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NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
No. Cion doc.:	11765/1/25 REV 1; 11749/25
Subject:	*Preparation of the Council (Competitiveness (Internal Market, Industry, Research and Space)) on 8-9 December 2025* Horizon Europe Package: Framework Programme for Research and Innovation 2028-2034 a) Framework Programme and its rules for participation and dissemination b) Specific Programme implementing Horizon Europe - Progress Report

The progress report in the Annex to this note presents the Presidency's view of the state of play and progress achieved in the examination of the abovementioned proposals in the second half of 2025. The report has been drawn up under the responsibility of the Presidency and is without prejudice to particular points of interest or further contributions from individual delegations.

The Permanent Representatives Committee is therefore invited to take note of the progress report and forward the report to the Council (Competitiveness) with a view to its meeting on 9 December 2025.

ANNEX

Horizon Europe Package: Framework Programme for Research and Innovation 2028-2034

a) Framework Programme and its rules for participation and dissemination

b) Specific Programme implementing Horizon Europe

- Progress Report

I. INTRODUCTION

1. The European Union (EU) faces a defining moment. The single market remains incomplete, burdened by regulatory complexity and national silos, which undermines European competitiveness and cohesion. Moreover, as highlighted in the Draghi, Letta and Heitor reports, the EU is losing ground in research, innovation and associated investments to its global competitors, casting doubt on the EU's technological leadership and strategic autonomy.

2. The EU stands at a turning point, and future research and innovation (R&I) efforts have never been more important. In a world of increasing uncertainty, global challenges and crises, fast-emerging technologies and a geopolitical landscape characterised by rapid change, planned and sustained R&I plays a key role in understanding the challenges, developing the solutions and mastering the technologies that will shape the future. It is thus necessary to respond to these challenges through smart and joint strategies and investment, unlocking innovation and strengthening the foundations of a resilient EU in order to ensure our future security, prosperity and competitiveness.

3. The EU needs stronger collaboration. With collaboration being Europe's greatest strength, the EU and its Member States have the prerequisites to revitalise Europe's scientific and technological leadership and deliver the innovation needed to tackle the challenges ahead. The next Horizon Europe Framework Programme for Research and Innovation must lead the way to delivering this objective working in close synergy with other programmes under the next Multiannual Financial Framework (MFF). The next MFF must ensure that excellent R&I results made in Europe are deployed within the EU, providing practical solutions for its citizens and opening up new markets for its industry.

II. BACKGROUND

4. On 16 July 2025, the Commission published two related proposals: one for establishing Horizon Europe, the Framework Programme for Research and Innovation (the Framework Programme)[1], and the other for a Specific Programme implementing Horizon Europe (the Specific Programme)[2].

5. The European Parliament's Committee on Industry, Research and Energy (ITRE) is responsible for these proposals. Mr Christian Ehler (EPP, DE) has been appointed rapporteur for the Framework Programme, and Mr René Repasi (S&D, DE) for the Specific Programme.

6. The European Economic and Social Committee, the Court of Auditors and the Committee of the Regions have been consulted for opinions on the Framework Programme.

III. STATE OF PLAY

7. A first informal exchange of views on the Commission proposals on Horizon Europe took place at the informal meeting of R&I Ministers on 17 July 2025 in Copenhagen.

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[1] Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing Horizon Europe, the Framework Programme for Research and Innovation, for the period 2028-2034 laying down its rules for participation and dissemination, and repealing Regulation (EU) 2021/695 (11765/25).

[2] Proposal for a COUNCIL DECISION on establishing the Specific Programme implementing Horizon Europe - the Framework Programme for Research and Innovation for the period 2028-2034, laying down the rules for participation and dissemination under that Programme, and repealing Decision (EU) 2021/764 (ST 11749/25).

8. The Working Party on Research (RWP) was given presentations by the Commission on the Framework Programme and the Specific Programme on 24 July and 1, 4, 8, 11, 15, 18, 22 and 25 September 2025, where delegations had the opportunity to seek clarifications. Following the clarifications provided by the Commission, the RWP proceeded with the examination of the proposal.

9. Detailed examination of the proposals took place on 6, 9, 13, 16, 27 October and 3, 6, 10, 14, 17, 20 and 27 November 2025. For this purpose, the text of the proposals was structured into six blocks, combining thematically related provisions of the Framework Programme and the Specific Programme, as follows:

- Block 1 – General provisions: Framework Programme (Articles 1 to 10 and 35 to 37) and Specific Programme (Articles 1 to 4 and 18 to 21);
- Block 2 – Pillar I – Excellent Science: Framework Programme (Articles 12 to 14) and Specific Programme (Articles 6 to 10);
- Block 3 – Pillar II – Competitiveness and Society, including European partnerships: Framework Programme (Articles 11 and 15) and Specific Programme (Articles 5 and 11);
- Block 4 – Pillar III – Innovation: Framework Programme (Articles 16, 17 and 34) and Specific Programme (Articles 12 and 13);
- Block 5 – Pillar IV – European Research Area (ERA): Framework Programme (Articles 18 and 19) and Specific Programme (Articles 14 to 17);
- Block 6 – Rules for participation and dissemination: Framework Programme (Articles 20 to 33).

10. Text in square brackets was not included in the discussions[3].

[3] Framework Programme: Article 1(2) (Subject matter), Article 6 (Budget) and corresponding Recital 31, Article 19 (Widening), Recital 36 (Performance Regulation); Specific Programme: Article 1(2) (Subject matter), Article 3 (Budget), Article 4(3) (Work programme).

11. In addition, the Presidency held dedicated policy debates on thematic areas at the Competitiveness Council meetings on 30 September and 9 December 2025, covering the topics of R&I for dual use, security and defence as well as strategic priorities for Europe's R&I, including a focus on future partnerships.

IV. PROGRESS MADE

12. The Presidency's aim has been to achieve a thorough understanding of the proposals and how they relate to the proposal on the European Competitiveness Fund (ECF), and to drive forward the negotiations to harmonise and consolidate the texts as much as possible. The aim has been to build on past experience while being more focused on the new aspects of the proposals. To ensure clarity, particular attention has been paid to structured discussions on specific issues, supported by Presidency reflection notes, and to narrowing down the key issues in need of further attention in the negotiations to follow. In certain cases, where deeper clarification and negotiations are needed, text has been put in italics and bold. The Commission also provided helpful non-papers during the negotiations.

13. The Presidency has emphasised the following guiding principles to help steer the negotiations:

- encourage innovative thinking by learning from the past to seek new avenues;
- consolidate parts under the RWP mandate and clarify and take a position on interlinkages with the new ECF;
- ensure the necessary details in the Regulation to allow for framed flexibility in the implementation through work programmes; and
- avoid repetition from other legislative acts unless exceptions or specifications are required.

14. The Horizon Europe negotiations are also intertwined with broader negotiations in other MFF groups. The overall MFF budget and key parts in square brackets in the Horizon Europe proposal – such as the part on widening participation and spreading excellence, award criteria and selection, and funding rates – are being negotiated in the ad hoc Working Party on the MFF. Despite this Member States have been calling for a budget breakdown of the overall budget for Horizon Europe on its subcomponents. The subgroup on the ECF negotiates the common rule book, as well as the governance and content of the policy windows.

15. The follow-up information awaited from the Commission outlining the steering mechanism and competitiveness coordination tool – which are expected to contribute to top-down priority-setting and alignment between programmes – still constitutes a major unknown. It is also unclear to what extent and at which level Member States will be involved.

Cross-cutting issues:

16. **Framework Programme structure:** In general, the overall architecture of the Framework Programme, structured around pillars, has not been questioned. Only a few Member States have until now either considered or requested the moving of specific parts, either to other pillars as a cross-cutting part of the programme, or to other EU programmes, mainly the ECF.

17. **Flexibility and predictability**: The focus has been on designing a framework that strikes the right balance between flexibility and predictability. The aim has been to achieve a dynamic equilibrium to foster innovation, while providing a clear and reliable regulatory framework by streamlining the text and adding more clarity where needed in the Programme. One of the key outstanding questions is overall governance for the priority-setting process and Member States' involvement in it. For this reason, a placeholder has been inserted into the Specific Programme for the definition of an overall strategic priority-setting process that ensures a strong advisory role for Member States, and thereby their involvement and buy-in.

18. **Simplification:** Delivering simplification for the benefit of applicants and beneficiaries is a top priority. For this reason, a horizontal principle has been introduced to reduce administrative burdens. Additionally, some of the proposed simplification measures (like the use of lump sums and unit costs for personnel as a default) have been put in italics and bold for further discussion to deliver the best framework. While many simplification measures will be decided on during the implementation phase, it is crucial that the Horizon Europe Programme provide clear guidance. Another simplification priority is streamlining regulations to ensure they are clear, avoid unnecessary repetition, and offer flexibility in their implementation.

19. **Interdisciplinarity, including the integration of social sciences and humanities (SSH)**: There is full alignment on the need to ensure multidisciplinary approaches and to provide for the integration of SSH in all parts of the Framework Programme. This has been further underlined in Pillar II – Competitiveness and Society, with a view to ensuring the collaborative R&I results needed to solve the challenges facing the EU. In addition, the need for specific calls for proposals addressing SSH-related topics has also been further specified.

20. **Association:** The association of third countries with the Framework Programme takes on a new dimension in the light of the current geopolitical context, with the EU losing ground in R&I and the opening up of the Framework Programme to dual use. To address this, the article concerning association has been harmonised across the MFF programmes, building on the four known categories of third countries but placing greater emphasis on shared costs of association, a fair balance, the right of the EU to sound financial management, and no conferral of decision-making power on third countries with regard to the Programme. The challenge for the Framework Programme will be to balance the need to partner with some countries where there is no advantage to be gained from association, and to apply research security measures towards countries in other categories which do offer advantages. Another aspect concerns close and trusted partners and their ability to associate and fully participate in the mutual benefits. Moreover, Horizon Europe and the ECF are set to run different association schemes, which might create hurdles for the integrated innovation cycle we are striving for.

21. **Dual use:** Opening up the Framework Programme to support dual use stems from rapid geopolitical and technological developments. This introduces a shift in scope compared to the current Framework Programme. Further negotiations should therefore clearly distinguish dual-use potential and support from purely defence-related activities. To benefit from the boost which dual-use research can give to R&I, the right framework needs to be defined to avoid imposing unnecessary constraints and burdensome administration.

22. **Research security:** The aim of research security is to manage risks such as undesirable transfer of critical technology, malign influence on research, and ethical or integrity violations, while upholding the fundamental principles of R&I that form the foundation of the ERA. The question of research security will be an integral part of negotiations on outstanding key issues.

Interlinkages with the ECF:

23. The Horizon Europe proposal and the ECF proposal are closely intertwined in several areas, and share the underlying ambition of boosting the innovation lifecycle. This will allow R&I to transition into deployable solutions and marketable products, while also ensuring that deployment challenges feed back into research. Thematic priorities for both programmes should be interdependent along the innovation lifecycle to guarantee that public investments have the greatest possible impact. The main interlinkages are to be found in different parts of the Horizon Europe proposal:

24. **Policy windows** (Article 15 of the Framework Programme and Article 11 of the Specific Programme): These articles link the collaborative R&I activities under the competitiveness component of Horizon Europe Pillar II to the ECF policy windows, and explain why they come under the dedicated R&I part of the ECF work programme for the respective policy windows. Activities under the ECF policy windows will also benefit from the collaborative R&I carried out under the society component of Pillar II, and vice-versa, as developments in terms of both competitiveness and society in general are interdependent.

25. **Missions and the New European Bauhaus (NEB) Facility**: A strong connection is needed between the five existing Missions as well as the NEB Facility in Horizon Europe and the ECF to ensure the continued deployment of key R&I investments from the current MFF. This connection will ensure that valuable innovations are brought to market and deployed effectively.

26. **European partnerships** (Article 11 of the Framework Programme and Article 5 of the Specific Programme): These articles set out the interlinkage of future European partnerships with the ECF policy windows. Chosen partnerships might be closely related to the policy windows and be an additional means of leveraging public and private funding along the innovation cycle to address common challenges.

27. **The European Innovation Council (EIC)** (Articles 16 and 34 of the Framework Programme and Article 12 of the Specific Programme): This is intertwined with InvestEU and the scaleup Facility under the ECF. A new recital (15c) has been added to ensure that the complementarity and transition between these instruments will work seamlessly, in particular for companies developing technologies of strategic interest for the EU.

28. **Defence applications**: For the EIC, Article 16 refers to support for critical technologies for defence applications under Horizon Europe. A point which is still to be decided by the Member States is how such activities should be financed, e.g. from the defence part in the ECF or by InvestEU building on the knowledge acquired with deep-tech funding in the EIC.

29. **Dissemination and valorisation** (Article 32 of the Framework Programme): This article cross-references to the ECF tools serving the ECF valorisation strategy which the Commission can apply should a beneficiary not undertake best efforts to valorise their results.

30. **Security measures** (Article 20 of the Framework Programme, which refers directly to the ECF's Articles 10(2) and 10(3) on EU Preference, Article 13 on Application of the rules for Classified Information and Art 20 on Accelerated and Targeted Actions for Competitiveness): These articles of the ECF can be used in any parts of the Horizon Europe work programme as relevant for protecting the EU's strategic autonomy and technological sovereignty. Whether this is sufficient in view of the specificities of research security remains an outstanding issue.

31. Further discussion is expected within the ad hoc Working Party subgroup on the ECF regarding the strategic interest of using also the ECF to be able to sustain research and technology infrastructures of strategic interest for the EU's competitiveness. A last key point where legal advice is still awaited with regards to compliance with the Treaty, is on the Specific Programme for defence R&I, which is a Specific Programme of Horizon Europe, but which has been included in the ECF policy window on resilience and security, defence, industry and space, without a specific dedicated budget.

V. DETAILED REPORTING PER NEGOTIATION BLOCK

32. In the following, the key substantial changes which have been introduced to strengthen the focus of the programme are highlighted for each of the six blocks.

Block 1: General provisions

33. Several key changes have been introduced to strengthen the focus of the Framework Programme.

34. In the **Framework Programme**, Article 2, which provides definitions, has continuously been revised and expanded with relevant new definitions to provide a focused set of definitions for the Programme. This has been done bearing in mind that only terms used in the Regulation should be defined, and definitions from other regulations should not be repeated. In Article 3, the Framework Programme's overall objectives have been revised to set a stronger narrative. The new focus is on strengthening the scientific and technological bases, through excellent R&I based on open competition with a view to supporting not only competitiveness, but also prosperity, sovereignty and resilience. The text also reinforces support for the realisation of the European Research Area (ERA) and support for training and the mobility of researchers, encouraging brain circulation while countering brain drain. In Article 4 setting out the structure of the programme the society component of the competitiveness and society pillar has been modified, as well as the ERA chapter. In Article 5 on horizontal principles, a new emphasis on the R&I value chain has been introduced, ensuring that the programme spans from fundamental research to breakthrough innovation and allows a strong interlinkage with the ECF to foster the uptake and deployment of results. The simplification of administrative processes has also been included, specifying that the emphasis is first and foremost on easing the burden of participants. A clear commitment to promoting equal opportunities for all R&I stakeholders in the EU has been introduced with a view to inclusiveness, while several Member States are calling for the explicit reinsertion of the widening principle from the current Regulation on Horizon Europe. . Safeguarding the implementation of gender equality, including the integration of the gender dimension in R&I content has been added, and upholding research security by managing the related risks has been introduced, ensuring that these principles are taken into account across all R&I activities. Additionally, to gain optimal commitment and deliver the biggest impact, the need to develop strategic synergies between the Horizon Europe pillars and their components and to implement the Framework Programme in synergy with other EU programmes has been specified.

35. Some of the provisions in this part are horizontal standardised provisions (Articles 7, 8 and 9) common to several EU programmes. For this reason, amendments have been kept to a strict minimum while changes have been introduced only to address more political issues. In Article 8, the currently used seal of excellence has been introduced based on a request from the majority of delegations to either replace the new proposed competitiveness seal, or to at least complement it. The Presidency proposal would allow the use of both seals to leverage additional funding taking into account each seal's main branding, while avoiding the risk of confusion due to having two seals as pointed out by some Member States. In Article 9, the Commission is instructed to provide the Programme Committee annually with information on the financial contributions from associated countries to provide transparency and overview.

36. Article 10 is fundamental for the Framework Programme's implementation. It has been specified that grants should be the main form of support in line with current practice. Moreover, it is recalled that the evaluation committee should be composed fully, or, in duly justified cases, partially, of independent external experts. The introduction of simplified cost options, such as lump sums and unit costs for personnel as default form of EU funding, received mixed support from Member States with overall scepticism, in particular concerning unit costs for personnel as a default.

37. In the **Specific Programme**, Article 1 stipulates that the Framework Programme should also implement collaborative R&I activities in support of the policy windows of the ECF. Article 2 on the operational objectives has seen no major changes besides a stronger emphasis on encouraging the exploitation of R&I results and optimising the use of research and technology infrastructures. Article 4 makes the list of content for work programmes exhaustive, rather than indicative. This with the aim of making implementation of the programme clearer and more structured, ensuring more predictable and defined actions in the work programmes and avoiding allowing additional criteria to be added to the calls without consultation of the Member States. It has further been specified that an evaluation review procedure should be set out. Research security has been added to the list of actions to which specific rules would apply. The number of separate work programmes has been aligned with the programme structure. In response to Member States' constant request to have their stronger involvement in priority-setting defined, a placeholder in the form of a new article has been introduced to establish a strategic priority-setting framework, ensuring a strong advisory role and thereby involvement and buy-in of Member States. The wording of this article is pending further information on the steering mechanism and competitiveness coordination tool announced by the Commission. In Article 18 on committee procedure, the title of the general configuration has been changed to 'strategic configuration' with an expanded role that includes overseeing the coherence of the programme across its individual work programmes, including with European partnerships. Subcommittees have been aligned to the programme structure. In addition, and to reinforce the role of the Member States, two points have been introduced: the no-opinion clause for the adoption of the work programme and the obligation of the Commission to inform the Programme Committee regularly and from an early stage of the overall progress on implementing the specific programme.

Block 2: Excellent Science

European Research Council (ERC)

38. In general, the main changes linked to the ERC has been to revise the proposal to be in line with current practice and wording. In the **Framework Programme**, the main objective of the European Research Council, including a focus on early-career researchers, is reaffirmed. Recital 13 has been modified, specifying that the ERC should pursue the most promising avenues at the frontier of science across all fields and be committed to bottom-up, investigator-driven research through open competition based solely on excellence.

39. In the **Specific Programme**, Article 6, the term of office for the president of the ERC has been set to four years, renewable once, in line with current practice. It has also been specified that the ERC president should devote at least 80 % of their working time to ERC activities, in line with current practice. In addition, the reference to the corporate policies of the Commission has been deleted, as the meaning could be misunderstood in terms of the autonomy of the ERC. In Article 7, the composition of the ERC Scientific Council has been set at up to 22 members, so that the Scientific Council can function even if fewer members are in office at any given time. The term of office of the members of the Scientific Council has been aligned with that of the president. It has also been specified that the three vice presidents, chosen by the Scientific Council, will have administrative support at home institutions, and that members of the Scientific Council will be compensated for the tasks they perform. The insights into research trends or policy matters which the Scientific Council communicate to the Commission are now to be conveyed by the Commission to the Member States. Article 7 also specifies that both European and international outreach and cooperation are important to increase the visibility of the ERC for the best researchers both within the EU and in the rest of the world, also in line with current practice. In Article 8, only one change has been made, instructing the Commission to inform the ERC Programme Committee configuration regularly and in a timely manner of the implementation of ERC activities.

Marie Skłodowska-Curie actions

40. In the Framework Programme, Article 13 confirms that the primary aim of Marie Skłodowska-Curie actions (MSCAs) is to support research careers at all stages, with a particular emphasis on early-career researchers, and to foster bottom-up research excellence and develop and attract research talent. The article reiterates support for research staff exchanges. The original reference to security considerations has been moved to Recital 14, as the emphasis on research security is a horizontal cross-cutting issue and is not only related to MSCAs.

41. In the **Specific Programme**, Article 9 reiterates the bottom-up nature of MSCA funding and specifies that any deviation from this with a view to targeting certain activities in specific thematic priorities, types of R&I institutions or geographical locations may only happen in duly justified cases and if additional funding from other sources becomes available. The paragraph referring to synergies with other parts of this programme has been deleted as it is a horizontal principle. As part of the negotiations on MSCAs, there was a focus on the country correction coefficients used to ensure competitive and attractive employment conditions and equality of purchasing power of renumeration due to broad criticism of their methodology and the frequency at which they are updated.

Joint Research Centre (JRC)

42. In the **Framework Programme**, Article 14 now specifies that the Joint Research Centre should also provide to the Member States its independent, evidence-based knowledge and science support, where relevant. In the **Specific Programme**, only a few, minor changes have been introduced in Article 10.

43. In the Presidency's view, this pillar has reached a certain level of maturity at this stage of the negotiations, although this does not mean that everyone agrees with everything. The recommendation is to focus efforts on other parts in more need of additional attention, before coming back to this pillar again.

Block 3: Competitiveness and Society

European partnerships

44. In the **Framework Programme**, Article 11 sets out two types of partnership, based either on a memorandum of understanding (MoU) or on a contractual arrangement known as a joint undertaking. Although this differs from the current Framework Programme, under which co-funded partnerships are grant-based, it could be seen as a welcome simplification pending further clarity on process. Paragraph 3a has been added to formally set out the requirement that any European partnership should be based on a strategic research and innovation agenda outlining thematic priorities, expected results, and a corresponding roadmap. Paragraph 5, point (ba) has been added to specify that partnerships should be created only when other EU measures would not achieve the intended objectives. Paragraph 5, point (-a) has been added to provide assurance to the majority of Member States regarding their role in the identification and selection of MoU-based partnerships. Questions remain on optimal management of virtual pots so that each Member State only co-funds its own participants in projects. Additionally, how industry will contribute financially needs to be determined.

45. In the **Specific Programme**, in Article 5, text that had restricted partnership selection to the Commission alone has been removed from paragraph 1, point (a) to enable joint identification and selection with Member States. Paragraph 1, point (a)(iii) sets the minimum number of participating partners in a consortium at 10 Member States (40 % of all current Member States) since the majority have requested a higher number than the five originally proposed. Additionally, in paragraph 1, point (a)(via), a data strategy has been added as a selection criterion, as have SME and scaleup integration in paragraph 1, point (a)(viia). In paragraph 1(aa)(xiiia), an obligation for the Commission to share details from evaluations with EU bodies and Member States has been added, while in paragraph 1, point (ab) has been added to spell out that in the event of non-compliance, Member States should be informed of any action taken by the Commission. The articles on partnerships still call for substantial further work and discussion.

Collaborative R&I

46. As many Member States found the society component unsatisfactory, the Presidency worked with them to reframe and consolidate it into a clearer narrative defining its role, scope and interlinkage with the competitiveness component. While good progress has been made, further work is needed to delineate and strengthen the society dimension. The **Framework programme** Article 15 identifies two components of collaborative research and innovation, one on competitiveness and one on society. It states in a new paragraph that the two components shall be developed in a coherent manner to ensure mutual reinforcement and seamless coverage of the research and innovation landscape for a strong and resilient Union.

47. Article 15 also mentions possible continued support for remaining R&I activities of the Missions as well as for the NEB Facility, and no longer relates them solely to the society component. In both cases, Member States emphasised the need to establish strong links to other relevant EU programmes, in particular the ECF, to ensure effective uptake and valorisation of research results, in line with the original objectives of the Missions and also given the close alignment between the Missions and the ECF's policy windows. Any remaining activities linked to the Missions can be supported in the Horizon Europe work programmes. Similarly, several Member States noted that the most straightforward solution regarding the NEB Facility would be to integrate the remaining R&I activities into work programmes as topics.

48. In the **Specific Programme** Article 11 the societal component has been rewritten to set out 3 main areas to guide societal transformation: understanding geopolitical, environmental, technological and democratic changes and evidence for policy making; fostering democratic, just and secure societies; and sustaining European cultures and creative industries.

Block 4: Innovation

The European Innovation Council (EIC)

49. One overall aim has been to clarify the interlinkage between the EIC and the ECF, in particular in view of InvestEU and the scaleup facility, to define the right scope and complementarity and adjust the text accordingly. For this purpose, a new recital 15b has been added. This work will have to be continued to achieve an optimal solution and lean implementation in the future. In this context, paragraphs 7 and 10 of Article 34 in the Specific Programme, setting out exceptional cases where the EIC can still intervene and provide follow-up funding or funding to bankable companies, remain open for further discussion.

50. In the **Framework Programme**, the scope of the EIC has been further specified, and an addition has been made to Article 16 to specify the obligation to operate in mutual complementary to the ECF instruments. For the pathfinder grants, a focus on early-stage research has been added. Facilitating access to and use of research and technology infrastructures and networking activities have also been added to the tasks of the business acceleration services. In addition, a description of ARPA-like (Advanced Research Projects Agency) tasks for programme managers has been introduced to clarify what is meant by this approach. Views differ on the level of autonomy to be given. Due to divergent positions on funding for defence applications solely through a DARPA-like approach (Defence Advanced Research Projects Agency), the text has been put in bold and italics for further negotiations on a possible solution. The Presidency sees three possible solutions: going with the Commission's proposal and fleshing it out accordingly; defining a process that could feed the EIC DARPA-like approach through funds from the ECF defence part; or adding the DARPA-like approach under the ECF defence part to bring all purely defence-related investments together. In the discussions, the Member States have so far mostly been supportive of the two latter options. A new recital 15a explaining the certification of national programmes and bodies for the Plug-in scheme is added.

51. In Article 34, it has been specified that EIC transition grants may be awarded without calls for proposals, if specified in the work programmes, upon recommendation of the programme manager and the advice of independent external experts. In addition, it has been specified that the EIC accelerator may support small mid-caps in exceptional cases. Furthermore, text has been inserted specifying that de-investments from the EIC Fund are to be treated as reflows to the EIC Fund, reflecting similar wording used in the ECF.

52. In the **Specific Programme,** Article 12, the term of office of the EIC Board president has been increased to four years, renewable once. Proven experience has been added to the demands called for in view of the role's high profile. As for the members of the EIC Board, thematic distribution has been added to the aspects to be balanced.

Innovation ecosystems

53. In the **Framework Programme**, Article 17 specifies support for activities around strategic priorities and with an emphasis on creating connected transnational innovation ecosystems. Synergies with other key components of the Framework Programme are also to be pursued. The part of Article 17 concerning support for activities to foster integration of the knowledge triangle remains open as several Member States raised concerns that the European Institute of Innovation and Technology (EIT) was not included in the Commission's proposal and asked for its reinsertion. Several Member States also requested clarification on this omission and on the situation of the EIT and its Knowledge and Innovation Communities in the next Horizon Europe programme. Some Member States, however, would prefer to await the Commission proposal on the revision of the EIT Regulation, expected by the end of 2026. For this reason, the text has been put in bold and italics for further discussions, including in the Specific Programme, Article 13, while the Commission has also been requested to provide a non-paper on the EIT to enlighten Member States.

54. In Article 13 of the **Specific Programme,** researchers have been added to the stakeholders to benefit from the establishment and support of connected hubs. Concerning activities in support of developing pan-European innovation ecosystems, the focus on integrating and boosting both strengths and potentials has been specified. The dedicated support to SMEs, start-ups and scale-ups under this subcomponent of the innovation pillar has been interlinked with the other subcomponents, the connected hubs and innovation ecosystem efforts to provide a more coherent approach. The Commission has in addition been requested to deliver a non-paper describing in more details the expected activities to take place under this component of the innovation pillar.

55. There are several pending issues linked to this pillar, namely the clear interlinkage between EIC and the ECF, the DARPA-like approach under the EIC and the future of the EIT which need further attention. Moreover, the contribution of the innovation ecosystems to the investment landscape set out by the EIC and the ECF instruments should be monitored.

Block 5: European Research Area (ERA)

56. It should be noted that the widening articles in both the Framework Programme and the Specific Programme are in square brackets to the expressed regret by several Member States.

57. In the **Framework Programme**, Article 18 has been split into three articles, each specifying the main components of this pillar, i.e. the realisation of the ERA, the policy support facility, and research and technology infrastructures.

European Research Area

58. The article on the ERA now makes a reference to the complete set of values and principles of the ERA and the Pact for Research and Innovation, instead of an incomplete individual listing.

59. In Article 14 of the Specific Programme, it has been specified that the realisation of the ERA should be a shared effort between the Union and its Member States through jointly identified and agreed priorities. Awaiting the upcoming ERA Act, a direct reference to the ERA policy agendas has therefore not been introduced.

Research and technology infrastructures

60. In the **Framework Programme**, the new article 18a on research and technology infrastructures underlines the EU's need for a coherent and connected ecosystem of pan-European infrastructures and related services. The article also clarifies that the support of up to 20 % of the building costs of critical new world-class capacities also includes major upgrades of existing critical capacities. Disagreement still exists on introducing this kind of support due to concerns about some of the possible economic consequences. An attempt to address this has been made in the Specific Programme (see below). It has been specified that these infrastructures should be jointly identified and agreed by the EU and Member States in an open, transparent and competitive process, based on clear criteria. Recital 19 underlines that support to infrastructures should reflect the strategic needs of the EU and provide European added value through coherent long-term planning and coordinated investments, including taking into account the work of European Strategy Forum on Research Infrastructures (ESFRI) for research infrastructures, and calls for a similar strategic forum for technology infrastructures. An open point for discussion remains the option of the ECF also contributing funding to infrastructures that are important for European competitiveness.

61. In the **Specific Programme** article 16 on research infrastructures and Article 17 on technology infrastructures have been harmonised to the extent possible in view of the activities to be supported, including access of SMEs, start-ups and scale-ups as well as collaboration and networking across the two types of infrastructures, whenever applicable. Additionally, the text has been updated to be consistent with the Framework Programme in view of the support of up to 20 % for the building or major upgrade costs of world-class research and technology infrastructures. In the article on technology infrastructures, the support to valorisation activities to accelerate market uptake has been fleshed out. A new Article 17a has been introduced to set out guiding criteria for supporting the construction or major upgrade of world-class research and technology infrastructures.

Block 6: Rules for participation and dissemination

Eligibility

62. In the **Framework Programme**, Article 21 sets out the eligibility criteria. Further to demand from a large majority of delegations, the **seal of excellence** has been re-introduced to recognise high-quality R&I projects under Horizon Europe that would not get funding (See also Article 8 in the general provisions). In addition, paragraph 1a has been added to clarify that any legal entity, including legal entities from non-associated third countries or international organisations, may participate in actions under Horizon Europe. This does not include access to funding for which the conditions are spelled out in the subsequent paragraphs. Paragraph 10 has been split into two to separate actions ineligible for funding from the activities human stem cells which may be financed. Paragraph 11 on termination has been expanded to better detail the conditions for a project under the EIC accelerator, which remains a point of discussion for some. In addition, paragraph 12a has been added to clarify that the work programmes can specify further eligibility criteria in duly justified cases.

Calls for proposals

63. Article 23 details the calls for proposals. An addition has been made to stipulate that the full content of calls for proposals is to be included in the work programme. Several Member States wished for two-stage applications and blind evaluation to be set out in the legislation rather than in the work programmes, as had been the norm. The matter formed part of the broader debate on simplification, which the Presidency has sought to advance, with finalisation left to subsequent presidencies. Another addition has been made to provide that work programmes should also specify the calls for which the seal of excellence may be awarded, alongside the competitiveness seal.

Mutual insurance mechanism

64. Article 30 establishes specific contribution rates for the mutual insurance mechanism, setting a standard rate of 5 %, which may be increased to 8 % or reduced to below 5 %. The changes in rates can be necessary due to fluctuating markets and an increased number of users from other programmes beyond Horizon Europe. The addition was broadly welcomed by the Member States.

Dissemination and valorisation

65. Article 32 has been retitled and a new point has been added in paragraph 1 concerning beneficiaries' obligations to protect security-relevant results, referring to intellectual assets, in response to growing concerns among Member States about research security. As Article 32 also relates to the ECF and the implementation of additional security measures to safeguard the EU's strategic interests, efforts have been made to align it with Horizon Europe to ensure consistency between the two.

Pre-commercial procurement and public procurement of innovative solutions

66. In Article 33, several Member States have expressed a wish to include references to existing directives for public procurers. The Commission maintained that the Article covered both public and private procurers, as well as pre-commercial and commercial procurement. Not all of them are addressed by existing directives and therefore require harmonised terminology in this programme. Existing directives, by contrast, apply only to procurement by public entities.

VI. WAY FORWARD

67. In view of the state of play, the Presidency considers it useful to reflect on the following for the continuation of negotiations:

- integrating the six blocks to combine the thematically related provisions of the Framework Programme and the Specific Programme into full, combined proposals so as to ensure a clear overview and consistency across the text to avoid repetitions and contradictions;

- dedicating enough time and effort to informed and constructive discussions on key issues of strategic relevance including through use of technical workshops where relevant, so as to deliver an R&I Framework Programme which should convey a strong EU commitment to scientific excellence, technological sovereignty and strategic autonomy capable of addressing future challenges.

VII. CONCLUSIONS

68. During its term, the Presidency has placed strategic emphasis on advancing work on both the Framework Programme for Research and Innovation and the Specific Programme implementing the Framework Programme. The Presidency has aimed to foster a constructive dialogue among Member States and facilitate inclusive and structured deliberations in order to move negotiations forward.

69. These efforts have culminated in the presentation of several compromise proposals for each pillar of the Framework Programme and Specific Programme. The Presidency believes that the latest compromise texts[4], although they do not purport to represent any agreement, reflect a good outcome at this stage of the negotiations and in view of the ones still to follow. Delegations have committed to continuing the negotiations based on the progress made, aiming for consensus on the outstanding issues and following the logic that nothing is agreed before everything is agreed.

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4 15308/25, 14839/25, 15671/25, 15314/25, 15638/25, 14838/25.