

## Factsheet: Horizon 2020 budget

**25 November 2013**

### **What is the total budget in Horizon 2020 (EU+EURATOM)?**

The total budget in current prices is nearly €80 billion and in constant prices €70.2 billion.

### **What is the difference between current and constant prices?**

Current prices are the amount that will be effectively requested to the budgetary authority each year. Therefore, current prices include the inflation effect.

In the Multiannual Financial Framework (MFF) regulation, an inflation effect of 2% per year has been set (whatever the real inflation rate).

Constant prices do not factor in an inflation effect and “fix” all amounts at the value of a given year.

### **Why is the Multiannual Financial Framework expressed in constant prices?**

Constant prices are used to make it easier to compare annual budgets at “present value” during political negotiations. In this context, all amounts in the MFF are fixed at 2011 values.

### **Why are the calls expressed in current prices?**

As current prices represent the real “money” that will be requested to the budgetary authority and finally distributed to beneficiaries, calls, legal bases and annual budgets are always expressed in current values.

### **Is the percentage budget increase from FP7 to H2020 the same if compared in constant or current prices?**

No, it is not the same. The purpose of using constant prices is precisely to be able to compare two different periods. The increase in constant prices, or real terms, is nearly 30 percent; the increase when expressed in current prices is more than 40%, which does not reflect the underlying economic reality.

### **How does EURATOM fit into the budget?**

Because of its different legal base, EURATOM budgets are fixed for five years, not seven as in the MFF. For the years 2014-2018, the budget is estimated to be €1.603 billion and for the years 2019-2020 an amount of €770 million is foreseen (all amounts in current prices).

## So, what is the budget breakdown for Horizon 2020 in current prices?

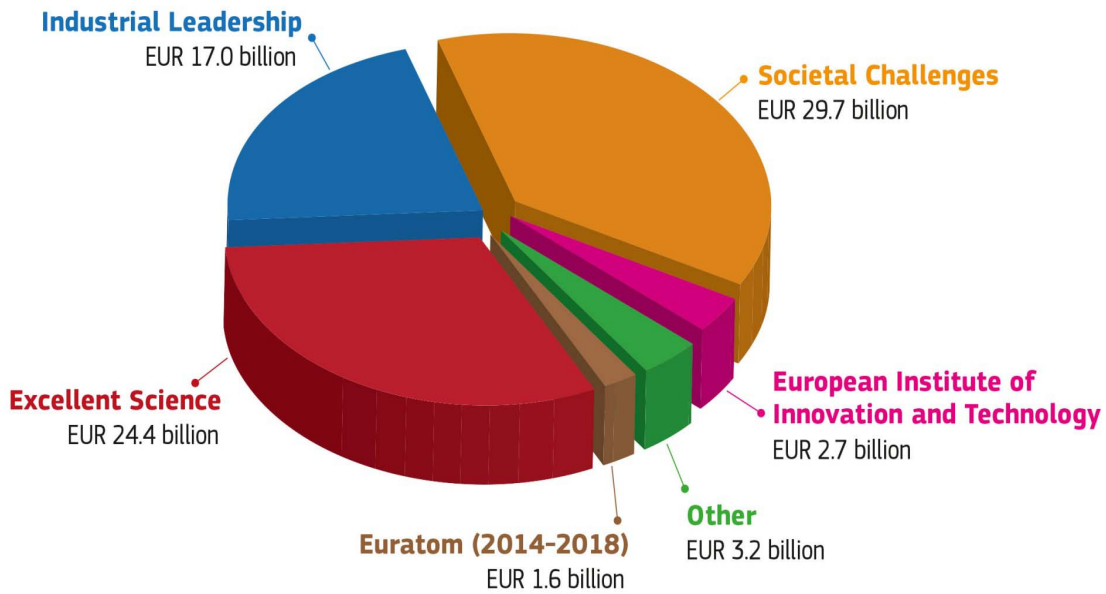
See below the budget breakdown and a graph with the overall figures:

<b>Horizon 2020 (2014-2020)</b>		
	<b>Final breakdown</b>	<b>Estimated final amount in million euro (in current prices)</b>
<b>I Excellent science, of which:</b>	<b>31.73%</b>	<b>24 441</b>
1. The European Research Council	17%	13 095
2. Future and Emerging Technologies	3.50%	2 696
3. Marie-Skłodowska-Curie Actions	8%	6 162
4. European research infrastructures (including eInfrastructures)	3.23%	2 488
<b>II Industrial leadership, of which:</b>	<b>22.09%</b>	<b>17 016</b>
1. Leadership in enabling and industrial technologies	17.60%	13 557
2. Access to risk finance	3.69%	2 842
3. Innovation in SMEs	0.80%	616
<b>III Societal challenges, of which</b>	<b>38.53%</b>	<b>29 679</b>
1. Health, demographic change and wellbeing;	9.70%	7 472
2. Food security, sustainable agriculture and forestry, marine maritime and inland water research and the Bioeconomy;	5%	3 851
3. Secure, clean and efficient energy	7.70%	5 931

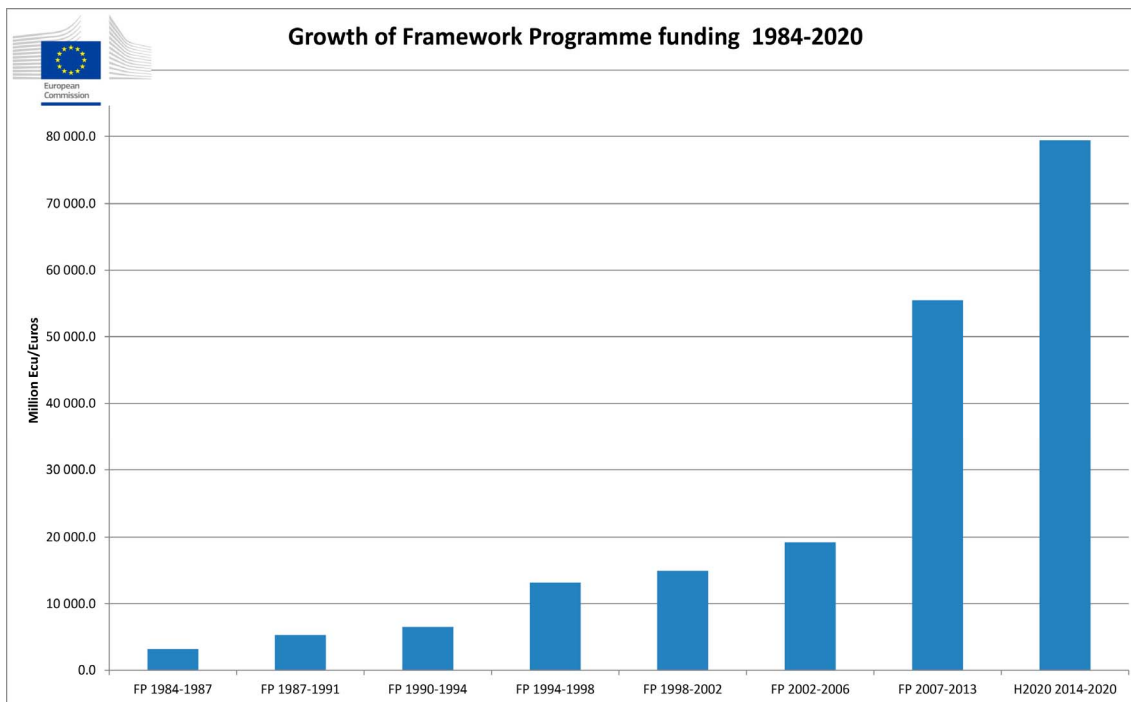
4. Smart, green and integrated transport	8.23%	6 339
5. Climate action, environment resource efficiency and raw materials	4%	3 081
6. Europe in a changing world - Inclusive innovative and reflective societies	1.70%	1 309
7. Secure societies – Protecting freedom and security of Europe and its citizens	2.20%	1 695
<b>Science with and for society</b>	<b>0.60%</b>	<b>462</b>
<b>Spreading excellence and widening participation</b>	<b>1.06%</b>	<b>816</b>
<b>European Institute of Innovation and Technology (EIT)</b>	<b>3.52%</b>	<b>2 711</b>
<b>Non-nuclear direct actions of the JRC</b>	<b>2.47%</b>	<b>1 903</b>
<b>TOTAL EU REGULATION</b>	<b>100%</b>	<b>77 028</b>

<b>Fusion indirect actions</b>	<b>45.42%</b>	<b>728</b>
<b>Fission indirect actions</b>	<b>19.68%</b>	<b>316</b>
<b>Nuclear direct actions of the JRC</b>	<b>34.90%</b>	<b>560</b>
<b>TOTAL EURATOM REGULATION 2014-2018</b>	<b>100%</b>	<b>1 603</b>

## HORIZON 2020 BUDGET (in current prices)



## How has EU Research and Innovation funding evolved over recent years?



(c) European Union 2013