

Prague, 4 June 2021

## STATEMENT ON THE STATE BUDGET DRAFT FOR RESEARCH, EXPERIMENTAL DEVELOPMENT AND INNOVATION FOR 2022

---

These days is progressing the intensive preparation of the draft of the state budget expenditures of the Czech Republic for research, experimental development and innovation (R&D&I) for 2022 with a view to 2023 and 2024. In this context, the Ministry of Finance submitted to the Government of the Czech Republic the state budget draft of the Czech Republic for the years 2022–2024, which is to be discussed at a Government meeting on Monday 7 June 2021.

The submitted proposal shows that the total budget for R&D&I is to be **reduced by 3.6%** compared to 2021, which in absolute numbers means **a decrease of CZK 1.4 billion in 2022** and stagnation in the medium term at a level of CZK 36.1 billion. We are convinced that proposal of the Ministry of Finance does not properly reflect the consequences of the pandemic crisis and the necessary requirement to stimulate economic growth through investments in R&D&I in macroeconomic perspective and in the territorial dimension with direct regional impacts. In this regard, it is also necessary to emphasize the return of funds invested in R&D&I, in terms of growth in gross domestic product and an increase in tax revenues.

At the same time, we had the opportunity to get acquainted with the proposal of total expenditures of the state budget of the Czech Republic on R&D&I submitted by the Research, Development and Innovation Council during the inter-ministerial comment procedure. The proposal of the Ministry of Finance of the Czech Republic is in fundamental conflict with the proposal of the Research, Development and Innovation Council approved at its 368th meeting on 28 May 2021. According to this proposal, the Research, Development and Innovation Council, on the other hand, expects an increase in total expenditures for 2022 by CZK 1.4 billion compared to the approved medium-term outlook. In total, the Research, Development and Innovation Council proposes expenditures for 2022 for the area of R&D&I in the amount of CZK 39.4 billion.

In this context, we point out the crucial contribution of science and research in the fight against the covid-19 pandemic and the proven ability of relevant R&D&I disciplines to quickly seek and find new solutions to this crisis. Last, but not least, we emphasize the repeatedly confirmed qualitative growth of the results of the research sphere, even in an international comparison, which was made possible by the gradual increase in R&D&I expenditures in recent years.

It is also clear, that while the Research, Development and Innovation Council proposal for 2022 increased by CZK 1.4 billion above the medium-term outlook would allow the necessary stabilization of the research base, in full compliance with the "Memorandum on R&D&I Support in the Czech Republic" of 19 December 2019 signed by the Prime Minister of the Czech Republic and Chairman of the Research, Development and Innovation Council, the Minister of Education, Youth and Sports, the President of Czech Academy of Sciences and the President of Czech Rectors Conference, the Ministry of Finance proposal would deny this Memorandum, as it would not allow a systematic increase in state

budget expenditures for institutional support for the long-term conceptual development of research organizations by at least 4% annually.

The financial stabilization of the research base is a key condition for the successful transfer of knowledge and technology and thus also for long-term GDP growth and the competitiveness primarily of the innovative application sphere – this all after the social and economic shocks caused by the pandemic situation. To ensure the support of applied research, cooperation projects and the announcement of relevant key calls, it is therefore necessary to ensure sufficient resources in the chapters of the Ministry of Education, Youth and Sports and Czech Academy of Sciences and in the chapters of the Technology Agency of the Czech Republic and the Ministry of Industry and Trade. An important part of the required increase in R&D&I expenditures is also the co-financing of the newly prepared Operational Program Jan Amos Komenský.

For the above listed reasons, we warn the Government of the Czech Republic that the adoption of the proposal of the Ministry of Finance to reduce the R&D&I budget would ultimately mean a real decrease in public support for the entire R&D&I system in the Czech Republic. On the contrary, we fully support the approval of the stabilization budget for R&D&I for the years 2022–2024 according to the proposal of the Research, Development and Innovation Council, which was submitted to the Government of the Czech Republic for discussion on 31 May 2021.

On behalf of the **Czech Academy of Sciences**: prof. RNDr. Eva Zažímalová, CSc., President

On behalf of the **Czech Rectors Conference**: prof. Ing. Petr Sklenička, CSc., President

On behalf of the **Confederation of Industry of the Czech Republic**: Ing. Dagmar Kuchtová, General Director

On behalf of the **Council of Higher Education Institutions**: prof. Ing. Milan Pospíšil, CSc., President

On behalf of the **Association of Research Organizations**: Ing. Libor Kraus, President

On behalf of the **University Trade Union**: Mgr. Petr Baierl, President