Federal Councillor Guy Parmelin Head of the Federal Department of Economic Affairs, Education and Research (EAER)

Electronic delivery: bfi-botschaft@sbfi.admin.ch

swissuniversities

Board of swissuniversities

Bern, 7 July 2023

Luciana Vaccaro

President T +41 31 335 07 40 luciana.vaccaro@swissuniversities.ch

swissuniversities Effingerstrasse 15, P.O. Box 3001 Bern www.swissuniversities.ch

Position on the ERI Dispatch 2025-2028

Dear Federal Councillor,

We would like to thank you for this opportunity to comment on the Federal Council's Dispatch on education, research and innovation for the period 2025-2028. swissuniversities appreciates the emphasis placed by the Confederation on these strategic areas and recognises their importance for our country.

swissuniversities takes note of the delicate financial situation of the Confederation and regrets the net cut announced in the finances of the ERI domain: the proposed contributions for the ERI 2025-2028 Dispatch correspond to a **massive dismantling of the quality of services of the higher education institutions**. This will lead to a loss of quality and impact for the research and innovation sector, which is of vital importance to the national economy.

This evolution manifests itself in different dimensions of the Dispatch presented.

The overall growth in contributions to universities and universities of applied sciences (UAS), shown at 1.6% for the period 2025-2028¹, is driven upwards by the growth in contributions to cover expenditure for construction and use of buildings². It should be borne in mind that this growth in contributions to cover expenditure for construction is itself explained by a downward adjustment of more than 20% of their budget in the reference year 2024.

The forecast growth rates for **basic contributions** only amount to 1% for universities and 1.1% for UAS in nominal terms. After taking account of inflation over the period 2025-2028, this corresponds to a budget cut. Such a cut would represent a further reduction in funding compared with the lowest growth scenario - of 0.5% in real terms - envisaged by swissuniversities on behalf of the Higher Education Council in their strategic planning.³ The general

¹ ERI Dispatch 2025-2028: Consultation draft and explanatory report, Table 1, p. 4: <u>French</u> / <u>German</u> / <u>Italian</u>.

² ERI Dispatch 2025-2028 : Consultation draft and explanatory report

Table 8, p. 76: French / Italian

Table 8, p. 74: German
³ Coordination of the entire Swiss higher education sector 2025-2028, chapter 9.2 (French / German) : www.swissuniversities.ch/planificationstratégique / www.swissuniversities.ch/strategischeplanung.

inflation and particularly the rising energy prices impact the budgets of the higher education institutions. Therefore, it is essential that the growth rate is indexed to inflation.

The population of our country is also growing. This must be reflected in contributions to higher education institutions, since access to studies is guaranteed by Baccalaureate. With the annual growth in student numbers expected for 2025-2028, averaging 1.3% for universities and 1.4% for UAS, the number of students per chair will increase, which means that the student-teacher ratio can only deteriorate.

swissuniversities

In the interests of all concerned, the higher education institutions fulfil the overriding objectives of maintaining the quality of teaching, research and innovation, integrating into the social and economic fabric of Switzerland and disseminating the knowledge generated by the higher education institutions on a wide scale. They also make a decisive contribution to **alleviating the shortage of qualified personnel**, to the digital transition and the paradigm shift towards Open Science, to guaranteeing excellence in research and teaching and to promoting young talents. All measures are pursued with the aim of creating a sustainable society and promoting equal opportunities, diversity, and inclusion.

These objectives are pursued by universities for the benefit of the entire society. Proposed by swissuniversities, they were set by the Higher Education Council and are now also supported by the Federal Council in the Dispatch put out for consultation. Achieving them will require significant additional resources. In this situation, stagnation or a decline in quality cannot be prevented with a real growth rate in contributions to universities and UAS of less than 3.5%. The gap between political expectations and reality is widening, and in this context the universities will no longer be able to guarantee the maintenance - let alone the development - of cutting-edge education, research and innovation in our country.

The trend is the same for the Federal Institutes of Technology (ETH), with the growth in the Confederation's financial contribution over the period 2025-2028 being severely curtailed by the cost-cutting measures announced for the 2024 budget. Against this backdrop, swissuniversities calls on the Confederation to continue to guarantee solid basic funding for the institutions in the ERI sector.

The cost-cutting measures decided for 2024 will also affect the budgets of the research funding agencies SNSF and Innosuisse, on which the Swiss universities are directly dependent for the acquisition of competitive third-party funding. In light of this context, it is even more essential to ensure adequate growth in the funds budgeted for the national research and innovation funding agencies over the period 2025-2028, as it guarantees a high performing and competitive ERI system.

Furthermore, the management of real estate generates high costs for universities and is an important factor in their choice of location. In this context, the higher education institutions are calling for a broadening of the conditions for granting **contributions to cover expenditure for construction and use of buildings**, so that measures to reduce the ecological impact of university buildings and renovations to buildings protected as heritage sites can benefit from federal support. While sustainable projects are already supported through existing legal provisions, the current promotion is limited to new constructions. swissuniversities is therefore calling for the HEdA to be revised so that ecological renovations to existing university buildings - and renovations to heritage-protected buildings, which can be very costly - can receive federal support. This is a necessary condition for achieving Switzerland's climate objectives, in line with the Federal Council's strategy.

These conditions should also be adapted to allow **support for public-private partnership (PPP) projects** through contributions to cover expenditure for construction. To manage the risk of non-repayment in the event of a private partner's failure to fulfill the purpose of the project, pragmatic conditions should be established, in order to enable the support of such Public-Private Partnership (PPP) projects, as they can be beneficial for the public sector.

swissuniversities

For the first time, funding under Art. 47, para. 3 of the HEdA will be available for projects from the roadmap for research infrastructure in particularly costly areas. The universities are looking forward to SERI's decisions on the allocation of this funding, which are expected early next year. As part of its strategic planning, swissuniversities had proposed distinguishing between "instruments" that require particularly expensive infrastructure and methods and that cut across disciplines and fields of study, and "disciplines" that are expensive because of their thematic focus or content.⁴ The Swiss Conference of Higher Education Institutions considered that the proposed instruments did not meet the criteria of a particularly costly area, but nevertheless defined them as priorities for the period 2025-2028 and recommended that the infrastructure projects concerned be considered for funding on the basis of Art. 47, para. 3 HEdA. swissuniversities therefore believes that the definition of particularly costly areas within the meaning of Art. 40 HEdA should be adapted so that priority instruments can be recognised as particularly costly areas. The development of multidisciplinary research and changes in the use and exchange of data have increased the need for shared research infrastructures across disciplines and fields of study in recent years, and this trend is expected to continue.

With regard to the **European research and education programmes**, swissuniversities considers it necessary to clearly state the objective of association and to commit to providing the funds through an additional credit in case of association. A return to full association with European research and education programmes remains imperative for Swiss universities. Initiatives such as the *European Excellence Initiative* illustrate the risk of Swiss universities falling behind if Switzerland is not fully associated. In the meantime, it is essential that the transitional measures designed to mitigate non-access to Horizon Europe continue to be fully funded in their current form. In this respect, it is imperative that the indirect costs of research or **overhead costs** are funded at the same level as under European programmes. Unfortunately, this is not the case for the transitional measures put in place by the SNSF and Innosuisse to mitigate Switzerland's non-association with Horizon Europe, and this insufficient overhead share penalises competitive institutions that obtain such funding and have to finance these indirect costs from other budgets.

The participation of Swiss universities in the **European University Alliances** initiative is also crucial, as it enables them to remain connected to partners of strategic importance and to develop joint projects with them. However, this should not be at the expense of mobility, where Switzerland has already lost a great deal of ground compared to comparable countries. swissuniversities therefore calls on the Confederation to guarantee the participation of Swiss higher education institutions in the European Alliances without reducing the budget required for student mobility.

⁴ Coordination of the entire Swiss higher education sector 2025-2028, Appendix 1 (French / German): <u>www.swissuniversities.ch/instruments-disciplines</u> / <u>www.swissuniversities.ch/instrumente-disciplinen</u>.

Finally, swissuniversities is particularly concerned about ensuring the adequate representation of various perspectives within the Swiss Conference of Higher Education Institutions. Therefore, we hereby request the addition of **a third seat in the Swiss Conference of Higher Education Institutions**.

Some of these requests involve changes to the HEdA. We are convinced that they are relevant and will help to improve the coordination of the entire Swiss higher education sector and the efficient use of public funding.

swissuniversities

Knowledge is our country's most valuable resource and the key to its prosperity. swissuniversities urges the public authorities to ensure that contributions to universities and institutions promoting research and innovation are commensurate with needs. Without such investment, the universities will no longer be able to guarantee the maintenance - let alone the development - of cutting-edge education, research and innovation in our country.

We would like to thank you in advance for considering our position. Please do not hesitate to contact us should you require any further information.

We remain with our best wishes.

Dr Luciana Vaccaro President of swissuniversities