



# **Brexit update**

This briefing summarizes the impact of Brexit on the participation of UK organisations in EU funding programmes Erasmus+ and Horizon 2020. The UK and the EU have agreed an extension of the Article 50 period to 31 October 2019.

# **UK's participation in Erasmus+**

# Withdrawal Agreement

In case of an orderly withdrawal, the UK would continue to participate in the current Erasmus+ programme as a Programme country (EU Member States, plus Liechtenstein, Norway, Iceland, Turkey, the Former Yugoslav Republic of Macedonia, Serbia and the UK) until the end of the programme in 2020, which coincides with the expected end of the transition period set by the Withdrawal Agreement.

### 'No-deal scenario'

In March, ahead of the former exit date of 29 March, the Council and the Parliament adopted a Regulation covering UK's participation in Erasmus+ in the immediate future following the withdrawal date. The Regulation ensures that all ongoing Erasmus+ Key Action 1 participants (students and staff members) both from UK as well as EU, including Erasmus Mundus students, who started their mobility before the withdrawal date in any Erasmus+ Programme or Partner country can finish their mobility as planned and continue receiving Erasmus+ funding. This Regulation would be implemented regardless of UK paying its share under the EU budget.

In July the Council adopted another important <u>Regulation</u> on the implementation and financing of the 2019 EU budget in the event of a no-deal Brexit. The Regulation enables Erasmus+ projects contracted before the withdrawal date to continue being funded by the end of 2019 (cooperation projects and mobilities starting after the date on which the UK leaves the EU). This means that UK and UK entities would maintain their eligibility throughout 2019 but under the condition that the UK honours its financial obligations in the 2019 EU budget. The UK Government is currently analysing this proposal.

The UK Government has promised national funding for UK's participation in Erasmus+ programme in the event of a 'no-deal scenario'. The so-called Government guarantee would cover all successful bids for UK applicants including projects and applicants that are only informed of their success, or who sign a grant agreement, after the UK has left the EU. Funding for successful bids would continue for the lifetime of those projects. UK organisations are advised to get written confirmation from partners that they agree to continue the project and to submit information about projects which may be eligible under the Government's guarantee. The guarantee will replace funding for UK organisations' participation only. It does not cover funding for non-UK partners and organisations.

There are two possible scenarios concerning the Government guarantee:



- 1. Funding is available from the Government to cover all successful bids for UK applicants submitted by the end of 2020, but this arrangement is dependent on reaching agreement with the EU that UK organisations can continue to be eligible to participate in Erasmus+ projects.
- 2. In the case that these negotiations are unsuccessful, and the UK would no longer be part of Erasmus+, the guarantee would only cover those agreements that were signed before 31 October.

The second scenario means that UK students who are abroad at the time of exit would receive funding from government, while ongoing partnerships under KA2 and KA3 would receive funding if they can demonstrate that their collaboration can continue.

Concerning the 2020 Call, Universities UK urged the UK Government to commit to continue funding study abroad opportunities for UK students, even if the UK cannot negotiate continued participation in Erasmus+. Universities UK 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 Erasmus+.

Scotland's Minister for Further Education, Higher Education and Science, Richard Lochhead, and the Welsh Education Minister, Kirsty Williams have also called on the UK government to continue to participate in the scheme. Leaving without a deal and with no associated status would make UK universities ineligible to submit applications to participate in the final year of the Erasmus+ programme. Currently, the UK Government is exploring participation in the successor programme but also possible replacement schemes.

In May the Government confirmed that EU students starting university in 2020/21 academic year will have guaranteed home fee status allowing them to pay the same tuition fees to study at UK universities as British students and financial support for the duration of their courses.

EU students entering the UK would be subject to the European Temporary Leave to Remain system allowing them to stay in the UK for up to three years. Since courses such as medicine, linguistics, PhD programmes and most undergraduate programmes in Scotland last longer than three years, Universities UK have called on the UK Government to reconsider the three-year limit and guarantee EU students that they will be able to stay for the whole duration of their course. Otherwise, additional visa costs and uncertainty could discourage their decision to study in the UK.

### **UK's participation in Horizon 2020**

#### **Withdrawal Agreement**

The Withdrawal Agreement would allow for continued UK participation in Horizon 2020 until the end of 2020 and for the lifetime of projects. UK participants would be eligible to bid for funding, including after the UK's exit from the EU as partners or coordinators. In the meantime, the UK would need to negotiate an association agreement to take part in Horizon Europe as a "third country associated to the Programme" with third countries now being expected to pay in what they receive.

# 'No-deal scenario'

The UK government committed to cover funding for UK participants in Horizon 2020 projects for: a) UK bids submitted before exit, even if they are notified of their success after exit, for the lifetime of the projects; and b) successful UK bids to EU calls open to third country participants submitted between Brexit date until end of 2020.



The guarantee would cover the lifetime of the projects, even if these last beyond 2020, but does not cover funding for organisations from other countries who are in consortia with UK participants. The Government is seeking discussions with the European Commission to agree the details of the UK's continued participation as a third country. This would include the consideration of projects where the UK's change in status from Member State to third country could lead to concerns about ongoing compliance with Horizon 2020 rules.

Organisations from third countries currently participate in and lead consortia in a wide range of collaborative programmes, but third country participation does not extend to some Horizon 2020 calls, including European Research Council (ERC) grants, some Marie Sklodowska-Curie Actions (MSCA) and the SME Instrument. In order to address this issue, on 8 August the UK Government announced that in the case the Commission stops evaluating UK bids that are submitted to these mono-beneficiary grants before Brexit, the UK Research and Innovation (UKRI) will manage the independent assessment of these proposals, with additional government funding made available to support top projects. Successful applications would be funded for the lifetime of the project. The grant would be administered by UKRI and awarded under UKRI terms and conditions.

The UK Government is considering association to Horizon Europe and wants the option to fully associate to the programme. At the same time the Government is considering alternative domestic funding schemes to support international collaboration. In March, Professor Sir Adrian Smith, Director of Alan Turing Institute, was commissioned to provide independent advice on the potential design of the future UK funding schemes to support the Government's strategic objectives, including the Industrial Strategy and its commitment to 2.4% of GDP invested in R&D by 2027.

In their response to the consultation process on the future frameworks for international collaboration on research and innovation, stakeholders such as the Royal Society, Russell Group and Wellcome Trust, highlighted that seeking full association to Horizon Europe is by far the best option for the UK.

The UK Government has also announced that the Home Office and the Department for Business, Energy and Industrial Strategy are developing a new fast-track visa route designed to attract research talent. This includes abolishing the cap on Tier 1 Exceptional Talent Visas and expanding the pool of UK research institutes and universities able to endorse candidates.

Concerning immigration policy, EU citizens will need to apply for a European Temporary Leave to Remain for stays of more than three months which is then valid for a further 3 years. Those wishing to stay for longer than 3 years will need to make a further application under the new skills-based future immigration system, which will begin from 2021. Plans to maintain some form of freedom of movement until 2021 in case of a no-deal Brexit seem to be rejected by last week Home Secretary's announcement now aiming to end it on 31 October. Although EU citizens who arrive before the UK leaves the EU have been given until 31 December 2020 to apply to the EU settlement scheme to secure their status in the UK on the same basis after the exit, recent reports from the Home Secretary raised concerns among almost 3.5 million EU citizens in the UK – 2.5 million of whom have not yet registered for settled status.