

# Procedure file

| Basic information   |                                |                     |
|---|--------------------------------|---------------------|
| NLE - Non-legislative enactments<br>Regulation  | <a href="#">2021/0048(NLE)</a> | Procedure completed |
| Joint Undertakings under Horizon Europe   |                                |                     |
| Subject<br>3.50.02.01 EC, EU framework programme<br>3.50.04 Innovation<br>8.40.08 Agencies and bodies of the EU |                                |                     |

| Key players  |  |  |                        |
|--|--|--|------------------------|
| European Parliament                                  | Committee responsible  | Rapporteur   | Appointed              |
|  |  <a href="#">Industry, Research and Energy</a>                |  <a href="#">CARVALHO Maria da Graça</a>     | 04/01/2021             |
|  |  | Shadow rapporteur  |                        |
|  |  |  <a href="#">CUTAJAR Josianne</a>           |                        |
|  |  |  <a href="#">PEKKARINEN Mauri</a>          |                        |
|  |  |  <a href="#">VON CRAMON-TAUBADEL Viola</a> |                        |
|  |  |  <a href="#">BORCHIA Paolo</a>             |                        |
|  |  |  <a href="#">ROOS Robert</a>               |                        |
|  |  |  <a href="#">MATIAS Marisa</a>             |                        |
|  |  | Committee for opinion  | Rapporteur for opinion |
|  |  <a href="#">Environment, Public Health and Food Safety</a> | The committee decided not to give an opinion.  |                        |
|  |  <a href="#">Transport and Tourism</a>                      | Chair on behalf of committee   | 25/05/2021             |
|  |  <a href="#">Budgets</a>                                    | The committee decided not to give an opinion.  |                        |
| Council of the European Union<br>European Commission | Commission DG<br><a href="#">Research and Innovation</a>   | Commissioner<br>GABRIEL Mariya   |                        |

| Key events |  |                               |         |
|------------|--|-------------------------------|---------|
| 23/02/2021 | Legislative proposal published             | <a href="#">COM(2021)0087</a> | Summary |
| 17/05/2021 | Committee referral announced in Parliament |                               |         |

|            |   |   |         |
|------------|---|---|---------|
| 15/07/2021 | Vote in committee   |   |         |
| 22/07/2021 | Committee report tabled for plenary, 1st reading/single reading | <a href="#">A9-0246/2021</a>  | Summary |
| 19/10/2021 | Debate in Parliament  |  |         |
| 21/10/2021 | Results of vote in Parliament                                   |  |         |
| 21/10/2021 | Decision by Parliament  | <a href="#">T9-0434/2021</a>  | Summary |
| 19/11/2021 | Act adopted by Council after consultation of Parliament         |   |         |
| 30/11/2021 | Final act published in Official Journal                         |   |         |

### Technical information

|                            |  |
|----------------------------|--|
| Procedure reference        | 2021/0048(NLE)   |
| Procedure type             | NLE - Non-legislative enactments   |
| Procedure subtype          | Consultation of Parliament   |
| Legislative instrument     | Regulation   |
| Legal basis                | Treaty on the Functioning of the EU TFEU 188 -a1; Treaty on the Functioning of the EU TFEU 187 |
| Other legal basis          | Rules of Procedure EP 159  |
| Stage reached in procedure | Procedure completed  |
| Committee dossier          | ITRE/9/05445   |

### Documentation gateway

|   |             |                               |            |    |         |
|---|-------------|-------------------------------|------------|----|---------|
| Legislative proposal  |             | <a href="#">COM(2021)0087</a> | 23/02/2021 | EC | Summary |
| Document attached to the procedure                              |             | SEC(2021)0100                 | 23/02/2021 | EC |         |
| Document attached to the procedure                              |             | SWD(2021)0037                 | 23/02/2021 | EC |         |
| Document attached to the procedure                              |             | SWD(2021)0038                 | 23/02/2021 | EC |         |
| Committee draft report  |             | <a href="#">PE692.644</a>     | 19/05/2021 | EP |         |
| Specific opinion  | <b>TRAN</b> | <a href="#">PE693.642</a>     | 07/06/2021 | EP |         |
| Amendments tabled in committee                                  |             | <a href="#">PE693.643</a>     | 08/06/2021 | EP |         |
| Amendments tabled in committee                                  |             | <a href="#">PE693.644</a>     | 08/06/2021 | EP |         |
| Amendments tabled in committee                                  |             | <a href="#">PE693.768</a>     | 08/06/2021 | EP |         |
| Committee report tabled for plenary, 1st reading/single reading |             | <a href="#">A9-0246/2021</a>  | 22/07/2021 | EP | Summary |
| Text adopted by Parliament, 1st reading/single reading          |             | <a href="#">T9-0434/2021</a>  | 21/10/2021 | EP | Summary |
| Commission response to text adopted in plenary                  |             | <a href="#">SP(2021)728</a>   | 10/12/2021 | EC |         |

### Final act

[Regulation 2021/2085](#)

## Joint Undertakings under Horizon Europe

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**PURPOSE:** to set up nine Joint Undertakings, as EU bodies, under Horizon Europe, the new EU Framework Programme for Research and Innovation (the Single Basic Act).

**PROPOSED ACT:** Council Regulation.

**ROLE OF THE EUROPEAN PARLIAMENT:** the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

**BACKGROUND:** Horizon Europe, the new EU Framework Programme for Research and Innovation (2021-2027), aims to increase the EUs research and innovation impact by combining European partnership co-investment with additional private and public sector funds in areas where the scope and scale of the research and innovation resources can help achieve the EU's Horizon Europe priorities.

Under Article 8(1)(c) of the Horizon Europe Regulation, institutionalised partnerships based on Articles 185 and 187 TFEU shall be implemented under several conditions.

Under these legal provisions, the Commissions proposal covers nine institutionalised European partnerships establishing individual joint undertakings for their implementation, which include industry, research organisations, civil society, and others. The new partnerships should also contribute to the objectives of the European Green Deal and strengthen the European Research Area.

**CONTENT:** the Commission proposes that the following joint undertakings should be established as EU bodies for a period ending on 31 December 2031:

- the Circular Bio-based Europe Joint Undertaking;
- the Clean Aviation Joint Undertaking;
- the Clean Hydrogen Joint Undertaking;
- the Europes Rail Joint Undertaking;
- the Global Health EDCTP3 Joint Undertaking;
- the Innovative Health Initiative Joint Undertaking;
- the Key Digital Technologies Joint Undertaking;
- the Single European Sky ATM Research 3 Joint Undertaking;
- the Smart Networks and Services Joint Undertaking.

The proposed regulation also contains detailed provisions on the objectives, functioning, funding and structure of the joint undertakings.

Seat: it is proposed that the seat of the joint undertakings be in Brussels, Belgium.

The proposed regulation lays down the following:

- common objectives and principles for joint undertakings;
- operational objectives and tasks;
- a common process for selecting new members, thereby ensuring transparency and openness across the initiative, in line with the Horizon Europe Regulation;
- a framework to ensure partners contributions throughout the initiatives lifetime and that the costs are shared between the EU and the partners other than the Union, which is a core condition of a partnership approach;
- phasing out provisions requiring the governing board to set out a realistic plan to continue the initiative outside the scope of an institutionalised partnership, by the end of 2022, in time to feed into the interim evaluation of Horizon Europe;
- governance provisions to harmonise the functioning of the different bodies across the joint undertakings;
- coherence and synergy measures.

Budgetary implications

The maximum EU financial contribution to the joint undertakings should be EUR 9 600 million. The administrative costs of the joint undertakings should not exceed EUR 501.174 million for the duration of the joint undertakings. These costs should be covered through financial contributions by the EU and the members other than the Union.

## Joint Undertakings under Horizon Europe

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The Committee on Industry, Research and Energy adopted the report by Maria da Graça CARVALHO (EPP, PT) on the proposal for a Council regulation establishing the Joint Undertakings under Horizon Europe.

The aim of the proposed regulation is to set up nine EU joint undertakings (JUs) for the implementation of institutionalised European partnerships. It determines their objectives and tasks, membership, organisation and other operating rules, including on transparency and

accountability.

#### General objectives

The amended text stressed that the joint undertakings should deliver, inter alia, on the following general objectives:

- contribute to reducing the specific skills gap across the EU by raising awareness;
- reinforce and spread excellence, including by fostering wider participation and geographical diversity throughout the Union, including participation from Member States that are currently considered modest and moderate innovators;
- contribute to accelerating upskilling and reskilling of European workers and the participation of SMEs in the industrial ecosystems linked to the operations of the joint undertakings;
- facilitate the integration of relevant scientific and innovation competences across the Union into European research and innovation (R&I) ecosystems and value chains;
- deliver environmental, energy and resource saving, sustainable, societal and productivity, circularity improvements in new products, technologies, applications and services;
- contribute to bridging the gender gap in the science, technology, engineering and mathematics (STEM) fields in Europe as well as to mainstream gender in research outcomes developed by European partnerships, thus achieving a better alignment of European partnerships with the gender equality objectives;
- seek for possibilities to inform students who might wish to pursue a career in the science, technology, engineering and mathematics and in other areas related to the operational activities of the joint undertakings.

#### Specific measures

The report highlighted the following specific measures:

- reinforcing the scope and budget for Clean Aviation as clean and sustainable aviation is a vital element for Europe's success;
- reinforcing the scope and budget for Global Health to develop new or improved health technologies;
- contributing to the reduction of the connectivity gap and focusing on emerging technologies and supporting the construction of the EU's ecosystem for developing 5G and 6G technologies, application and services.

#### Governance

The governance of the JUs should be based on rules that enhance efficiency and ensure maximum administrative simplification; the evaluation process should be fully transparent, kept simple while ensuring synchronization of reporting and monitoring procedures. Simplification and workability should be the driving principles for management of all financial contributions from Participating States, which should entrust the JU with the evaluation of proposals, while keeping a right of veto on all issues concerning the use of its own national financial contributions.

#### Financing and synergies

The joint undertakings should be financed by the Union programmes under the MFF and, where applicable, by the Next Generation EU. The ratio of administrative costs to the total budget of each JU should be of a comparable value across the JUs. Members other than Union should agree among themselves on the fair distribution of their part of the administrative expenses of their joint undertakings.

The Commission is called on to develop clear, simple and concrete guidelines on the implementation of the different types of synergies by the joint undertakings, such as transfer of resources, alternative funding, cumulative funding and integrated funding.

## Joint Undertakings under Horizon Europe

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The European Parliament adopted by 624 votes to 3, with 33 abstentions, following the consultation procedure, a legislative resolution on the proposal for a Council regulation establishing the Joint Undertakings under Horizon Europe.

The aim of the proposed regulation is to set up nine EU joint undertakings (JUs) for the implementation of institutionalised European partnerships. It determines their objectives and tasks, membership, organisation and other operating rules, including on transparency and accountability.

#### Objectives

Members stated that the joint undertakings should deliver, inter alia, on the following general objectives:

- strengthen and integrate the scientific, technological and innovation capacities of the EU, the Member States and the regions to foster the creation and dissemination of new high-quality knowledge, in particular to address global societal challenges, to ensure and improve EU competitiveness and European added value, resilience and sustainability
- ensuring global leadership, focusing on sustainability and resilience of EU value chains and safeguarding the EU's strategic autonomy, while preserving an open economy;
- develop the uptake of innovative solutions throughout the Union addressing climate, environmental, health, digital and other global societal challenges contributing to Union strategic priorities, accelerating the economic growth of the Union and fostering the innovation ecosystem, while reaching the UN Sustainable Development Goals;
- accelerate the green and digital transition and contribute to a zero-pollution and toxic-free environment while preserving and restoring ecosystems and biodiversity;
- enhance the research and innovation capabilities and performance of existing and new European ecosystems and value chains, including in SME and start-ups;

- reduce the specific skills gap across the Union by raising awareness and assisting in the building of new knowledge and human capital with reference to their domains of research;
- deliver environmental, energy and resource saving, sustainable, societal and productivity, circularity improvements in new products, technologies, applications and services;
- contribute to bridging the gender gap in the science, technology, engineering and mathematics (STEM) fields in Europe as well as to mainstream gender in research outcomes developed by European partnerships.

#### Specific measures

Parliament highlighted the following specific measures:

- reinforcing the scope and budget for Clean Aviation as clean and sustainable aviation is a vital element for Europe's success;
- reinforcing the scope and budget for Global Health to develop new or improved health technologies;
- contributing to the reduction of the connectivity gap and focusing on emerging technologies and supporting the construction of the EU's ecosystem for developing 5G and 6G technologies, application and services;
- accelerating the development and improvement of advanced clean hydrogen applications ready for market, across energy, aviation, maritime and heavy-duty transport, building and industrial end-uses.

#### Governance

The governance of the JUs should be based on rules that enhance efficiency and ensure maximum administrative simplification; the evaluation process should be fully transparent, kept simple while ensuring synchronization of reporting and monitoring procedures. Simplification and workability should be the driving principles for management of all financial contributions from Participating States, which should entrust the JU with the evaluation of proposals, while keeping a right of veto on all issues concerning the use of its own national financial contributions.

#### Financing and synergies

The joint undertakings should be financed by the Union programmes under the 2021-2027 MFF and, where applicable, by the Next Generation EU. The ratio of administrative costs to the total budget of each JU should be of a comparable value across the JUs and should not exceed 5% of their budget. Members other than Union should agree among themselves on the fair distribution of their part of the administrative expenses of their joint undertakings.

In carrying out their research activities, the joint undertakings should seek synergies with European Structural and Investment Funds, other Horizon Europe initiatives as well as all research, innovation and competitiveness-related Union programmes. In addition to that, the joint undertakings should operate in close collaboration with the Commission's Joint Research Centre in their respective scientific domains.

The Commission is called on to develop clear, simple and concrete guidelines on the implementation of the different types of synergies by the joint undertakings, such as transfer of resources, alternative funding, cumulative funding and integrated funding.