2026/2066

17.9.2026

Agreement between the European Union, of the one part, and the Government of Japan, of the other part, on the participation of the Government of Japan in Union programmes

THE EUROPEAN UNION (hereinafter referred to as the 'Union'),

of the one part, and

THE GOVERNMENT OF JAPAN,

of the other part,

hereinafter referred to individually as the 'Party' and jointly as the 'Parties',

WISHING to establish a lasting framework for cooperation between the Parties specifying clear conditions for the participation of the Government of Japan in Union programmes and activities as well as a mechanism facilitating the establishment of such participation in individual Union programmes or activities;

CONSIDERING the common goals, values and strong links of the Parties established inter alia through the Agreement between the European Community ([1]) and the Government of Japan on Cooperation in Science and Technology done at Brussels on 30 November 2009, and the Strategic Partnership Agreement between the European Union and its Member States, of the one part, and Japan, of the other part, done at Tokyo on 17 July 2018, and recognising the common desire of the Parties to further develop, strengthen, stimulate and extend their relations and cooperation;

RECOGNISING the key importance of the shared fundamental values and principles underpinning the international cooperation between the Parties in research and innovation, such as ethics and integrity in research, gender equality and equal opportunities, and the shared objective of the Parties to foster and facilitate the cooperation between organisations in the field of research and innovation, including universities, and the exchange of best practices and information on attractive research careers to facilitate cross-border and inter-sectoral mobility of researchers, foster free movement of scientific knowledge and innovation, promote the respect of academic freedom and freedom of scientific research, and support science education and communication activities;

ACKNOWLEDGING the intention of the Parties to mutually cooperate and contribute to research and innovation activities and the Union missions aiming at supporting and strengthening research capacities in order to address global challenges as well as to improve their respective industrial competitiveness, and in turn, to achieve transformative and systemic impacts for our societies in support of the United Nations Sustainable Development Goals;

CONSIDERING the Parties' efforts to lead the international community by joining forces with their international partners to address global challenges in line with the plan of action for people, planet and prosperity in the United Nations' 'Transforming our World: the 2030 Agenda for Sustainable Development', and acknowledging that research and innovation are key drivers and essential tools for innovation-led sustainable growth and for economic competitiveness and attractiveness;

([1]) Through exchange of Notes Verbales dated 29 March 2011, referring to the Note Verbale dated 30 November 2009, the Union and the Government of Japan shared the recognition that the references to 'the European Community' in the Agreement between the European Community and the Government of Japan on Cooperation in Science and Technology done at Brussels on 30 November 2009, will be read as 'European Union'.

WHEREAS the Union programme Horizon Europe – the Framework Programme for Research and Innovation (hereinafter referred to as the 'Horizon Europe Programme') was established by Regulation (EU) 2021/695 of the European Parliament and of the Council ([2]);

RECOGNISING the general principles as set out in Regulation (EU) 2021/695;

EMPHASISING the role of the European Partnerships addressing some of Europe's most pressing challenges through concerted research and innovation initiatives, which contributes significantly to the Union's priorities in the area of research and innovation that require critical mass and long-term vision, and the importance of associated countries' involvement in those Partnerships;

RECOGNISING that reciprocal participation in each other's research and innovation programmes should provide mutual benefits, while acknowledging that the Parties reserve their right to limit or impose conditions for participation in their research and innovation programmes including in particular for actions related to their strategic assets, interests, autonomy or security;

DECLARING that this Agreement is to be regarded as exceptional as, taking into account in particular certain specific constraints of the Japanese legal system and notably the budgetary constraints of the Government of Japan, certain adaptations to the Union's model agreement on third countries' participation in Union programmes have been required, including with regard to safeguarding the principle of sound financial management, and that those adaptations do not constitute precedents for any future agreements on participation in Union Programmes with the Government of Japan or with any other third country;

HAVE AGREED AS FOLLOWS:

Article 1

Subject matter

This Agreement establishes the terms and conditions applicable to the participation of the Government of Japan in any Union programme or activity.

Article 2

Definitions

For the purposes of this Agreement, the following definitions apply:

(a) 'basic act' means:

(i) a legal act of one or more Union institutions, other than a recommendation or an opinion, establishing a programme, which provides a legal basis for an action and for the implementation of the corresponding expenditure entered in the general budget of the Union (hereinafter referred to as the 'Union budget') or of the budgetary guarantee or financial assistance backed by the Union budget, including any amendment of legal acts and any relevant legal acts of a Union institution which supplement or implement such legal act, except those adopting work programmes; or

(ii) a legal act of one or more Union institutions, other than a recommendation or an opinion, establishing an activity financed from the Union budget other than programmes, including any amendment of legal acts and any relevant legal acts of a Union institution which supplement or implement such legal act, except those adopting work programmes;

([2]) Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 (OJ EU L 170, 12.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/695/oj).

(b) ‘funding agreement’ means an agreement relating to Union programmes and activities under the Protocols to this Agreement, in which the Government of Japan participates, which implement Union funds, such as a grant agreement, a contribution agreement, a financial framework partnership agreement, a financing agreement and a guarantee agreement;

(c) ‘other rules pertaining to the implementation of Union programmes and activities’ means rules laid down in Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council [3] (hereinafter referred to as ‘Financial Regulation’) that apply to the Union budget, as well as rules set out in the work programme, the calls or other Union award procedures;

(d) ‘Union award procedure’ means a procedure for the award of Union funding launched by the Union or by persons or entities entrusted with the implementation of Union funds;

(e) ‘Japanese entity’ means any natural or legal person who resides or is established in Japan and who participates in activities of a Union programme or activity in accordance with the basic acts; and

(f) ‘financial year’ means the period running from 1 January to 31 December.

Article 3

Establishment of the participation

1. The Government of Japan shall be allowed to participate in and contribute to the Union programmes, activities or, in exceptional cases, parts thereof, that are open to the participation of the Government of Japan in accordance with the basic acts and as covered by the Protocols to this Agreement.

2. The specific terms and conditions for the participation of the Government of Japan in the Horizon Europe Programme are laid down in the Protocol on the Association of the Government of Japan to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027) to this Agreement.

By way of derogation from Article 17(8) of this Agreement, that Protocol may be amended by the Joint Committee established under Article 14 of this Agreement (hereinafter referred to as the ‘Joint Committee’).

3. By way of derogation from Article 17(8) of this Agreement, the specific terms and conditions for the participation of the Government of Japan in any other particular Union programme or activity shall be laid down in the Protocols to this Agreement to be adopted and amended by the Joint Committee.

4. The Protocols to this Agreement shall:

(a) identify the Union programmes, activities or, in exceptional cases, parts thereof, in which the Government of Japan participates;

(b) lay down the duration of participation, which shall refer to the period of time during which the Government of Japan and Japanese entities may apply for Union funding or may be entrusted with the implementation of Union funds;

[3] Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (OJ EU L, 2024/2509, 26.9.2024, ELI: http://data.europa.eu/eli/reg/2024/2509/oj).

(c) lay down the specific terms and conditions for the participation of the Government of Japan and Japanese entities, including specific modalities for the implementation of the financial conditions as identified under Articles 6 and 7 of this Agreement, specific modalities of the correction mechanism as identified under Article 8 of this Agreement, and conditions for participation in structures created for the purposes of implementing those Union programmes or activities. These specific terms and conditions shall comply with this Agreement and the basic acts and acts of one or more Union institutions establishing such structures; and

(d) where applicable, lay down the amount of the financial contribution of the Government of Japan to a Union programme implemented through a financial instrument or a budgetary guarantee.

Article 4

Compliance with the rules pertaining to the Union programmes or activities

1. The Government of Japan shall participate in the Union programmes, activities or, in exceptional cases, parts thereof, covered by the Protocols to this Agreement under the terms and conditions laid down in this Agreement, its Protocols, the basic acts and other rules pertaining to the implementation of Union programmes and activities, which are applicable to such Union programmes, activities or, in exceptional cases, parts thereof.

2. The terms and conditions referred to in paragraph 1 shall include:

(a) the eligibility of Japanese entities and any other eligibility conditions related to the Government of Japan, in particular with respect to origin, place of activity or nationality; and

(b) the terms and conditions applicable to the submission, assessment and selection of applications and to the implementation of the actions by eligible Japanese entities.

3. The terms and conditions referred to in paragraph 2(b) shall be equivalent to those applicable to eligible entities of the Member States of the Union (hereinafter referred to as the 'Member States'), including respect for the Union restrictive measures ([4]), unless otherwise provided for in the terms and conditions referred to in paragraph 1.

Article 5

Participation of the Government of Japan in the governance of Union programmes or activities

1. Unless it concerns points reserved only for the Member States or in relation to a Union programme or activity or, in exceptional cases, parts thereof, in which the Government of Japan does not participate, representatives or experts of the Government of Japan or experts designated by the Government of Japan shall be allowed to take part, as observers, in the committees, expert group meetings, or other similar meetings where representatives or experts of the Member States or experts designated by the Member States take part, and which assist the European Commission in the implementation and management of the Union programmes or activities or, in exceptional cases, parts thereof, or which are established by the European Commission in respect of the implementation of Union law in relation to those Union programmes or activities or, in exceptional cases, parts thereof, in which the Government of Japan participates in accordance with Article 3 of this Agreement. The representatives or experts of the Government of Japan or experts designated by the Government of Japan shall not be present at the time of voting. The Government of Japan shall be informed of the result of the vote.

2. Where experts or evaluators are not appointed on the basis of nationality, nationality shall not be a reason to exclude Japanese nationals.

([4]) The Union restrictive measures are restrictive measures adopted pursuant to the Treaty on European Union or the Treaty on the Functioning of the European Union.

3. Subject to the terms and conditions laid down in paragraph 1, the participation of Japanese representatives or experts in the meetings referred to in that paragraph, or in other meetings related to the implementation of Union programmes or activities, shall be governed by the same rules and procedures as those applicable to representatives of the Member States, in particular concerning speaking rights and the receipt of information and documentation, unless those meetings concern points reserved only for the Member States or relate to a Union programme or activity or, in exceptional cases, parts thereof, in which the Government of Japan does not participate. The Protocols to this Agreement may define further modalities for the reimbursement of travel and subsistence costs.

4. The Protocols to this Agreement may define further modalities for the participation of experts in each Union programme, as well as for the participation of the Government of Japan, in governing boards and structures established for the purposes of implementing the Union programmes or activities defined in the respective Protocol.

Article 6

Financial conditions

1. The participation of the Government of Japan or Japanese entities in Union programmes or activities or, in exceptional cases, parts thereof, shall be subject to a financial contribution of the Government of Japan to the corresponding funding under the Union budget.

2. Without prejudice to Article 17(4), the Government of Japan shall make the financial contribution in accordance with the laws and regulations of Japan, and within the limits of its annual budgetary appropriations.

3. For each Union programme or activity or, in exceptional cases, parts thereof, the financial contribution shall take the form of the sum of:

(a) an operational contribution which shall include the contingency reserve referred to in paragraph 6; and

(b) a participation fee.

4. The financial contribution shall take the form of an annual payment made in one or more instalments.

5. Without prejudice to paragraph 10 of this Article and to Article 7, the participation fee shall be 4 % of the annual operational contribution and shall not be subject to retrospective adjustments. As of 2028, the level of the participation fee may be adjusted by the Joint Committee.

6. The operational contribution shall cover operational and support expenditures and be additional both in commitment and payment appropriations to the amounts entered in the Union budget definitively adopted for Union programmes or activities or, in exceptional cases, parts thereof, increased, where appropriate, by external assigned revenue that does not result from financial contributions to Union programmes and activities from other donors, covered by each respective Protocol to this Agreement. The European Commission shall reserve a percentage of the operational contribution for contingency purposes (hereinafter referred to as the 'contingency reserve') to cover the amounts of pecuniary obligations referred to in Article 12 which could not be recovered from the Japanese entity. This contingency reserve shall not be subject to the retrospective adjustment mechanism referred to in Article 7 or to the correction mechanism referred to in Article 8. The applicable percentage of the operational contribution to be reserved for this purpose shall be specified in the respective Protocols to this Agreement.

7. The operational contribution, excluding the contingency reserve, shall be based on a contribution key defined as the ratio of the Gross Domestic Product (GDP) of Japan at market prices to the GDP of the Union at market prices. The GDP at market prices to be applied shall be determined by the dedicated European Commission services based on the most recent statistical data available for budget calculations in the year prior to the year in which the annual payment is due. Adjustments to this contribution key may be laid down in the respective Protocols to this Agreement.

8. The operational contribution, excluding the contingency reserve, shall be based on the application of the contribution key to the initial commitment appropriations increased as described in paragraph 6 and entered in the Union budget definitively adopted for the applicable year for financing the Union programmes or activities or, in exceptional cases, parts thereof, in which the Government of Japan participates.

9. By way of derogation from paragraphs 7 and 8, the annual operational contribution of the Government of Japan to the Horizon Europe Programme for the years 2026 and 2027 shall be set in fixed amounts as laid down in Annex I of the Protocol on the Association of the Government of Japan to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027) to this Agreement.

10. The participation fee referred to in paragraph 3(b) shall have the following value for the years 2026 and 2027:

— 2026: 3 %;

— 2027: 4 %.

11. Upon request, the Union shall provide the Government of Japan with information in relation to its financial contribution as included in the budgetary, accounting, performance and evaluation related information provided to the Union budgetary and discharge authorities concerning the Union programmes or activities or, in exceptional cases, parts thereof, in which the Government of Japan participates. That information shall be provided having due regard to the Union's and Japan's confidentiality and data protection rules and is without prejudice to the information which the Government of Japan is entitled to receive under this Agreement.

12. All financial contributions of the Government of Japan or payments from the Union, and the calculation of amounts due or to be received, shall be made in euros.

13. Detailed provisions for the implementation of this Article are set out in the respective Protocols to this Agreement.

Article 7

Union programmes and activities to which an adjustment mechanism of the operational contribution applies

1. If so provided for in a specific Protocol, the operational contribution of a Union programme or activity or, in exceptional cases, parts thereof, for year N may be adjusted retrospectively in one or more subsequent years on the basis of the budgetary commitments made on the commitment appropriations of that year, their implementation through legal commitments and their decommitment.

2. The first adjustment shall be made in year N+1 when the operational contribution shall be adjusted by the difference between the contribution and an adjusted contribution calculated by applying the contribution key of year N, adjusted via the application of a coefficient if a specific Protocol so provides, to the sum of:

(a) the amount of budgetary commitments made on commitment appropriations authorised in year N under the voted Union budget and on commitment appropriations corresponding to decommitments made available again; and

(b) any external assigned revenue appropriations that do not result from financial contributions to Union programmes and activities from other donors covered in each respective Protocol to this Agreement and that were available at the end of year N.

3. Each subsequent year, until all the budgetary commitments financed under commitment appropriations originating from year N have been paid or decommitted, and at the latest three years after the end of the programme or after the end of the multiannual financial framework corresponding to year N, whichever is earlier, the Union shall calculate an adjustment of the contribution for year N by reducing the contribution of the Government of Japan by the amount obtained by applying the contribution key, adjusted if the respective Protocol to this Agreement so provides, of year N to the decommitments made each year on commitments of year N financed under the Union budget or from decommitments made available again.

4. If external assigned revenue appropriations that do not result from financial contributions to Union programmes and activities from other donors covered by each respective Protocol to this Agreement are cancelled, the contribution of the Government of Japan to the respective Union programme or activity or, in exceptional cases, parts thereof, shall be reduced by the amount obtained by applying the contribution key, adjusted if the respective Protocol so provides, of year N to the amount cancelled.

Article 8

Union programmes and activities to which an automatic correction mechanism applies

1. An automatic correction mechanism shall apply in relation to those Union programmes or activities or, in exceptional cases, parts thereof, for which the application of an automatic correction mechanism is provided for in the respective Protocol to this Agreement. The application of that automatic correction mechanism may be limited to parts of the Union programme or activity specified in the respective Protocol to this Agreement, which are implemented through grants for which competitive calls are organised. Detailed rules on the identification of the parts of the Union programme or activity to which the automatic correction mechanism does or does not apply may be established in the respective Protocol to this Agreement.

2. The amount of the automatic correction for a Union programme or activity or, in exceptional cases, parts thereof, shall be the difference between the initial amounts of the legal commitments actually entered into with the Government of Japan or Japanese entities financed from commitment appropriations of the year in question and the corresponding operational contribution paid by the Government of Japan as adjusted pursuant to Article 7, if the relevant Protocol provides for such adjustment, excluding support expenditure, covering the same period.

3. Detailed rules on the establishment of the relevant amounts of the legal commitments referred to in paragraph 2, including in the case of consortia, and on the calculation of the automatic correction may be laid down in the respective Protocol to this Agreement.

Article 9

Reviews and audits

1. In accordance with the applicable acts of one or more Union institutions or bodies and as provided in the relevant agreements and/or contracts as well as with a consent of the beneficiary, expressed through the signing of a funding agreement, the Union shall have the right to conduct technical, scientific, financial, or other types of reviews and audits on the premises of any Japanese entity that is a party to the relevant funding agreement, as well as on the premises of any third party acting for such Japanese entity implementing the funding agreement under relevant contracts. The Union rules pertaining to such reviews and audits are set out in the funding agreements or other relevant contracts. Such reviews and audits may be carried out by the agents of the institutions and bodies of the Union, in particular of the European Commission and the European Court of Auditors, or by other persons mandated by the European Commission in accordance with Union law. When exercising their duties on the territory of Japan, as provided in the funding agreements or other relevant contracts, the agents of the institutions and bodies of the Union and the other persons mandated by the European Commission shall act in a manner consistent with the laws and regulations of Japan.

2. Without prejudice to paragraph 1, the contact point designated by the Government of Japan shall be notified within a reasonable time in advance of the object, purpose and legal basis of the review or audit.

3. When conducting a review or audit referred to in paragraph 1, the agents of the institutions and bodies of the Union, in particular of the European Commission and the European Court of Auditors, and the other persons mandated by the European Commission, shall have appropriate access to sites, works and documents, in electronic and paper versions, and to all the information required in order to carry out such reviews and audits, as provided in the funding agreements or other relevant contracts, including the right to obtain a physical or an electronic copy of, and extracts from, any document or the contents of any data medium held by any Japanese entity that is a party to a funding agreement, as well as any third party acting for such Japanese entity implementing the funding agreement under relevant contracts.

4. The Government of Japan shall not adopt or raise measures in respect of entry into Japan or access to the premises of any Japanese entity that is a party to a funding agreement and to any third party acting for such Japanese entity implementing the funding agreement under another relevant contract, for the purpose of preventing or obstructing the reviews and audits referred to in paragraph 1. This paragraph shall not be construed to prevent the Government of Japan from adopting or maintaining measures of general application, including general visa requirements. Those measures of general application shall not be regarded as nullifying or impairing the reviews and audits referred to in paragraph 1.

5. The reviews and audits referred to in paragraph 1 of this Article may also be carried out after the suspension of application of a Protocol to this Agreement pursuant to Article 17(4) of this Agreement, the cessation of provisional application of this Agreement, or the termination of this Agreement, on the terms laid down in the applicable acts of one or more Union institutions or bodies and as provided for in relevant agreements and/or contracts in relation to any legal commitment implementing the Union budget and entered into by the Union before the date on which the suspension of application of the relevant Protocol, the cessation of provisional application of this Agreement, or the termination of this Agreement takes effect.

Article 10

Protection of the financial interests of the Union against irregularities

1. The European Commission and the European Anti-Fraud Office (hereinafter referred to as 'OLAF') shall be authorised to carry out their respective mandates aimed at the protection of the financial interests of the Union against irregularities on the territory of Japan, including on the premises of a Japanese entity that is a party to a funding agreement or any third party acting for such Japanese entity implementing the funding agreement under another relevant contract, in accordance with, and to the extent provided in, the relevant funding agreement and other applicable contracts. The European Commission and OLAF shall carry out their activities in accordance with the terms and conditions laid down in applicable acts of one or more Union institutions. They shall also act in a manner consistent with the laws and regulations of Japan.

2. The designated Japanese contact point shall inform the European Commission or OLAF within a reasonable time of any fact or suspicion which has come to its notice relating to an irregularity, fraud or other illegal activity related to a funding agreement or a relevant contract referred to in paragraph 1 affecting the financial interests of the Union.

3. In the framework of their activities referred to in paragraph 1, the staff of the European Commission or of OLAF shall have the right to access the premises of the Japanese entity and the premises of the third party acting for such Japanese entity referred to in that paragraph.

4. The activities to be carried out on the premises of the Japanese entity and on the premises of the third party acting for such Japanese entity referred to in paragraph 1 shall be prepared and conducted by the European Commission or OLAF in close collaboration with the designated Japanese contact point. The officials identified by the designated Japanese contact point may participate in the activities. The designated Japanese contact point shall be notified within a reasonable time in advance of the object, purpose and legal basis of the activities, so that it can ensure the participation of Japanese officials in the activities, and in particular initiate, where applicable, internal procedures necessary for such participation under the laws and regulations of Japan, and, if necessary, provide assistance upon request by the European Commission or OLAF.

5. Upon request of the designated Japanese contact point, the activities referred to in paragraph 1 may be carried out jointly with the European Commission or OLAF.

6. The European Commission and OLAF shall have the right to access all the information and documentation, including computer data, on the operations concerned, which are required for the proper conduct of the activities referred to in paragraph 1. They may, in particular, copy relevant documents in accordance with, and to the extent provided in, the funding agreement and the contract.

7. Where the Japanese entity or third party acting for such Japanese entity resists providing access to the European Commission or OLAF, the designated Japanese contact point, acting in accordance with the laws and regulations of Japan, shall assist the European Commission or OLAF, to allow them to fulfil their duty in carrying out the activities. In that context, the designated Japanese contact point may also facilitate informing Japanese competent law enforcement authorities of a fact or suspicion which has come to the attention of the European Commission or OLAF relating to a criminal offence in Japan while conducting the activities, for the purpose of safeguarding evidence for an investigation of such criminal offence.

8. The European Commission or OLAF shall inform the designated Japanese contact point of the result of their activities referred to in paragraph 1. In particular, the European Commission or OLAF shall report as soon as possible to the designated Japanese contact point any fact or suspicion relating to an irregularity which has come to their notice in the course of those activities.

9. Without prejudice to the application of the Japanese criminal law, the European Commission may impose administrative measures and penalties on Japanese entities referred to in paragraph 1, in accordance with Union law.

10. For the purposes of the proper implementation of this Article, the European Commission or OLAF and the designated Japanese contact point shall regularly exchange information and, at the request of one of the Parties, consult each other.

11. In order to facilitate effective cooperation and the exchange of information with OLAF, the Government of Japan shall designate a contact point.

12. The exchange of information between the European Commission or OLAF and the designated Japanese contact point shall take place with due regard to confidentiality requirements. Any personal data included in the exchange of information shall be protected in accordance with the Union's and Japan's applicable laws and regulations.

Article 11

Cooperation regarding criminal offences affecting the financial interests of the Union

The Government of Japan shall cooperate, in accordance with applicable international and bilateral agreements and the laws and regulations of Japan, with the competent authorities of the Member States or the European Public Prosecutor's Office (EPPO), in the investigations and prosecutions of the perpetrators of, and accomplices to, criminal offences affecting the financial interests of the Union.

Article 12

Recovery and enforcement

1. The European Commission may adopt a decision imposing a pecuniary obligation on a Japanese entity, other than the State, that is a party to a relevant funding agreement in relation to any claims stemming from the funding agreement. If, following the notification of that decision to the Japanese entity in accordance with Article 13, that entity does not pay within the prescribed period, the European Commission shall notify that decision to the designated Japanese contact point. After being notified, the Government of Japan shall take all appropriate measures towards the Japanese entity so that the amount of the pecuniary obligation is paid to the European Commission by the Japanese entity. If, after three months from the date of notification to the designated Japanese contact point by the European Commission, the amount of the pecuniary obligation is not paid by the Japanese entity, the European Commission shall cover the amount of unpaid pecuniary obligation from the contingency reserve.

2. The Government of Japan may seek a refund of the amount from the Japanese entity on whom the pecuniary obligation is imposed and the European Commission shall provide relevant documentation for that purpose if requested by the Government of Japan.

3. The Government of Japan shall notify its designated Japanese contact point to the European Commission.

4. The Court of Justice of the European Union shall have jurisdiction to review the legality of the decisions of the European Commission referred to in paragraph 1 and to suspend their enforcement.

Article 13

Communication and exchange of information

For the purpose of the implementation of this Agreement, the Union institutions and bodies involved in the implementation or in control of Union programmes or activities may communicate directly, including through electronic exchange systems, with a Japanese entity that is a party to a relevant funding agreement or third party acting for such Japanese entity implementing such funding agreement under a contract. Such Japanese entities and third parties may submit directly to the Union institutions and bodies relevant information and documentation which they are required to submit on the basis of the relevant funding agreements and other applicable contracts as well as the Union legislation applicable to the Union programme or activity.

Article 14

The Joint Committee

1. A Joint Committee is hereby established. The Joint Committee shall be composed of representatives of the Union and the Government of Japan.

2. The Joint Committee shall adopt its rules of procedure.

3. The tasks of the Joint Committee shall include:

(a) assessing, evaluating, and reviewing the implementation of this Agreement and its Protocols, in particular:

(i) the participation and performance of Japanese entities in Union programmes or activities;

(ii) where relevant, the level of mutual openness to entities established in the Union or Japan to participate in each other's programmes, activities, actions, projects or, in exceptional cases, parts thereof;

(iii) the implementation of the financial contribution mechanism and, where relevant, the automatic correction mechanism applicable to Union programmes or activities covered by Protocols to this Agreement; and

(iv) the exchange of information and, where relevant, the examination of any questions relating to the exploitation of results, including intellectual property rights;

(b) discussing, upon request of either Party, any restrictions applied or planned by the Parties on access to their respective research and innovation programmes, including, in particular, for actions related to their strategic assets, interests, autonomy or security;

(c) examining how to improve and develop cooperation;

(d) jointly discussing the future orientations and priorities of policies related to programmes or activities covered by the Protocols to this Agreement;

(e) exchanging information, inter alia, on new legislation, decisions or national programmes relevant to the implementation of this Agreement and its Protocols;

(f) adopting the Protocols to this Agreement on specific terms and conditions of the participation of the Government of Japan in Union programmes or activities or, in exceptional cases, parts thereof, or amending such Protocols as needed by means of a decision;

(g) determining or amending in a Protocol to this Agreement the percentage of the contingency reserve referred to in Article 6(6) of this Agreement; and

(h) amending Articles 9 and 10 of this Agreement, in particular to take account of changes of acts of one or more Union institutions, by means of a decision.

4. Decisions of the Joint Committee shall be taken by consensus. For any decision pursuant to paragraph 3(f) to (h), the representatives of the Parties in the Joint Committee shall specify, where so required by a Party's legal system, that new Protocols to this Agreement or amendments to existing Protocols or to parts of this Agreement covered by paragraph 3(f) to (h) are to enter into force on the date on which they have notified the representative of the other Party in writing of the completion of any necessary legal requirements and procedures of the former Party.

5. The Joint Committee may on an ad hoc basis set up a working party or an advisory body at expert level that can assist in carrying out the implementation of this Agreement.

6. The Joint Committee shall meet at least once a year and, whenever special circumstances so require, at the request of a Party.

Article 15

Applicable law

This Agreement shall be implemented in accordance with the Union's applicable laws and regulations as well as with those of Japan in their respective territories.

Article 16

Consultations

The Parties shall endeavour, in good faith, to resolve any matter between them arising from the interpretation or implementation of this Agreement amicably, through discussions at the Joint Committee.

If a matter arising from the interpretation or implementation of this Agreement cannot be resolved through discussions at the Joint Committee within two months of being raised by a Party, either Party may request consultations with the other Party regarding the matter. The Parties shall resolve any differences through negotiations.

Article 17

Final provisions

1. This Agreement shall enter into force on the date on which the Parties have notified each other of the completion of their internal procedures necessary for that purpose. It shall apply from 1 January 2026. Without prejudice to paragraph 9, this Agreement shall apply to the Protocols from the date set out in each respective Protocol to this Agreement.

2. The Union and the Government of Japan may apply this Agreement provisionally in accordance with the Union's and Japan's laws and regulations, respectively. The provisional application of this Agreement shall begin on the date on which the Parties have notified each other of the completion of their internal procedures necessary for that purpose.

3. Should either Party notify the other Party that it will not complete its internal procedures necessary for the entry into force of this Agreement, the provisional application of this Agreement shall cease on the date of receipt of this notification by the other Party, which shall constitute the cessation date for the purposes of this Agreement.

The decisions of the Joint Committee shall cease to apply on the same date.

4. The application of a relevant Protocol to this Agreement may be suspended by the Union in case of partial or full non-payment of the financial contribution due by the Government of Japan under the respective Union programme or activity.

In case of non-payment which may significantly jeopardise the implementation and management of the relevant Union programme or activity, the Union shall send a formal letter of reminder. Where no payment is made within 20 working days after the formal letter of reminder, the suspension of the application of the relevant Protocol to this Agreement shall be notified by the Union to the Government of Japan by a formal letter of notification and shall take effect 15 days following the receipt of that notification by the Government of Japan.

In case the application of a Protocol to this Agreement is suspended, Japanese entities shall not be eligible to participate in Union award procedures that are not yet completed when the suspension of the application takes effect. A Union award procedure shall be considered completed when legal commitments have been entered into as a result of that procedure.

The suspension of the application does not affect the legal commitments entered into with Japanese entities under the relevant Union programme or activity before the suspension of the application took effect. The relevant Protocol to this Agreement shall continue to apply to such legal commitments.

The Union shall immediately notify the Government of Japan once the entire amount of the financial contribution due has been received by the Union. The suspension of the application shall be lifted with an immediate effect upon this notification.

As of the date when the suspension of the application is lifted, Japanese entities shall again be eligible in Union award procedures launched under the relevant Union programme or activity after that date and in Union award procedures launched before that date for which the deadlines for submission of applications have not expired.

5. Either Party may terminate this Agreement at any time by a written notification informing the other Party of its intent to terminate it. This Agreement may only be terminated in its entirety. The termination shall take effect three calendar months from the date on which the other Party has received the notification. The date on which the termination takes effect shall constitute the termination date for the purposes of this Agreement.

6. Where the provisional application of this Agreement ceases in accordance with paragraph 3 or where this Agreement is terminated in accordance with paragraph 5, the Parties agree that:

(a) activities, actions, projects or, in exceptional cases, parts thereof, in respect of which legal commitments have been entered into during the provisional application of this Agreement before it ceases to apply and/or after the entry into force of this Agreement before it is terminated, shall continue until their completion under the terms and conditions laid down in this Agreement and the Protocols to this Agreement;

(b) the annual financial contribution to the relevant Union programme or activity of the year N during which this Agreement ceases to apply provisionally or is terminated shall be paid entirely in accordance with Article 6 and any relevant rules in the respective Protocols to this Agreement. Where the adjustment mechanism applies, the operational contribution to the relevant Union programme or activity of the year N shall be adjusted in accordance with Article 7. For Union programmes or activities where both the adjustment mechanism and the automatic correction mechanism apply, the relevant operational contribution of the year N shall be adjusted in accordance with Article 7 and corrected in accordance with Article 8. For Union programmes or activities, where only the automatic correction mechanism applies, the relevant operational contribution of the year N shall be automatically corrected in accordance with Article 8. The participation fee paid for the year N as part of the financial contribution to the relevant Union programme or activity shall not be adjusted or corrected; and

(c) where the adjustment mechanism applies, following the year during which this Agreement ceases to apply provisionally or is terminated, the operational contributions to the relevant Union programme or activity paid for the years during which this Agreement applied shall be adjusted in accordance with Article 7. For Union programmes or activities where both the adjustment mechanism and the automatic correction mechanism apply, these operational contributions shall be adjusted in accordance with Article 7 and automatically corrected in accordance with Article 8. For Union programmes or activities where only the automatic correction mechanism applies, the relevant operational contributions shall be automatically corrected in accordance with Article 8.

7. The Parties shall, by common consent, settle any other consequences arising from the termination or cessation of the provisional application of this Agreement.

8. Except where otherwise provided for in Article 14, this Agreement may only be amended in writing by common consent of the Parties. The entry into force of the amendments under this paragraph shall follow the same procedure as that applicable for the entry into force of this Agreement as provided for in paragraph 1.

9. The Protocols referred to in Article 3 shall constitute an integral part of this Agreement.

10. This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Japanese languages, each text being equally authentic. In case of divergence of interpretation, the English text shall prevail.

IN WITNESS WHEREOF, the undersigned, duly authorised to this effect, have signed this Agreement.

Съставено в Брюксел на тридесети юли две хиляди двадесет и шеста година.

Hecho en Bruselas, el treinta de julio de dos mil veintiséis.

V Bruselu dne třicátého července dva tisíce dvacet šest.

Udfærdiget i Bruxelles den tredivte juli to tusind og seksogtyve.

Geschehen zu Brüssel am dreißigsten Juli zweitausendsechsundzwanzig.

Kahe tuhande kahekümne kuuenda aasta juulikuu kolmekümnendal päeval Brüsselis.

Έγινε στις Βρυξέλλες, στις τριάντα Ιουλίου δύο χιλιάδες είκοσι έξι.

Done at Brussels on the thirtieth day of July in the year two thousand and twenty-six.

Fait à Bruxelles, le trente juillet deux mille vingt-six.

Arna dhéanamh sa Bhruiséil, an tríochadú lá d'Iúil sa bhliain dhá mhíle fiche a sé.

Sastavljeno u Bruxellesu tridesetog srpnja godine dvije tisuće dvadeset šeste.

Fatto a Bruxelles, addì trenta luglio duemilaventisei.

Briselē, divi tūkstoši divdesmit sestā gada trīsdesmitajā jūlijā.

Priimta du tūkstančiai dvidešimt šeštų metų liepos trisdešimtą dieną Briuselyje.

Kelt Brüsszelben, a kétezerhuszonhatodik év július havának harmincadik napján.

Magħmul fi Brussell, fit-tletin jum ta' Lulju fis-sena elfejn u sitta u għoxrin.

Gedaan te Brussel, dertig juli tweeduizend zesentwintig.

Sporządzono w Brukseli dnia trzydziestego lipca roku dwa tysiące dwudziestego szóstego.

Feito em Bruxelas, em trinta de julho de dois mil e vinte e seis.

Întocmit la Bruxelles la treizeci iulie două mii douăzeci și șase.

V Bruseli tridsiateho júla dvetisícdvadsaťšesť.

V Bruslju, tridesetega julija dva tisoč šestindvajset.

Tehty Brysselissä kolmantenakymmenentenä päivänä heinäkuuta vuonna kaksituhattakaksikymmentäkuusi.

Som skedde i Bryssel den trettionde juli år tjugohundratjugosex.

二千二十六年七月三十日にブリュッセルで作成した。

За Европейския съюз
Por la Unión Europea
Za Evropskou unii
For Den Europæiske Union
Für die Europäische Union
Euroopa Liidu nimel
Για την Ευρωπαϊκή Ένωση
For the European Union
Pour l'Union européenne
Thar ceann an Aontais Eorpaigh
Za Europsku uniju
Per l'Unione europea
Eiropas Savienības vārdā –
Europos Sąjungos vardu
Az Európai Unió részéről
Għall-Unjoni Ewropea
Voor de Europese Unie
W imieniu Unii Europejskiej
Pela União Europeia
Pentru Uniunea Europeană
Za Európsku úniu
Za Evropsko unijo
Euroopan unionin puolesta
För Europeiska unionen

За правителството на Япония
Por el Gobierno de Japón
Za vládu Japonska
For Japans regering
Für die Regierung Japans
Jaapani valitsuse nimel
Για την κυβέρνηση της Ιαπωνίας
For the Government of Japan
Pour le gouvernement du Japon
Thar ceann Rialtas na Seapáine
Za Vladu Japana
Per il governo del Giappone
Japānas valdības vārdā –
Japonijos Vyriausybės vardu
Japán Kormánya részéről
Għall-Gvern tal-Ġappun
Voor de regering van Japan
W imieniu Rządu Japonii
Pelo Governo do Japão
Pentru Guvernul Japoniei
Za vládu Japonska
Za Vlado Japonske
Japanin hallituksen puolesta
För Japans regering

日本国政府のために

欧州連合のために









Protocol on the Association of the Government of Japan to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027)

Article 1

Scope of the association

The Government of Japan shall participate as an associated country in and contribute to Pillar II 'Global Challenges and European Industrial Competitiveness' of the Union programme Horizon Europe – the Framework Programme for Research and Innovation referred to in paragraph 1, point (b), of Article 4 of Regulation (EU) 2021/695 of the European Parliament and of the Council [1] (hereinafter referred to as the 'Horizon Europe Programme'), and implemented through the Specific Programme established by Council Decision (EU) 2021/764 [2], in their most up-to-date versions.

Article 2

Additional conditions of participation in the Horizon Europe Programme

1. Before deciding on whether Japanese entities are eligible to participate in an action related to the Union strategic assets, interests, autonomy or security under paragraph 5 of Article 22 of Regulation (EU) 2021/695, the European Commission may request specific information or assurances, such as:

(a) information as to whether reciprocal access has been or will be granted to entities established in the Union to existing and planned Japanese programmes, activities, actions, projects, or parts thereof, equivalent to the Horizon Europe Programme action concerned;

(b) information as to whether the Government of Japan has in place a national investment screening mechanism and assurances that Japanese authorities will report on and consult the European Commission on any possible cases where, in the application of such a mechanism, they have become aware of planned foreign investment or takeover by an entity established or controlled from outside Japan of a Japanese entity which has received Horizon Europe Programme funding in actions related to the Union strategic assets, interests, autonomy or security, provided that the European Commission supplies the Government of Japan with the list of the relevant Japanese entities following the signature of the grant agreements with those entities; and

(c) assurances that none of the results, technologies, services and products developed under the concerned actions by the Japanese entities will be subject to restrictions on their export to Member States during the action and for four years after the end of the action. The Government of Japan will share an up-to-date list of subjects of national export restrictions on annual basis, during the action and for four years after the end of the action.

2. Japanese entities may participate in the activities of the Joint Research Centre (JRC) under terms and conditions equivalent to those applicable to entities established in the Union unless limitations are necessary to ensure consistency with the scope of participation stemming from the implementation of paragraph 1.

3. The Government of Japan shall be kept regularly informed of JRC activities relating to the participation of the Government of Japan in the Horizon Europe Programme, in particular of JRC multi-annual work programmes. A representative from the Government of Japan may be invited as an observer to meetings of the JRC Board of Governors in relation to a point that concerns the participation of the Government of Japan in the Horizon Europe Programme.

[1] Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 (OJ EU L 170, 12.5.2021, p. 1, ELI: http://data.europa.eu/eli/reg/2021/695/oj).

[2] Council Decision (EU) 2021/764 of 10 May 2021 establishing the Specific Programme implementing Horizon Europe – the Framework Programme for Research and Innovation, and repealing Decision 2013/743/EU (OJ EU L 167I, 12.5.2021, p. 1, ELI: http://data.europa.eu/eli/dec/2021/764/oj).

4. Where the Union implements the Horizon Europe Programme through the application of Articles 185 and 187 of the Treaty on the Functioning of the European Union, the Government of Japan and Japanese entities may participate in the legal structures created under those provisions, in conformity with the Union legal acts that have been or will be adopted for the establishment of those legal structures.

5. In view of the participation of the Government of Japan in Pillar II of the Horizon Europe Programme, representatives or experts of the Government of Japan or experts designated by the Government of Japan shall have the right to participate as observers in the committee referred to in Article 14 of Decision (EU) 2021/764, without voting rights and for points which concern Japan when the Committee discusses issues pertaining to the implementation of Pillar II of the Horizon Europe Programme. Such participation shall be in accordance with Article 5 of the Agreement. Travel costs of the representatives or experts of the Government of Japan or experts designated by the Government of Japan to the meetings of the Committee shall be reimbursed in economy class. For all other matters, the reimbursement of travel costs and subsistence expenses shall be governed by the same rules as those applicable to the representatives of Member States.

6. The Parties shall make every effort, in accordance with relevant international agreements and the respective laws and regulations of the Union and of Japan, to facilitate the free movement and residence of persons participating in the activities covered by this Protocol and to facilitate cross-border movement of goods and services intended for use in such activities.

Article 3

Reciprocity

Entities established in the Union may participate with Japanese entities in Japanese programmes, activities, actions, projects or, in exceptional cases, parts thereof, equivalent to those under Pillar II of the Horizon Europe Programme, in accordance with the laws and regulations of Japan.

The non-exhaustive list of the equivalent Japanese programmes, activities, actions, projects or, in exceptional cases, parts thereof, is provided in Annex II to this Protocol.

Funding of entities established in the Union by the Government of Japan shall be subject to the laws and regulations of Japan governing the operation of research and innovation programmes, activities, actions, projects or, in exceptional cases, parts thereof. Where funding is not provided, entities established in the Union may participate with their own means.

Article 4

Open Science

The Parties shall mutually promote and encourage open science practices in their programmes, activities, actions, projects or, in exceptional cases, parts thereof, in accordance with the rules of the Horizon Europe Programme and the laws, regulations and policies of Japan.

Article 5

Detailed rules on financial contribution, adjustment mechanism and automatic correction mechanism

1. The automatic correction mechanism provided for under Article 8 of the Agreement shall apply in relation to the operational contribution, excluding the contingency reserve referred to in Article 6(6) of the Agreement, of the Government of Japan to the Horizon Europe Programme. The adjustment mechanism provided for under Article 7 of the Agreement shall not apply in relation to the operational contribution of the Government of Japan to the Horizon Europe Programme.

2. The automatic correction mechanism referred to in paragraph 1 shall be based on the performance of the Government of Japan and the Japanese entities in the parts of Pillar II of the Horizon Europe Programme which are implemented through competitive grants.

3. Detailed rules for the application of the automatic correction mechanism referred to in paragraph 1 are laid down in Annex I to this Protocol.

Article 6

Suspension by mutual consent

1. If the total amount of funding awarded to Japanese entities under the signed grant agreements extracted from the electronic system of the European Commission 'External – COmmon Research DAta Warehouse' (hereinafter referred to as 'e-Corda') on the first Wednesday of December of year N, as calculated by the European Commission upon the request of the Government of Japan, is higher than 80 % of the operational contribution, excluding the contingency reserve referred to in Article 6(6) of the Agreement, paid by the Government of Japan in year N, the Government of Japan may request that the application of this Protocol be suspended for the financial year following the year in which the request is made.

2. If a request for suspension is made by the Government of Japan pursuant to paragraph 1, the Union shall send a written response within 30 days following the receipt of the request. If the Union confirms its acceptance of the request of the Government of Japan, the suspension of this Protocol shall take effect on the first day of January of the year following the receipt of the request for suspension.

3. Without prejudice to Article 22 of Regulation (EU) 2021/695 and the exceptions referred to in Article 23(2) of that Regulation, in case this Protocol is suspended pursuant to paragraph 2 of this Article, Japanese entities shall not be eligible to participate in Union award procedures financed from commitment appropriations of the financial year for which this Protocol is suspended.

4. For the year during which the Protocol is suspended pursuant to paragraph 2 and for which the Government of Japan would have paid a participation fee if not suspended, the Government of Japan shall not pay the operational contribution. However, the Government of Japan shall pay an annual participation fee for the suspended year corresponding to the participation fee of the year before the suspension took effect increased by one percentage point (1,0 ppt).

5. The Government of Japan may request at any time that the suspension pursuant to paragraph 2 cease. The Union shall send a written response within 30 days following the receipt of that request. Upon the Union accepting the request of the Government of Japan, the suspension shall cease to have effect on the first day of the following year or, retroactively, as of the first day of the ongoing year if jointly decided by the Parties. If the suspension ceases retroactively, the full financial contribution for the corresponding year shall be due by the Government of Japan. Any annual participation fee already paid by the Government of Japan for the respective year shall be offset against the participation fee calculated in accordance with the method set out in Article 6(5) and (10) of the Agreement.

6. Japanese entities shall be eligible in Union award procedures financed from commitment appropriations of the relevant financial year as from the date on which the suspension pursuant to paragraph 2 ceases to have effect pursuant to paragraph 5 provided that the deadlines for submission of applications have not expired.

7. The suspension pursuant to paragraph 2 does not affect the legal commitments entered into with Japanese entities under this Protocol before the suspension took effect. The terms of this Protocol shall continue to apply to such legal commitments.

Article 7

National Contact Points of the Government of Japan

To increase the benefit and effectiveness of the association to the Horizon Europe Programme, the Government of Japan may designate National Contact Points (NCPs), which may provide potential applicants with consultation, advice and necessary support in order to improve the quality of applications.

Article 8

Final provisions

1. This protocol shall apply from 1 January 2026. This Protocol shall remain in force for as long as necessary for all the activities, actions, projects or, in exceptional cases, parts thereof, financed from Pillar II of the Horizon Europe Programme, all the actions necessary to protect the financial interests of the Union and all the financial obligations stemming from the implementation of this Protocol between the Parties to be completed.

2. The Annexes shall form an integral part of this Protocol:

(a) Annex I: Rules governing the financial contribution of the Government of Japan to the Horizon Europe Programme

(b) Annex II: List of the equivalent Japanese programmes, activities, actions, projects or, in exceptional cases, parts thereof.

ANNEX I

Rules governing the financial contribution of the Government of Japan to the Horizon Europe Programme

I. Calculation of the financial contribution of the Government of Japan

1. The financial contribution of the Government of Japan to Pillar II of the Horizon Europe Programme shall be established on a yearly basis in accordance with Articles 6 and 8 of the Agreement as well as Section II of Annex I of the Protocol to the Agreement.

2. The Government of Japan shall make the operational contribution for the years 2026 and 2027 at the level of the amount of EUR 13 700 000, including 1 % for the contingency reserve referred to in Article 6(6) of the Agreement. The operational contribution for 2026 shall be EUR 6 873 493, including EUR 68 734,93 for that contingency reserve.

3. The participation fee of the Government of Japan shall be established and phased in accordance with Article 6(5) and (10) of the Agreement.

4. Without prejudice to Article 14(4) of the Agreement, the Government of Japan shall pay the operational contribution and the participation fee referred to in paragraphs 2 and 3 of this Section in accordance with the laws and regulations of Japan, and within the limits of its annual budgetary appropriations.

II. Automatic correction of the operational contribution of the Government of Japan

1. For the calculation of the automatic correction as referred to in Article 8 of the Agreement and in Article 5 of this Protocol, the following modalities shall apply:

(a) 'competitive grants' means grants awarded through calls for proposals launched under Pillar II of the Horizon Europe Programme where the final beneficiaries can be identified at the time of the calculation of the automatic correction, from which financial support to third parties as defined in Article 207 of the Financial Regulation is excluded;

(b) where a legal commitment is concluded with a consortium, the amounts used to establish the initial amounts of the legal commitment shall be the cumulative amounts allocated to beneficiaries that are Japanese entities in accordance with the indicative budget breakdown of the grant agreement;

(c) all amounts of legal commitments corresponding to competitive grants shall be established using e-Corda and be extracted on the second Wednesday of February of year N+2;

(d) 'non-intervention costs' means costs of the Horizon Europe Programme other than competitive grants, including costs related to support expenditure, programme-specific administration and other actions; and

(e) amounts allocated to international organisations as entities being the final beneficiary shall be considered as non-intervention costs.

2. The mechanism shall be applied as follows:

(a) automatic corrections for year N in relation to the execution of commitment appropriations for year N, increased in accordance with Article 6(6) of the Agreement, shall be applied based on data of year N and year N+1 from e-Corda referred to in point (c) of paragraph 1 of this Section in year N+2. The amount considered shall be the amount of competitive grants under Pillar II of the Horizon Europe Programme for which data is available at the time of the calculation of the correction.

(b) starting in N+2 and up until 2029, the amount of the automatic correction shall be calculated for year N by taking the difference between:

(i) the total amount of the competitive grants apportioned to the Government of Japan or Japanese entities under Pillar II of the Horizon Europe Programme as commitments made on budget appropriations of year N; and

(ii) the amount of the operational contribution of the Government of Japan for year N, excluding the contingency reserve referred to in Article 6(6) of the Agreement, multiplied by the ratio between A and B provided as follows:

A. the amount of competitive grants made on commitment appropriations of year N under Pillar II of the Horizon Europe Programme, increased in accordance with Article 6(6) of the Agreement; and

B. the total of all the authorised budgetary commitment appropriations of year N under Pillar II of the Horizon Europe Programme, including non-intervention costs.

III. Payment of the financial contribution of the Government of Japan and payment of the automatic correction applicable to the operational contribution of the Government of Japan

1. The European Commission shall communicate to the Government of Japan, as soon as possible and at the latest when issuing the call for funds of the financial year, the following information:

(a) the amount of the operational contribution referred to in paragraph 2 of Section I of this Annex;

(b) the amount of the participation fee referred to in Article 6(10) of the Agreement; and

(c) from year N+2 for the part of the Horizon Europe Programme where such information is necessary to calculate the automatic correction, the level of commitments entered into in favour of Japanese entities under Pillar II of the Horizon Europe Programme broken down according to the corresponding year of budgetary appropriations and the related total level of commitments.

2. The European Commission shall issue, at the latest in June of each financial year, a call for funds to the Government of Japan corresponding to its contribution under this Protocol. The call for funds shall provide for the payment of the contribution of the Government of Japan not later than 30 days after the call for funds is issued. If the Agreement is signed after 1 April 2026, for the first year of implementation of this Protocol, the European Commission shall issue the call for funds within 60 days of the signature of the Agreement.

3. Each year, starting in 2029, the calls for funds shall also reflect the amount of the automatic correction applicable to the operational contribution paid for year N-3. For each of the financial years 2029 and 2030, the amount resulting from the automatic correction applied to the operational contributions paid in 2026 and 2027 by the Government of Japan shall be due to or from the Government of Japan.

4. The Government of Japan shall pay its financial contribution under this Protocol in accordance with this Section. In the absence of payment by the Government of Japan by the due date, the European Commission shall send a formal letter of reminder. Any delay in the payment of the financial contribution shall give rise to the payment of default interest by the Government of Japan on the outstanding amount from the due date. The interest rate for amounts receivable not paid on the due date shall be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union*, in force on the first calendar day of the month in which the due date falls, increased by three and a half percentage points (3,5 ppt).

ANNEX II

List of the equivalent Japanese programmes, activities, actions, projects or, in exceptional cases, parts thereof

The following non-exhaustive list shall be regarded as Japanese programmes, activities, actions, projects or, in exceptional cases, parts thereof, equivalent to Pillar II of the Horizon Europe Programme:

— Core Research for Evolutionary Science and Technology (CREST), Strategic Basic Research Program, managed by Japan Science and Technology Agency (JST)

— Exploratory Research for Advanced Technology (ERATO), Strategic Basic Research Program, managed by JST

Joint Declaration of the European Union and the Government of Japan on Article 11 of the Agreement

This provision is without prejudice to the position of the European Union and the Government of Japan on the cooperation with the EPPO for the purpose of any other existing or future agreement between the European Union and the Government of Japan.

Joint Declaration of the European Union and the Government of Japan on Section I of Annex I to the Protocol on the Association of the Government of Japan to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027)

With regard to the amounts of the operational contribution for 2026 and 2027 set out in Section I of Annex I to the Protocol on the Association of the Government of Japan to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027), the European Union and the Government of Japan share the common recognition that the agreed solution for year 2027 in particular is exceptional and necessitated by the timelines of the budget lifecycle of the Government of Japan.

While under the terms and conditions of the Agreement between the European Union, of the one part, and the Government of Japan, of the other part, on the Participation of the Government of Japan in Union programmes, the Government of Japan undertakes to provide financial contributions for years 2026 and 2027, at the time of signature of the Agreement, the Government of Japan is not in a position to determine separately the amount of the operational contribution for year 2027 due to the timelines of the budget lifecycle of Japan.