R&D FINANCING. LOANS ARE NOT FOR EVERYTHING

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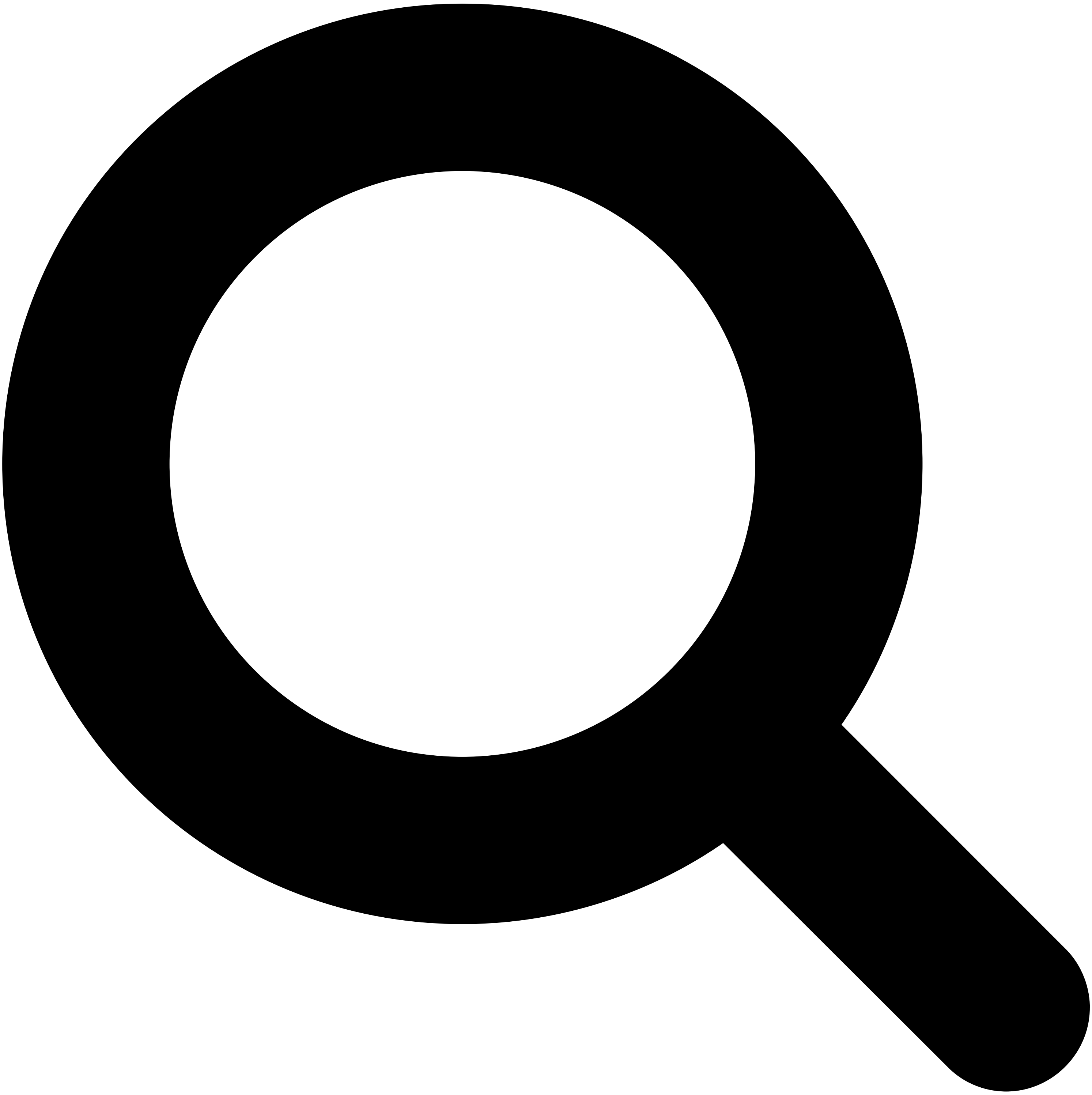
A very significant percentage of the annual budgets that the State allocates to the promotion of R&D is channeled through financial aid that the recipient has to repay in one way or another (62.4% in the General State budgets of 2015). Especially in times of crisis, this type of financial instrument generates great controversy. Detractors argue that it does not even respond to the demand of the agents and that it only serves to artificially disguise the painful reality of public support for R&D in Spain and hide the spectacular drop in non-refundable subsidies; As can be seen in the graph, non-financial expenses have not stopped falling since 2008, with the exception of the small rise that they experienced in the 2014 budget. The arguments are reinforced by the massive lack of execution of the public budgets of I +D in the financial part. In 2013, 46% of the total budget remained unexecuted.

Despite this instrument, however, there is no doubt that making loan officers available to carry out R&D projects facilitates access to funds that would otherwise be very difficult to obtain and, in this sense, , have great potential for the development of projects whose expected results are close to the market and have credible expectations of sufficient economic returns to face the contracted debt.

The problem is that this type of project is a very small part of the total R&D carried out in Spain. **It would be very delusional to think that loans are used to finance all business R&D** or even more so the most basic research carried out by both universities and technology and research centers, in which the results expected economic and social events have a longer time horizon and are much more uncertain.



Source: COSCE Report Analysis of the resources allocated to R+D+i (Expenditure Policy 46) contained in the General State Budgets Approved for the year 2015

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