

# The Effects of the Budget Review on Community R&D

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## Overview

1. Community R&D in the context of the budget review
2. Implications of the budget review for Community R&D
3. Beyond the budget review: what's affecting Community R&D?
4. From budget review to budget reform: three scenarios

# 1. Community R&D in the context of the budget review

- The budget review: an open approach with “no taboos”
- The “anachronistic” bias of the current financial framework
- Community R&D and the Lisbon Strategy
- The budget and the FP7 mid-term reviews
- Policy paradigms and the magnitude of policy change (Hall 1993)
- Six variables for the assessment of the degree of policy change

## 2. Implications of the budget review for Community R&D

1. Funding instruments and administrative procedures
2. Research topics
3. Overall amount of R&D funding
4. Re-allocation of funding within FP7
5. Re-allocation of funding across budget lines
6. R&D policy targets

### 3. Beyond the budget review: What's affecting Community R&D?

#### 1. Community R&D and global challenges

- Climate change
- Energy supply
- Political conflicts and security

#### 2. Community R&D and the global economic crisis

- The European Economic Recovery Plan

#### 3. Change-resisting factors:

- Institutional rules
- National interests

## 4. From budget review to budget reform: three scenarios

### 1. “Normal” Adjustment: First-order policy change

- FP7 programme structure remains relatively unchanged
- No significant re-allocations across budget lines
- Minor changes in terms of funding instruments and research topics

### 2. Intra-sectoral Adjustment: Second-order policy change

- Focus on strategic research topics
- A more flexible budget structure
- Outsourcing of administrative tasks

### 3. New Policy Paradigm for Community R&D: Third-order policy change

- Community R&D re-oriented towards the Lisbon Agenda
- Significant re-allocations across budget lines
- “De-politicized” modus of allocation of funds