

## **CLUSTER remarks on the Horizon 2020 Proposal**

CLUSTER is a consortium of 12 leading European Universities in the areas of Science, Engineering and Architecture founded in 1990. CLUSTER represents more than 3,000 Professors, 11,000 academic staff, 142,000 students and 14,000 PhD students; and includes several top non-European universities as associate members.

The Horizon 2020 Program is of utmost importance for the European landscape of research and innovation and CLUSTER is carefully following the discussion leading to the eventual approval. Some general comments shared by the CLUSTER members are the following:

- 1) CLUSTER welcomes the vision and ambition of the current proposal, including the overall budget of 80 billion €, the clearly defined pillars, and the integration of different programs that used to be organized separately.
- 2) The overarching effort of simplicity is also very welcome and CLUSTER institutions will be actively involved in several (if not all) of the proposed pillars.
- 3) The level of ambition for the development of the EIT is also seen as quite positive as CLUSTER believes that the model of the KICs may indeed boost innovation and leadership in areas of key societal impact.

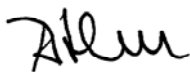
More specifically, there are a few aspects that CLUSTER believes that could be ameliorated in the program, that have not been sufficiently addressed in other discussions about the program:

- (i) CLUSTER appreciates that the proposal of a flat rate for indirect costs of 20% and the reimbursement of 100% of all eligible costs is a significant simplification. However, it may be too limiting for projects involving significant technical equipment or infrastructure, which is the case in the areas of Science and Technology in a new Framework where innovation has received a new impetus. In many CLUSTER institutions, such projects may not be viable, if the indirect cost rate is kept as low as 20%. For those institutions participating in a real indirect cost model, the 20% flat overhead rate will cause a significant loss of financing. Increasing the flat rate value to a level not below 35% would be the minimum to account for the costs incurred in scientific and technological projects.
- (ii) The possibility of considering VAT as eligible costs is also quite important for public bodies or Higher Education Bodies as the CLUSTER institutions. As the most advanced projects in Science and Technology rely more and more on sophisticated equipment, illegibility of VAT costs was hampering the development of many cutting edge research projects.

- (iii) CLUSTER has a long standing record of participation in the Erasmus Mundus Programs. We believe that the Mundus model has been extremely successful and has achieved the highest reputation worldwide. The Mundus Master and Doctoral Schools have become also a source of inspiration of other initiatives and, for example, there are Mundus-inspired MSc and PhD Schools being organized in the context of the EIT-KICs or by international networks such as CLUSTER. CLUSTER sees with great concern that the MUNDUS programs might lose substantial visibility under Horizon 2020 and that Doctoral Schools might disappear shortly after they started to consolidate their impact in Europe and beyond.
  
- (iv) CLUSTER understands that internationalization could be more enhanced under Horizon 2020. As an example, CLUSTER has developed strong collaborations with partners in China, Asia, South America and in some African countries. Such global collaborations are of increasing importance from a scientific and technological standpoint but the instruments to support them do not seem to be present at the right level. Again, Erasmus-Mundus (under Action 2) did address such needs and would deserve more visibility and importance in the context the new program. Programmes such the EU-China People-to-people Dialogue do not find a concrete expression in the Horizon 2020 proposal.

To conclude, CLUSTER appreciates many of the positive aspects and the ambition of the new Program. We trust that the comments in this document will help improving Horizon 2020 even further.

Sincerely yours,



Professor António Serra  
CLUSTER President  
(antonio.serra@ist.utl.pt)

---

---

## CLUSTER

### Members

IST - Instituto Superior Técnico, Lisbon, President  
KTH - Kungliga Tekniska Högskolan  
Politecnico di Torino  
K.U.Leuven  
KIT - Karlsruhe Institute of Technology  
EPFL - Ecole Polytechnique Fédérale de Lausanne  
Grenoble Institute of Technology  
TCD Trinity College Dublin  
Aalto University  
TU Darmstadt  
TUE Eindhoven University of Technology  
UCL EPL Ecole Polytechnique de Louvain  
Universitat Politecnica de Catalunya BarcelonaTech

### Associate Members

Georgia Tech, USA  
Tomsk Polytechnic University (Russian Federation)  
Technion (Israel)  
Tsinghua University (China)  
University of São Paulo (Brazil)  
Ecole Polytechnique de Montreal (Canada)

---