



Department for
Business, Energy
& Industrial Strategy

George Freeman MP
Minister of State for Science,
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Dear Lord Kinnoull,

EU PROGRAMMES – PACKAGE OF IMMEDIATE INVESTMENT FOR THE UK'S R&D SECTOR

Today I'm pleased to announce **up to £484m funding** to invest and retain talent in the UK R&D sector and to secure the UK fusion sector's commercial leadership and capabilities. The ongoing uncertainty over access to EU Programmes (Horizon, Copernicus, Euratom Research & Training and Fusion for Energy) is placing increasing pressure on UK universities and research organisations, as well as causing significant issues for the UK's Fusion and Earth Observation sectors. UK researchers should already be part of these programmes; however the EU have now delayed our association for 19 months. The UK has done everything it can to secure association, including entering formal consultations with the EU.

It remains the Government's preference to associate to EU R&D programmes and the Government remains ready to discuss association with the EU, however we cannot wait forever. My priority is to invest in the UK's R&D sector, whether through association or, if the EU do not implement their obligations, alternative measures. In September, the Government announced an extension of the Horizon Guarantee scheme, protecting funding for UK researchers, businesses, and innovators. The guarantee provides vital support to eligible, successful UK applicants to continue their important work in research and innovation and is in place to cover all eligible Horizon Europe calls that close on or before 31 December 2022. As of 31 October 2022, we have already issued £512.6m of Grant Offer Letters for the guarantee.

Whilst the guarantee is an important means of protecting the UK sector, we're committed to going further. That's why over the last few months, officials and I have consulted widely with the research community - this package responds to what we have been hearing are their biggest challenges. These investments will provide targeted support during this time of uncertainty. They will support staff retention and local talent strategies at eligible universities and research organisations; ensure the UK's labs remain world class and at the cutting edge of R&D; and offer universities



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and research organisations the discretion to apply the funding in ways that best suit their local needs. It will also stimulate and accelerate the growth of the UK's fusion industry, delivering a thriving UK fusion ecosystem and strengthening the UK's position in the future global fusion market.

Further to the funding announced today, I will shortly be announcing new investment and projects to boost the Earth Observation community and mitigate the challenges caused by the delays to association to Copernicus.

To reiterate, it remains the Government's preference to associate to EU programmes as envisaged under the TCA, but we cannot wait forever to invest the funding set aside for association in our world-leading R&D sector. While the EU continues to delay our participation, this package ensures that universities and research organisations are able to continue to attract and retain talent, invest confidently in their research infrastructure and protect the UK's reputation for excellent research.

Yours sincerely,

GEORGE FREEMAN MP

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