasing pot of

funding that Horizon represents. Horizon operates on a seven-yearly budget cycle according to the multiannual financial framework of the overarching commitment of the EU, which is far longer than the UK's spending review period. There is the loss of practical reassurance that there will be long-term funding available for sustainable investments in collaborations, which, as Robin has explained, is clearly very important.

We would have to find new ways to demonstrate scientific leadership. If we were not to associate, there would be other ways in which the Government would seek to develop new international funding arrangements in specific geographies and specific disciplines, but the scope of that potential leadership would be limited compared with what we have on the table with Horizon. Another point is the attractiveness of the sector to global talent. The point has already been made, but that really would take a hit without access to EU funding. We know anecdotally that a large proportion of the researchers who access EU funding in UK institutions are EU nationals, and that more broadly there is a strong cachet associated with those awards. I cannot say that having to do this through the domestic funding system would not be possible, but it would certainly be a challenge. It would take time to develop and articulate that offer and explain to a global audience its broader appeal. It certainly would complicate that objective.

**Lord Faulkner of Worcester:** Kurt, presumably you want Britain to be part of it, and the EU science and research sectors would be the poorer if Britain was not part of it.

**Professor Kurt Deketelaere:** Of course, that is clear. Just as it would be much more difficult for the UK to realise its goals, it certainly would also be the case for the EU. Let me again make the link with Switzerland. When Switzerland was kicked out of Horizon 2020 for a number of years, initially the Swiss thought, "We have money enough. Money is not a problem. If we are not able any more to participate in Horizon 2020, we will pay for it ourselves". It is a country that is much richer and has a much better budgetary situation than the UK at this point in time.

In Switzerland it was not, at the end of the day, a question of money; it was a question of collaboration—the people who are involved in all of that—to realise the goals that the country is pursuing research and innovation-wise. At the end of the day, Switzerland came back, lobbied enormously to be back on board not only for the money—the money was not really the problem—but for the prestige, the collaboration and the exchange of people that is crucial to make sure that we have the necessary brains to create a solution for all the challenges that we are confronted with.

**Lord Faulkner of Worcester:** I can understand why you say money is not a main objective, but would it be the case that if this delay goes on the British financial contribution to the Horizon Europe programme will be reduced? Will you give Britain some money back?

**Professor Kurt Deketelaere:** That is a very tricky one. When you see in Protocol I how many articles are dealing with the financial issues, it is not for me, as a lawyer, to speak about whether there is a reduction or not. That is part of the negotiation that is still going on. If at the end of the day a certain reduction would be the final element necessary for a solution, I think everybody would be happy with that. In the first place, the rules of the game, as embedded in the protocol, have to be applied.

**Lord Faulkner of Worcester:** I am sure that you will all agree that prolonged delay makes the eventual association much less valuable for all parties concerned, particularly in value for money, certainty for the sector and the wider benefits of collaboration. I suspect it is a yes from each of you on that one.

**Professor Kurt Deketelaere:** That is obvious because researchers, labs, faculties, departments and universities cannot drag this on for years. They will look for other partners because of course the money is important, and the continuity of labs, of departments and of faculties is, in a number of cases, dependent on that. Secondly, people want to invest in collaborations, in teams and in partnerships, and if that is not possible any more, or at least not in an acceptable way, with the UK, unfortunately, people will look for other partners.

**Professor Robin Grimes:** Can I add to that? I agree with Kurt very much that, if you miss out at the beginnings of the programme, it is just a bit more challenging to get into the networks as they form and as they develop. On the cost issue, it is so much better not to have that as an additional thing that we need to negotiate and think about, which then muddies the water a little bit further; it is better to associate at the beginning and not have those additional challenges to overcome.

**Lord Faulkner of Worcester:** Thank you.

Q7 **Lord Tugendhat:** The first part of my question about any steps the United Kingdom Government could or should take to resolve the impasse was covered by Lord Foulkes's question and the answers that arose, so I will not go back over that ground. Let me address a question to Professor Grimes and Peter Mason. In the event of a long delay, or indeed in the event of non-association, what alternative options do you think the United Kingdom Government should pursue? Which of you would like to take that up?

**Professor Robin Grimes:** That is an extremely long question. We are in a position at the moment where it is entirely understandable that the Government will be, and must be, considering plan B options. There is also a time when they can be looking at the evidence, trying to accumulate the evidence, that they understand better the benefits of association and what they would be trying to replicate, because we would be in a position of having to think about the long-term evolutionary advantages that I have talked about already. In fact, it remains quite clear to me that focusing on association is the important thing.

**Peter Mason:** I absolutely agree that association needs to remain the core priority. Our position is that there are measures the Government should be taking in the short term to maintain the confidence of the scientific community in the UK and in Europe while ramping up plan B preparations in the background, so as not to preclude the option of associating prematurely. One of the important things from our perspective is expanding the financial safety net that we discussed previously. As I say, at the moment, that still covers a rather limited numbers of calls, and our view is that third-country participation—participation on a self-funded basis—will be a core part of plan B in the event that we do not associate, so all the better that we try to enhance the certainty that researchers at home and abroad have by expanding that as soon as possible.

Not to get too technical, there is also a question about how we treat bids that have already been submitted, as UK researchers are currently considered eligible for bids, and that would be caught in limbo if non-association were confirmed. There are a number of flexible mechanisms that we would be looking for, to protect and stabilise the system at the point at which non-association were to be confirmed, through uplifts to other parts of the funding system. If possible, it would be some form of expanding the option that UKRI currently offers to allow grantees to bring in international counterparts to bids, the co-investigator option, and a particular focus on uplifting existing grants and fellowship schemes.

Then I suppose there is the question of the longer-term plan B and the vision that the Government are fleshing out for what a landscape in which we were not associated to Horizon would look like. A few elements need to be considered there. One would be the talent offer, which I think we talked about previously, and how we would articulate that to the world as something that was globally attractive and would maintain the excellence-led, bottom-up approach to funding that the EU system currently affords.

A growth in the scale and scope of system-to-system funding agreements would be a key aspect of plan B. It would be looking at ways in which international business investment can be leveraged through existing or new public funding, and looking at the way in which internationally collaborative PhD education can be supported between UK institutions and international institutions. There could be new ways of funding the shorter-term mobility that currently is provided for through the Marie Skłodowska-Curie Actions. There are a lot of different directions in which we would want to take this planning.

To reiterate the point I made at the start, clearly, we would like to be in a situation where none of this is needed, and to put off making that decision any earlier than is absolutely necessary. In our view, the added value that we talked about before still by far outweighs any benefits of the plan B approach.

**Lord Tugendhat:** Thank you. I think that is about that.

**The Chair:** It was a surprisingly long answer to a short question. We move to Lord Trenchard.

Q8 **Viscount Trenchard:** It is very clear from what you have all said to earlier questions that you all consider that the failure for the association agreement to be implemented is as a result of its being used as a bargaining chip by both sides, and that obviously works to the detriment of scientific development both in Europe and in the UK. Given that you have also said that you prefer plan A to any plan B because plan A is obviously better, how hard are you trying, given that 13 months have passed, as you told us, since the association agreement was ready? How much engagement have you had with the UK Government, and at what level, in the case of Professor Grimes and Mr Mason, and, Professor Deketelaere, how much engagement with the European Commission and at what level? For example, who have you seen this year? What kind of reaction are you getting in your recent meetings? Could I start with Professor Grimes?

**Professor Robin Grimes:** The Royal Society, along with other key figures across the sector, signed a letter to Lord Frost urging the Government not to allow wider political disagreements to impact on association. We have been writing to Ministers. We regularly meet BEIS Ministers and officials to discuss the details, in particular of the benefits of plan A versus the things that we have heard about already on plan B. It is encouraging to see that the higher education association is at the top of the Science Minister's priority list for the new year. There has been an awful lot of talking up of plan B, and we need to balance it and understand it against what we have with association.

**Viscount Trenchard:** Thank you.

**Peter Mason:** Thank you. Similarly to Robin, we have had wide-ranging engagement with the UK Government. We have written various letters in the past months to the Science Minister on this issue and have had regular engagement with him and senior officials, including through the Senior Stakeholder Forum, and we are reassured by the Government's position, which is that they are ready to associate as and when the agenda item is brought forward by the Commission.

It appears, at least from where we are sitting, that the hold-up seems to be on the Commission's side. From that perspective, we think that we are in a similar position to the Government on this particular issue. It is worth noting that we have made representations to the EU institutions as well through our EU umbrella body, the EUA. The line that they are completing their eternal processes continues to hold.

**Viscount Trenchard:** Professor Deketelaere, presumably, you have been in close communication with the Commission. Do you find it receptive to your concerns?

**Professor Kurt Deketelaere:** As I indicated in one of my previous answers, we have been doing everything we can—letters, press releases,

media campaigns, including the one that was announced for next week. As I indicated, preaching to the converted is behind us. We have been doing that for months. We really focus on the top of the Commission, the Parliament and the Council, because at the end of the day we are still confronted with the argument that we saw during the negotiation of the agreement—namely, that a specific deal solving the research file is not the negotiating strategy of the Commission, the Parliament and the Council. They want an overall agreement, and they do not want to pre-empt in favour of research, and that is, of course, the problem.

We have two authorities, the UK Government and the EU bodies, saying, “We are in favour of signing up to Horizon Europe”, but on both sides nobody wants to take the first step. That means that nobody wants to give up on the specific demands that have come up after they agreed on the agreement on Protocol I. That is the problem that we are confronted with. Let us wait and see which will be the first to give up on their additional conditions.

**Viscount Trenchard:** That is very interesting. It is interesting to me that none of you has mentioned the Specialised Committee on Participation in Union Programmes, which I think met in December. Do any of you have any confidence that this specialised committee will have any effect and will work expeditiously to finalise UK participation? Do any of you know about the Committee?

**Professor Kurt Deketelaere:** We certainly know about the Committee. We know that it had its first meeting. We have been sending messages to those people. There has been no reaction at this point in time. In our lobby strategy, we focus now primarily on the French Government because, as president of the EU for the first half of the year, if something is to move on this, it will have to come from the French presidency of the EU. Obviously, all Member States, all EU27, will have to agree if some flexibility and commitments are taken by the EU versus the UK that were initially not agreed on in the framework of the agreement and Protocol I. That means that within the Commission people in research and innovation take note of what is going on, but they have absolutely no influence on this. We are looking primarily to those who politically can make a difference now.

**Viscount Trenchard:** Okay. Peter Mason, do you have any confidence in the specialised committee, and are you engaging with it?

**Peter Mason:** My understanding of the specialised committee is that it is a technical body convened with the explicit purpose of adopting the protocol. As Protocol I has already been agreed in draft as an annexe to the TCA, our understanding is that that process should be rather swift; it is really a rubber-stamping once the political will exists, as Kurt alluded to. The priority, as Kurt said, is to secure the political will of the EU institutions, and then we believe that there is no reason why this should not happen expeditiously.

**Viscount Trenchard:** Thank you very much. Professor Grimes, do you

have anything to add?

**Professor Robin Grimes:** Not really, no. I completely agree. Of course, we stand ready to engage if we are asked, but my colleagues said it all.

**Viscount Trenchard:** Thank you very much.

**The Chair:** Thank you very much, Lord Trenchard. We move to the very patient Lord Wood.

Q9 **Lord Wood of Anfield:** Thank you very much. The discussion has been dominated by Horizon, but I want to open it up a bit more and ask whether there are other priorities in the broader relationship and what they might be. What other aspects are you focusing on—data flows, mobility of people, other issues of mutual recognition perhaps? Perhaps Peter can start. What are the other things that are on your in-tray related to this, or not even related to this?

**Peter Mason:** First, Horizon is clearly the most pressing matter arising from the trade and co-operation agreement, from our perspective. Mutual recognition of professional qualifications would be second on the list and certainly an area that has significant repercussions for student recruitment and transnational education. I suppose by contrast with Horizon this is a matter that we now need to work through on a national, regional and professional basis. Work is going on at a different level on that front. Data adequacy is very important for us. We are reassured that there is agreement with the Commission, or the Commission has granted that status to the UK.

The only other thing I would note is that we are alive to the risk of further disruption stemming from any further breakdown in the political relationship. It is difficult to plan for that eventuality because there is no clear route for the retaliatory steps that would be taken on either side. Obviously, we hope that we do not come to that. It is a difficult outcome to plan for. MRPQ is probably the other major issue on our agenda at the moment.

**Lord Wood of Anfield:** Thank you. Professor Deketelaere, do you want to say anything?

**Professor Kurt Deketelaere:** Yes, I would like to add to that. Horizon Europe is one thing, and it is, of course, our absolute priority, but if association takes place it is clear that we have to avoid divergent legislation in the UK and in the EU on all kinds of topics. I will mention a few. You already mentioned the flow of data and data protection. You know how obsessed the EU is with data protection at this point in time—just look at the amount of data legislation that is pending in the European Parliament. There are also topics that we have been working on recently, such as dual use, export control and things like that. If association takes place but the UK diverges from EU legislation on those issues, we have a problem.

It was announced on Monday that, seemingly, you will have a Brexit freedoms Bill proposed in which the UK Government would aim at a kind of flexibility on all the EU legislation you have adopted through the trade and co-operation agreement, and that you would now like to take a much more flexible approach on all kinds of issues. That is to a certain extent worrying because, even if you associate, the EU will ask you for the same level of protection—for example, with regard to data, IP, dual use and export control. Pushing for association is one thing, but at the same time it is clear that there should be a kind of framing of, or reluctance to have, flexible legislation on all kinds of issues that will make co-operation much more difficult.

**Lord Wood of Anfield:** Thank you. You raise a fascinating question about whether the mechanisms for ensuring continual alignment exist in any area, let alone in the area of research—

**Professor Kurt Deketelaere:** Absolutely.

**Lord Wood of Anfield:** —and whether that would be constraining of precisely the freedom that Brexit was designed to bring about. That is the Catch-22. Professor Grimes, do you want to add anything?

**Professor Robin Grimes:** To do research, you need two things: the people and the data, and you need to be able to exchange those to develop teams in order to have an impact. I completely agree with my colleagues on that.

There are one or two other areas as well. We have played a very active role in Euratom research and training activities. The International Thermonuclear Experimental Reactor, ITER, is another example. There is the Copernicus Earth observation programme, and there are the satellite, surveillance and tracking services. There are many other small things as well, but they all mount up.

**Lord Wood of Anfield:** Thank you very much for your answers.

**The Chair:** Thank you very much. Our most patient colleague is Lord Lamont.

Q10 **Lord Lamont of Lerwick:** My question is for Professor Grimes and Peter Mason. It is a rather different sort of question. You have made very clear the absolute importance you attach to Horizon and you have described it as the largest collaborative scientific programme in the world. I totally accept that. I am not trying in any way to question it.

I am interested in the potential opportunities for UK science and research elsewhere in the world. In November 2017, we signed an agreement with the United States on scientific co-operation, which was added to in September 2020 and then in 2021 in Cornwall, where President Biden was present with the Prime Minister. They signed another addition to the Atlantic charter. The spokesman for the White House said that both nations have set out their ambition to continue to lead the world in R&D, and there were lots of references to AI and pharmaceuticals, where there

is a lot of co-operation with America. What do you see as the other opportunities in the world for science and R&D?

**Professor Robin Grimes:** It is not a question of either/or.

**Lord Lamont of Lerwick:** I agree.

**Professor Robin Grimes:** It is true; we have tremendous collaborations with countries all over the world and always have had. The country that we write more publications with than any other is, as you rightly identified, the US. As a function of time, as the ecosystems of science expand through many other nations in the world, we have seen that the EU in particular has increased the amount of research and excellence in research—the sort of research that we really want to be involved with—disproportionately to that extent. We need to join Horizon Europe, but, of course, we also need to collaborate with the United States and with many other countries around the world. It is part of our overall increase in capacity of science. Certainly, the Horizon programme and collaborations with Europe will remain a core part of that.

**Lord Lamont of Lerwick:** Mr Mason?

**Peter Mason:** I agree with all of that. The Government have set out their objective to be a global science superpower. Clearly, there needs to be a commensurate increase in the R&D budget to achieve that. Universities are very supportive of that agenda.

Universities are international beacons for the UK in respect of their role, both as far as research collaboration is concerned and their soft power and the role that we play in educating people across the world, in the UK and through transnational legislation. There is an important role for institutions to play in the global Britain agenda as well, as articulated through the integrated review. We certainly support the Government in that mission. As Robin said, these are not either/or. Universities are inherently flexible to pursue opportunities wherever they can be identified. In that respect, we are keen to be a part of the global Britain agenda.

**Lord Lamont of Lerwick:** Thank you very much.

**The Chair:** Thank you very much for what has been a very interesting session. I think we have all certainly found that. The committee will of course need to meet in order to discuss our consensus view on what we have heard and what we should be doing about it. We all heard very clearly from all three of you the need to depoliticise this issue, and we all heard very clearly that association of the UK with Horizon Europe was a win-win, and that we are all the losers as long as that does not happen. That is very interesting, strong evidence from the three of you, and therefore I am very grateful indeed.

You promised us, I am afraid, some metrics earlier, and you promised Baroness Coultie some further data. We would be very grateful if you could send that on to us, to our secretariat, so that we can familiarise

ourselves with it. Thank you again. With that, I declare this evidence session over.