



## HORIZON EUROPE

Horizon Europe is the European Union's seven-year research and innovation programme, running from 2021 to 2027, its design will allow Horizon Europe to serve all the headline ambitions of the Political Guidelines of President-elect von der Leyen. The programme's general objective is to deliver scientific, technological, economic and societal impact from the Union's investments in R&I, to strengthen the scientific and technological bases of the Union, and foster its competitiveness in all Member States.

With a **proposed budget of €100 billion** over seven years, Horizon Europe is the largest EU's largest R&I framework programme ever and responsibility for delivering on it will make you a partner in delivering on Executive Vice-President Vestager's mandate to 'maximise the contribution of investment in research and innovation in supporting our policy objectives'. Horizon Europe has the potential to generate significant economic, social and scientific returns. According to the impact assessment, Horizon Europe has the potential to deliver up to €11 in Gross Domestic Product (GDP) gains for every euro invested, create up to 320,000 new highly skilled jobs by 2040 and consolidate Europe's leadership in research and innovation.

Crucially, Horizon Europe is designed with an investment mind-set rather than as a 'funding' instrument; and built to help the EU make the transition to a sustainable and prosperous future.

### Horizon Europe has three pillars

The Excellent Science pillar supports frontier research projects designed and driven by researchers through the European Research Council (ERC). It also funds fellowships and a mobility of researchers through Marie Skłodowska-Curie Actions, and invests in world-class research infrastructures.

The Global Challenges and European Industrial Competitiveness pillar supports research into societal challenges, reinforces technological and industrial capacities, and sets EU-wide missions with ambitious goals tackling some of our biggest problems (health, climate change, clean energy, mobility, security, digital, materials, etc.). It will also support partnerships with Member States, industry and other stakeholders to work jointly on research and innovation. It includes action by the Joint Research Centre that supports EU and national policymakers with independent scientific evidence and technical support.

The Innovative Europe pillar aims to make Europe a frontrunner in market-creating innovation and SME growth through the European Innovation Council. It will help develop the overall European innovation landscape. The European Institute of Innovation and Technology (EIT) will continue to foster the integration of business, research, higher education and entrepreneurship.

A fourth component on Widening participation and Strengthening the European Research Area underpins the whole of Horizon Europe. It will support EU Member States in their efforts to unlock their national research and innovation potential and it will especially help low R&I performing Member States to participate better in Horizon Europe.

Horizon Europe is not just about grants to enable European R&I. Spending money would deliver few lasting results if the broader framework for R&I is not effective and efficient. Horizon Europe is also a powerful tool to give direction to European R&I and to European policy. It brings together partners from science, innovation and business, to jointly develop agendas, to divide the work, and to focus on framework conditions such as regulation to improve the R&I ecosystem as a whole.



## Horizon Europe innovation in governance: strategic planning

Strategic planning is a new way of setting the detailed research and innovation priorities of Horizon Europe, co-created with other Commission services, Member States, stakeholders and civil society.

The strategic planning process will cover Horizon Europe as a whole. It will identify the areas for funding priorities, partnerships and missions, and align them with the Political Guidelines of President-elect von der Leyen, fully in the spirit of the 'open, inclusive and cooperative working' that will be the hallmark of her college.

The first strategic planning covers the first four years of the programme. It will take the form of a multiannual strategy, while preserving flexibility to respond rapidly to unexpected crisis or substantiated policy demands. Horizon Europe work programmes will be co-created with all relevant Commission services once the strategic planning process is finalised.

## Horizon Europe: Novelty

One of the main novelty on Horizon Europe is the mission-driven approach that are linked to key societal challenges and relevant to a broad range of stakeholders as well as to citizens. The answers to the direction of the programme to have an 'investment mind-set' with a project portfolio approach. Since they are new, missions are by definition 'experimental'. They provide a learning lab for policy experimentation with a view to planning and co-creating R&I with all the EU policies concerned but also with concerned stakeholders and citizens. Ultimately, they should deliver European public goods on some of the issues that matter most to people. The five mission areas are: adaptation to climate change including societal transformation, cancer, healthy oceans, seas, coastal and inland waters, climate-neutral and smart cities and health soil and food.

The European Innovation Council is another key novelty of Horizon Europe; it is the one-stop shop for innovation to bring the most promising ideas and breakthrough innovations from lab to real-world application and help the most innovative start-ups and companies to scale up.

## Horizon Europe: Financing

Under the next MFF (2021-27) all EU access to (risk) finance instruments will be implemented under a single InvestEU Fund. DG Research & Innovation is involved in two windows of InvestEU: the R&I Window and the SME Window.

The R&I window aims to make financing for innovation available across the innovation cycle and corporate development cycle. The challenge will be to develop a window that is both inclusive (accommodating financing for R&I of all types) and at the same time fully in line with specific missions/global challenges of the next FP. For the SME window, DG Research & Innovation is in charge of the equity sub-window.

The only exceptions are the European Innovation Council's specific financial instruments, which will be funding extremely promising but high-risk projects that cannot meet the 'bankability' criteria of InvestEU. In close synergy with InvestEU, the EIC Accelerator, in its blended finance and equity financial support forms, will finance projects run by SMEs, including start-ups. In exceptional cases, small mid-caps will also be financed, if they are not yet able to generate revenues, be profitable, or able to attract sufficient investments to fully implement their projects. Such eligible entities will be considered as non-bankable. Once they will become bankable, those projects may, in a later stage of their development, be financed under InvestEU. Crucial decisions for the future will include how to organise the interface of Horizon Europe (and all other legacy programmes with internal financial instruments) with the future InvestEU Fund.

The crosscutting nature of R&I Horizon Europe will promote synergies with other EU programmes including Euratom, the European Regional Development Fund, the Common Agricultural Policy, InvestEU, the European Defence Fund, ITER, the Digital Europe Programme, and the Connecting Europe Facility.