













Procedure file

Basic information		
NLE - Non-legislative enactments Regulation	2021/0048(NLE)	Awaiting Parliament's vote
Joint Undertakings under Horizon Europe		
Subject 3.50.02.01 EC, EU framework programme 3.50.04 Innovation 8.40.08 Agencies and bodies of the EU		

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

Key events			
23/02/2021	Legislative proposal published	COM(2021)0087	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	A9-0246/2021	Summary

Forecasts

19/10/2021	Debate in plenary scheduled
21/10/2021	Vote in plenary scheduled

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	Awaiting Parliament's vote
Committee dossier	ITRE/9/05445

Documentation gateway

Legislative proposal		COM(2021)0087	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		PE692.644	19/05/2021	EP	
Specific opinion	TRAN	PE693.642	07/06/2021	EP	
Amendments tabled in committee		PE693.643	08/06/2021	EP	
Amendments tabled in committee		PE693.644	08/06/2021	EP	
Amendments tabled in committee		PE693.768	08/06/2021	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0246/2021	22/07/2021	EP	Summary

Joint Undertakings under Horizon Europe

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 Commission's 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 Europe's 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 initiative's 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

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.