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NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee

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Subject: Proposal for a DECISION OF THE COUNCIL on establishing the specific programme implementing Horizon Europe - the Framework Programme for Research and Innovation
- Preparation for a partial general approach

I. INTRODUCTION

1. In June 2018, the Commission presented its proposal for the Horizon Europe package, including the proposal for a Decision on the Specific Programme implementing Horizon Europe¹.

¹ doc. 9870/18 + ADD 1

2. A financial envelope for the implementation of the framework programme of €94.1 billion (in current prices) is envisaged for the 2021-2027 period. In addition, the Commission proposes to contribute another €3.5 billion from the InvestEU Fund for Horizon Europe, which together with the €2.4 billion for the Euratom research and training programme makes a total budget allocation of €100 billion (€88.7 billion in constant or 2018 prices) for science, research and innovation related projects. The Defence Fund envelope is €13 billion.
3. The intention is to have a R&I programme with synergies across the Union's MFF budget. Synergies with other programmes, e.g. the European Regional Development Fund (ERDF), Digital Europe Programme, Connecting Europe Facility and the Common Agriculture Policy, should enable the pursuit of common objectives.
4. Since Horizon Europe is linked to the Multiannual Financial Framework (MFF), all provisions with budgetary implications are square bracketed (not part of the draft partial general approach).
5. The European Parliament has appointed MEP Christian EHLER (EPP) as rapporteur on the Specific Programme. The European Parliament voted on its report in the plenary on 12 December 2018. The European Economic and Social Committee adopted its opinion on 17 October 2018², whilst the Committee of the Regions provided its opinion at its 8-10 October Plenary session³.

II. WORK WITHIN THE COUNCIL

6. In June 2018, the Bulgarian Presidency launched the discussion in the Research Working Party. In the months of June and July, the working party engaged in an exchange of views on the main building blocks ("packages") of the two Horizon Europe proposals, as proposed by the Austrian Presidency.

² 13758/18 (opinion covers both the Framework Programme and the Specific Programme).

³ 13759/18 (opinion covers both the Framework Programme and the Specific Programme).

7. During the above process, the Research Working Party also considered the Commission's impact assessment. In conclusion, delegations recognised that the Commission's impact assessment had no major omissions or factual mistakes. Accordingly, the Working Party proceeded with the examination of the proposals⁴.
8. The Competitiveness Council addressed major issues relating to the proposal for the Specific Programme at its meeting on 28 September 2018 and provided orientation related to the question of the legal basis of the proposal, on strategic planning and on missions and partnerships.
9. During the months of October and November 2018, the Research Working Party continued the examination of the proposal on the basis of a Presidency text by the Austrian Presidency.
10. In line with the Opinion of the Council Legal Service⁵ and the orientation of the Council, this Presidency text envisaged basing the Specific Programme on article 182(4) TFEU alone. Consequently, the Decision should be adopted by the Council after consultation of the European Parliament and of the European Economic and Social Committee (Special Legislative Procedure).
11. The Presidency text also reflected the request by the Council for a close involvement of Member States in the strategic planning process and that parts of the strategic plan, namely areas for missions and institutionalised partnerships should be included in the text of the Decision, while the Commission should be empowered to adopt implementing acts for the remaining parts of the strategic plan.
12. At the Competitiveness Council of 30 November 2018, the Austrian Presidency presented a progress report on the state of play of the discussions.

Since the beginning of the Romanian Presidency, the Research Working Party has continued to examine intensively the frequently updated Presidency compromise texts. The latest Presidency compromise text was examined by the Research Attachés Group on 5 March 2019.

⁴ 13566/18

⁵ doc. 11422/18

III. STATE OF PLAY

13. The Council legal advice on the legal basis and the subsequent agreement of the September 2018 Competitiveness Council meant that the Council couldn't enter into negotiation with the Parliament on the Specific Programme. On 9 January 2019, the Presidency began the negotiation with the European Parliament in the co-legislators opening Trilogue on the Framework Programme.
14. Irrespectively of the Council's above decision, the European Parliament indicated a clear preference for advancing the Framework Programme and the Specific Programme as a "package". In that respect, the Presidency underlined that changes agreed in the Framework Programme with ramification on the Specific Programme would be reflected in the latter text.
15. In the subsequent Trilogues, the co-legislators made sufficiently substance progress that allowed the European Parliament to indicate its readiness to agree on a "common understanding" on the Framework Programme's main building blocks provided that the Council's preparation for a partial general approach on the Specific Programme adequately reflected the parliament's position on that programme.
16. In order to allow the Presidency enough time to reach a common understanding on the Framework Programme, whilst seeking to take account of the European Parliament's opinion on the Specific Programme, the Presidency decided to invite the Permanent Representatives Committee to prepare for a partial general approach on the Specific Programme's articles only.
17. At a later stage, the Permanent Representatives Committee will be invited to prepare for a partial general approach on the remaining non-bracketed parts of the Specific Programme.
18. The intention is that additional modifications of either the articles or the annexes won't have any impact on the question on the Specific Programme's legal basis. In addition, the annex on the European Institute of Innovation and Technology (EIT) has be moved and will remain part of the Regulation on the Framework Programme.

IV. CONCLUSION

On this basis, the Romanian Presidency invites delegations to prepare the first part of the partial general approach as set out in the Annex to the present note.

Proposal for a

DECISION OF THE COUNCIL

on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation

(Text with EEA relevance)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 182(4) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the European Economic and Social Committee⁶,

Having regard to the opinion of the Committee of the Regions⁷,

Acting in accordance with a special legislative procedure

⁶ OJ C , , p. .

⁷ OJ C , , p. .

Whereas:

- (1) In accordance with Article 182(3) of the Treaty on the Functioning of the European Union (TFEU), the Horizon Europe - Framework Programme for Research and Innovation ("Horizon Europe"), established by *FP/RfP Regulation* (EU) No ... of the European Parliament and of the Council of ...⁸, is to be implemented through specific programmes, which define the detailed rules for their implementation, fix their duration and provide for the means deemed necessary.
- (2) *FP/RfP Regulation* (EU) No ... sets out the general and specific objectives of Horizon Europe, the structure and the broad lines of activities to be carried out, while this specific programme implementing Horizon Europe - the Framework Programme for Research and Innovation (the 'Specific Programme') should define the operational objectives and the activities which are specific to parts of Horizon Europe. The provisions on implementation set out in *FP/RfP Regulation* (EU) No ... apply fully to the Specific Programme, including those relating to ethical principles.
- (3) In order to ensure uniform conditions for the implementation of the Specific Programme, implementing powers should be conferred on the Commission to adopt work programmes for the implementation of the Specific Programme. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council⁹.
- (4) The Board of Governors of the Joint Research Centre (JRC), set up by Commission Decision 96/282/Euratom¹⁰ has been consulted on the scientific and technological content of the Specific Programme on the non-nuclear direct actions of the JRC;

⁸ OJ C , , p. .

⁹ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13)

¹⁰ Commission Decision 96/282/Euratom of 10 April 1996 on the reorganization of the Joint Research Centre (OJ L 107, 30.4.1996, p. 12).

- (5) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, this Specific Programme will contribute to mainstream climate actions and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Actions under this Specific Programme are expected to contribute 35% of the overall financial envelope of the Specific Programme to climate objectives. Relevant actions will be identified during the Specific Programme's preparation and implementation, and reassessed in the context of the relevant evaluations and review processes. Attention will be paid to coal-intensive areas of the Union **in transition**.
- (6) The Specific Programme's actions should be used to address market failures or sub-optimal investment situations, in a proportionate manner, without duplicating or crowding out private financing and have a clear European added value.
- (7) Reflecting the important contribution that research and innovation should make to address challenges in food, agriculture, rural development and the bioeconomy, and to seize the corresponding research and innovation opportunities in close synergy with Common Agricultural Policy, relevant actions under the Specific Programme will be supported with [EUR 10 billion] for the cluster '~~Food and Natural Resources~~' **Bioeconomy, Food, Natural Resources, Agriculture and Environment**' for the period 2021-2027.
- (8) The completion of the Digital Single Market and the growing opportunities from the convergence of digital and physical technologies requires a stepping up of investments. Horizon Europe will contribute to these efforts with a substantial increase of spending in main digital research and innovation activities compared to the Research and Innovation Framework Programme Horizon 2020¹¹. This should ensure that Europe remains at the forefront of global research and innovation in the digital field.

¹¹ The [Communication from the Commission "A new, modern Multiannual Financial Framework for a European Union that deliver efficiently on its priorities post-2020"](#) identifies EUR 13 billion spent in main digital activities under the Research and Innovation Framework Programme Horizon 2020 (<https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A52018DC0098>).

- (9) The types of financing and the methods of implementation under this Decision shall be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. For grants, this shall include consideration of the use of lump sums, flat rates and scales of unit costs.
- (10) Member States should be involved early in the process of defining missions.

HAVE ADOPTED THIS DECISION:

CHAPTER I

GENERAL PROVISIONS

Article 1

Subject matter

This Decision establishes the specific programme implementing Horizon Europe - the Framework Programme for Research and Innovation (the ‘Specific Programme’), as set out in Article 1(3)(a) of the *FP/RfP* Regulation.../.../EU.

It lays down the operational objectives of the Specific Programme, the budget for the period 2021 – 2027, the rules for implementation of the Specific Programme and activities to be carried out under the Specific Programme.

Article 2

Operational objectives

1. The Specific Programme shall contribute to the general and specific objectives set out in Article 3 of Regulation ... *FP/RfP Regulation*
2. The Specific Programme has the following operational objectives:
 - (a) strengthening excellent basic and frontier research; reinforcing and spreading excellence **and widening participation** throughout the Union;
 - (b) reinforcing the link between research, innovation, and where appropriate, education and other ~~other~~ policies, including complementarities with national and regional and EU research and innovation policies and activities;
 - (ba) supporting the implementation of Union policy priorities including in particular the sustainable development goals **and the Paris Agreement**;
 - (c) promoting responsible research and innovation, taking into account the precautionary principle, ~~and address~~
 - (ca) strengthening** the gender dimension across the Programme;
 - (d) increasing collaboration links in European research and innovation and across sectors and disciplines, including social sciences and humanities;
 - (da) strengthening international cooperation;
 - (e) connecting, **and** developing ~~and providing transnational access to~~ research infrastructures across the European Research Area **and providing transnational access**;

- (g) attracting talent, training and retaining researchers and innovators in the European Research Area, including through mobility;
 - (h) fostering open science and ensuring visibility to the public and open access to scientific publications and research data, including appropriate exceptions;
 - (i) encouraging exploitation of R&I results within the Union and in the Associated Countries of the beneficiaries involved in the action and actively disseminating and exploiting results, in particular for leveraging private investments and policy development;
 - (m) delivering, through R&I missions, on ambitious goals within a set timeframe;
 - (n) improving the relationship and interaction between science and society, including the visibility of science in society and science communication, and promoting the involvement of citizens and end-users in co-design and co-creation processes;
 - (p) accelerating industrial transformation, including through improved skills for innovation;
 - (r) stimulating R&I activities in SMEs and the creation and scale-up of innovative companies, in particular start-ups, SMEs, and in exceptional cases small mid-caps;
 - (t) improving access to risk finance, including through synergies with InvestEU, in particular where the market does not provide viable financing.
3. Within the objectives referred to in paragraph 2, account may be taken of new and unforeseen needs that arise during the period of implementation of the Specific Programme. That may, if duly justified, include responses to emerging opportunities, crises and threats, as well as responses to needs relating to the development of new Union policies.

Article 3

Structure

1. In accordance with Article 4(1) of Regulation ... *FP/RfP Regulation*, the Specific Programme shall consist of the following parts:
 - (1) Pillar I 'Excellent Science' with the following components:
 - (a) the European Research Council (ERC), as described in Annex I, Pillar I, section 1;
 - (b) Marie Skłodowska-Curie Actions (MSCA), as described in Annex I, Pillar I, section 2;
 - (c) research infrastructures, as described in Annex I, Pillar I, section 3;
 - (2) Pillar II 'Global Challenges and European Industrial Competitiveness' with the following components:
 - (a) cluster 'Health', as described in Annex I, Pillar II, section 1;
 - (b) cluster 'Culture, **Creativity** and Inclusive Society', as described in Annex I, Pillar II, section 2;
 - (c) cluster 'Civil Security for Society', as described in Annex I, Pillar II, section 3;
 - (d) cluster 'Digital, Industry and Space', as described in Annex I, Pillar II, section 4;
 - (e) cluster 'Climate and Energy ', as described in Annex I, Pillar II, section 5;
 - (ee) cluster 'Mobility', as described in Annex I, Pillar II, section 6
 - (f) cluster 'Bioeconomy, Food, Natural Resources, **Agriculture** and Environment', as described in Annex I, Pillar II, section 7;
 - (g) non-nuclear direct actions of the Joint Research Centre (JRC), as described in Annex I, Pillar II, section 8;

- (3) Pillar III 'Innovative Europe' with the following components:
 - (a) the European Innovation Council (EIC), as described in Annex I, Pillar III, section 1;
 - (b) European innovation ecosystems, as described in Annex I, Pillar III, section 2.
 - (4) Part 'Widening Participation and Strengthening the European Research Area' with the following components:
 - (a) widening participation and ~~sharing~~**spreading** excellence, as described in Annex I, Part 'Strengthening the European Research Area', section 1;
 - (b) reforming and enhancing the European R&I system, as described in Annex I, Part 'Strengthening the European Research Area', section 2.
2. The activities to be carried out under the parts referred to in paragraph 1 are described in Annex I.

Article 4

Budget

1. In accordance with Article 9(1) of Regulation ... *FP/RfP Regulation*, the financial envelope for the implementation of the Specific Programme for the period 2021 to 2027 shall be [EUR 91 100 000 000] in current prices.
2. The amount referred to in paragraph 1 of this Article shall be distributed among the components set out in Article 3(1) of this Decision in accordance with Article 9(2) of Regulation ... *FP/RfP Regulation*. The arrangements of Article 9(3) to (8) of Regulation ... *FP/RfP Regulation* shall apply.

CHAPTER II

IMPLEMENTATION AND PROGRAMMING

Article 4a

Strategic Plan

1. In accordance with Article 6 paragraph 6 of the [Framework Programme Regulation], the implementation of the Specific Programme shall be facilitated by a multiannual Strategic Plan of research and innovation activities, also promoting consistency between the work programmes and EU priorities **and national priorities**. The result of the Strategic Planning Process shall be set out in a multiannual Strategic Plan, for preparing the content in the work programmes (as set out in Article 11) covering a maximum period of four years, while retaining sufficient flexibility to respond rapidly to new and emerging challenges, unexpected opportunities and crises.
2. The Strategic Planning Process shall focus in particular on the 'Global challenges and European industrial competitiveness' pillar and cover also relevant activities in other pillars and the Widening Participation and Strengthening the European Research Area part.

The Commission shall ensure early involvement and extensive exchanges with the Member States, and as appropriate the European Parliament, complemented by consultation with stakeholders and the public at large. This will contribute to a stronger engagement with citizens and civil society.

Member States may support the strategic planning process **also** through providing an overview of national consultations/citizens' contributions that feed into the Strategic Plan.

3. The Strategic Plan shall be adopted by the Commission, by means of an implementing act, in accordance with the examination procedure referred to in Article 12(4). The Strategic Plan shall correspond to the objectives and activities described in Annex 1. This Implementing Act shall contain the following elements, relating to the period covered:
 - a. Key strategic orientations for R&I support, including a description of expected impacts, cross-cluster issues and intervention areas covered.
 - b. Identification of European Partnerships according to Article 8(1)(a and b) of the [FP Regulation].
ba. Identification of Missions according to Article 5.
 - c. Areas for international cooperation, actions to be aligned with Research & Innovation of other nations and regions of the world at major scale, or actions to be carried out in cooperation with organisations in third countries.
 - d. Specific issues, such as the balance between research and innovation; the integration of Social Sciences and Humanities; the role of Key Enabling Technologies and strategic value chains; gender equality, including the integration of gender dimension in the R&I content; adherence to the highest ethics and integrity standards; priorities for dissemination and exploitation.
4. The Strategic Plan shall take into account an analysis covering at least the following elements:
 - a) Political, socio-economic and environmental drivers which are relevant for the EU and Member States' policy priorities.
 - b) The contribution of research and innovation to the realisation of EU policy objectives, while capitalizing on -studies, other scientific evidence and relevant initiatives at EU and national level, including institutionalised partnerships according to article 8(1)(c) of the [FP Regulation].

- c) Evidence-base resulting from foresight activities, S&T and innovation indicators, international developments such as the implementation of the SDGs and feedback from implementation, including monitoring the implementation of specific measures with regard to widening participation and sharing excellence and participation of SMEs.
 - d) Priorities with the potential to be implemented in synergy with other EU programmes.
 - e) A description of the various approaches for stakeholder consultation and citizen engagement as part of the work to develop Work Programmes;
 - f) Complementarity and synergies with planning of the KICs of the EIT in accordance with Regulation 294/2008/EC.
5. The strategic planning process shall be complemented by a strategic coordinating process for European Partnerships, with participation of Member States and the Commission on equal footing. It shall function as an entry point for **foresight analysis**, analysis and advice on the possible setup, implementation, monitoring and phasing out of R&I partnerships and be guided by a comprehensive criteria framework, based on Annex III of the Horizon Europe Regulation.

Article 5

Missions

1. Research and Innovation Missions may be established in the mission areas identified in part 1 of Annex 1a.

2. For each mission area, a mission board shall be established, unless existing advisory structures can be used, in which case the Programme Committee shall be informed in advance. The mission board shall be composed of a maximum of 15 independent high level individuals with broad expertise, **including where appropriate SSH experts**, from across Europe and beyond, including relevant end-users' representatives. The members of the mission boards shall be appointed by the Commission, following a transparent procedure for their identification, including an open call for expressions of interest. The Programme Committee shall ~~hold an exchange of views~~ **be consulted** on the identification and selection procedures, including the criteria used, in a timely manner. The term of office of mission board members shall be up to five years, renewable once.
3. The mission board ~~shall not have decision-making powers but~~ shall advise, without having decision-making powers, the Commission upon the following:
 - (a) identification and design of one or more missions in the respective mission area according to the provisions and criteria as set out in Article 7 of [Framework Programme Regulation]
 - (b) content of work programmes and their revision as needed for achieving the mission objectives, with input from stakeholders and, where relevant, the public;
 - (c) characteristics of project portfolios for missions;
 - (d) adjustment actions, or termination if appropriate, based on implementation assessments according to the defined objectives of the mission;
 - (e) selection of independent expert evaluators following the provisions of Article 44 [of the FP Regulation], briefing of expert evaluators and evaluation criteria and their weighting;
 - (f) framework conditions which help achieve the objectives of the mission;
 - (g) communication, including on the performance and the achievements of the mission;

- (h) policy coordination between relevant actors at different levels, in particular regarding synergies with other Union policies;
- (i) key performance indicators.

The advice of the mission boards shall be made public.

4. For each Mission area, the Programme Committee shall ~~give feedback on the tentative list of missions and~~ be involved in the preparation and life cycle of the missions, taking into account relevant issues from the national context and opportunities to enhance alignment with activities on national level. Interactions with the mission boards shall take place in a timely and comprehensive manner.
5. The work programme provided for in Article 11 shall include ~~the missions, including design of~~ **for** each mission **identified in the Strategic Plan, the design**, the characteristics of their project portfolios and specific provisions to enable an efficient portfolio approach ~~shall be set out in the work programme provided for in Article 11.~~

Article 6

European Research Council

1. The Commission shall establish a European Research Council ("ERC"), for implementing the actions under Pillar I 'Excellent Science' which relate to the ERC. The ERC shall succeed the ERC set up by Decision C(2013) 1895¹².
2. The ERC shall be composed of the independent Scientific Council provided for in Article 7 and the dedicated implementation structure provided for in Article 8.

¹² OJ C 373, 20.12.2013, p. 23

3. The ERC shall have a President who shall be chosen from among senior and internationally respected scientists.

The President shall be appointed by the Commission following a transparent recruitment process involving an independent dedicated search committee, for a term of office limited to four years, renewable once. The recruitment process and the candidate selected shall have the approval of the Scientific Council.

The President shall chair the Scientific Council and shall ensure its leadership and liaison with the dedicated implementation structure, and represent it in the world of science.

4. The ERC shall operate according to its core principles of scientific excellence, open science, autonomy, efficiency, effectiveness, transparency, accountability and research integrity. It shall ensure continuity with ERC actions conducted under Decision .../EC.
5. The activities of the ERC shall support frontier research, in a bottom-up manner, carried out across all fields by ~~individual~~ principal investigators and their teams in competition at the European level, including early-stage career researchers.
6. The Commission shall act as the guarantor of the autonomy and integrity of the ERC and shall ensure the proper execution of the tasks entrusted to it.

The Commission shall ensure that the implementation of the ERC actions is in accordance with the principles set out in paragraph 4 of this Article as well as with the overall strategy for the ERC, referred to in point (a) of Article 7(2), established by the Scientific Council.

Article 7

ERC Scientific Council

1. The Scientific Council shall be composed of independent scientists, engineers and scholars of the highest repute and appropriate expertise, of both women and men in different age groups ~~drawn from various parts of Europe~~, ensuring a diversity of research areas **and the variety of geographical origins**, and acting in their personal capacity, independent of extraneous interests.

The members of the Scientific Council shall be appointed by the Commission, following an independent and transparent procedure for their identification agreed with the Scientific Council, including an open consultation of the scientific community and a report to the European Parliament and the Council.

Their term of office shall be limited to four years, renewable once, on the basis of a rotating system which shall ensure the continuity of the work of the Scientific Council.

2. The Scientific Council shall establish:
 - (a) the overall strategy for the ERC;
 - (b) the work programme for the implementation of the ERC activities;
 - (c) the methods and procedures for peer review and proposal evaluation on the basis of which the proposals to be funded are determined;
 - (d) its position on any matter which from a scientific perspective may enhance achievements and impact of the ERC and the quality of the research carried out;
 - (e) a code of conduct addressing, inter alia, the avoidance of conflict of interests.

The Commission shall depart from the positions established by the Scientific Council in accordance with points (a), (c), (d), and (e) of the first subparagraph only when it considers that the provisions of this Decision have not been respected. In that case, the Commission shall adopt measures to maintain continuity in the implementation of the specific programme and the achievements of its objectives, setting out the points of departure from the Scientific Council positions and duly motivating them.

3. The Scientific Council shall act in accordance with the mandate set out in Pillar I of Annex I, section 1.
4. The Scientific Council shall act exclusively in the interest of the ERC, according to the principles set out in Article 6. It shall act with integrity and probity and carry out its work efficiently and with the greatest possible transparency.

Article 8

Dedicated ERC implementation structure

1. The dedicated implementation structure shall be responsible for the administrative implementation and programme execution, as described in Pillar I of Annex I, section 1.3.2. It shall support the Scientific Council in the conduct of all of its tasks.
2. The Commission shall ensure that the dedicated implementation structure follows strictly, efficiently and with the necessary flexibility the objectives and requirements of the ERC alone.

Article 9

The European Innovation Council

1. ~~The Commission shall establish a European Innovation Council (EIC) for implementing actions under Pillar III 'Innovative Europe' which relate to the EIC. The EIC shall operate according to the following principles: focus on breakthrough, market creating and deep tech innovation covering technological, non technological and social aspects, clear EU added value, autonomy, ability to take risk, efficiency, effectiveness, transparency and accountability.~~
2. — The EIC, **as established according to Article 7a of the [FP Regulation]** shall include the High Level Board ("EIC Board") provided for in Article 10.
3. ~~2.~~ The Commission shall ensure that the implementation of the EIC:
 - (a) is in accordance with the principles set out in paragraph 1 of this Article, taking due account of the opinion of the EIC Board on the overall strategy for the EIC, referred to Article 10(1)(a); and
 - (b) does not lead to distortions of competition contrary to the common interest.
4. ~~3.~~ For the purpose of managing EIC blended finance, the Commission shall make use of indirect management, or where this is not possible, may establish a special purpose vehicle, to be managed according to the applicable accountability rules. The Commission shall seek to ensure the participation of other public and private investors. Where this is not possible at the initial set up, the special purpose vehicle will be structured in such a way that it can attract other public or private investors in order to increase the leverage effect of the Union contribution.
4. **The Commission shall ensure effective complementarities between the EIC, the EIT and InvestEU.**

Article 10

The EIC Board

1. The EIC Board shall advise the Commission upon:
 - (a) the overall strategy for the EIC component under Pillar III 'Innovative Europe';
 - (b) the work programme for the implementation of the EIC actions;
 - (c) the criteria for assessment of the innovativeness and risk profile of the proposals and the appropriate balance of grants, equity and other forms of financing for the EIC accelerator;
 - (d) the identification of strategic portfolio of projects;
 - (e) the profile of programme managers.

2. The EIC Board may upon request address recommendations to the Commission on:
 - (a) any matter which from an innovation perspective may enhance and foster innovation eco-systems across Europe, the achievements and impact of the objectives of the EIC component and the capacity of innovative firms to roll out their solutions;
 - (b) identifying in cooperation with relevant Commission services and, where appropriate, national and regional authorities and other relevant entities, such as the EIT Governing Board, possible regulatory barriers faced by entrepreneurs, in particular those awarded support under the EIC component;
 - (c) emerging technology trends from EIC's portfolio, to inform the programming in other parts of the Specific Programme;
 - (d) identifying specific issues where advice from the EIC Board is needed.

The EIC Board shall act in the interest of achieving the objectives of the EIC component. It shall act with integrity and probity and carry out its work efficiently and with transparency.

The EIC Board shall act in accordance with its mandate set out in Pillar III of Annex I, section 1.

3. The EIC Board shall be composed of 15 to 20 independent high level individuals drawn from various parts of Europe's innovation ecosystem, including entrepreneurs, corporate leaders, investors, public administration experts and researchers. It shall contribute to outreach actions, with EIC Board members striving to enhance the prestige of the EIC brand.

The members of the EIC Board shall be appointed by the Commission, following an open call for nominations or for expression of interests or both, whichever the Commission will find more appropriate, and taking into account the need for balance in expertise, gender, age and geographical distribution.

Their term of office shall be limited to two years, renewable twice, with a rolling appointments system (members appointed every two years).

4. The EIC Board shall have a President who shall be appointed by the Commission following a transparent recruitment process. The President shall be a high profile public figure linked to the innovation world, with a solid understanding of R&D.

The President shall be appointed for a term of office limited to four years, renewable once.

The President shall chair the EIC Board, prepare its meetings, assign tasks to members, and may establish dedicated sub-groups, in particular to identify emerging technology trends from EIC's portfolio. He or she shall represent the EIC in the world of innovation. He or she shall also promote the EIC, act as interlocutor with the Commission, through the relevant programme committees, with Member States. The Commission will provide for administrative support for the President to undertake his or her duties.

5. A code of conduct addressing, inter alia, the avoidance of conflict of interests and breach of confidentiality shall be established by the Commission. Members of the EIC Board will accept the code of conduct upon assuming office.

Article 11

Work programmes

1. The Programme shall be implemented by the work programmes referred to in paragraph 2 in accordance with Article 110 of Financial Regulation. They shall set out the expected impact and be prepared following a strategic planning process as described in Annex I to this Decision. The Commission shall regularly and from an early stage inform the Committee referred to in Article 12 of the overall progress of the implementation of the indirect actions of the specific programme, including missions, also to allow the Committee to provide early appropriate input in the course of the strategic planning process and on the preparation of the work programmes, especially on missions.

Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

2. The Commission shall adopt separate work programmes, by means of implementing acts, for the implementation of actions under the following components, as set out in Article 3(1) of this Decision :
 - (a) the ERC, where the work programme shall be established by the Scientific Council under point (b) of Article 7(2), in accordance with the advisory procedure referred to in Article 12(3). The Commission shall depart from the work programme established by the Scientific Council only when it considers that it is not in accordance with the provisions of this Decision. In that case, the Commission shall adopt the work programme by means of an implementing act in accordance with the examination procedure referred to in Article 12(4). The Commission shall duly motivate this measure;

- (b) all clusters under the pillar 'Global Challenges and Competitiveness of European Industry', MSCA, research infrastructures, support to innovation ecosystems, sharing excellence and reforming and enhancing the European R&I System, in accordance with the examination procedure referred to in Article 12(4);
 - (c) the EIC, where the work programme shall be prepared following the advice of the EIC Board under point (b) of Article 10(1), in accordance with the examination procedure referred to in Article 12(4);
 - (d) the JRC, where the multi-annual work programme shall take into account the opinion provided by the Board of Governors of the JRC referred to in Decision 96/282/Euratom.
3. In addition to requirement in Article 110 of the Financial Regulation, the work programmes referred to in paragraph 2 of this Article shall, as appropriate, contain:
- (a) an indication of the amount allocated to each action and mission and an indicative implementation timetable;
 - (b) for grants the priorities, the selection and award criteria and the relative weight of the different award criteria and the maximum rate of funding of the total eligible costs;
 - (c) the amount allocated to blended finance in accordance with Articles 41 to 43 of Regulation ... *FP/RfP Regulation*;
 - (d) any additional obligations for beneficiaries, in accordance with Articles 35 and 37 of the *FP/RfP Regulation*.

4. The Commission shall adopt, by means of implementing acts, in accordance with the examination procedure referred to in Article 12(4) the following measures:
- (a) the decision on the approval of the funding of indirect actions, where the estimated amount of the Union contribution under the specific programme is equal to or more than EUR 2,5 million, with the exception of actions under the specific objective "European Research Council (ERC)"; **for funding of indirect actions in cluster 2 the decision on the approval of the funding of indirect actions, where the estimated amount of the Union contribution under the Specific Programme is equal to or more than EUR 1 million;**
 - (b) the decision on the approval of the funding of actions involving the use of human embryos and human embryonic stem cells; **and of actions under the cluster "Civil Security for Society" referred to in Article 3(1)(2)(c).**

Article 12

Committee procedure

1. The Commission shall be assisted by a committee¹³. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. The committee shall meet in different configurations as set out in Annex II, having regard to the subject matter to be discussed.
3. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.

¹³ With a view to facilitating the implementation of the programme, for each meeting of the Programme Committee as defined in the agenda, the Commission shall reimburse, in accordance with its established guidelines, the expenses of one representative per Member State, as well as one expert/adviser per Member State for those agenda items where a Member State requires specific expertise.

4. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
5. Where the opinion of the committee is to be obtained by written procedure, that procedure shall be terminated without result when, within the time-limit for delivery of the opinion, the chair of the committee so decides or a simple majority of committee members so request.
6. **In the case of the implementing acts to be adopted under Article 4a(3) where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) 182/2011 shall apply.**
7. The Commission shall regularly inform the Committee of the overall progress of the implementation of the specific programme and shall provide it with timely information on all actions and components proposed or funded under Horizon Europe and its externalised parts, as specified in Annex III, including detailed information/analysis of the statistics of the individual calls.

CHAPTER III

TRANSITIONAL AND FINAL PROVISIONS

Article 12 a

Review of Missions and Partnerships areas

No later than 2023, the Commission shall carry out a review of Annex Ia as part of the overall monitoring of the programme, including missions and institutionalised European partnerships on the basis of article 185 TFEU or article 187 TFEU, and present a report on the main findings to the Council and the European Parliament. That report may be accompanied, where appropriate, by a proposal for the modification of that annex.

Article 13

Repeal

Decision 2013/743/EU is repealed with effect from 1 January 2021.

Article 14

Transitional provisions

1. This Decision shall not affect the continuation or modification of the actions concerned, until their closure, under Decision 2013/743/EU, which shall continue to apply to the actions concerned until their closure.

Where necessary, any remaining tasks of the Committee established by Decision 2013/743/EU shall be undertaken by the Committee referred to in Article 12 of this Decision.

2. The financial envelope for the Specific Programme may also cover technical and administrative assistance expenses necessary to ensure the transition between the Specific Programme and the measures adopted under its predecessor Decision 2013/743/EU.

Article 15

Entry into force

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Decision is addressed to the Member States.

Done at Brussels,

For the Council

The President

ANNEX TO THE ANNEX

The annexes with the following names and subheadings will form part of the Specific Programme:

ANNEX I

STRATEGIC PLANNING AND PROGRAMME ACTIVITIES

PILLAR I EXCELLENT SCIENCE

PILLAR II GLOBAL CHALLENGES AND EUROPEAN INDUSTRIAL COMPETITIVENESS

PILLAR III INNOVATIVE EUROPE

PART - WIDENING PARTICIPATION AND STRENGTHENING THE EUROPEAN
RESEARCH AREA

ANNEX Ia

AREAS FOR POSSIBLE MISSIONS AND POSSIBLE INSTITUTIONALISED EUROPEAN
PARTNERSHIPS TO BE ESTABLISHED UNDER ARTICLE 185 OR 187 TFEU

ANNEX II

PROGRAMME COMMITTEE CONFIGURATIONS

ANNEX III

INFORMATION TO BE PROVIDED BY THE COMMISSION IN ACCORDANCE WITH
ARTICLE 12(6)