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Brexit: the Erasmus and Horizon programmes

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The European Union Committee

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Evidence is published online at <https://www.parliament.uk/student-exchanges-funding-universities-research> and available for inspection at the Parliamentary Archives (020 7219 3074).

Q in footnotes refers to a question in oral evidence.

SUMMARY

This report explores the implications of Brexit for UK participation in the EU's flagship programme for research and innovation, Horizon 2020, and the EU's international mobility programme, Erasmus+, which provides opportunities for young people and teaching staff to study, work, and train abroad.

The UK is a respected and important partner in both the Erasmus+ and Horizon 2020 programmes. It is a popular destination for mobility placements and a world leader in research, with an exceptionally strong science base. In return, the UK receives substantial amounts of funding, access to professional networks, and opportunities to connect and collaborate with European partners built over decades of cooperation under the shared framework of the Erasmus and Horizon programmes.

Under Erasmus+, €1 billion is expected to be allocated to the UK between 2014 and 2020 to support university student exchanges, work and vocational training placements, youth projects, and opportunities for staff working at all levels of education to teach or train abroad. Extra funding is available for people from disadvantaged backgrounds, and those with disabilities or additional needs, to ensure these mobility opportunities are inclusive and accessible to all. The programme also funds cooperation projects between universities, schools and colleges across Europe, and brings together young people and decision-makers to help improve youth policy.

The UK is the second largest recipient of Horizon 2020 funding and has received 15.2% of grants distributed through the programme so far, totalling €5.7 billion. As well as funding UK research projects, Horizon 2020 supports scientific partnerships with countries across Europe and beyond, provides access to large-scale international research facilities and joint infrastructure, and offers fellowships for talented researchers to spend time working abroad.

As an EU Member State, the UK has access now to all Erasmus+ and Horizon 2020 funding programmes. The Withdrawal Agreement would maintain this access, and UK participation in Erasmus+ and Horizon 2020 would continue largely unchanged until both programmes draw to a close at the end of 2020, which coincides with the expected end of the transition period.

In preparation for a 'no deal' scenario, the Government has committed to underwrite funding from EU programmes until the end of 2020. However, the Government still needs to agree terms with the EU for UK organisations to continue to participate in Erasmus+ and Horizon 2020 projects as third country entities. We were concerned to learn that the European Commission has thus far been unwilling to engage in discussions on 'no deal' contingency plans, and urge both parties to work together to avoid disruption to research projects and UK and EU nationals on Erasmus+ placements. There is also an urgent need for greater clarity on how the Government intends the underwrite guarantee to operate in practice, including who will disburse the funding and what terms and conditions will apply to beneficiaries.

Of particular concern to the UK's research community in a 'no deal' scenario is the loss of access to key sources of Horizon 2020 funding, including the European Research Council and Marie Skłodowska-Curie Actions, which are not open to third country participation and so are not covered by the Government's

underwrite guarantee. The Government's own statistics show that grants from these programmes account for about 44% of total UK receipts from Horizon 2020. We note that the Government is keenly aware of this issue and emphasise the importance of confirming replacements for these funding streams as soon as possible. The UK and the EU will also need to establish arrangements to maintain the free flow of data and regulatory alignment for clinical trials and chemical registration, which are essential to facilitating international research collaboration.

Whether the UK leaves the EU under the Withdrawal Agreement or in a 'no deal' scenario, it could still seek to participate in the successor programmes to Erasmus+ and Horizon 2020—'Erasmus' and 'Horizon Europe', which will run from 2021 to 2027—as a third country. We strongly believe—and it was the unanimous view of our witnesses—that it is in the UK and the EU's mutual interest to preserve current close levels of cooperation on research and innovation and educational mobility, and that the UK should participate fully in the Erasmus and Horizon Europe programmes as an associated third country. We are encouraged by positive indications in the Political Declaration on the future UK-EU relationship that this will be possible.

Associate membership would not give the UK voting rights in the committees which oversee the strategic planning of the programmes, and so the UK would have less influence over the priorities and future development of Erasmus and Horizon Europe than would EU Member States. The strength of the UK's science base should, however, help to ensure the UK remains an influential player in European research and innovation.

The financial contributions required to secure association to the successor programmes are likely to be higher than for Erasmus+ and Horizon 2020, as both programmes are set to have substantially larger budgets. The proposal to establish Horizon Europe also sets out a financial rebalancing mechanism, which would mean the UK could not be a net beneficiary of EU research and innovation funding, as it is today. Nonetheless, although the costs of participation will be greater, so too will be the opportunities for funding and international collaboration offered under the larger 2021–2027 Erasmus and Horizon Europe programmes. We consider the cost of securing association to them a worthwhile investment to preserve access to all programme funding streams and international collaboration opportunities that raise the standard of education and support excellent science in the UK.

If the Government is not willing or able to secure association to these programmes, alternative UK funding schemes would be needed. However, it would be a formidable challenge to try to replicate at a national level the substantial benefits of the EU's programmes for research and innovation and international mobility.

As for Erasmus, the Minister of State for Universities, Science, Research and Innovation acknowledged that the value of the programme, and the partnerships built through it over the past 30 years, could not simply be equated with monetary spend. We were struck by the stark warning that mobility opportunities for people in vocational education and training would "stop in their tracks" without Erasmus funding, and we are particularly concerned that losing access to the programme would disproportionately affect people from disadvantaged backgrounds and those with medical needs or disabilities. The

time and resources required to establish and maintain exchange partnerships without the support of Erasmus could also be a prohibitive burden for many smaller organisations.

The EU's research and innovation programmes also provide clear benefits over and above grant funding. They support cross-border research partnerships, provide access to large-scale research facilities, joint infrastructure and equipment, and facilitate the mobility of the most talented researchers across Europe. We note that the Government has committed to increase spending on research to 2.4% of GDP by 2027, but it is clear that it would take many years for any UK alternative to emulate the strength and productivity of the research collaborations built through the EU's research programmes, and the prestigious reputation of funding instruments like the excellence-based European Research Council grants.

We urge the Government to confirm whether it will seek full association to the 2021–2027 Erasmus and Horizon Europe programmes as soon as possible, to maximise certainty and stability for UK students and researchers, and to enable them to plan for any changes.

Brexit: the Erasmus and Horizon programmes

CHAPTER 1: INTRODUCTION

Overview

1. ‘Horizon 2020’ and ‘Erasmus+’ are the 2014–2020 EU funding programmes for research and innovation and for education, training, youth and sport, including educational exchanges for young people. The UK is currently a significant player in both programmes. Over 53% of university students undertaking a period of study abroad do so through Erasmus+, and the UK has the highest share (12.8%) of participants in signed Horizon 2020 grant agreements. The UK has received €5.7 billion (15.2%) of Horizon 2020 funding distributed so far, making it the second largest recipient of programme funding after Germany. Under Erasmus+, the UK is expected to be allocated €1 billion over the 2014–2020 period and €677 million has been distributed to UK projects to date.¹
2. Consequently, the UK’s withdrawal from the EU—and the related potential loss of access to Erasmus or Horizon in March 2019, or at the end of any transition period—could have a significant impact on ‘mobility opportunities’ for people in the UK to study, train, teach, and gain experience abroad, and on the funding available for UK research projects, and how UK organisations participate in international research collaboration.

This inquiry

3. This short inquiry focused on the short and longer-term implications of Brexit for UK participation in the Erasmus+ and Horizon 2020² programmes. The report begins with an overview of both programmes, and plans for their successors in the 2021–2027 Multiannual Financial Framework period (the ‘Erasmus’³ and ‘Horizon Europe’ programmes). Chapter 3 explores the implications of the UK leaving the EU under the terms of the November 2018 Withdrawal Agreement, compared to a ‘no deal’ scenario, for the

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- 1 Erasmus+ UK National Agency, *Statistics for Erasmus+ 2014–2018* (updated September 2018): <https://www.erasmusplus.org.uk/file/14130/download> [accessed 2 January 2019]; Erasmus+ UK National Agency, ‘2019 Erasmus+ Call published’ (25 October 2018): <https://www.erasmusplus.org.uk/news/2019-erasmus-call-published> [accessed 2 January 2019]; European Commission, *Horizon 2020 in full swing three years on: key facts and figures 2014–2016*, pp 27–28: https://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/h2020_threeyearson_a4_horizontal_2018_web.pdf [accessed 7 January 2019], and [Q 42](#) (Chris Skidmore MP).
 - 2 The Horizon 2020 programme is a collaborative financial instrument. Many of its funding streams support collaborations between academic institutions and industry partners, and there is a dedicated instrument to support innovative small and medium-sized companies. The Sub-Committee’s remit includes matters relating to home affairs, health, and education, and so this inquiry focused on Horizon 2020 funding for universities. Figures referenced in this report on total UK receipts from Horizon 2020 encompass all programme pillars, including industrial leadership.
 - 3 ‘Erasmus+’ is the name of the EU’s programme for education, training, youth and sport for the period from 2014 to 2020. At the time of drafting, the successor programme to Erasmus+ is expected to be called simply ‘Erasmus’, although some Member States favour retaining the ‘+’ for continuity. In this report, we refer to the current programme as Erasmus+ and the next iteration as ‘the successor programme’ and ‘the 2021–2027 Erasmus programme’ interchangeably. Witnesses to this inquiry referred variously to both the current and successor programmes as ‘Erasmus’ and ‘Erasmus+’ or ‘Erasmus Plus’.

Government's stated aim of continuing to participate in Erasmus+ and Horizon 2020 for the duration of the programme period. Chapter 4 considers options for future UK policy: whether and how the UK could become associated to the 2021–2027 Erasmus and Horizon Europe programmes, and the possibility of the UK developing its own replacement schemes. Cross-cutting issues including the impact of future UK immigration policy and ongoing uncertainty around the circumstances of UK withdrawal from the EU are also considered.

4. The EU Home Affairs Sub-Committee, whose members are listed in Appendix 1, met in December 2018 and January 2019 to take evidence for this inquiry. We are grateful to those who gave oral evidence and to those who provided written submissions, all of whom are listed in Appendix 2.
5. **We make this report to the House for debate.**

CHAPTER 2: THE ERASMUS AND HORIZON PROGRAMMES

Educational mobility

6. The first Erasmus (European Region Action Scheme for the Mobility of University Students) programme was established in 1987 to give higher education students the opportunity to spend part of their studies abroad. In its first year, the programme involved 11 countries and had 3,244 participants. Over time, the initiative has evolved and expanded and the current ‘Erasmus+’ programme is open to a range of participants involved in ‘lifelong learning’: higher education, vocational education and training (VET), school and adult education, youth, and sport.⁴ There are now 33 Erasmus+ programme countries and the initiative supported 725,000 ‘mobilities’ in 2016.⁵

Erasmus+

7. Erasmus+ runs for the Multiannual Financial Framework (MFF) period 2014–2020. It aims to support national efforts and enhance opportunities for international cooperation and mobility in the fields of education, training, youth, and sport, and brings together all previous EU initiatives in these fields, including Erasmus, Youth in Action, Jean Monnet, Edulink, and Erasmus Mundus.⁶
8. Participation in Erasmus+ is open to countries within the EU and beyond on a ‘Programme country’ or ‘Partner country’ basis. Programme countries—the EU Member States plus Norway, Iceland, Liechtenstein, Turkey, and the former Yugoslav Republic of Macedonia—are subject to all the obligations and requirements of Regulation 1288/2013 and can take part fully in all actions of the Erasmus+ programme. Partner countries participate in Erasmus+ on a more limited basis—subject to specific criteria or conditions—and include, among others, the Western Balkans and Eastern Partnership countries, the Russian Federation, and Switzerland.⁷
9. The European Commission has ultimate responsibility for Erasmus+—managing the programme budget, setting priorities, targets and application criteria, and monitoring project follow-up and evaluation—but most actions are implemented at the national level. These are known as ‘decentralised activities’, with applications and awards managed by a network of National Agencies overseen by responsible government departments (National

4 European Council, ‘Celebrating 30 years of the Erasmus Programme’ (15 June 2017): <https://www.consilium.europa.eu/en/documents-publications/library/library-blog/posts/celebrating-30-years-of-the-erasmus-programme> [accessed 2 January 2019] and European Commission, *From Erasmus to Erasmus+: a story of 30 years* (26 January 2017): http://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus2/files/erasmus-plus-anniversary-factsheet-02v2-hd_0.pdf [accessed 2 January 2019]

5 European Commission, *From Erasmus to Erasmus+: a story of 30 years*: http://ec.europa.eu/programmes/erasmus-plus/anniversary/30th-anniversary-and-you_en [accessed 7 January 2019] and European Commission, *Erasmus+ Annual Report 2016*: http://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus2/files/annual-report-2016_en.pdf [accessed 7 January 2019]

6 Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing ‘Erasmus+’: the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC, *OJ L 347* (20 December 2013)

7 European Commission, *Erasmus+ Programme Guide* (October 2018) pp 22–24: https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus2/files/erasmus-plus-programme-guide-2019_en.pdf [accessed 2 January 2019]. Serbia will be recognised as a programme country subject to budget availability in 2019 and the amendment of the EU-Serbia agreement on Serbia’s participation in Erasmus+.

Authorities). Various ‘centralised activities’—such as the Sport chapter, Jean Monnet higher education programme, and Erasmus Mundus Joint Master’s Degrees—are managed at the European level by the Commission’s Education, Audiovisual and Culture Executive Agency.⁸

10. With a budget of €16.45 billion for the programme period, Erasmus+ aims to reach over four million people through study, training, work experience, or volunteering abroad. Funding is distributed through annual Calls for Proposals, which detail available grants and application criteria according to the type of activity (see Box 1) and sector of the applicant organisation. These sectors include higher education, schools, adult education, VET, and youth.⁹

Box 1: Erasmus+ in the UK—Key Actions

Key Action 1: Mobility

Study abroad

- For students in higher education:
 - Study placements of between three and 12 months;
 - Monthly grants of €300–€500, depending on the country visited;
 - Monthly supplement of €120 for students from ‘widening participation’ groups;
 - Extra funding available for students with a severe disability or exceptional special needs;
 - Contribution towards UK tuition fees for students going abroad for an entire academic year.

Work abroad

- For young people and VET students:
 - Work or vocational training placements of between two weeks and 12 months;
 - Funding for sending organisations for project costs, activities such as language and intercultural preparation, extra support for people with special needs or those with fewer opportunities;
 - Funding for participants to help support travel and subsistence costs.

8 European Commission, ‘Actions’: https://eacea.ec.europa.eu/erasmus-plus/actions_en [accessed 2 January 2019]

9 Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing ‘Erasmus+’: the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC, [OJL 347](https://eur-lex.europa.eu/eli/reg/2013/1288/oj) (20 December 2013) and Erasmus+ UK National Agency, *An introduction* (November 2018): <https://www.erasmusplus.org.uk/file/15059/download> [accessed 31 December 2018]. Erasmus+ has an overall indicative financial envelope of €14.774 billion under Heading 1 and of €1.680 billion under Heading 4 of the EU Budget for the seven years (2014–2020).

- For students in higher education:
 - Traineeships in a European enterprise of between two and 12 months;
 - Monthly grants of €400–€450, depending on the country visited;
 - Monthly supplement of €20 for students from ‘widening participation’ groups;
 - Extra funding available for students with a severe disability or exceptional special needs;
 - Contribution towards UK tuition fees for students going abroad for an entire academic year.

Youth exchanges

- For young people aged 13–30:
 - Exchanges of between five and 21 days;
 - Groups jointly carry out a work programme designed and prepared by them (such as workshops, exercises, debates, role-plays, simulations and outdoor activities).

Teach or train abroad

- For staff at schools, higher education institutions, VET and adult education organisations, and youth workers:
 - Teaching, training, or professional development activities of between two days and two months;
 - Funding for sending organisations for project costs, activities such as language and intercultural preparation, extra support for people with special needs or those with fewer opportunities;
 - Funding for participants to help support travel and subsistence costs.

Key Action 2: Strategic partnerships

Organisations across the fields of education, training, youth, and sport can apply for up to €150,000 per year to develop international partnerships to share best practice and work collaboratively to improve and modernise practice and provision.

Key Action 3: Policy development

Organisations can apply for funding of up to €50,000 per project to run structured dialogue projects (which can last from three to 24 months) to bring young people and decision-makers together to inform the development of youth policy.

Source: Erasmus+ UK National Agency, ‘What can I do?’: <https://www.erasmusplus.org.uk/what-can-i-do> [accessed 31 December 2018]

Erasmus beyond 2020

11. The Commission brought forward a draft Regulation to establish Erasmus in the 2021–2027 MFF period in May 2018. The 2021–2027 programme would maintain the same basic structure as Erasmus+—with three Key Actions focused on mobility, cooperation, and policy development—but the Commission envisages a substantial expansion of activities, with a total

budget of €30 billion and an ambition to reach up to 12 million participants over the programme period.¹⁰

12. The proposal aims to respond to some of the concerns highlighted in the Erasmus+ mid-term evaluation, including:

- the administrative burden of participation for smaller projects and organisations;
- the lack of visibility of actions in certain sectors, such as adult education; and
- the need to improve accessibility for individuals from disadvantaged backgrounds or with special needs.¹¹

13. To address these issues, the proposal outlines plans to:

- introduce a new initiative to support 18-year-olds travelling abroad for the first time;
- expand mobility opportunities for current participants;
- re-introduce mobility for school pupils and low-skilled adult learners; and,
- improve flexibility of participation, including through ‘virtual mobility’ opportunities.

Efforts will be made to reduce the administrative burden for small organisations and new participants, and to streamline application criteria and monitoring and evaluation indicators.¹²

14. The 2021–2027 Erasmus programme will also aim to “intensify international mobility and cooperation with third countries”. Article 16 of the proposal sets out how third countries may negotiate association agreements to take part fully in the new programme, provided they comply with the conditions of their agreement and fulfil the same obligations imposed by the Regulation on EU Member States. Article 16 further specifies that third country association agreements must:

- ensure a fair balance of contributions and benefits;
- lay down the conditions of participation, including the calculation of financial contributions to individual programmes and their administrative costs;

10 Proposal for a regulation of the European Parliament and of the Council establishing ‘Erasmus’: the Union programme for education, training, youth and sport and repealing Regulation (EU) No 1288/2013, [COM\(2018\) 367](#)

11 Proposal for a regulation of the European Parliament and of the Council establishing ‘Erasmus’: the Union programme for education, training, youth and sport and repealing Regulation (EU) No 1288/2013, [COM\(2018\) 367](#). See also Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Mid-term evaluation of the Erasmus+ programme (2014–2020), [COM\(2018\) 050](#)

12 Proposal for a regulation of the European Parliament and of the Council establishing ‘Erasmus’: the Union programme for education, training, youth and sport and repealing Regulation (EU) No 1288/2013, [COM\(2018\) 367](#)

- not confer upon the third country a ‘decisional power’ on the programme;¹³
- guarantee the EU’s rights to ensure sound financial management and to protect its financial interests.

The proposed Regulation also provides for participation on a more limited basis for “third countries not associated to the programme” (Article 17).¹⁴

15. Since it was published, the 2021–2027 Erasmus programme proposal has been considered by various Committees of the European Parliament, and by the Council. Negotiations are expected to conclude before the European Parliament elections in 2019, although budget-related matters will form part of wider negotiations on the next MFF.¹⁵

Research and innovation

16. Research funding at a European level has existed since the foundation of the European Economic Community. It focused initially on coal, steel and atomic energy projects, but subsequently expanded into new areas until the 1980s, when the decision was taken to rationalise research funding under a single framework. The First Framework Programme for research ran from 1984–1987 and had a budget of €3.3 billion. Since this time, the EU’s research framework programmes have continued to evolve and expand, and transnational cooperation has been extended to an increasing number of non-EU countries.¹⁶

Horizon 2020

17. Horizon 2020 is the EU’s Framework Programme for research and innovation for the MFF period 2014–2020. It has a total budget of nearly €80 billion and aims to secure Europe’s global competitiveness by driving economic growth and creating jobs.¹⁷
18. Horizon 2020 is structured around two-year work programmes, developed by the Commission, which detail specific priorities and funding areas for that period. Competitive calls for proposals are issued under three programme priorities (or ‘pillars’, see Box 2), with varying funding criteria, including scientific excellence, alignment with strategic objectives, geographical and disciplinary diversity, and potential for commercialisation. European

13 Under current arrangements, EU Member States have a vote over work programmes drafted by the Commission in Programme Committee meetings. Associated third countries like Norway and Switzerland are typically observers on these Committees, without voting rights.

14 Proposal for a regulation of the European Parliament and of the Council establishing ‘Erasmus’: the Union programme for education, training, youth and sport and repealing Regulation (EU) No 1288/2013, [COM\(2018\) 367](#)

15 European Parliament, *Legislative train schedule: New boost for jobs, growth and investment, MFF—Erasmus the Union programme for education, training, youth and sport* (updated 14 December 2018): <http://www.europarl.europa.eu/legislative-train/theme-new-boost-for-jobs-growth-and-investment/file-mff-erasmus> [accessed 2 January 2019]

16 ‘Europe’s Framework Programmes - a key element of research policy in Europe’, *Horizon: The EU Research & Innovation Magazine* (16 December 2014): <https://horizon-magazine.eu/article/europe-s-framework-programmes-key-element-research-policy-europe.html> [accessed 9 January 2019]

17 Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014–2020) and repealing Decision No 1982/2006/EC, [OJ L 347](#) (20 December 2013)

Research Council (ERC) grants are awarded solely on the basis of excellence, with no thematic priorities or geographical quotas.¹⁸

Box 2: The three pillars of Horizon 2020

Excellent science

This priority aims to reinforce and extend the excellence of the EU's science base and consolidate the European Research Area through four specific objectives:

- the European Research Council (ERC);
- Marie Skłodowska-Curie Actions (MSCA);¹⁹
- Future and Emerging Technologies;
- Research infrastructures.

Industrial Leadership

This priority aims to help innovative European SMEs grow into world-leading companies through three specific objectives:

- Leadership in enabling and industrial technologies;
- Access to risk finance;
- Innovation in SMEs.

Societal challenges

This priority responds to the policy priorities and societal challenges identified in the Europe 2020 strategy and focuses funding on the following objectives:

- Health, demographic change and wellbeing;
- Food security, sustainable agriculture, marine and maritime research, and the bioeconomy;
- Secure, clean and efficient energy;
- Smart, green and integrated transport;
- Climate action, resource efficiency and raw materials;
- Inclusive, innovative and secure societies.

Source: Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014–2020) and repealing Decision No 1982/2006/EC, [OJ L 347](#) (20 December 2013)

18 Science and Technology Committee, *EU membership and UK science* (2nd Report, Session 2015–16, HL Paper 127). The European Research Council aims to reinforce the excellence, dynamism and creativity of European research by providing long-term funding to support excellent investigators and their research teams to pursue ground-breaking, high-gain/high-risk research. Scientific excellence is the sole criterion on which ERC grants are awarded. Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014–2020) and repealing Decision No 1982/2006/EC, [OJ L 347](#) (20 December 2013)

19 Marie Skłodowska-Curie Actions provide grants for all stages of researchers' careers and encourage transnational, intersectoral and interdisciplinary mobility. MSCA enable research-focused organisations (universities, research centres, and companies) to host talented foreign researchers and create strategic partnerships with leading institutions worldwide. MSCA aim to equip researchers with the necessary skills and international experience for a successful career, either in the public or the private sector. European Commission, 'Marie Skłodowska-Curie Actions': <https://ec.europa.eu/programmes/horizon2020/en/h2020-section/marie-sklodowska-curie-actions> [accessed 17 January 2019]

19. A network of National Contact Points—national structures established by the governments of EU Member States and associated third countries—provides guidance, practical information, and assistance to current and potential participants on all aspects of Horizon 2020.²⁰
20. Article 7 of the Regulation establishing Horizon 2020 sets out provisions for association to the programme by acceding countries, candidate and potential candidate countries, and selected third countries that fulfil the following criteria:
 - (a) They have a good capacity in science, technology and innovation;
 - (b) They have a good track record of participation in EU research and innovation programmes;
 - (c) They have close economic and geographical links to the EU; and
 - (d) They are EFTA members, or countries or territories listed in the Annex to the Regulation establishing a European Neighbourhood Instrument.

Broadly, association enables entities from associated third countries to participate in Horizon 2020 under the same conditions as entities from Member States. Specific terms and conditions for each country, including their financial contributions, are determined in individual association agreements. Associated countries can participate, but not vote, in strategic planning discussions.²¹

21. Outside of association, institutions and researchers from third countries may access Horizon 2020 funding under some programme themes if:
 - there is a bilateral agreement which provides for such funding to the country where the applicant is based;
 - the call for proposals specifies that applicants based in such countries are eligible for funding; or,
 - the Commission deems the applicant's participation essential for carrying out the project.

Depending on the scheme, third countries have to provide national funding for their participants in Horizon 2020 projects.²²

Horizon Europe

22. The EU framework programme for innovation and research in 2021–2027 will be called 'Horizon Europe'. The proposal for a Regulation to establish

20 European Commission, 'National Contact Points': https://ec.europa.eu/research/participants/portal/desktop/en/support/national_contact_points.html [accessed 8 January 2019]

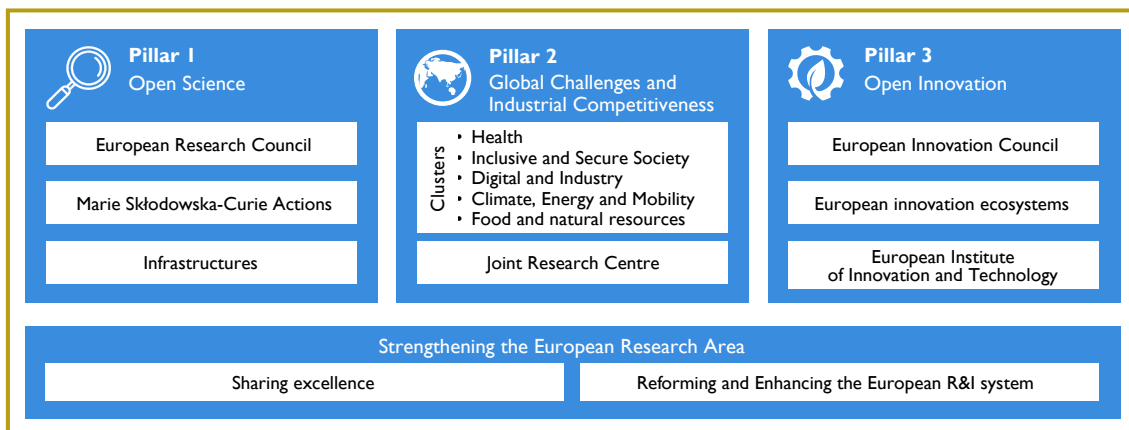
21 Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014–2020) and repealing Decision No 1982/2006/EC, *OJ L 347* (20 December 2013). There are currently 16 countries associated to Horizon 2020: Iceland, Norway, Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Turkey, Israel, Moldova, Switzerland, Faroe Islands, Ukraine, Tunisia, Georgia, Armenia. European Commission, *Associated Countries*: http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/3cpart/h2020-hi-list-ac_en.pdf [accessed 8 January 2019]

22 European Commission, *Guidance note: Funding of applicants from non-EU countries & international organisations* (August 2017): http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/3cpart/h2020-hi-3cpart_en.pdf [accessed 8 January 2019]

Horizon Europe was published in June 2018. As with Erasmus, the proposal for Horizon Europe aims to build on and scale up the achievements of its predecessor. Its proposed budget is around €100 billion for the programme period.²³

23. Horizon Europe will maintain a three-pillar structure, complemented by underpinning activities (see Figure 1).

Figure 1: Horizon Europe programme pillars



Source: European Commission, *EU Budget for the future: Horizon Europe (June 2018)*: https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-research-innovation_en.pdf [accessed 8 January 2018]

24. The proposal for Horizon Europe aims to address issues identified in the interim evaluation of Horizon 2020, including simplifying the funding rules to reduce the administrative burden on grant recipients and increasing collaboration with other EU programmes and policies, such as the EU Cohesion Policy, Digital Europe programme, and Connecting Europe Facility.²⁴ A further objective is to strengthen international cooperation by promoting the participation of third countries and international organisations.²⁵
25. Article 12 of the proposed Regulation sets out conditions for third country association to Horizon Europe, which are more detailed than those for Horizon 2020. Third countries must fulfil the following criteria:
- (a) a good capacity in science, technology and innovation;
 - (b) commitment to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, backed by democratic institutions;

23 Proposal for a Regulation of the European Parliament and of the Council establishing Horizon Europe - the Framework Programme for Research and Innovation, laying down its rule for participation and dissemination, [COM\(2018\) 435](#)

24 Cohesion Policy: the EU's main investment policy, targeting all regions and cities in the EU to support job creation, business competitiveness, economic growth, sustainable development, and improve quality of life. Digital Europe Programme: a new EU funding programme due to be launched in 2021 to support the digital transformation of Europe's societies and economies by increasing large-scale deployment of key digital technologies and encouraging their uptake. Connecting Europe Facility: an EU funding instrument to promote growth, jobs and competitiveness through targeted infrastructure investment at the European level.

25 European Commission, *EU Budget for the future: Horizon Europe (June 2018)*: https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-research-innovation_en.pdf [accessed 8 January 2018]

- (c) active promotion of policies to improve the economic and social well-being of citizens.²⁶
26. The basic requirements of Horizon Europe association agreements mirror those of the 2021–2027 Erasmus programme (see para 14), but Horizon Europe agreements must also take into account the objective of driving economic growth in the EU and ensure a balance of financial contributions and receipts. On the latter, Article 12(4) of the proposal specifies:
- “The conditions determining the level of financial contribution shall ensure an automatic correction of any significant imbalance compared to the amount that entities established in the associated country receive through participation in the Programme, taking into account the costs in the management, execution and operation of the Programme.”²⁷
27. Article 19 of the proposal specifies that ‘non-associated’ third countries should in principle bear the cost of their participation in Horizon Europe. However, low to middle income countries and, exceptionally, other third countries could be eligible for funding if the third country is identified in the work programme adopted by the Commission, or, if the Commission considers their participation essential for implementing the action.²⁸
28. As with Erasmus, the Commission hopes to conclude negotiations on Horizon Europe before the European elections in May 2019.²⁹

Impact in the UK

Erasmus+

29. Erasmus+ in the UK is managed by the UK National Agency: a partnership between the British Council and Ecorys UK. The Department for Education is the UK’s National Authority.³⁰ Almost €1 billion is expected to be allocated to UK projects over the lifetime of the Erasmus+ programme. Since the programme began, 4,796 UK projects have been awarded €677 million in Erasmus+ funding and 128,097 participants took part in activities under Key Actions 1 and 3 between 2014 and 2016. A further €187 million will be available to UK organisations through the 2019 Erasmus+ funding round.³¹
30. The majority of Erasmus+ funding in the UK to date (72%) has been awarded under Key Action 1, and more than half of this sum has supported mobility

26 Proposal for a Regulation of the European Parliament and of the Council establishing Horizon Europe - the Framework Programme for Research and Innovation, laying down its rule for participation and dissemination, [COM\(2018\) 435](#)

27 Proposal for a Regulation of the European Parliament and of the Council establishing Horizon Europe - the Framework Programme for Research and Innovation, laying down its rule for participation and dissemination, [COM\(2018\) 435](#)

28 Proposal for a Regulation of the European Parliament and of the Council establishing Horizon Europe - the Framework Programme for Research and Innovation, laying down its rule for participation and dissemination, [COM\(2018\) 435](#)

29 European Parliament, *Legislative train schedule: New boost for jobs, growth and investment*, MFF—*Proposal for a Regulation Horizon Europe - the framework programme for research and innovation 2021–2027* (updated 14 December 2018): <http://www.europarl.europa.eu/legislative-train/theme-new-boost-for-jobs-growth-and-investment/file-mff-horizon-europe-fp> [accessed 8 January 2019]

30 Erasmus+ UK National Agency, ‘Erasmus+ in the UK’: <https://www.erasmusplus.org.uk/erasmus-in-the-uk> [accessed 10 January 2019]

31 Erasmus+ UK National Agency, *Statistics for Erasmus+ 2014–2018* (updated September 2018): <https://www.erasmusplus.org.uk/file/14130/download> [accessed 2 January 2019] and Erasmus+ UK National Agency, ‘2019 Erasmus+ Call published’ (25 October 2018): <https://www.erasmusplus.org.uk/news/2019-erasmus-call-published> [accessed 2 January 2019]

in higher education. It is unsurprising, therefore, that university student mobility remains the most high-profile aspect of the Erasmus programme and that it dominated the discussion in evidence to this inquiry. Nonetheless—as many of our witnesses were keen to emphasise—Erasmus+ funding in the UK has also supported exchanges for other groups, including €114.3 million for vocational education and training, €43.8 million for youth, €19.8 million for schools, and €5.2 million for adult education. UK Key Action 2 (strategic partnerships) and Key Action 3 (structured dialogue) projects have been awarded €183.6 million and €2.7 million respectively.³²

31. Witnesses to this inquiry were overwhelmingly positive about the impact of Erasmus+ and its predecessor programmes. The University of Aberdeen, for example, told us:

“That the programme is an overwhelming force for good is undisputed. Erasmus consistently ranks as one of the most important achievements of the EU.”³³

32. Various witnesses highlighted the growing popularity of Erasmus+ in the UK over recent years. For example, 15,645 students from UK universities spent a period abroad through the programme in 2015–16 compared to 14,801 in 2014–15.³⁴ The Erasmus+ UK National Agency anticipated a significant increase in these numbers in the future, in light of the Commission’s proposal to substantially increase the budget of the 2021–2027 Erasmus programme.³⁵

Benefits for participants

33. Gail Armistead, Associate Director of the Office of Global Engagement at the University of Nottingham, and representing the Russell Group, told us that students were “looking to be as European as possible and [saw] mobility and opportunities to go and study or work in Europe as vital”.³⁶ Amatey Doku, Vice President (Higher Education) at the National Union of Students (NUS), said that Erasmus came at “the top of the list ... [of] substantive issues that our students care about” in the context of Brexit.³⁷ Mr Doku also pointed to the long-term benefit of international mobility for post-graduate employment prospects. Universities UK noted that impact studies of the programme had found:

- students who go abroad are 20% less likely to be unemployed six months after graduation, and are more likely to be in a graduate job with a higher starting salary;
- students from disadvantaged or under-represented groups have the most to gain from outward student mobility: for example, Asian students who went abroad were 43.5% less likely to be unemployed than their peers who did not have an international experience;
- one in three Erasmus+ work placement students are offered a job at their host company upon graduation;

32 *Ibid.*

33 Written evidence from the University of East Anglia ([ESE0007](#))

34 Written evidence from the East of England European Partnership ([ESE0030](#)). See also written evidence from the University of East Anglia ([ESE0007](#)).

35 Written evidence from the Erasmus+ UK National Agency ([ESE0031](#))

36 [Q 11](#) (Gail Armistead)

37 [Q 11](#) (Amatey Doku)

- Erasmus+ helps students develop the ‘global skills’ businesses regularly ask of graduates.

Universities UK also highlighted the significance of Erasmus+ in facilitating international mobility, noting that 53% of UK higher education students who go abroad during their studies do so through the programme.³⁸

Box 3: Experiences of Erasmus+ UK participants

Extracts from the written evidence of Mr Carl Altaner:

- “I participated in the Erasmus programme in 2016–17. It changed my life in the most positive sense imaginable ... In a very real sense, we were all ambassadors for Britain. Representing our country at a grassroots level like this, studying and discussing issues with other young people in Europe, is very important.”

Extracts from written evidence from Imperial College London (feedback from returning Erasmus students):

- “Studying abroad definitely teaches you a lot of transferable skills, which employers value and you gain a wider perspective on research as a whole.”
- “The programme gave me the perspective of achieving proficiency in two foreign languages and of having an excellent scientific training at the same time.”
- “A challenging but very rewarding experience. I am now much more confident and culturally aware than when I started.”

Source: Written evidence from Mr Carl Altaner ([ESE0001](#)) and Imperial College London ([ESE0038](#))

34. A number of witnesses described the ‘soft skills’ students gained through participation in Erasmus+. The University of Chester, for example, suggested there were many “incalculable” benefits of Erasmus, including providing students with “a real insight and understanding of another language and culture as well as enabling them to better understand their home culture”.³⁹ The East of England Partnership listed the fostering of entrepreneurship and strengthened independent thinking as further benefits.⁴⁰ Several witnesses (including Carl Altaner, quoted in Box 3) described how Erasmus participants acted as ‘ambassadors’ for UK education institutions.⁴¹ The Royal Society of Edinburgh said this contributed to “the UK’s ‘public diplomacy’, generating positive international perceptions of the UK, and supporting cultural, political and trade ties”.⁴²

Benefits to the UK

35. Witnesses also highlighted the benefits of incoming Erasmus+ students to the UK. The University of East Anglia believed that non-UK students created a “global, outward-looking culture on campus”, which improved the studies and the wider experience of UK students.⁴³ MillionPlus agreed, and added that international students brought a “tangible economic benefit” to

38 Written evidence from Universities UK ([ESE0032](#))

39 Written evidence from the University of Chester ([ESE0004](#))

40 Written evidence from the East of England European Partnership ([ESE0030](#))

41 See for example written evidence from Imperial College London ([ESE0038](#)), The Royal Society of Edinburgh ([ESE0045](#)), the University of East Anglia ([ESE0007](#)), and Cardiff University ([ESE0011](#)).

42 Written evidence from The Royal Society of Edinburgh ([ESE0045](#))

43 Written evidence from the University of East Anglia ([ESE0007](#))

the UK through money spent on their courses and in the local economy of their place of study.⁴⁴

36. Jane Racz, Director of the Erasmus+ UK National Agency, believed that participation in Erasmus+ raised the standard of UK education and training through international collaboration, sharing innovations and best practice. Ms Racz said the programme also contributed to UK economic growth and prosperity by “providing opportunities for young people to develop the skills vital to the UK’s success in the global market, such as communications, critical thinking and problem-solving”.⁴⁵

Increased opportunities for people from disadvantaged backgrounds

37. Several witnesses commented on the widespread association of Erasmus+ with studying abroad as part of a degree course. UNA Exchange described this focus as “misleading and exclusionary”, overlooking the impact the programme had on other participants such as those on vocational mobility schemes.⁴⁶
38. John Latham, International Projects Manager at Lancashire & Morecambe College, and representing the Association of Colleges, described how the additional support Erasmus+ provided to people from disadvantaged backgrounds ensured mobility opportunities were available regardless of “social status or economic situation”, which he believed contributed to “general upward social mobility”. Mr Latham noted that Erasmus+ placements were often the first opportunity participants from his college had to travel abroad or indeed, for some, even “as far as the next big city”.⁴⁷
39. Madeleine Rose, Deputy Director of the Erasmus+ UK National Agency, shared the story of Coral, a college student undertaking an electrical engineering course who had undertaken a three-week Erasmus+ work placement in Seville. Ms Rose described how Coral’s placement had changed her “aspirations and career”, and she had gone on to win student of the year at her college before progressing to an apprenticeship. Coral told the National Agency that her Erasmus+ experience had “made a real difference in the interview, because rather than just having college experience she had been out in the workplace”.⁴⁸

Partnership projects

40. Early Years—a voluntary organisation working with children in Northern Ireland—drew our attention to the importance of actions supported under Key Action 2 (strategic partnerships). They described various initiatives they had been involved with—including international cooperation projects on Special Educational needs and early childhood educational philosophies—which emphasised such elements as “information exchange and engagement

44 Written evidence from MillionPlus ([ESE0003](#)). See also Higher Education Policy Institute & Kaplan International Pathways, *The costs and benefits of international students by parliamentary constituency* (January 2018) pp 38–39: <https://www.hepi.ac.uk/wp-content/uploads/2018/01/Economic-benefits-of-international-students-by-constituency-Final-11-01-2018.pdf> [accessed 3 January 2019] which estimates the net economic impact per international student in the UK to be £68,000 per ‘typical’ EU-domiciled student in the 2015/16 cohort and £95,000 per non-EU-domiciled student over the duration of their studies.

45 [Q 26](#) (Jane Racz)

46 Written evidence from UNA Exchange ([ESE0027](#))

47 [Q 11](#) (John Latham)

48 [Q 26](#) (Madeleine Rose)

... sustained networks and linkages ... capacity building ... [and] effective utilisation of current best practice and evidence”.⁴⁹ Mr Latham noted a further benefit of Erasmus+ cooperation projects, in enabling smaller organisations like his college to work in partnership with universities, national and international associations, which he said gave students “a clear line of sight to employment prospects and career aspirations”.⁵⁰

Horizon 2020

41. Universities UK told us:

“Over the past few decades, EU programmes have been crucial in supporting research and innovation within UK universities.”

They pointed out that UK researchers had secured 15.2% of Horizon 2020 funding distributed so far—a proportion second only to that received by Germany—which suggested the UK had been “disproportionately successful at competing for research funding” through the programme.⁵¹

42. Witnesses also highlighted the non-financial benefits of participation in Horizon 2020. The University of Cambridge, for example, thought that Horizon 2020 “added value ... in terms of attracting and retaining the best scientists”.⁵²

43. The Royal Society of Chemistry shared an analysis of the relationship between international collaboration and research impact, which found that research funded by EU programmes had a high average impact—and a significantly higher impact than UK Government-funded research. These findings reinforced the role EU programmes played in “supporting excellent science”. The Society also described other benefits of the European framework programmes, including:

- bringing together people with specialist skills not found in any one country and accessing EU-wide collaborative networks;
- providing access to a wide range of large-scale facilities that could not be replicated in any one country;
- enabling students and researchers to move between countries to learn new skills and to share their knowledge and expertise, advancing science and innovation.⁵³

44. The Wellcome Trust told us that the EU was the UK’s biggest research partner, with over half of UK collaborative papers co-authored with EU countries. They referenced case studies the Trust had collected which demonstrated that EU research framework programmes had reduced duplication, helped to establish new disciplines, and supported UK companies to engage in Europe (see Box 4).⁵⁴

49 Written evidence from Early Years ([ESE0034](#))

50 [Q 11](#) (John Latham)

51 Written evidence from Universities UK ([ESE0032](#))

52 Written evidence by University of Cambridge ([ESE0044](#))

53 Written evidence by Royal Society of Chemistry ([ESE0015](#))

54 Written evidence by The Wellcome Trust ([ESE0025](#)). See also Wellcome Trust, *Brexit and Beyond: Impact case studies of EU funding* (October 2018): <https://wellcome.ac.uk/sites/default/files/brexit-and-beyond-impact-case-studies-201810.pdf> [accessed 9 January 2019]

45. The Royal Society of Edinburgh set out key features they thought had underpinned the success of the UK-EU research relationship, such as the critical mass and strategic coordination of research endeavour, a long-term approach and funding environment for research, and common policy and regulatory frameworks.⁵⁵

Box 4: Impact of Horizon 2020 funding in the UK

Case study from written evidence from Cancer Research UK:

“Because childhood cancers are so rare, collaboration is vital when it comes to research. In 2009, Dr Suzanne Turner founded the European Research Initiative on ALK-related childhood and adult cancers. This international research network brings together 13 partners from seven European countries to co-ordinate research with the goal of developing more efficient, less toxic therapies for children. Through ALKATRAS, a European Training Network developed to train the best early stage researchers in specialist techniques, students and early career fellows gain experience in labs across Europe. They are exposed to other countries’ expertise and resources, develop networks in the global scientific community and further deepen their understanding of cancer and therapies. This ground-breaking programme is only possible through a €4 million grant from the Horizons 2020 Marie Skłodowska-Curie Innovative Training Network.”

Extracts from ‘Brexit and Beyond: Impact case studies of EU funding’, a paper by the Wellcome Trust:

“In dementia research, EU funding has brought researchers together to make progress, faster. Professor Bart de Strooper and Professor John Hardy at UCL have been at the heart of a team improving progress towards a treatment for Alzheimer’s. A European Research Council (ERC) advanced grant drove Prof de Strooper to explore a new field of research before collaborative funding helped him and others share their methods and techniques. This identified the most efficient way to analyse amyloid plaques linked to dementia. A single technique made comparing results faster, and more effective. But crucially, through the Innovative Medicines Initiative, industry could pick up the technique and exploit it at scale. This close collaboration between academia and industry isn’t found in any other funding mechanism. Profs Hardy and de Strooper recently won the Brain Prize for ground-breaking research on Alzheimer’s interventions ...

“Large awards to early career researchers through ERC consolidator awards and Marie-Sklodowska-Curie actions, give scientists leverage to take risks. The UK, through its scientific leadership has traditionally taken advantage of this. By measuring themselves against the best from around Europe, UK-based researchers are sharper and more competitive. Institutes like the Dementia Research Institute use the EU’s competitive application process to save time on recruitment and increase their international visibility, improving collaborations and attracting staff from further afield.”

Source: Written evidence from Cancer Research UK ([ESE0024](#)) and Wellcome Trust, *Brexit and Beyond: Impact case studies of EU funding* (October 2018): <https://wellcome.ac.uk/sites/default/files/brexit-and-beyond-impact-case-studies-201810.pdf> [accessed 9 January 2019]

55 Written evidences from the Royal Society of Edinburgh ([ESE0045](#))

Conclusions

46. **Erasmus+ is the EU programme for education, training, youth and sport. In the UK, Erasmus+ funding has supported more than 4,700 projects and 128,000 participants since the programme began. While many people think of Erasmus+ as a university student exchange scheme, the programme also extends opportunities to study, work, teach or train abroad to other groups, including vocational students, education staff and youth workers. It also supports youth exchanges, international partnership projects, and youth policy development. Witnesses were extremely positive about the impact of Erasmus+, particularly in terms of improving employment prospects, contributing to economic growth, and increasing opportunities for people from disadvantaged backgrounds and those with special needs.**

47. **Horizon 2020 is the EU's framework programme for research and innovation. The UK has been both a significant contributor to and beneficiary from Horizon 2020, with the highest share of participants in signed grant agreements and the second highest share of total programme funding distributed. Witnesses agreed that the programme helps to raise the standard of research and supports excellent science in the UK, including by facilitating international research collaboration, providing access to large-scale research facilities, and attracting the best staff to work on research projects.**

CHAPTER 3: BREXIT IMPLICATIONS

48. The impact of Brexit on continued UK participation in Erasmus+ and Horizon 2020 will differ significantly, depending on whether the UK leaves the EU under the terms of the November 2018 Withdrawal Agreement (or an amended Withdrawal Agreement), or under a ‘no deal’ scenario.

Brexit under the November 2018 Withdrawal Agreement

49. A Withdrawal Agreement was agreed at negotiator level on 14 November 2018 and endorsed by leaders at a special meeting of the European Council (EU-27) on 25 November 2018.⁵⁶ If this agreement is ratified, little will change with regard to UK participation in Erasmus+ and Horizon 2020 until the end of the programme period, which coincides with the expected end of the transition period on 31 December 2020. Article 137 of the Withdrawal Agreement states:

“The Union programmes and activities committed under the multiannual financial framework for the years 2014–2020 (‘MFF 2014–2020’) or previous financial perspectives shall be implemented in 2019 and 2020 with regard to the United Kingdom on the basis of the applicable Union law.”⁵⁷

50. While participation at the practitioner level would remain much the same during the transition period, Article 138 of the Withdrawal Agreement indicates that the UK’s strategic influence would be diminished, as UK representatives would only attend meetings of committees that assist in the management of EU programmes exceptionally, “upon invitation”, and without voting rights.⁵⁸
51. Any extension to the transition period would not encompass continued participation in the Erasmus+ and Horizon 2020 successor programmes: Article 132(2)a of the Withdrawal Agreement confirms the UK would be “considered as a third country for the purposes of the implementation of the Union programmes and activities committed under the [2021–2027 MFF]”.⁵⁹
52. Witnesses generally welcomed the short-term certainty that the Withdrawal Agreement would bring, in terms of the UK’s continued and full participation in Erasmus+ and Horizon 2020 until the end of these programmes.⁶⁰ Nonetheless, Newcastle University noted: “Due to uncertainties in the immediate future we remain extremely cautious.”⁶¹ With regard to Erasmus+,

56 Department for Exiting the European Union, Withdrawal Agreement and Political Declaration (25 November 2018): <https://www.gov.uk/government/publications/withdrawal-agreement-and-political-declaration> [accessed 4 January 2019]

57 Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community as endorsed by leaders at a special meeting of the European Council on 25 November 2018 (25 November 2018) p 217: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/759019/25_November_Agreement_on_the_withdrawal_of_the_United_Kingdom_of_Great_Britain_and_Northern_Ireland_from_the_European_Union_and_the_European_Atomic_Energy_Community.pdf [accessed 4 January 2019]

58 *Ibid.*, p 220

59 *Ibid.*, p 207

60 See for example written evidence from the University of Edinburgh (ESE0012), Academy of Social Sciences and Campaign for Social Science (ESE0013), Universities UK (ESE0032), Department of Business Energy and Industrial Strategy and the Department for Education (ESE0042), Russell Group (ESE0047).

61 Written evidence from Newcastle University (ESE0021)

the Russell Group was concerned that UK students and researchers might not be aware there were no restrictions to UK participation during the transition period, and called on the Government and the Commission to “help communicate this message as clearly and as widely as possible”.⁶²

A ‘no deal’ Brexit

53. Under the terms of the European Union (Withdrawal) Act 2018, the Withdrawal Agreement may only be ratified after it has been laid before both Houses of Parliament, debated by the House of Lords on a ‘take note’ motion, and approved by a resolution of the House of Commons.⁶³ In line with Article 50 TEU, the agreement also requires the consent of the European Parliament and must be adopted by the Council by qualified majority.⁶⁴ Failing this—and if no extension to the UK’s EU membership under the terms of Article 50 is sought or agreed—the UK will leave the EU with ‘no deal’, and the EU Treaties will cease to apply to the UK from 29 March 2019.⁶⁵
54. While the Government has confirmed its priority is to secure a negotiated exit under the Withdrawal Agreement, it has taken steps to prepare for the possibility of a ‘no deal’ outcome. In December 2018 the Cabinet agreed to accelerate and intensify these preparations. In addition to bringing forward legislation and committing additional funding, the Government has published more than 100 technical notices to help citizens and businesses prepare for a ‘no deal’ Brexit. The Government has also issued an underwrite guarantee for projects that are successful in securing funding from EU programmes until the end of 2020, which would cover funding for the lifetime of those projects.⁶⁶

Erasmus+

55. The Government’s technical notice on *Erasmus+ in the UK if there’s no Brexit deal* confirms that the underwrite guarantee depends on the Government reaching an agreement with the EU to allow UK organisations to continue to participate in Erasmus+ projects, and to bid for new funding, until 2020. The notice says that the Government is seeking to discuss and agree terms for this with the EU, and that—if these discussions are unsuccessful—the Government intends to “engage with member states and key institutions to seek to ensure UK participants can continue with their planned activity”.⁶⁷

62 Written evidence from the Russell Group ([ESE0047](#))

63 European Union (Withdrawal) Act 2018, [section 13\(1\)](#)

64 Treaty on European Union, [OJ C 326](#) (consolidated version of 26 October 2012). On 25 November 2018, the European Council endorsed the Withdrawal Agreement and invited the EU’s institutions (Commission, Council and European Parliament) to take the necessary steps to ensure that the Agreement is ready to come into effect on 30 March 2019. To that end, on 5 December 2018, the Commission agreed two proposed Council Decisions providing for the EU’s signature and conclusion of the Agreement which must now be agreed by the Council.

65 House of Commons Library, *What if there’s no Brexit deal?*, Briefing Paper [08397](#), December 2018

66 Department for Exiting the European Union, *UK government’s preparations for a ‘no deal’ scenario*, (updated 21 December 2018): <https://www.gov.uk/government/publications/uk-governments-preparations-for-a-no-deal-scenario/uk-governments-preparations-for-a-no-deal-scenario> [accessed 4 January 2019]

67 Department for Education, *Erasmus+ in the UK if there’s no Brexit deal* (23 August 2018): <https://www.gov.uk/government/publications/erasmus-in-the-uk-if-theres-no-brexiteal> [accessed 3 January 2019]. The notice also clarifies that, with regard to Erasmus+, the underwrite guarantee applies to funding for both centralised and decentralised actions, and whether or not the UK is the lead partner.

56. For its part, the Commission has attached the following note to the Erasmus+ Programme Guide:

“FOR BRITISH APPLICANTS: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the European Union during the grant period without concluding an agreement with the European Union ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of the relevant provisions of the grant agreement on termination.”⁶⁸

Impact

57. Although witnesses to this inquiry welcomed the Government’s efforts to provide reassurance and continuity for Erasmus+ participants, they were extremely concerned about the prospect of a ‘no deal’ Brexit and the fact that the underwrite guarantee would be contingent on reaching a further agreement with the EU.⁶⁹ Amatey Doku pointed out that Erasmus had not always been a priority in Brexit talks to date: “If a no deal comes about because negotiations have completely failed ... the idea that this will be top of the agenda of things to be sorted out is completely ridiculous.”⁷⁰ MillionPlus believed a ‘no deal’ Brexit would cause “inevitable disruption”, which the Government could only seek to mitigate.⁷¹
58. Universities UK told us that, “to maximise certainty and stability”, the Government needed to provide further information on the practical operation of the underwrite guarantee.⁷² The Universities of Surrey and Newcastle agreed that the Erasmus+ UK National Agency should manage the distribution of underwrite funds and highlighted the importance of ensuring there was continuity in the timeframe of grant payments and in reporting systems.⁷³ The UK in a Changing Europe pointed out that Erasmus grants were staggered over the lifetime of the project:

“The government would need to have a mechanism for establishing how much money has already been given to projects prior to withdrawal and

68 European Commission, ‘Erasmus+ Programme Guide: Eligible countries’: https://ec.europa.eu/programmes/erasmus-plus/programme-guide/part-a/who-can-participate/eligible-countries_en [accessed 3 January 2019]. On 30 January 2019, as this report was being agreed, the European Commission published proposed ‘no deal’ contingency measures relating to Erasmus+. This proposal establishes that in a ‘no deal’ scenario, all mobility activities under the current Erasmus+ programme that started before 30 March 2019 will be funded until they are completed (for a maximum of up to 12 months). This will include UK participants engaged in mobility activities in the EU countries and vice-versa. This legislation will need to be approved and adopted by the European Parliament and the Council before 30 March 2019 to avoid any disruption to Erasmus+ placements in the event of a ‘no deal’ Brexit. Proposal for a regulation of the European Parliament and of the Council laying down provisions for the continuation of ongoing learning mobility activities under the Erasmus+ programme in the context of the withdrawal of the United Kingdom of Great Britain and Northern Ireland (“United Kingdom”) from the European Union, COM(2019) 64

69 See for example written evidence from the Association of UK Higher Education European Officers (HEURO) (ESE0010), the University of Surrey (ESE0016), Newcastle University (ESE0021), and The Royal Society of Edinburgh (ESE0045).

70 Q 13 (Amatey Doku)

71 Written evidence from MillionPlus (ESE0003)

72 Written evidence from Universities UK (ESE0032)

73 Written evidence from the University of Surrey (ESE0016) and Newcastle University (ESE0021)

how much (if any) might have to return to the EU, in order to be able to fulfil its commitment to cover any spending gap.”⁷⁴

59. The Erasmus+ UK National Agency confirmed that they had provided the Government with information on projects that would be “in motion” at the point of Brexit, which they estimated at about 2,000 ‘live’ projects with a total value of €278.9 million.⁷⁵ Jane Racz also said that the National Agency was “working on the assumption that [they] would be best placed and would support in delivering that guarantee”.⁷⁶
60. The University of Cambridge noted that the success of Erasmus+ funding applications made in February 2019 would not be confirmed until May, after the UK had left the EU, at which point continued participation in Erasmus+ might not be possible if the UK and EU had not reached an agreement on the application of the underwrite guarantee. The University believed there was a “very short timeframe available to have these discussions and finalise arrangements”, as students would need to finalise their mobility plans for the 2019–20 academic year and travel abroad from the early summer.⁷⁷
61. Several witnesses commented on the impact of ongoing uncertainty over the UK’s withdrawal from the EU. The University of Nottingham suggested that school age students might be deterred from taking up degree pathways that involved mobility to Europe, from fear of the “many unknowns that a no deal Brexit would deliver”.⁷⁸ The British Library told us they were awaiting a decision on an application to extend their Erasmus for Young Entrepreneurs exchange programme, and had been informed that activities involving UK partners in the scheme would “cease immediately” under a ‘no deal’ Brexit.⁷⁹ John Latham said his organisation had been invited to participate in fewer Erasmus+ projects this year, which he put down to “the uncertainty over Brexit” and people “erring on the side of caution” due to the substantial amounts of money involved in partnership projects.⁸⁰ UNA Exchange told us that ongoing uncertainty was causing such anxiety that they anticipated some Erasmus+ participants would finish their placements early and return home in April 2019.⁸¹
62. Amatey Doku highlighted the potential impact of sudden changes to the immigration status of Erasmus+ participants abroad at the point of a ‘no deal’ Brexit: “We may see a situation where embassies and high commissions in Europe get involved in trying to get people back home and vice versa.” Mr Doku described a ‘no deal’ Brexit as “catastrophic”, and said that the Government’s underwrite guarantee had not sufficed to reassure Erasmus+ applicants and students.⁸²
63. The University of Nottingham regarded a transition period as “vital” to give the Government and UK participating organisations time to liaise with

74 Written evidence from the UK in a Changing Europe ([ESE0037](#))

75 [Q 28](#) (Madeleine Rose). See also supplementary written evidence from the Erasmus+ UK National Agency ([ESE0049](#)).

76 [Q 30](#) (Jane Racz)

77 Written evidence from the University of Cambridge ([ESE0044](#))

78 Written evidence from the University of Nottingham ([ESE0008](#))

79 Written evidence from the British Library ([ESE0043](#))

80 [Q 12](#) (John Latham)

81 Written evidence from UNA Exchange ([ESE0027](#))

82 [QQ 12-13](#) (Amatey Doku)

Erasmus+ partners in Europe to secure cooperation and to advise on any immigration status changes.⁸³

Horizon 2020

64. The Government's underwrite guarantee, described above, applies to Horizon 2020 and would cover funding for UK participants in consortia which submit successful bids to Horizon 2020 before the UK leaves the EU for the full duration of the projects. As with Erasmus+, this is subject to the UK reaching an agreement with the EU on the continued eligibility of UK participants.⁸⁴
65. The Government's technical notice on *Horizon 2020 funding if there's no Brexit deal* notes other potential issues with the application of the underwrite guarantee, including in cases where UK participants lead a consortium and distribute funds to other participants, and the implications for consortia which would not comply with EU Member State participation thresholds after the UK becomes a third country. The notice says that the Government is seeking to discuss how to address these issues with the Commission to ensure UK organisations can apply to and participate in Horizon 2020 calls from March 2019, with funding provided through the underwrite guarantee.⁸⁵
66. The technical notice acknowledges that the underwrite guarantee would not cover some major components of Horizon 2020—including European Research Council (ERC) grants, Marie Skłodowska-Curie Actions (MSCA), and the SME pillar—as they are not open to third country participation. It confirms the Government is “considering what other measures may be necessary to support UK research and innovation” if UK organisations become ineligible to receive funding from these programmes in the event of ‘no deal’.⁸⁶
67. The Government issued a further update in December 2018, which confirmed that UK Research and Innovation (UKRI) will manage the underwrite guarantee for Horizon 2020 projects. The update invited current UK recipients of Horizon 2020 funding to register their details through a dedicated portal—as data on programme participants is held by the European Commission—and said UKRI would keep them informed about the implementation of underwrite payments.⁸⁷
68. The European Commission has published a note for UK applicants on the Horizon 2020 ‘participant portal’, which confirms:

“If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to be eligible to receive EU funding (while continuing, where possible, to participate)

83 Written evidence from the University of Nottingham ([ESE0008](#))

84 Department for Business, Energy & Industrial Strategy, ‘Horizon 2020 funding if there's no Brexit deal’ (August 2018): <https://www.gov.uk/government/publications/horizon-2020-funding-if-theres-no-brexite-deal/horizon-2020-funding-if-theres-no-brexite-deal--2> [accessed 9 January 2019]

85 *Ibid.*

86 *Ibid.*

87 Department for Business, Energy & Industrial Strategy, *UK participation in Horizon 2020: UK government overview* (December 2018) p 10: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766510/horizon-2020-government-overview-december-2018-update.pdf [accessed 9 January 2019]

or be required to leave the project on the basis of Article 50 of the grant agreement.”⁸⁸

Impact

69. Professor Andrew Thompson, Executive Chair of the Arts and Humanities Research Council, and representing UKRI, estimated there could be 10,000 UK “live participations”⁸⁹ and “a number of in-flight [UK] applications” to Horizon 2020 on 29 March 2019. He set out three potential scenarios for the operation of the Government’s underwrite guarantee:
- (a) the Commission would agree to administer the underwrite on the UK’s behalf (in Prof Thompson’s view, the “optimal scenario”);
 - (b) the Commission would require the UK to administer the underwrite but would provide data on UK Horizon 2020 participants to enable it to do so;
 - (c) the Commission would not administer the underwrite or provide the UK with relevant data.

Prof Thompson acknowledged it was “challenging” for UKRI to plan for all these scenarios, but thought they were “as on top of it at the moment as you reasonably or realistically could expect us to be”. He reported the Commission had been unwilling to discuss the technicalities of possible ‘no deal’ scenarios with the UK, as it was focused on the Withdrawal Agreement.⁹⁰

70. Newcastle University thought the “least disruptive” way of managing the underwrite guarantee would be for the funding to be channelled through the Commission, which would then be “reimbursed” by the UK.⁹¹ Imperial College London recommended that underwrite funding should be paid in euros and should be subject to the same terms and conditions—and grant disbursement and reporting timetables—set out in the original Horizon 2020 funding calls and individual grant agreements.⁹²
71. Notwithstanding the need to secure the EU’s agreement to continued UK eligibility, Universities UK were reassured that the underwrite guarantee would ensure the “vast majority” of Horizon 2020 projects involving UK researchers would not be affected in a ‘no deal’ scenario. Nonetheless, they observed:

“The uncertainty created by the possibility of a no deal Brexit has had a negative impact on the willingness of EU researchers to collaborate with UK counterparts in EU funding calls. This is demonstrated by the drop in funding received by UK researchers through collaborative projects in the ‘Societal Challenges’ pillar of Horizon 2020.”⁹³

88 European Commission Participant Portal H2020 Online Manual, ‘Find partners or apply as individual’: http://ec.europa.eu/research/participants/docs/h2020-funding-guide/grants/applying-for-funding/find-partners_en.htm [accessed 14 December 2018]

89 Project “participations” refers to the number of times UK entities are involved in Horizon 2020 projects, rather than the number of individuals working on those projects. There are therefore no exact figures for the number of individuals that will be involved in UK Horizon 2020 projects on 29 March 2019. Supplementary written evidence from Chris Skidmore MP ([ESE0050](#))

90 [QQ 20–21](#) (Prof Thompson)

91 Written evidence from Newcastle University ([ESE0021](#))

92 Written evidence from Imperial College London ([ESE0038](#))

93 Written evidence from Universities UK ([ESE0032](#))

72. Vivienne Stern, the Director of Universities UK International, told us that the underwrite guarantee had been “good up to a point”, but further detail was now needed about how the “flows of money” would work in practice and on other technical issues like grant audit requirements. Ms Stern also highlighted the issue of the UK becoming ineligible, as a third country, to access ERC and MSCA, which she said accounted for “about 60% of all the funding that the UK wins” from Horizon 2020.⁹⁴
73. The Royal Society put the value of these programmes to the UK at approximately £0.5 billion per annum. They added: “It could take years to develop alternatives, meaning that valuable research could be stopped in its tracks and the UK risks losing valuable people and projects.”⁹⁵
74. Dr Beth Thompson, Head of UK & EU Policy at the Wellcome Trust, said the Government’s underwrite guarantee had not succeeded in “stemming all the uncertainty” surrounding a potential ‘no deal’ scenario. Dr Thompson described anecdotal reports of UK researchers receiving “signals” from EU colleagues that they should not attempt to lead—or even that they should step away entirely from—Horizon 2020 consortia bids.⁹⁶
75. The University of Cambridge told us:
- “Despite recent announcements of the Government’s guarantee to underwrite UK participation, EU partners are increasingly concerned about including UK partners in project proposals and are attempting to withhold payments.”⁹⁷
76. Cancer Research UK thought a ‘no deal’ Brexit could cause “significant immediate disruption to the collaborative research environment”, by impeding short-term travel for cross-border working, including conferences, teaching, and shared projects such as clinical trials. They were also concerned by the prospect of EU researchers becoming subject to the UK’s non-EEA immigration system from March 2019 if the UK left the EU without a deal, as they considered the system “expensive for researchers” and “resource-intensive” for employers.⁹⁸
77. The UK in a Changing Europe suggested that collaborative research projects could be disrupted because of the EU General Data Protection Regulation (GDPR) restrictions on sharing data with third countries. They acknowledged the Government’s indication that it would not impose any restrictions on data-sharing in a ‘no deal’ scenario but warned there was no guarantee the EU would “follow suit”.⁹⁹

94 [Q 5](#) (Vivienne Stern). We note that the Government’s figures indicate ERC and MSCA grants account for approximately 44% of total UK receipts from Horizon 2020 to date. Department for Business, Energy & Industrial Strategy, ‘UK participation in horizon 2020: September 2018’ (November 2018): <https://www.gov.uk/government/statistics/uk-participation-in-horizon-2020-september-2018> [accessed 24 January 2019].

95 Written evidence from The Royal Society ([ESE0046](#))

96 [QQ 4–5](#) (Dr Thompson)

97 Written evidence from the University of Cambridge ([ESE0044](#))

98 Written evidence from Cancer Research UK ([ESE0024](#))

99 Written evidence from The UK in a Changing Europe ([ESE0037](#)). See also European Union Committee, [Brexit: the EU Data Protection package](#) (3rd Report, Session 2017–19, HL Paper 7).

78. Dr Thompson drew our attention to the importance of regulatory alignment for cross-border clinical trials:

“At the moment we operate clinical trials under a UK regulation based on an EU directive ... Broadly, the rules on clinical trials are harmonised and that makes it reasonably easy to run your trials across multiple sites ... the legal status of that is going to be challenging ... the UK regulator has put out no-deal guidance, but there is a lot more work to do before the people on the ground doing those trials really understand what is going to happen to them.”¹⁰⁰

The Government’s position

79. Written evidence to this inquiry from the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Education (DfE) emphasised that the Government was “determined to support UK science and education in all scenarios”, and that losing international mobility and research opportunities was “in nobody’s interest”.¹⁰¹
80. The Departments confirmed that the Withdrawal Agreement would ensure the continued implementation of EU programmes under the current MFF in the UK with no restrictions until the end of the transition period on 31 December 2020. As such, they expected the “normal funding application processes” for Erasmus+ would remain the same during this period. For Horizon 2020, however, they said funding could be restricted “to a certain extent”, if it related to financial instruments decided after the Withdrawal Agreement entered into force—such as InnovFin—or if participation would grant access to “security-related, sensitive information” that was restricted to Member States.¹⁰²
81. Chris Skidmore MP, Minister of State for Universities, Science, Research and Innovation, confirmed that he strongly believed Erasmus+ and Horizon 2020 were worthwhile for UK students and the UK’s “world leading” research communities. He stressed that ratifying the Withdrawal Agreement was the Government’s priority and underlined the “absolute importance” of achieving this to ensure the UK’s continued participation in both programmes.¹⁰³
82. Regarding preparations for a ‘no deal’ scenario, the Minister told us he was part of a group of ministers—led by the Secretary of State for Exiting the European Union—which met weekly to “discuss arrangements”. He continued: “That is where, working with the Treasury, the nature of the government guarantees and the underwrites will become apparent, if we move into no-deal territory.”¹⁰⁴

100 [Q 6](#) (Dr Thompson)

101 Written evidence from the Department of Business, Energy & Industrial Strategy and the Department for Education (BEIS/DfE) ([ESE0042](#))

102 Written evidence from BEIS/DfE ([ESE0042](#)). InnovFin—or EU Finance for Innovators—is a joint initiative launched by the European Investment Bank and the European Commission under Horizon 2020 to facilitate and accelerate access to finance for innovative businesses and other innovative entities in Europe. European Investment Bank, ‘InnovFin: EU Finance for innovators’: <http://www.eib.org/en/products/blending/innovfin/index.htm> [accessed 11 January 2019]

103 [Q 34](#) (Chris Skidmore MP)

104 [Q 36](#) (Chris Skidmore MP)

83. The Minister told us that further information on the operation of the underwrite guarantee would be issued if ‘no deal’ became “a reality”.¹⁰⁵ Sarah Redwood, Deputy Director for European Programmes (International Science and Innovation) at BEIS, confirmed:

“We are trying to keep the terms and conditions [of underwrite funding] as aligned as possible with the EU to make it as simple as possible for the beneficiaries so that the transition is as smooth as possible.”¹⁰⁶

Shahid Omer, Deputy Director for International Higher Education and EU Exit at the DfE, said the Government was ready to provide advice to Erasmus+ participants planning exchanges after exit day, but did not want people to “disrupt their plans now because the world might change in a couple of weeks”.¹⁰⁷

84. The Minister was keen to emphasise the Government’s underwrite guarantee was “for the duration of the projects”, and said he was determined to provide UK participants with certainty and the “confidence to continue”. He confirmed, however, that the underwrite guarantee did not extend to programmes not open to third countries—including the ERC and MSCA—and said he was “keen to work with the scientific community” on possible alternative funding streams.¹⁰⁸
85. On the need to reach an agreement with the EU on the continued eligibility of UK organisations to participate in Horizon 2020 and Erasmus+ in a ‘no deal’ scenario—with funding provided by the Government’s underwrite guarantee—the Minister explained that the Commission would “not actively engage in any negotiations” on this until the House of Commons had voted on the Withdrawal Agreement and it had “certainty about the UK’s position”. The Minister confirmed that he had contacted the relevant Commissioners to try to ensure a framework was in place for officials to begin work as soon as there was certainty “on the processes of what might take place”.¹⁰⁹ He also expressed the hope, with regard to Erasmus+, that the fact the UK contributed “about £1.8 billion” to the programme, and got “maybe £1 billion-worth of placements back”, would lead to a “special willingness” on the part of the Commission to ensure the UK retained access to the programme after 29 March 2019.¹¹⁰
86. When asked about the possibility of securing rapid agreement on UK association or interim arrangements to preserve access to Horizon 2020 and Erasmus+ in a ‘no deal’ scenario, the Minister explained that the UK would not be able to begin discussions on association while it was still a Member State. He also noted the lack of time available to negotiate such arrangements, which he said could “take a matter of months, if not between nine months and a year”.¹¹¹
87. Sarah Redwood acknowledged the importance of regulatory alignment in facilitating international research collaboration. She noted the UK was already aligned with the EU on data protection, thanks to the Data Protection Act 2018, and said the UK and the EU were “ready to work quickly to sustain

105 [Q 37](#) (Chris Skidmore MP)

106 [Q 37](#) (Sarah Redwood)

107 [Q 39](#) (Shahid Omer)

108 [QQ 37–38](#) (Chris Skidmore MP)

109 [Q 37](#) (Chris Skidmore MP)

110 [Q 39](#) (Chris Skidmore MP)

111 [Q 36](#) (Chris Skidmore MP)

the flows of data that are really important”. The Government was also “committed to being aligned as much as possible with the new EU clinical trials regulation”, when that was implemented. On chemical registration, she confirmed the UK and the EU had agreed they would “explore the possibility of co-operation between the UK authorities and the relevant authorities in the EU to ensure alignment as much as possible”.¹¹²

Conclusions

88. **The Withdrawal Agreement would ensure that UK participation in Erasmus+ and Horizon 2020 could continue largely unchanged but only until the end of the current Multiannual Financial Framework period, at the end of 2020. We note that uncertainty about whether this Agreement will be ratified is a matter of concern to current and potential UK participants in these programmes.**
89. **The Government has guaranteed to underwrite funding for successful UK bids to EU programmes until the end of 2020, if the UK leaves the EU without a deal. However, the Government still needs to agree terms with the EU for UK organisations to continue to participate in Erasmus+ and Horizon 2020 projects as third country entities.**
90. **We note the European Commission’s current unwillingness to engage in discussions on possible actions to protect people on Erasmus+ exchanges and Horizon 2020 projects in the event of a ‘no deal’ Brexit, but urge the Government to continue its efforts to reach a resolution with the Commission to avoid disruption. We remain extremely concerned about the lack of time available to negotiate and confirm these ‘no deal’ contingency plans. If a resolution cannot be agreed, the Government should use funds set aside for the underwrite guarantee to establish replacement UK mobility and research funding schemes as quickly as possible.**
91. **The Government should, as a matter of urgency, provide further information on how it intends the underwrite guarantee to operate in practice, including who will disburse the funding and what terms and conditions will apply to beneficiaries. We recommend that schedules for releasing payments and monitoring and reporting systems should be as similar to those set out in the original grant agreements as possible, to provide certainty and minimise disruption for UK participants transitioning to the new system.**
92. **Of particular concern to the UK’s research community is the loss of access to key sources of UK Horizon 2020 funding, including the European Research Council and Marie Skłodowska-Curie Actions, which are not open to third country participation and so are not covered by the underwrite guarantee. We note that the Government is keenly aware of this issue and emphasise the importance of confirming replacements for these funding streams as soon as possible.**
93. **We welcome indications that the UK and EU are willing to work together on the free flow of data and regulatory alignment with regard to clinical trials and chemical registration. This will be essential to facilitate continued international research collaboration.**

112 [Q 45](#) (Sarah Redwood)

CHAPTER 4: FUTURE UK POLICY OPTIONS

94. The Political Declaration on the future UK-EU relationship—agreed at negotiator level in November 2018—states that the Parties will:
- establish general “principles, terms and conditions” for UK participation in EU programmes “such as science and innovation, and youth, culture and education”, including a fair and appropriate financial contribution and fair treatment of participants;
 - explore UK participation in European Research Infrastructure Consortia, taking into account the level of UK participation in EU science and innovation programmes; and,
 - engage in dialogue and exchanges to identify opportunities to cooperate and share best practice and expertise in areas of shared interest, including areas such as culture, education, science and innovation.¹¹³
95. As noted in Chapter 2, the UK could seek to participate in the next Erasmus programme and Horizon Europe through full association or more limited involvement as a ‘non-associated’ third country. Witnesses suggested that—either in addition to continued participation in EU programmes or as an alternative if this does not prove possible or desirable—the Government could establish new UK international mobility and research programmes. These options, along with the implications of cross-cutting issues including immigration policy and ongoing uncertainty about the terms of the future UK-EU relationship, are considered below.

Continued participation in EU programmes

Association: Erasmus: 2021–2027

96. As we have seen, witnesses were extremely positive about the impact of Erasmus in the UK to date. It is therefore unsurprising that they overwhelmingly supported full association to the successor to Erasmus+. Several witnesses were also keen to stress that the UK would have the option of seeking full association to the 2021–2027 Erasmus programme, whether it left the EU with a deal or not.¹¹⁴
97. The University of East Anglia told us:
- “Erasmus+ is unique in that it offers additional funding to support students with specific, ongoing medical needs or disabilities, enabling them to still travel with appropriate medical support, or to fund regular travel back to the UK for required ongoing treatment/medical check-ups. There are no other similar, universal grants for such students to study abroad.”¹¹⁵

113 Political Declaration setting out the framework for the future relationship between the European Union and the United Kingdom (November 2018) p 4: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/759021/25_November_Political_Declaration_setting_out_the_framework_for_the_future_relationship_between_the_European_Union_and_the_United_Kingdom_.pdf [accessed 10 January 2019]

114 See for example written evidence from the University of Nottingham ([ESE0008](#)), the National Union of Students ([ESE0041](#)), [Q 10](#) (Prof Andrew Thompson).

115 Written evidence from the University of East Anglia ([ESE0007](#))

98. The Association of UK Higher Education European Officers (HEURO) said that students from lower income backgrounds would be “excluded from participating in an international sojourn” without the additional funding provided by Erasmus.¹¹⁶ UNA Exchange highlighted the importance of the vocational elements of Erasmus, which they believed had “the most significant impact on young people with fewer opportunities—those furthest from the labour market and most at risk of social exclusion”.¹¹⁷
99. Universities UK pointed to the Commission’s proposal to increase mobility opportunities by doubling the overall budget for the 2021–2027 Erasmus programme and implementing measures to improve accessibility and flexibility for disadvantaged students. They suggested these steps aligned well with UK priorities.¹¹⁸
100. Several universities mentioned the centrality of Erasmus to their degree programmes. The University of Surrey, for example, told us: “We have redesigned two of our Business courses to enable students to spend a year or semester at a European Business School under the Erasmus programme.”¹¹⁹ The University of Oxford highlighted the European focus of their Modern Languages degrees, and said their Law department’s “long-standing endeavours to build and foster links with participating Erasmus countries would be severely hampered” without continued UK involvement in the programme.¹²⁰
101. Gail Armistead concluded:
- “[Erasmus] is a life-changing experience for many of our students. When those students come up to graduation, many of them reflect on the experience they have had, and they have so much potential to offer employers in the future. You look at that and feel that is why we are all fighting to stay in it, because we want to continue to offer those opportunities to students and broaden them out.”¹²¹
102. Several witnesses thought that the EU would welcome the UK’s continued participation in Erasmus and, indeed, that this would be of mutual benefit. Newcastle University thought the UK was “an attractive destination” for international students, and the University of Cambridge told us that the UK was the third most popular destination country for Erasmus students.¹²² The Russell Group noted that both the European Parliament and the EU’s Chief Negotiator, Michel Barnier, had mentioned Erasmus as a likely area of future UK-EU cooperation.¹²³ Gail Armistead confirmed she was getting “very positive messages” from European partners, who were “overwhelmingly

116 Written evidence from HEURO ([ESE0010](#))

117 Written evidence from UNA Exchange ([ESE0027](#))

118 Written evidence from Universities UK ([ESE0032](#))

119 Written evidence from the University of Surrey ([ESE0016](#))

120 Written evidence from the University of Oxford ([ESE0017](#))

121 [Q 18](#) (Gail Armistead)

122 Written evidence from Newcastle University ([ESE0021](#)) and the University of Cambridge ([ESE0044](#))

123 Written evidence from the Russell Group ([ESE0047](#)). See also European Parliament resolution of 5 April 2017 on negotiations with the United Kingdom following its notification that it intends to withdraw from the European Union (2017/2593(RSP)), [OJ C 298](#) (23 August 2018), European Commission, Statement by Michel Barnier at the plenary session of the European Parliament on the Article 50 negotiations with the United Kingdom, 13 March 2018: http://europa.eu/rapid/press-release_STATEMENT-18-1925_en.htm [accessed 3 January 2019] and European Commission, Speech by Michel Barnier at the All-Island Civic Dialogue, 30 April 2018: http://europa.eu/rapid/press-release_SPEECH-18-3624_en.htm [accessed 3 January 2019]

supportive” of the UK’s continued participation in Erasmus.¹²⁴ Jane Racz said that other National Agencies valued mobility to and from the UK and that she had not seen “any negativity at all” regarding the UK’s continued participation in Erasmus.¹²⁵

103. The University of Surrey thought that continued participation would depend on whether the UK was “prepared to pay the price”.¹²⁶ The University of Nottingham noted that—with an increased overall budget—the costs of participating in the next Erasmus programme could be higher than at present,¹²⁷ though the University of Edinburgh did not think the level of financial contributions required would be “prohibitive”.¹²⁸
104. A number of witnesses commented on the UK’s ability to influence the programme as an associated country without voting rights.¹²⁹ The University of Bristol: Research Development International/International Office thought it “highly unlikely” the UK would have any influence over Erasmus after 29 March 2019.¹³⁰ John Latham, in contrast, said that non-EU programme countries like Norway and Turkey were “big players” and “valued partners” in the current Erasmus+ programme.¹³¹ Jane Racz pointed out that the UK would still be able to attend Erasmus+ programme meetings which, she said, operated “more on a collaborative basis”, and in which voting was “very rare”.¹³²
105. Amatey Doku agreed that the means by which stakeholders such as the NUS influenced the programme in the past were “often quite informal” and “about relationships”, but warned:

“The broader political question is that, if we have a traumatic exit from the European Union, it would permeate the negotiating teams on both sides. It would become much harder to have a say on things such as this if the broader divorce, if you will, is not very pleasant.”¹³³

Mr Doku was also concerned that potential changes to the immigration status of EU nationals in the UK would cause the UK to lose “some of the capital” it currently had in conversations about future association to Erasmus.¹³⁴

106. The Royal Society of Edinburgh observed that the free movement of Erasmus participants was a “key principle” in bilateral agreements with non-EU programme countries.¹³⁵ Other witnesses pointed to the experience of Switzerland, which lost full access to EU education projects including Erasmus following its 2014 referendum on free movement, and as a result

124 [QQ 13–14](#) (Gail Armistead)

125 [Q 28](#) (Jane Racz)

126 Written evidence from the University of Surrey ([ESE0016](#))

127 Written evidence from the University of Nottingham ([ESE0008](#))

128 University of Edinburgh ([ESE0012](#))

129 See for example written evidence from the University of Oxford ([ESE0017](#)) and Cardiff University ([ESE0011](#)), [QQ 15–16](#) (Gail Armistead), [Q 16](#) (John Latham).

130 Written evidence from the University of Bristol: Research Development International/International Office ([ESE0028](#))

131 [Q 16](#) (John Latham)

132 [Q 31](#) (Jane Racz)

133 [Q 16](#) (Amatey Doku)

134 [Q 14](#) (Amatey Doku)

135 Written evidence from The Royal Society of Edinburgh ([ESE0045](#))

had to set up its own ‘mirrored arrangements’ in a Swiss-European Mobility Programme (SEMP).¹³⁶

Association: Horizon Europe

107. MillionPlus believed:

“As a future relationship, the best scenario would be one whereby the UK continues to have full access to research funding and collaborative programmes, so that universities can participate, and lead, in pan-European projects.”¹³⁷

Prof Thompson agreed, noting that “full associated status” would allow the UK to “continue to access framework programmes for research in the future under the same conditions as Member States”.¹³⁸

108. London Higher told us that a UK-EU association agreement for Horizon Europe would depend upon how much the UK was willing to pay for access. They highlighted the “method of financial rebalancing” set out in the programme proposal, and called for the UK to agree a “meaningful” level of contributions to ensure the UK research community was not “frozen out of participation in a world-leading research ecosystem”.¹³⁹ The University of Edinburgh agreed a commitment by the UK to provide matching funding was justified, emphasising that the “value of EU research funding [could not] be measured solely in financial terms”.¹⁴⁰

109. The University of East Anglia noted that accepting complete free movement was not “a specific prerequisite” for association to Horizon 2020, but thought the free movement of researchers and research goods—such as scientific equipment—would be necessary for participation in EU framework programmes.¹⁴¹

110. On the level of influence the UK could expect to have over Horizon Europe, Vivienne Stern said the UK had historically “carried a lot of weight ... in the big discussions” on EU framework programmes. While Brexit and uncertainty around future association had “diluted” the UK’s impact on the debates on Horizon Europe, she expected the UK would “remain an influential voice at the European level” with regard to research and innovation.¹⁴² The University of Oxford noted that association would give the UK “observer status in [Horizon Europe’s] programme committees but no vote”. Nonetheless, they explained that countries associated to Horizon 2020 had found it was scientists rather than politicians who shaped the funding programmes, and said that topics and content in committee meetings (where the work programmes [were] agreed) were “decided by consensus”.¹⁴³

111. In contrast, Newcastle University believed that the UK’s ability to “indirectly influence” Horizon Europe as an associate country would be “tactically

136 See for example written evidence from University and College Union ([ESE0029](#)), Imperial College London ([ESE0038](#)), London Higher ([ESE0020](#)) and Herefordshire Council ([ESE0006](#)).

137 Written evidence from MillionPlus ([ESE0003](#))

138 [Q 19](#) (Prof Thompson)

139 Written evidence from London Higher ([ESE0020](#))

140 Written evidence from the University of Edinburgh ([ESE0012](#))

141 Written evidence from the University of East Anglia ([ESE0007](#))

142 [Q 3](#) (Vivienne Stern)

143 Written evidence from the University of Oxford ([ESE0017](#))

difficult”.¹⁴⁴ The Royal Society of Edinburgh described the potential loss of UK influence over the programme as a “significant issue”, and called on the UK and the EU to explore “the merit and feasibility of establishing a joint UK-EU strategic committee that would enable the parties to strategically align their programmes and capital investments in higher education, research and innovation”.¹⁴⁵

112. Other witnesses highlighted possible channels of influence outside the programme committees, including Science Europe (an association of European Research Funding and Research Performing Organisations), UKRI’s Brussels office, and the European scientific academies.¹⁴⁶

113. The Russell Group argued it was important to “strike the right tone” when considering influence: the UK should make it clear that it accepted the implications of its decision to leave the EU for the “methods of influence” it would have in EU programmes. They thought that “‘influence’ should not be seen as political influence, but rather about ensuring appropriate accountability for UK funds being spent via EU research and innovation framework programmes”.¹⁴⁷

114. The Royal Society thought there would be an inevitable “period of uncertainty for UK-based researchers and businesses over the future funding environment”, because the UK would not be able to confirm association to Horizon Europe until negotiations on the programme concluded. They continued:

“The UK government could ameliorate the damage that this may do to UK confidence and send a clear message of its intention to seek association by committing the public money in the upcoming Spending Review to buy into Horizon Europe once it is agreed.”¹⁴⁸

115. Imperial College London suggested the Government’s underwrite guarantee could provide the basis for a “shadow programme” to “cover any potential funding gap caused by any delays in association” to Horizon Europe.¹⁴⁹

116. As for the likely attitude of the EU towards UK association to Horizon Europe, several witnesses drew our attention to the July 2017 report of the independent High Level Group on maximising the impact of EU Research & Innovation Programmes, chaired by Pascal Lamy.¹⁵⁰ This report concluded:

“Whatever Brexit modalities are agreed between the UK and the EU by 2019, full and continued engagement with the UK within the post-2020 EUR&I programme remains an obvious win-win for the UK and the EU. The UK has one of the strongest science bases of all European countries. A positive cooperation model (e.g., based on mutual investment) should

144 Written evidence from Newcastle University ([ESE0021](#))

145 Written evidence from The Royal Society of Edinburgh ([ESE0045](#))

146 [Q 21](#) (Prof Thompson) and written evidence from the Wellcome Trust ([ESE0025](#))

147 Written evidence from the Russell Group ([ESE0047](#))

148 Written evidence from The Royal Society ([ESE0046](#)). The Chancellor announced in March 2018 that the Government would undertake a full review of departmental funding in 2019. ‘Spring Statement: Hammond confirms 2019 Spending Review and allocates Brexit cash’, *Civil Service World* (13 March 2018): <https://www.civilserviceworld.com/articles/news/spring-statement-hammond-confirms-2019-spending-review-and-allocates-brexit-cash> [accessed 10 January 2019]

149 Written evidence from Imperial College London ([ESE0038](#))

150 Written evidence from The Royal Society ([ESE0046](#)), the Academy of Social Sciences and Campaign for Social Science ([ESE0013](#)), and the East of England European Partnership ([ESE0030](#))

be established, so that the UK remains part of the European Research Area.”¹⁵¹

Witnesses also highlighted that the UK was “a major contributor to Horizon 2020 in expertise, budget contribution and scale”,¹⁵² and suggested the EU was “at risk of losing one of the top-ranking R&D powerhouses”.¹⁵³

Non-associated third country participation

Erasmus 2021–2027

117. Witnesses were clear that participation in the 2021–2027 Erasmus programme as a non-associated third country—a ‘partner country’ under Erasmus+ terminology—was a less desirable option than full association.
118. The University of Aberdeen explained that “the funding available would be much lower” and said the UK would be “reliant on partners in programme countries to manage projects and funding on our behalf”.¹⁵⁴ The University of Cambridge agreed that partner country status would reduce the role of UK universities in “renewing and developing institutional partnerships”, and “limit opportunities for students to undertake work placements under Erasmus”.¹⁵⁵ London Higher believed that full association would put the UK “in a much better position to influence the programme” compared to the “informal lobbying role” it would have as a non-associated third country.¹⁵⁶
119. A number of witnesses cited the Swiss-European Mobility Programme (SEMP) as an example of the disadvantages of partner country status versus full association. The University of East Anglia, for example, noted that the Swiss Government must provide funding for both incoming and outgoing students and, consequently, has had to impose caps on the sectors and numbers of participants that can access it.¹⁵⁷ The East of England European Partnership identified as drawbacks the refusal of some previous partners to agree replacement bilateral agreements when Switzerland left Erasmus, and the fact that SEMP offers no substitutes for many Erasmus+ actions, such as work placements and cooperation projects.¹⁵⁸ Liz Simpson, Study Abroad Officer at the University of Leeds, told us:

“My understanding is that the Swiss model ... is costly and feedback from Swiss colleagues suggests they would prefer to be part of the Erasmus programme moving forward.”¹⁵⁹

Horizon Europe

120. Dr Thompson observed there were “substantial differences between associated country status and third country status” in EU research framework programmes, with ‘non-associated’ third countries unable to lead projects or receive funding from single beneficiary schemes like the ERC and MSCA. It

151 European Commission, *LAB-FAB-APP Investing in the European future we want* (July 2017) p 20: http://ec.europa.eu/research/evaluations/pdf/archive/other_reports_studies_and_documents/hlg_2017_report.pdf [accessed 10 January 2019]

152 Written evidence from the Campaign for Science & Engineering ([ESE0039](#))

153 Written evidence from Herefordshire Council ([ESE0006](#))

154 Written evidence from the University of Aberdeen ([ESE0033](#))

155 Written evidence from the University of Cambridge ([ESE0044](#))

156 Written evidence from London Higher ([ESE0020](#))

157 Written evidence from the University of East Anglia ([ESE0007](#))

158 Written evidence from the East of England European Partnership ([ESE0030](#))

159 Written evidence from Liz Simpson ([ESE0014](#))

was “critical” for the UK to secure full association to preserve access to these important features.¹⁶⁰

121. The Wellcome Trust was concerned that, as a ‘non-associated’ third country, the UK would lose access to EU joint infrastructure, or that this would only be available on an *ad hoc* basis and for a fee. They warned: “EU researchers already face long queues to access some infrastructure, it is likely UK researchers would be a lower priority.”¹⁶¹
122. Universities UK thought that universities would want to participate in the parts of Horizon Europe open to third countries even if the UK could not secure full association, as this would still offer a “unique array of collaboration opportunities that [could not] be replicated at a domestic level”. They emphasised funding would be required to support any UK participation, and to replace the ERC and MSCA programmes.¹⁶²

No participation in EU programmes

Implications for educational mobility

123. Witnesses saw the ending of UK participation in Erasmus as the least desirable outcome. Some universities suggested that people from disadvantaged backgrounds and those with medical needs or disabilities would be disproportionately affected due to losing access to the additional financial support they received through the programme.¹⁶³ Gail Armistead pointed out that it was Government policy—and a priority for the university sector—to “increase accessibility and ensure greater diversity” in the group of students participating in mobility opportunities. The loss of Erasmus funding would thus be “the exact opposite” of what the Government was trying to achieve internationally.¹⁶⁴
124. John Latham believed that VET “mobility opportunities would stop in their tracks” without Erasmus funding, or would be restricted to “those who can afford to go”. Asked about the potential to establish new arrangements with countries outside Europe, Mr Latham explained:
- “In the vocational area, you are possibly talking about short-term mobility placements for students who have special needs or difficult circumstances at home. Europe is their destination. It is a short trip... While a mobility experience in Canada or Australia sounds a really great opportunity and I would welcome it on top of Erasmus+, it is possibly too risky to start looking at those opportunities when our real partners are on our doorstep.”¹⁶⁵
125. Other witnesses were concerned about a reduction in the number of international students coming to the UK. The Universities of East Anglia, Aberdeen and Leicester suggested that EU students would be more likely to go to other Erasmus programme countries which offered English-based teaching, where they could access Erasmus funding, and where the cost

160 [Q 2](#) (Dr Thompson)

161 Written evidence from the Wellcome Trust ([ESE0025](#))

162 Written evidence from Universities UK ([ESE0032](#))

163 See for example written evidence from the University of East Anglia ([ESE0007](#)), the University of East Anglia ([ESE0007](#)), HEURO ([ESE0010](#)), and the University of Oxford ([ESE0017](#)).

164 [Q 17](#) (Gail Armistead)

165 [Q 17](#) (John Latham)

of living was lower than in the UK.¹⁶⁶ The East of England European Partnership said this would risk “a set-back to the international dimension of UK campuses”.¹⁶⁷

126. The University of Oxford thought Erasmus offered “unparalleled flexibility of opportunity”, without which students and staff would “suffer a serious ... diminution of their academic experience”. They were also concerned by the prospect of having to set up individual arrangements with institutions in Europe to replace Erasmus partnership agreements, which they said would entail “significant administrative and financial burdens” and “fail to guarantee the financial support” provided by Erasmus.¹⁶⁸ The Russell Group suggested universities were hesitant to take unilateral action to try to mitigate the impact of Brexit without clarity on the UK’s future relationship with Erasmus.¹⁶⁹
127. The Royal Society of Edinburgh highlighted that Scottish participants comprised 12% of the total UK figure—and Scotland received 13% of total Erasmus+ funding in the UK—between 2014 and 2018, compared to Scotland’s 8.2% share of the UK population. They pointed to a report by the Scottish Parliament’s Culture, Tourism, Europe and External Relations Committee, which recommended the Scottish Government should explore the feasibility of Scotland’s continued participation as a 2021–2027 Erasmus programme country in the event the UK Government was “unwilling or unable” to negotiate this for the whole of the UK.¹⁷⁰
128. The University of Chester concluded:
- “Ultimately, non-participation in Erasmus will harm the UK economy as our students will not possess the linguistic skills, self-reliance or breadth of knowledge and experience of students who have participated in Erasmus.”¹⁷¹

Implications for research

129. MillionPlus believed there would be barriers to both UK-EU research collaboration and access to research funding if the UK was “locked out of Horizon programmes altogether” as a consequence of Brexit.¹⁷²
130. Imperial College London said it was vital to retain access to the EU’s “excellence-based funding instruments, such as the ERC”, and believed there was no UK funding instrument that could replicate and therefore substitute for the ERC.¹⁷³ Prof Thompson, however, said that UKRI would work with national academies to “devise and develop a very prestigious alternative to the ERC and [MSCA]” if the UK lost access to these programmes. He confirmed UKRI was “actively involved now” in exploring this possibility

166 Written evidence from the University of East Anglia (ESE0007), the University of Aberdeen (ESE0033), and the University of Leicester (ESE0005)

167 Written evidence from the East of England European Partnership (ESE0030)

168 Written evidence from the University of Oxford (ESE0017)

169 Written evidence from the Russell Group (ESE0047)

170 Written evidence from The Royal Society of Edinburgh (ESE0045). See also Scottish Parliament Culture, Tourism, Europe and External Relations Committee, *Erasmus+* (1st Report, 2018 (Session 5), SP Paper 290): <https://sp-bpr-en-prod-cdnp.azureedge.net/published/CTEERC/2018/3/14/Erasmus-/CTEERS052018R1.pdf> [accessed 6 January 2019].

171 Written evidence from the University of Chester (ESE0004)

172 Written evidence from MillionPlus (ESE0003)

173 Written evidence from Imperial College London (ESE0038)

with national academies, but did not want to “downplay the size or scale of the operational challenge” involved. Prof Thompson noted the UK research community had a track record of establishing new funding instruments “at very high speed”, but was clear that full association was “the absolutely desired outcome” and “the future health, prosperity and success of the UK research and science base [was] significantly leveraged on that”.¹⁷⁴

Alternative UK programmes

Educational exchanges

131. While continued participation in EU programmes was their clear preference, witnesses agreed that an alternative UK mobility scheme would be essential if the Government chose not to pursue full association with Erasmus, or if this proved unattainable.¹⁷⁵ To establish such a programme, Jane Racz thought the Government would first need to decide which countries it wanted to work with, what sectors would be involved, who the target audience was, and what it wanted to achieve through the programme.¹⁷⁶

132. Universities UK said:

“[Any new UK mobility programme] should be flexible on: mobility options, mobility type, destination countries, and reflect the different contexts of all UK nations, avoiding heavy levels of administration and reporting. Funding levels should be commensurate with the trajectory of growth in outward student mobility in recent years and reflect the growing funding the UK would have received from the Erasmus+ programme.”

Universities UK also thought the programme should reflect Erasmus’ systems—to facilitate cooperation and exchanges with Europe—and “provide incentives for other countries/stakeholders to collaborate and join”.¹⁷⁷

133. While the University of Oxford and Cardiff University emphasised the importance of facilitating continued collaboration with EU Erasmus partners through any UK replacement programme, Herefordshire Council thought the Government should “invest in supporting mobility further afield than Europe” through “travel grants, fellowships and workshops, as well as new bi- and multi-lateral funding arrangements with other national funders”.¹⁷⁸ Joan-Anton Carbonell said student mobility opportunities should be also be “promoted to increase the numbers, to reach the level of other countries where mobility is much more established”.¹⁷⁹

134. HEURO sought a guarantee that any replacement programme would be “immediately in place” as soon as the UK left Erasmus. They called for financial support to cover reduced tuition fees and contributions to institutions for students going abroad for a full academic year, as under the Erasmus programme.¹⁸⁰

174 [QQ 22–24](#) (Prof Thompson)

175 See for example written evidence from MillionPlus ([ESE0003](#)), the University of Leicester ([ESE0005](#)), HEURO ([ESE0010](#)), the Russell Group ([ESE0047](#)) and Cardiff University ([ESE0011](#)).

176 [Q 33](#) (Jane Racz)

177 Written evidence from Universities UK ([ESE0032](#))

178 Written evidence from the University of Oxford ([ESE0017](#)), Cardiff University ([ESE0011](#)), and Herefordshire Council ([ESE0006](#))

179 Written evidence from Mr Joan-Anton Carbonell ([ESE0009](#))

180 Written evidence from HEURO ([ESE0010](#))

Disadvantages

135. While acknowledging a new mobility scheme would be necessary in the absence of access to Erasmus, witnesses identified various disadvantages of a replacement UK programme. The University of East Anglia, for example, noted Erasmus+ had “extremely strong branding”, a “globally trusted reputation”, and “high levels of employer recognition”. They warned: “There is no guarantee that important universities across Europe would all recognise a UK alternative mobility scheme.”¹⁸¹
136. Liz Simpson thought there would be a risk that partnerships arranged under any replacement programme would have “more emphasis on reciprocity” in terms of the number of incoming and outgoing students. Erasmus did not focus on this, so “the balance [of student exchanges] may be in our favour with one partner, yet in the partner’s favour with another institution”. There was, she said, “an unwritten rule based on mutual benefit that this is acceptable within [Erasmus]”.¹⁸²
137. The University of Edinburgh believed that the benefits of Erasmus+ “would be difficult to replicate and deliver through a UK-led domestic initiative”.¹⁸³ The Russell Group agreed, telling us it was “difficult to imagine” how the UK could replicate the benefits of Erasmus, and noting the programme had “a common framework with centralised rules and funding agreements”, which reduced the administrative burden of negotiating partnership agreements with overseas partners.¹⁸⁴ Gail Armistead also agreed, noting it was “a far more time-consuming process and resource-heavy endeavour” to establish partnerships with institutions in non-Erasmus countries.¹⁸⁵
138. Jane Racz qualified this by pointing out that universities were well-resourced, and many had existing bilateral relationships with partner institutions abroad. On the other hand, smaller projects—including those working with more disadvantaged groups—were often managed by “somebody trying to run a project in an evening or in their spare time between lessons”, who she thought would struggle to find exchange partners without the support of Erasmus.¹⁸⁶
139. London Higher questioned the capacity of the UK to establish an alternative mobility scheme as quickly as Switzerland had done in 2014:
- “Opportunities for exchange here were facilitated by a range of bilateral agreements set up quickly, using money already ring-fenced, benefiting from a large degree of political consensus and informed by decades of Swiss experience and precedent negotiating these bilateral mobility agreements with EU countries. The UK does not have this precedent, so this mirrored system would be slower to set up and most likely less effective in maintaining exchange numbers”.¹⁸⁷

181 Written evidence from the University of East Anglia ([ESE0007](#))

182 Written evidence from Liz Simpson ([ESE0014](#))

183 Written evidence from the University of Edinburgh ([ESE0012](#))

184 Written evidence from the Russell Group ([ESE0047](#))

185 [Q 16](#) (Gail Armistead)

186 [Q 31](#) (Jane Racz)

187 Written evidence from London Higher ([ESE0020](#))

General need for additional investment in educational mobility

140. Several witnesses argued that the UK should invest more funding in mobility, or establish new mobility schemes, regardless of whether it continued to participate in Erasmus after Brexit. The University of Edinburgh thought the Government should “deliver an ambitious funded national strategy to increase and support learning abroad”, highlighting the example of Germany’s Academic Exchange Service (DAAD) which operated alongside Erasmus. They explained that the German government provided funding for over 100,000 students to go abroad each year as well as additional funding for disadvantaged students.¹⁸⁸
141. Universities UK drew our attention to its Outward Student Mobility Working Group, established to “explore options for government investment in a large-scale mobility scheme supported by appropriate infrastructure and administration”. This group recommended that the Government should establish such a scheme to facilitate further growth in student mobility. Universities UK suggested that this could complement Erasmus by funding mobility opportunities outside Europe, or provide the basis of a replacement programme if the UK was excluded from Erasmus+ and its successor programme.¹⁸⁹
142. Cardiff University called for “dedicated support” such as bursaries and scholarships to help UK institutions attract EU students. They warned there could be a “market shock” from a sharp decline in the number of EU students coming to the UK if they lost access to student loans and had to pay the much higher ‘international student’ rate of tuition fees after Brexit.¹⁹⁰

Research

143. The Royal Academy of Engineering told us:
- “If the UK was unable to secure continued access to EU research and innovation programmes, it would be essential for the UK government to create suitable replacement research and innovation programmes using national funds.”¹⁹¹
144. Dr Thompson believed that the UK would need to “carry over” the key features of EU funding for any domestic programme to be “really effective”. For example, “an ERC-like scheme”, where applications would “not have to be a UK national or already based in the UK to apply for it”.¹⁹²
145. Vivienne Stern noted that European research funding was “spread slightly more widely” across different subjects and institutions, compared to UK research funding.¹⁹³ MillionPlus agreed and said the UK should “move away from ever greater [funding] concentration” in any national replacement scheme.¹⁹⁴
146. Herefordshire Council called on the Government to “forge new global research and skills networks and co-fund more ambitious programmes to support

188 Written evidence from the University of Edinburgh ([ESE0012](#))

189 Written evidence from Universities UK ([ESE0032](#))

190 Written evidence from Cardiff University ([ESE0011](#))

191 Written evidence from the Royal Academy of Engineering ([ESE0018](#))

192 [Q.7](#) (Dr Thompson)

193 [Q.7](#) (Vivienne Stern)

194 Written evidence from MillionPlus ([ESE0003](#))

collaboration with international partners”.¹⁹⁵ The University of Edinburgh, in contrast, believed it would be a “mistake to regard new international research collaborations” as a substitute for the EU framework programmes, “in terms of partnering, quality of output and ease of management”.¹⁹⁶

Disadvantages

147. The Wellcome Trust highlighted the “major cost and logistical challenges” involved in setting up UK bilateral schemes as an alternative to EU collaborative research programmes.¹⁹⁷
148. The University of Oxford told us that the EU programmes provided a “tried and tested mechanism for international collaboration”. They believed the impact of EU programmes would be “difficult to replicate at the national level” and that isolating the UK’s research efforts would be “counter-productive in terms of economic growth and technological progress”.¹⁹⁸
149. Cardiff University underlined how the “stability” provided by the EU’s seven-year research programmes had facilitated long-term planning; this feature was “not replicated by any other international funding programme or bilateral funding agreements”.¹⁹⁹ The Russell Group agreed there were non-financial benefits to the EU programmes which could not be emulated, namely, the facilitation of “frictionless cross-border, multi-lateral partnerships ... access to infrastructures and equipment... [and] mobility of the most talented researchers across Europe”.²⁰⁰
150. Professor Patrick Roche, an astronomer at the University of Oxford, doubted a UK scheme would be able to achieve “the breadth of applicants or the reputation” of the ERC, and noted ERC grants were “the most sought-after research funding opportunities for bright and ambitious scientists”. He added:

“Strong and productive research collaborations take time to establish and nurture. They are built on mutual interest, complementary expertise and trust which cannot be forced or dictated ... Many collaborations run for decades, building up over time and gaining in ambition and scope, and they cannot just be stopped and reconfigured with new groups in response to a possible UK departure from our existing European networks. If this happens, there will be deep and lasting damage which could take years to repair.”²⁰¹

Cross-cutting issues

151. Regardless of whether the UK leaves the EU with or without a deal—and whether or not the UK secures association to the next Erasmus and Horizon programmes—witnesses were concerned about potential changes to immigration policy in relation to students and researchers, and the negative impact of ongoing uncertainty around Brexit.

195 Written evidence from Herefordshire Council ([ESE0006](#))

196 Written evidence from the University of Edinburgh ([ESE0012](#))

197 Written evidence from the Wellcome Trust ([ESE0025](#))

198 Written evidence from the University of Oxford ([ESE0017](#))

199 Written evidence from Cardiff University ([ESE0011](#))

200 Written evidence from the Russell Group ([ESE0047](#))

201 Written evidence from Professor Patrick Roche ([ESE0019](#))

Immigration policy

152. Dr Thompson told us:

“Free movement has served research incredibly well because we know that research thrives on the movement of people and their ideas across borders.”²⁰²

153. London Higher believed it would be “crucial” to “support the frictionless exchange of researchers and their innovative ideas” if the UK wanted to increase research collaboration outside the EU. The University of Cambridge called for an immigration system that was “sufficiently flexible to accommodate short term visits by researchers as well as researchers coming to work and live in the UK”.²⁰³

154. Amatey Doku believed that the Government’s policy of ending free movement would result in “more stringent immigration controls” after Brexit. Mr Doku acknowledged it was unclear what this might mean for students, but was “deeply uncomfortable” with any changes purporting to ensure students did not use the Erasmus programme to “come in, drop out, and stay in the country”.²⁰⁴

155. Herefordshire Council thought the UK’s post-Brexit immigration policy should encourage “all suitably qualified international students to study in the UK” and enhance “post-study work opportunities”.²⁰⁵ The NUS believed students should be granted “special immigration status, without the need to pay for a visa or meet additional eligibility requirements”.²⁰⁶ Cardiff University suggested:

“Lessons could be drawn from countries such as Canada and Australia which have created strategies and underpinning immigration policies to encourage international students to study at their universities.”²⁰⁷

156. Vivienne Stern was concerned about the impact applying the current Tier 4 (general student) visa to EU students would have on the UK’s “attractiveness as a study destination”. While the success rate for acquiring a Tier 4 visa was high, the application process was difficult and “managed to create an impression that we do not really want international students”.²⁰⁸ Dr Thompson thought the UK visa system had a similar effect on researchers, as it was “hugely costly compared to other countries” (see Box 5). She suggested the UK could use Brexit as an opportunity to “go back to the drawing board and think about how we welcome talent” and “reduce the bureaucracy, the burden and the cost” of the immigration system.²⁰⁹

157. The implications of applying the UK’s ‘Points Based System’ for work-related visas to EU nationals after Brexit were considered in detail in the European Union Committee’s 2017 report on *Brexit: UK-EU movement of people*.²¹⁰

202 Q 6 (Dr Thompson)

203 Written evidence from the University of Cambridge (ESE0044)

204 Q 14 (Amatey Doku)

205 Written evidence from Herefordshire Council (ESE0006)

206 Written evidence from the National Union of Students (ESE0041)

207 Written evidence from Cardiff University (ESE0011)

208 Q 8 (Vivienne Stern)

209 Q 8 (Dr Thompson)

210 European Union Committee, *Brexit: UK-EU movement of people* (14th Report, Session 2016–17, HL Paper 121) pp 38–51

Box 5: Written evidence from the Wellcome Trust comparing UK and French visa costs for researchers

“[In the UK a] five-year visa for a researcher with a partner and three children currently costs over £11,000, and this is expected to increase once the NHS surcharge doubles. In comparison, fees for the same researcher and family obtaining a four-year French Talent Passport costs approximately £1,040 (€1,168).*

“This data is based on a report by the Together Science Can campaign, with data compiled by the law firm Fragomen. Wellcome understands that there are no healthcare surcharges or visa fees comparable to the NHS Surcharge and therefore this is a direct comparison. Employees who work in France are entitled to French state healthcare insurance, which is automatically deducted from their salaries as a social contribution—and if you are below a certain salary threshold, you do not pay contributions to access healthcare.

“*The NHS surcharge is currently £200 per person per year, but this is expected to double to £400 ... The £11,000 calculation assumes the researcher is exempt from the immigration skills charge (PhD-level occupations are exempt), otherwise it could cost up to £16,000.”

Source: Supplementary written evidence from the Wellcome Trust ([ESE0048](#))

Uncertainty

158. Whether the UK leaves the EU with or without a deal, witnesses stressed that time was running out to confirm and establish future UK arrangements for educational mobility and research.
159. Jane Racz reported that the National Agency had seen an increase in questions about Brexit to their help desk and at events. She could not say whether there had been any “cooling of the application numbers” in the latest funding round, but confirmed that interest in Erasmus+ remained at a “consistently strong level”.²¹¹ Madeleine Rose noted there would be students coming into universities now wanting to do a placement in their third year. Consequently, she expected universities to “lead the charge in wanting to know fairly soon what the direction will be”.²¹²
160. Gail Armistead noted that in late 2018 the higher education sector had already “missed one of our aspirational milestones” for knowing the form of future mobility arrangements. She emphasised: “We are dealing here with real people ... students currently abroad, students preparing to go abroad, and projects we want to apply for funding for.”²¹³
161. John Latham underlined the importance of long lead-in times to “introduce the idea” of mobility to the young people he worked with, and “sell it to them”. Mr Latham noted it was “crucial to get everything right” when sending young people abroad, and it was normal “to take over a year to plan an exchange”:

“Anything less than [a year] and you will be putting something at risk and the quality assurance aspect of the projects will be affected. It is not quality assurance in the everyday sense; it is the quality of people’s lives.

211 [Q 28](#) (Jane Racz)

212 [Q 29](#) (Madeleine Rose)

213 [Q 17](#) (Gail Armistead)

Young people have to be nurtured and really looked after when they are sent on exchanges or go on project exchanges abroad.”²¹⁴

162. Cardiff University thought that “matters would need to be resolved ... by mid-2019 at the latest” to avoid a “cliff-edge or gap” between Erasmus+ and its successor programme.²¹⁵ Amatey Doku, however, saw disruption to mobility opportunities as unavoidable, even if the UK secured full association to the next Erasmus programme.²¹⁶
163. The East of England European Partnership highlighted that uncertainty also had a “real impact” on research, particularly on large collaborative projects, which they said took a long time to plan and deliver.²¹⁷ Vivienne Stern believed it was possible that the UK would still be negotiating association to Horizon Europe when the programme began, pointing out this had happened to Switzerland “on a couple of occasions”.²¹⁸

The Government’s position

164. The Minister, Chris Skidmore MP, confirmed: “We are still keen to be able to pursue associated membership of future [EU] programmes that begin in 2021.”²¹⁹
165. Sarah Redwood, of DfE, also said that “we have made no secret of the fact that we want the option to explore association in the future”. If the EU was willing, Ms Redwood thought that negotiations on association to Horizon Europe could be concluded in a year, based on the previous experiences of countries like Switzerland, Israel and Canada.²²⁰
166. The Minister could not confirm the potential costs of future UK association to Horizon Europe and Erasmus while the 2021–2027 MFF was under negotiation, but noted both programmes were expected to have significantly larger budgets than Horizon 2020 and Erasmus+. Sarah Redwood explained that the financial contributions from associated countries to Horizon 2020 were calculated based on a proportion of GDP, and therefore expected the UK would pay “a larger contribution under Horizon Europe as part of a larger programme”. Shahid Omer anticipated the same would be true for the 2021–2027 Erasmus programme, which was expected to “double in size”.²²¹
167. Nonetheless, the Minister thought that the value of participation in both programmes should not be measured just in terms of financial contributions. On Erasmus, he said:

“You simply cannot equate monetary spend with putting together a programme that will replicate Erasmus and 30 years’ worth of ties not only across member states but across institutions. It is obviously

214 [QQ 15–17](#) (John Latham)

215 Written evidence from Cardiff University ([ESE0011](#))

216 [Q 17](#) (Amatey Doku)

217 Written evidence from the East of England European Partnership ([ESE0030](#))

218 [Q 9](#) (Vivienne Stern)

219 [Q 38](#) (Chris Skidmore MP)

220 [Q 41](#) (Sarah Redwood). Negotiations on association to Horizon 2020 for countries, such as Switzerland and Israel, that had participated in the previous EU Framework Programme for research lasted between six months to just over a year. For Ukraine, the talks to secure association to Horizon 2020 lasted approximately two years. Supplementary written evidence from Chris Skidmore MP ([ESE0050](#))

221 [Q 42](#) (Chris Skidmore MP)

important to reflect on that value. There is return on investment. There is also the alternative cost of replicating a similar scheme.”²²²

168. The Minister argued it was right and responsible for the Government to explore a possible domestic alternative to Erasmus, if continued participation and future association could not be achieved, but recognised that the UK would “never be able properly to supplement the historic ties and relationships that have been built up over 30 years”.²²³ Alongside “continued close cooperation” with European partners, the Minister noted the Government’s ambition, as part of its Global Britain agenda, to “work more closely and strengthen links” with other partners, building on existing bilateral exchange and mobility initiatives the UK has with countries outside the EU.²²⁴
169. With regard to Horizon 2020, the Minister emphasised the benefits of research to the UK economy, arguing that placing research and development “at the heart of [the Government’s] vision” would be “vital for [the UK’s] success in the 2020s”.²²⁵ He reiterated that the UK was a world leader in research, with existing collaborative partnerships around the world, and confirmed the Government would publish a new International Research and Innovation Strategy “as soon as possible”. The Government had also made a “bold commitment” to spend 2.4% of GDP on R&D by 2027, and established a new £110 million fund to support international research collaboration.²²⁶
170. On immigration, the Minister told us the recent Immigration White Paper (see Box 6) had “set out very clearly” that the UK would “focus on ensuring ... the easiest possible route” for international students to access UK universities, and that there would be “no cap on international student numbers”. He added:
- “It is not just students. I am determined to ensure that we do not lose momentum in developing our research and development commitment to 2.4%. It is not just about the money ... If you do not have the research capability, if research staff, research teams and their families are not able to come here, that is something that is allied with student numbers.”²²⁷
171. The Minister pointed to the Government’s ‘EU Settlement Scheme’, intended for EU nationals already lawfully resident in the UK. This would enable EU nationals already “studying or working here by the end of March 2019 to remain in the UK”, which he hoped would “provide certainty”.²²⁸ He further noted that “conditions for entry and stay for purposes such as research, study, training and youth exchanges” would be considered during negotiations on the future UK-EU relationship, as set out in the Political Declaration.²²⁹

222 [Q 42](#) (Chris Skidmore MP)

223 [Q 43](#) (Chris Skidmore MP)

224 Supplementary written evidence from Chris Skidmore MP ([ESE0050](#)). This submission outlines a number of educational cooperation and exchange schemes the UK currently has in place with non-EU countries, for example: the UK-India Research Initiative, Generation UK-China, Study China, the US-UK Fulbright Commission, International Citizen Service, and funding for overseas placements for Language Assistants.

225 [Q 42](#) (Chris Skidmore MP)

226 [Q 44](#) (Chris Skidmore MP)

227 [Q 39](#) (Chris Skidmore MP)

228 *Ibid.*

229 Supplementary written evidence from Chris Skidmore MP ([ESE0050](#))

Box 6: The Immigration White Paper

In December 2018 the Government published a White Paper on *The UK's future skills-based immigration system*. With regard to students, scientists and researchers, the White Paper sets out plans to:

- introduce a new UK Research and Innovation-led scheme to support the temporary movement of scientists and researchers under the Government's Authorised Exchange Scheme, for those looking to come to the UK for two years;
- double the number of Tier 1 Exceptional Talent visas, including for top global scientists, to 2,000 a year;
- change the UK Immigration Rules to waive the Resident Labour Market Test for employers recruiting supernumerary researchers supported by Awards and Fellowships, and members of established research teams who are sponsored by UK Higher Education Institutions and the Research Councils under the main skilled work route;
- provide an exemption from the usual rules for absences from the UK for scientists and researchers called to assist with humanitarian and environmental crises;
- offer six months' post-study leave to stay in the UK to find work after graduating to all master's students, and bachelor's students studying at an institution with degree-awarding powers;
- enable faster switching between the existing Tier 4 student route and highly skilled Tier 2 visas to support those at the early stages of their careers; and,
- ensure EU citizens can study in the UK without needing to go through the full student visa process, if the UK continues to participate in Erasmus or a similar programme.

Source: Home Office, *The UK's future skills-based immigration system* (December 2018): <https://www.gov.uk/government/publications/the-uks-future-skills-based-immigration-system> [accessed 11 January 2019]

Conclusions

172. **The UK is a respected and important partner in both the Erasmus and Horizon programmes. It is a popular destination for mobility placements and a world leader in research with an exceptionally strong science base. The UK receives substantial amounts of funding from EU programmes, and other less tangible benefits built on decades of international cooperation with European partners. We strongly believe—and it was the unanimous view of our witnesses—that it is in the UK and the EU's mutual interest to preserve current close levels of cooperation on research and innovation and educational mobility. We are encouraged by positive indications in the Political Declaration on the future UK-EU relationship that this will be possible.**

Educational exchanges

173. **The Erasmus programme has played a significant role in facilitating the international mobility of people studying and working in the fields**

of education, training, youth, and sport in the UK. The programme offers unparalleled financial support and flexibility to enable people from lower income backgrounds, and those with medical needs or disabilities, to take part in educational exchanges. The Government should seek to ensure the UK remains part of this important initiative by seeking full association to the 2021–2027 Erasmus programme.

174. The cost of participating in the 2021–2027 Erasmus programme is likely to be higher than for Erasmus+, as it will have double the overall budget. Nevertheless, we consider this a worthwhile investment to maintain access to Erasmus and the partnerships the UK has built within Europe through the programme over the past 30 years. It is clear, as the Minister himself noted, that the value of Erasmus cannot be measured simply in terms of financial contributions and receipts.
175. As an associated third country the UK would be able to attend Erasmus programme committees but would lose its voting rights, reducing the UK's strategic influence over the programme. We are reassured, however, that these meetings operate mainly on a collaborative basis and non-EU programme countries are regarded as “valued partners”.
176. As a non-associated third country, the UK would not even have a seat at the table in Erasmus programme committees, and UK participants would have access to less funding and fewer exchange opportunities. We do not consider this to be an attractive option.
177. If association to Erasmus cannot be negotiated, it will be essential to establish an alternative UK mobility scheme. This programme must be adequately resourced to support continued growth in the number of people undertaking educational exchanges, particularly in the vocational education and training sector. It should also provide additional support for people from disadvantaged backgrounds and those with disabilities or additional needs, and flexibility in the placements on offer, to ensure opportunities to study, work, teach, or train abroad remain accessible to all. Even with comparative financial investment, however, it will be impossible to replicate aspects of Erasmus which are key to facilitating international exchanges, namely, the programme's strong brand, trusted reputation, common rulebook and framework for partnership agreements, and its established network of potential partners.
178. Launching a new UK mobility scheme—or increasing investment in existing schemes—to extend mobility opportunities beyond Europe would be welcome in addition to continued participation in Erasmus. Nonetheless, this must not be prioritised at the expense of exchanges “on our doorstep”, which are particularly attractive to vocational students, people with special needs, and those with family commitments.

Research

179. We note the Government's commitment to increase spending on research and development to 2.4% of GDP by 2027, and look forward to an ambitious new International Research and Innovation

Strategy which affirms the centrality of research and innovation to technological progress and the future economic prosperity of the UK.

180. **A key part of this strategy should be to prioritise continued access to EU research framework programmes by securing association to Horizon Europe. The Government should ensure UK universities retain full access to EU funding opportunities and can participate in, and lead, collaborative research projects.**
181. **We note that the UK's access to Horizon Europe will be commensurate with the financial contribution it is willing to make to the programme. Given the anticipated increase in the budget for Horizon Europe, this is likely to be larger than the UK's contribution to Horizon 2020. The financial rebalancing mechanism set out in the draft Horizon Europe Regulation would also prevent the UK from being a net beneficiary of EU research funding, as is currently the case. Nonetheless, an increased programme budget means that Horizon Europe will be able to support more grants and collaborative research projects than its predecessor. We urge the Government to agree an appropriate level of financial contributions to ensure the UK can access these opportunities.**
182. **As an associated third country, the UK would have observer status in Horizon Europe programme committees but no vote and so would not have the same influence over the strategic direction of the programme as an EU Member State. Even so, given the strength of the UK's science base and the significant role played by scientists in shaping research programmes, witnesses were confident that the UK can still remain an influential player in European research and innovation. We note that it will be important for the UK to "strike the right tone" in this regard, by seeking to ensure appropriate accountability for UK funds spent via Horizon Europe rather than by exercising overt political influence.**
183. **If the UK participated in Horizon Europe on a 'non-associated' third country basis, it would lose access to key funding opportunities—notably European Research Council grants and Marie Skłodowska-Curie Actions—and would be left without any credible means of influencing the future development and funding priorities of the programme. While limited participation in Horizon Europe would still provide the UK with unique opportunities for collaboration which could not be replicated at the national level, it is clear that full association is the most desirable outcome for UK research and innovation.**
184. **Additional UK research programmes will be needed to replace EU funding opportunities, if the Government is not willing or able to secure association to Horizon Europe. These programmes should maintain the breadth of funding across different subject areas and institutions provided by EU research programmes, and support advanced scientific research and international collaboration. The Government should work with the research community to determine what key features of EU funding should be retained in UK replacement programmes, such as the excellence-based funding criteria of the European Research Council.**

185. **We commend UKRI's willingness to work to develop prestigious domestic alternatives to EU schemes, if the UK loses access to them after Brexit. However, we note that it would take many years to emulate the tried and tested mechanism for international research collaboration provided by the EU framework programmes, the established research partnerships they support, and the EU's joint infrastructure capabilities.**

Cross-cutting issues

186. **The ongoing lack of clarity over the future availability of EU funds for mobility and research is causing considerable concern among students and researchers in the UK. Although association cannot be secured until negotiations on the draft 2021–2027 Horizon and Erasmus Regulations are complete, the Government should confirm its intentions regarding future UK participation in these programmes as soon as possible to maximise certainty and stability for potential participants, and enable them to plan for any changes.**
187. **Whether the UK continues to participate in EU programmes or not, it will be important to ensure the UK's immigration policy facilitates the frictionless exchange of students and researchers across borders. We welcome the Government's confirmation in its recent Immigration White Paper that the UK will continue to welcome talented international scientists and researchers. The Government should work closely with the research community to ensure the UK visa system accommodates this ambition. Given the significant positive benefits international students bring to the UK, we also support the Government's decision not to impose a cap on international student numbers.**

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The Erasmus and Horizon programmes

1. Erasmus+ is the EU programme for education, training, youth and sport. In the UK, Erasmus+ funding has supported more than 4,700 projects and 128,000 participants since the programme began. While many people think of Erasmus+ as a university student exchange scheme, the programme also extends opportunities to study, work, teach or train abroad to other groups, including vocational students, education staff and youth workers. It also supports youth exchanges, international partnership projects, and youth policy development. Witnesses were extremely positive about the impact of Erasmus+, particularly in terms of improving employment prospects, contributing to economic growth, and increasing opportunities for people from disadvantaged backgrounds and those with special needs. (Paragraph 46)
2. Horizon 2020 is the EU's framework programme for research and innovation. The UK has been both a significant contributor to and beneficiary from Horizon 2020, with the highest share of participants in signed grant agreements and the second highest share of total programme funding distributed. Witnesses agreed that the programme helps to raise the standard of research and supports excellent science in the UK, including by facilitating international research collaboration, providing access to large-scale research facilities, and attracting the best staff to work on research projects. (Paragraph 47)

Brexit implications

3. The Withdrawal Agreement would ensure that UK participation in Erasmus+ and Horizon 2020 could continue largely unchanged but only until the end of the current Multiannual Financial Framework period, at the end of 2020. We note that uncertainty about whether this Agreement will be ratified is a matter of concern to current and potential UK participants in these programmes. (Paragraph 88)
4. The Government has guaranteed to underwrite funding for successful UK bids to EU programmes until the end of 2020, if the UK leaves the EU without a deal. However, the Government still needs to agree terms with the EU for UK organisations to continue to participate in Erasmus+ and Horizon 2020 projects as third country entities. (Paragraph 89)
5. We note the European Commission's current unwillingness to engage in discussions on possible actions to protect people on Erasmus+ exchanges and Horizon 2020 projects in the event of a 'no deal' Brexit, but urge the Government to continue its efforts to reach a resolution with the Commission to avoid disruption. We remain extremely concerned about the lack of time available to negotiate and confirm these 'no deal' contingency plans. If a resolution cannot be agreed, the Government should use funds set aside for the underwrite guarantee to establish replacement UK mobility and research funding schemes as quickly as possible. (Paragraph 90)
6. The Government should, as a matter of urgency, provide further information on how it intends the underwrite guarantee to operate in practice, including who will disburse the funding and what terms and conditions will apply to beneficiaries. We recommend that schedules for releasing payments

and monitoring and reporting systems should be as similar to those set out in the original grant agreements as possible, to provide certainty and minimise disruption for UK participants transitioning to the new system. (Paragraph 91)

7. Of particular concern to the UK's research community is the loss of access to key sources of UK Horizon 2020 funding, including the European Research Council and Marie Skłodowska-Curie Actions, which are not open to third country participation and so are not covered by the underwrite guarantee. We note that the Government is keenly aware of this issue and emphasise the importance of confirming replacements for these funding streams as soon as possible. (Paragraph 92)
8. We welcome indications that the UK and EU are willing to work together on the free flow of data and regulatory alignment with regard to clinical trials and chemical registration. This will be essential to facilitate continued international research collaboration. (Paragraph 93)

Future UK policy options

9. The UK is a respected and important partner in both the Erasmus and Horizon programmes. It is a popular destination for mobility placements and a world leader in research with an exceptionally strong science base. The UK receives substantial amounts of funding from EU programmes, and other less tangible benefits built on decades of international cooperation with European partners. We strongly believe—and it was the unanimous view of our witnesses—that it is in the UK and the EU's mutual interest to preserve current close levels of cooperation on research and innovation and educational mobility. We are encouraged by positive indications in the Political Declaration on the future UK-EU relationship that this will be possible. (Paragraph 172)

Erasmus

10. The Erasmus programme has played a significant role in facilitating the international mobility of people studying and working in the fields of education, training, youth, and sport in the UK. The programme offers unparalleled financial support and flexibility to enable people from lower income backgrounds, and those with medical needs or disabilities, to take part in educational exchanges. The Government should seek to ensure the UK remains part of this important initiative by seeking full association to the 2021–2027 Erasmus programme. (Paragraph 173)
11. The cost of participating in the 2021–2027 Erasmus programme is likely to be higher than for Erasmus+, as it will have double the overall budget. Nevertheless, we consider this a worthwhile investment to maintain access to Erasmus and the partnerships the UK has built within Europe through the programme over the past 30 years. It is clear, as the Minister himself noted, that the value of Erasmus cannot be measured simply in terms of financial contributions and receipts. (Paragraph 174)
12. As an associated third country the UK would be able to attend Erasmus programme committees but would lose its voting rights, reducing the UK's strategic influence over the programme. We are reassured, however, that these meetings operate mainly on a collaborative basis and non-EU programme countries are regarded as “valued partners”. (Paragraph 175)

13. As a non-associated third country, the UK would not even have a seat at the table in Erasmus programme committees, and UK participants would have access to less funding and fewer exchange opportunities. We do not consider this to be an attractive option. (Paragraph 176)
14. If association to Erasmus cannot be negotiated, it will be essential to establish an alternative UK mobility scheme. This programme must be adequately resourced to support continued growth in the number of people undertaking educational exchanges, particularly in the vocational education and training sector. It should also provide additional support for people from disadvantaged backgrounds and those with disabilities or additional needs, and flexibility in the placements on offer, to ensure opportunities to study, work, teach, or train abroad remain accessible to all. Even with comparative financial investment, however, it will be impossible to replicate aspects of Erasmus which are key to facilitating international exchanges, namely, the programme's strong brand, trusted reputation, common rulebook and framework for partnership agreements, and its established network of potential partners. (Paragraph 177)
15. Launching a new UK mobility scheme—or increasing investment in existing schemes—to extend mobility opportunities beyond Europe would be welcome in addition to continued participation in Erasmus. Nonetheless, this must not be prioritised at the expense of exchanges “on our doorstep”, which are particularly attractive to vocational students, people with special needs, and those with family commitments. (Paragraph 178)

Horizon

16. We note the Government's commitment to increase spending on research and development to 2.4% of GDP by 2027, and look forward to an ambitious new International Research and Innovation Strategy which affirms the centrality of research and innovation to technological progress and the future economic prosperity of the UK. (Paragraph 179)
17. A key part of this strategy should be to prioritise continued access to EU research framework programmes by securing association to Horizon Europe. The Government should ensure UK universities retain full access to EU funding opportunities and can participate in, and lead, collaborative research projects. (Paragraph 180)
18. We note that the UK's access to Horizon Europe will be commensurate with the financial contribution it is willing to make to the programme. Given the anticipated increase in the budget for Horizon Europe, this is likely to be larger than the UK's contribution to Horizon 2020. The financial rebalancing mechanism set out in the draft Horizon Europe Regulation would also prevent the UK from being a net beneficiary of EU research funding, as is currently the case. Nonetheless, an increased programme budget means that Horizon Europe will be able to support more grants and collaborative research projects than its predecessor. We urge the Government to agree an appropriate level of financial contributions to ensure the UK can access these opportunities. (Paragraph 181)
19. As an associated third country, the UK would have observer status in Horizon Europe programme committees but no vote and so would not have the same influence over the strategic direction of the programme as an EU Member State. Even so, given the strength of the UK's science base and

the significant role played by scientists in shaping research programmes, witnesses were confident that the UK can still remain an influential player in European research and innovation. We note that it will be important for the UK to “strike the right tone” in this regard, by seeking to ensure appropriate accountability for UK funds spent via Horizon Europe rather than by exercising overt political influence. (Paragraph 182)

20. If the UK participated in Horizon Europe on a ‘non-associated’ third country basis, it would lose access to key funding opportunities—notably European Research Council grants and Marie Skłodowska-Curie Actions—and would be left without any credible means of influencing the future development and funding priorities of the programme. While limited participation in Horizon Europe would still provide the UK with unique opportunities for collaboration which could not be replicated at the national level, it is clear that full association is the most desirable outcome for UK research and innovation. (Paragraph 183)
21. Additional UK research programmes will be needed to replace EU funding opportunities, if the Government is not willing or able to secure association to Horizon Europe. These programmes should maintain the breadth of funding across different subject areas and institutions provided by EU research programmes, and support advanced scientific research and international collaboration. The Government should work with the research community to determine what key features of EU funding should be retained in UK replacement programmes, such as the excellence-based funding criteria of the European Research Council. (Paragraph 184)
22. We commend UKRI’s willingness to work to develop prestigious domestic alternatives to EU schemes, if the UK loses access to them after Brexit. However, we note that it would take many years to emulate the tried and tested mechanism for international research collaboration provided by the EU framework programmes, the established research partnerships they support, and the EU’s joint infrastructure capabilities. (Paragraph 185)

Cross-cutting issues

23. The ongoing lack of clarity over the future availability of EU funds for mobility and research is causing considerable concern among students and researchers in the UK. Although association cannot be secured until negotiations on the draft 2021–2027 Horizon and Erasmus Regulations are complete, the Government should confirm its intentions regarding future UK participation in these programmes as soon as possible to maximise certainty and stability for potential participants, and enable them to plan for any changes. (Paragraph 186)
24. Whether the UK continues to participate in EU programmes or not, it will be important to ensure the UK’s immigration policy facilitates the frictionless exchange of students and researchers across borders. We welcome the Government’s confirmation in its recent Immigration White Paper that the UK will continue to welcome talented international scientists and researchers. The Government should work closely with the research community to ensure the UK visa system accommodates this ambition. Given the significant positive benefits international students bring to the UK, we also support the Government’s decision not to impose a cap on international student numbers. (Paragraph 187)

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Lord Best
 Lord Haselhurst
 Lord Jay of Ewelme (Chairman)
 Baroness Janke
 Lord Kirkhope of Harrogate
 Baroness Massey of Darwen
 Lord O'Neill of Clackmannan
 Baroness Pinnock
 Lord Ribeiro
 Lord Ricketts
 Lord Soley
 Lord Watts

Declarations of interest

Lord Best
Member of the Court of the University of York

Lord Haselhurst
No relevant interests declared

Baroness Janke
No relevant interests declared

Lord Jay of Ewelme (Chairman)
Interests as set out in the Register of Lords' Interests

Lord Kirkhope of Harrogate
No relevant interests declared

Baroness Massey of Darwen
Honorary Professor of Sociology, Nottingham Trent University

Lord O'Neill of Clackmannan
Interests as set out in the Register of Lords' Interests

Baroness Pinnock
Member of the Council of Huddersfield University

Lord Ribeiro
No relevant interests declared

Lord Ricketts
Non-executive Director, Groupe Engie
Visiting Professor, King's College London
Senior Associate Fellow, Royal United Services Institute

Lord Soley
No relevant interests declared

Lord Watts
No relevant interests declared

The following Members of the European Union Select Committee attended the meeting at which the report was approved:

Lord Boswell of Aynho (Chairman)
 Baroness Brown of Cambridge
 Lord Cromwell
 Baroness Falkner of Margravine
 Lord Jay of Ewelme
 The Earl of Kinnoull
 Lord Liddle
 Baroness Neville-Rolfe
 Baroness Noakes
 Lord Polak
 Lord Ricketts
 Lord Risby
 Lord Soley
 Baroness Suttie
 Lord Teverson
 Baroness Verma
 Lord Whitty

During consideration of the report the following Members declared an interest:

Baroness Brown of Cambridge
Chair of the Henry Royce Institute for Advanced Materials
Former Vice-Chancellor of Aston University

Lord Cromwell
His wife is a part-time research officer at the University of Warwick

Baroness Falkner of Margravine
Visiting Professor, Policy Institute, King's College London
Distinguished Fellow, Munk School of Global Affairs, University of Toronto
Commissioner, LSE IDEAS Commission on Economic Diplomacy

Lord Jay of Ewelme
Interests as set out in the Register of Lords' Interests

Lord Liddle
Pro-Chancellor and Chair of Council, Lancaster University
Member of the Advisory Board, Applied Policy Science Unit, University of Central Lancaster
Co-Chair of Policy Network

Baroness Neville-Rolfe
Governor, London Business School

Lord Polak
Interests as set out in the Register of Lords' Interests

Lord Ricketts
Non-executive Director, Groupe Engie
Visiting Professor, King's College London
Senior Associate Fellow, Royal United Services Institute

A full list of Members' interests can be found in the Register of Lords' Interests: <http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/>

APPENDIX 2: LIST OF WITNESSES

Evidence is published online at <https://www.parliament.uk/student-exchanges-funding-universities-research/> for inspection at the Parliamentary Archives (020 7219 3074).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with a ** gave both oral and written evidence. Those marked with * gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order

- ** Dr Beth Thompson MBE, Head of UK and EU Policy, Wellcome Trust [QQ 1–9](#)
- ** Vivienne Stern, Director, Universities UK International
- ** Amatey Doku, President (Higher Education), National Union of Students [QQ 10–18](#)
- * John Latham, International Projects Manager at Lancaster and Morecambe College, Association of Colleges
- ** Gail Armistead, Associate Director of the Office of Global Engagement at the University of Nottingham, The Russell Group
- * Professor Andrew Thompson, Executive Chair of the Arts and Humanities Research Council, UK Research and Innovation [QQ 19–25](#)
- ** Jane Racz, Director, Erasmus+ UK National Agency [QQ 26–33](#)
- ** Madeleine Rose, Deputy Director, Erasmus+ UK National Agency
- ** Chris Skidmore MP, Minister of State for Universities, Science Research and Innovation [QQ 34–45](#)
- ** Sarah Redwood, Deputy Director for European Programmes, International Science and Innovation Directorate, Department for Business, Energy and Industrial Strategy
- ** Shahid Omer, Deputy Director for International Higher Education and EU Exit, Department for Education

Alphabetical list of all witnesses

- Academy of Social Sciences / Campaign for Social Science [ESE0013](#)
- Carl Altaner [ESE0001](#)

**	Gail Armistead, Associate Director of the Office of Global Engagement at the University of Nottingham, The Russell Group (QQ 10–18)	
	Association of the British Pharmaceutical Industry	ESE0040
	Association of UK Higher Education European Officers	ESE0010
	British Library	ESE0043
	Campaign for Science and Engineering	ESE0039
	Cancer Research UK	ESE0024
**	Department of Business Energy and Industrial Strategy / Department for Education	ESE0042
**	Amatey Doku, President (Higher Education), National Union of Students (QQ 10–18)	
	Early Years	ESE0034
	East of England European Partnership	ESE0030
**	Erasmus+ UK National Agency	ESE0031 ESE0049
	Herefordshire Council	ESE0006
	Imperial College London	ESE0038
*	John Latham, International Projects Manager at Lancaster and Morecambe College, Association of Colleges (QQ 10–18)	
	London Higher	ESE0020
	MillionPlus	ESE0003
**	National Union of Students	ESE0041
	Newcastle University	ESE0021
**	Shahid Omer, Deputy Director for International Higher Education and EU Exit, Department for Education (QQ 34–45)	
	Queen’s University Belfast	ESE0026
**	Jane Racz, Director, Erasmus+ UK National Agency (QQ 26–33)	
**	Sarah Redwood, Deputy Director for European Programmes, International Science and Innovation Directorate, Department for Business, Energy and Industrial Strategy (QQ 34–45)	
	Professor Patrick Roche	ESE0019
**	Madeleine Rose, Deputy Director, Erasmus+ UK National Agency (QQ 26–33)	
	Royal Academy of Engineering	ESE0018
	Royal Society of Chemistry	ESE0015

	Science Museum Group	<u>ESE0022</u>
	Liz Simpson	<u>ESE0014</u>
**	Chris Skidmore MP, Minister of State for Universities, Science Research and Innovation (<u>QQ 34–45</u>)	<u>ESE0050</u>
**	Vivienne Stern, Director, Universities UK International (<u>QQ 1–9</u>)	
	The Royal Society	<u>ESE0046</u>
	The Royal Society of Edinburgh	<u>ESE0045</u>
**	The Russell Group	<u>ESE0047</u>
	The UK in a Changing Europe	<u>ESE0037</u>
	The University of Edinburgh	<u>ESE0012</u>
*	Professor Andrew Thompson, Executive Chair of the Arts and Humanities Research Council, UK Research and Innovation (<u>QQ 19–25</u>)	
**	Dr Beth Thompson MBE, Head of UK and EU Policy, Wellcome Trust (<u>QQ 1–9</u>)	
	University of Oxford	<u>ESE0017</u>
	UNA Exchange	<u>ESE0027</u>
**	Universities UK	<u>ESE0032</u>
	University and College Union	<u>ESE0029</u>
	University of Aberdeen	<u>ESE0033</u>
	University of Bristol: Research Development International/International Office	<u>ESE0028</u>
	University of Cambridge	<u>ESE0044</u>
	University of Chester	<u>ESE0004</u>
	University of East Anglia	<u>ESE0007</u>
	University of Leicester	<u>ESE0005</u>
	University of Nottingham	<u>ESE0008</u>
	University of Surrey	<u>ESE0016</u>
**	Wellcome Trust	<u>ESE0025</u> <u>ESE0048</u>

APPENDIX 3: CALL FOR EVIDENCE

The House of Lords EU Home Affairs Sub-Committee, chaired by Lord Jay of Ewelme, has launched an inquiry into the UK's future participation in the student exchange programme Erasmus and Horizon 2020 funding for university research. The inquiry will focus on the short- and long-term impact of leaving the EU on the UK's participation in both programmes. The Sub-Committee is limiting its focus on Horizon to the effect of Brexit on funding for university research.

This is a public call for written evidence to be submitted to the Committee. The deadline is Wednesday 21 November. The Committee values diversity and seeks to ensure this wherever possible. How to submit evidence is set out later in this document, but if you have any questions or require adjustments to enable you to respond, please contact the staff of the Committee. We look forward to hearing from a range of interested individuals and organisations.

Inquiry focus

Erasmus and Horizon 2020 are among several EU programmes with a focus on education and skills collaboration. The Government is committed to participation in these programmes until the end of their current phases in 2020, but upon exit from the EU, the UK will no longer fulfil eligibility criteria for full membership.

After the UK leaves the EU, it is unclear whether or how the UK will continue to participate in these programmes. The Government has indicated that it will seek continued association with both programmes, but the substance and cost of these arrangements are still unclear.

Under the terms of the Draft Withdrawal Agreement published in March 2018, the UK will continue to participate in Erasmus+ and Horizon 2020 in 2019 and 2020 (the transition period) as this was already committed under the EU Multiannual Financial Framework for 2014–2020.

Further, the Government has issued a guarantee to UK organisations that it will underwrite successful funding bids from EU programmes where the bids had been submitted before the UK's planned departure from the EU on 29 March 2019.³ In the event of no Brexit deal being reached, these organisations would continue to receive funding until the end of their projects. An extension to this guarantee was issued in July 2018, which underwrites funding for successful bids submitted until the end of 2020.

The Committee is interested in how changes to the UK's association with the Erasmus and Horizon programmes might affect UK students, researchers, and universities. This includes in the event of no deal or, should agreement be reached, after the transition period.

The Committee is seeking evidence on the following questions. Submissions need not address all questions.

Erasmus+/Erasmus

- What form of future association with Erasmus should the Government seek and what, in your estimation, is it likely to get? What do you think such an association would cost?

- How many UK students currently participate in the Erasmus programme, and how many would be expected to take part after 2020 if the UK continued to participate in Erasmus?
- To what extent will the Government be able to influence the future direction of Erasmus and how important is this?
- What degree of planning have you undertaken to establish relationships and partnerships with countries or institutions outside of the Erasmus programme in the event that the UK no longer participates in it?
- What action is, or should, the Government be taking to develop relationships and partnerships with countries or institutions outside the Erasmus programme if the UK no longer participates in it?
- During the transition period—if there is one—will new applications for funding by UK organisations and participants be restricted in any way?

Horizon 2020/Horizon Europe

- What form of future association with Horizon Europe should the Government seek for UK universities, and what is it likely to get? Would it be possible for the UK to negotiate a bespoke association with Horizon Europe?
- How much funding would you expect a future association between the UK and Horizon to bring UK universities and researchers?
- To what extent will the Government be able to influence the future direction of Horizon Europe? What level of influence would universities hope that the Government would retain?
- What degree of planning have you undertaken to establish relationships and partnerships with countries or universities outside of the Horizon programme if the UK no longer participates in it?
- What action is, or should, the Government be taking to develop relationships and partnerships with countries or institutions outside the Horizon programme if the UK no longer participates in it?
- If the UK leaves the EU without an agreement on an association with Horizon 2020, the eligibility of some cross-university collaborations may be in doubt. What effect would such a scenario have on the likelihood that potential collaborators choose to work with UK-based researchers?
- During the transition period—if there is one—will new applications for funding by UK universities or UK-based researchers be restricted in any way?

A no deal scenario

- What is the expected cost of the Government's guarantee to underwrite existing EU funding grants for students and universities in the event of 'no deal'? How much funding would your organisation require?
- In the event of no deal, how can the Government best ensure that the financing of projects currently funded by Erasmus or Horizon is delivered in a timely and efficient manner, to minimise disruption for participants?
- In the event of no deal, what preparations are being made for a scenario where participating countries or institutions are unable or unwilling to accommodate UK participants after 29 March 2019? What is your assessment of the Government's plan to "engage with member states and key institutions to seek to ensure UK participants can continue with their planned activity"?