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Annex IX

Horizon Europe

Work Programme 2025

10. European Innovation Ecosystems (EIE)

DISCLAIMER

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Introduction

The European Union (EU) and the world face a series of profound and rapid changes including in the areas of climate, the digital transition, and geopolitics. The climate emergency, the slow economic growth and Russia's continuing invasion of Ukraine are causing unique social and economic challenges calling for urgent action. These pressing challenges have spurred researchers, entrepreneurs, industry, public authorities and institutions, civil society organisations, and people across the globe into close cooperation to identify and co-develop innovative solutions to increase resilience and global environmental sustainability. In particular, deep tech¹ innovations, emerging from a growing cohort of innovative startups in the EU, have the potential to deliver transformative solutions in the face of these global challenges.

Collaboration for innovative solutions is also crucial to boost Europe's competitiveness. Despite the competitive advantages of the European innovation ecosystems, much of the knowledge produced by European researchers remains unexploited. As has been highlighted by the Draghi report, a key reason behind this failure is the fact that researchers in Europe are less well integrated into networks of universities, start-ups, large companies and venture capitalists, which account for a large share of successful commercialisations in high-tech sectors.² This suggests that strengthening the networks between is a crucial step to putting research and innovation at the heart of our economy.³

To be effective and fair, this new role for research and innovation should be open to all stakeholders and citizens who wish to be part of the research and innovation cycle. In this spirit, the Letta report has called for the addition of a fifth freedom to the traditional four freedoms – the freedom of investigating, exploring and creating for the benefit of humankind without disciplinary or artificial borders and limitations.⁴ The fulfilment of such freedom clearly presupposes well-functioning and inclusive innovation ecosystems.

Against this background, the European Innovation Ecosystems work programme aims to create and expand more connected, inclusive, and efficient innovation ecosystems⁵ that support the scaling of companies and spur innovation with a view to addressing key challenges in a holistic and responsible way, as laid out in the New European Innovation Agenda⁶.

¹ Deep tech is technology that is based on cutting-edge scientific advances and discoveries and is characterised by the need to stay at the technological forefront by constant interaction with new ideas and results from the lab. Deep tech is distinct from 'high tech' which tends to refer only to Research & Development intensity. Deep tech innovation aims to provide concrete solutions to our societal problems by finding its source in a deep interaction with the most recent scientific and technological advances and by seeking to produce a profound impact in the targeted application areas.

² <u>The future of European competitiveness – A competitiveness strategy for Europe</u>

 ³ Ursula Von der Leyen, Europe's Choice: Political Guidelines for the Next European Commission 2024-2029.
 ⁴ Enrico Letta - Much more than a market (April 2024) (europa.eu)

Definition as per Article 2(47) of the <u>Horizon Europe Regulation</u>.

⁶ <u>A New European Innovation Agenda COM(2022) 332 final.</u>

The work programme contains actions under two (2) destinations: CONNECT and INNOVSMES.

- The actions under the CONNECT destination focus on building interconnected and inclusive innovation ecosystems across the EU. Drawing on the existing strengths of national, regional and local ecosystems and encouraging the involvement of all actors and territories, this destination aims to reinforce network connectivity for sustainably business growth and to define and achieve ambitious collective goals for the benefit of society, including green, digital, and social transitions. It supports the flagship actions on *accelerating and strengthening innovation in European Innovation Ecosystems across the EU and addressing the innovation divide, funding for deep tech scale-ups and enabling deep tech innovation through experimentation spaces and public procurement under the New European Innovation Agenda.*
- The action under the INNOVSMES destination will support the European Partnership on Innovative Small and Medium-sized Enterprises (SMEs), which will help innovative SMEs to increase their research and innovation (R&I) capacity and productivity and successfully embed in global value chains and access new markets.

In addition, it contains a number of other actions supporting the policy and programme goals of European Innovation Ecosystems.

This work programme contributes to all key strategic orientations and impact areas of Horizon Europe⁷ and to increasing innovation cohesion. Furthermore, it works in complementarity with several other EU initiatives, including: the European Innovation Council (EIC), the European Institute of Innovation and Technology (EIT), including the Knowledge and Innovation Communities (KICs) and the Regional Innovation Scheme, the "Widening participation and strengthening the European Research Area" work programme and other innovative activities across Horizon Europe, the Interregional Innovation Investments (I3) instrument (European Regional Development Fund) under Cohesion Policy and the regional Smart Specialisation Strategies, Euroclusters under the Single Market Programme, the Digital Europe Programme, , as well as other relevant funding and policy initiatives at EU, national, regional and local level, such as the Enterprise Europe Network⁸ and the European Defence Fund/European Defence Innovation Scheme.⁹

At the policy level, the EIC Forum¹⁰ will continue to work in a flexible manner to foster enabling framework conditions and flows of information, knowledge, talent and best practices among actors of innovation ecosystems and the EIC, to fully harness the potential of innovation. Overall, it will enhance the exchange of best practices and coordination of national innovation policy initiatives, including by providing policy orientations. By promoting a coherent and

- ⁸ More information under <u>"Enterprise Europe Network."</u>
- ⁹ More information under <u>"Defence Industry and Space."</u>

⁷ Horizon Europe strategic plan 2025-2027 - European Commission (europa.eu)

¹⁰ More information under "EIC Forum."

inclusive approach to EU innovation ecosystems' policy, it operates in complement to the actions in this work programme.

The National Contact Points for the European Innovation Ecosystems work programme are supported under the EIC work programme.

Proposals are invited against the following <u>three</u> calls for proposals:

Calls

Call - Partnership on Innovative SMEs

HORIZON-EIE-2025-01

Overview of this call¹¹

Proposals are invited against the following Destinations and topic(s):

Topics	Type of Action	Budgets (EUR million)	Expected EU contribution	Indicative number of
		2025	per project (EUR million) ¹²	projects expected to be funded
Opening: 01 May 2025 Deadline(s): 03 Jun 2025				
Destination: INNOVSMES - Partnership on Innovative SMEs				
HORIZON-EIE-2025-03-INNOVSMES- 01: European Partnership on Innovative SMEs	COFUND	TBC	TBC	1
Overall indicative budget		TBC		

General conditions relating to this call	
Admissibility conditions	The conditions are described in General Annex A.
Eligibility conditions	The conditions are described in General Annex B.

The Director-General responsible for the call may decide to open the call up to one month prior to or after the envisaged date(s) of opening.
 The Director-General responsible may delay the deadline(s) by up to two months.
 All deadlines are at 17.00.00 Brussels local time.
 The budget amounts are subject to the availability of the appropriations provided for in the general budget of the Union for 2025.

¹² Nonetheless, this does not preclude submission and selection of a proposal requesting different amounts.

Financial and operational capacity and exclusion	The criteria are described in General Annex C.
Award criteria	The criteria are described in General Annex D.
Documents	The documents are described in General Annex E.
Procedure	The procedure is described in General Annex F.
Legal and financial set-up of the Grant Agreements	The rules are described in General Annex G.

Call - Interconnected Innovation Ecosystems (2025.1)

HORIZON-EIE-2025-02

Overview of this call¹³

Proposals are invited against the following Destinations and topic(s):

Topics	Type of Action	Budgets (EUR million) 2025	Expected EU contribution per project (EUR million) ¹⁴	Indicative number of projects expected to be funded
Opening: 14 May 2025				

The Director-General responsible for the call may decide to open the call up to one month prior to or after the envisaged date(s) of opening.
 The Director-General responsible may delay the deadline(s) by up to two months.
 All deadlines are at 17.00.00 Brussels local time.
 The budget amounts are subject to the availability of the appropriations provided for in the general budget of the Union for 2025.

¹⁴ Nonetheless, this does not preclude submission and selection of a proposal requesting different amounts.

Deadline(s): 15 Oct 2025				
Destination: CONNECT - Interconnected I	nnovation E	cosystems		
HORIZON-EIE-2025-02-CONNECT-01: Preparatory action for setting up joint programmes among innovation ecosystems actors	CSA	TBC	Around 0.50	TBC
HORIZON-EIE-2025-02-CONNECT-02: Implementing co-funded action plans for connected regional innovation valleys	COFUND	TBC	5.00 to 8.00	TBC
Overall indicative budget		TBC		

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General conditions relating to this call	
Admissibility conditions	The conditions are described in General Annex A.
Eligibility conditions	The conditions are described in General Annex B.
Financial and operational capacity and exclusion	The criteria are described in General Annex C.
Award criteria	The criteria are described in General Annex D.
Documents	The documents are described in General Annex E.
Procedure	The procedure is described in General Annex F.

Legal and financial set-up of the Grant Agreements

The rules are described in General Annex G.

Call - Interconnected Innovation Ecosystems (2025.2)

HORIZON-EIE-2025-03

Overview of this call¹⁵

Proposals are invited against the following Destinations and topic(s):

Topics	Type of Action	Budgets (EUR million) 2025	Expected EU contribution per project (EUR million) ¹⁶	Indicative number of projects expected to be funded
Opening: 11 Jun 2025 Deadline(s): 25 Sep 2025 Destination: CONNECT - Interconnected Innovation Ecosystems				
HORIZON-EIE-2025-03-CONNECT-01:CSATBC1European network of national competence centers for innovation procurement1				
HORIZON-EIE-2025-03-CONNECT-02: Expanding Investment Ecosystems	CSA	TBC	Around 1.00	TBC
Overall indicative budget		TBC		

in General

The Director-General responsible for the call may decide to open the call up to one month prior to or after the envisaged date(s) of opening.
 The Director-General responsible may delay the deadline(s) by up to two months.
 All deadlines are at 17.00.00 Brussels local time.
 The budget amounts are subject to the availability of the appropriations provided for in the general budget of the Union for 2025.

¹⁶ Nonetheless, this does not preclude submission and selection of a proposal requesting different amounts.

Eligibility conditions	
	The conditions are described in General Annex B.
Financial and operational capacity and exclusion	The criteria are described in General Annex C.
Award criteria	The criteria are described in General Annex D.
Documents	The documents are described in General Annex E.
Procedure	The procedure is described in General Annex F.
Legal and financial set-up of the Grant Agreements	The rules are described in General Annex G.

Destinations

Destination: CONNECT - Interconnected Innovation Ecosystems

Today's urgent challenges are inherently complex and systemic and will not be solved by individual actors or territories in isolation. Fostering enabling innovation ecosystems across the European Union (EU) requires a systemic approach that is inclusive and collaborative, involves diverse actors, institutions and places, maximises the value of innovation to all, and ensures equitable diffusion of its benefits.

As highlighted in the European Commission Communication on a New European Innovation Agenda¹⁷, by increasing the inclusion and interconnection of less represented regions and actors into a more strongly integrated European ecosystem, the EU can capitalise on the experience, needs, visions, and perceptions of an increasingly diverse range of people, companies and places. In doing so, it can also take forward a uniquely inclusive European innovation model that is sustainable, guards against substantial labour market and wage gaps, and associated threats to territorial and social cohesion.

Moreover, such well-connected and diverse ecosystems provide innovative companies with the necessary support and conditions to thrive, i.e. through additional capabilities, data, customers, knowledge, and talents. Network connectivity within and between innovation ecosystems greatly contributes to sustainable business growth with high societal value. Therefore, the actions of this destination aim at strengthening and expanding cooperation between innovation players to better support the next generation of innovative companies whose solutions will lead the shift towards a more competitive EU and a more sustainable, inclusive, and resilient world.

Besides stronger innovation performance, increased competitive sustainability, and more rapid transitions to a green and digital society, ecosystem integration can provide ecosystem actors and companies with access to new resources, markets, customers, and contribute to disruptive and innovative solutions. By being actively engaged in their local, regional, national, and European networks, companies can increase their overall growth potential.

This destination offers a holistic package of actions that:

 Strengthen innovation ecosystems across the EU through fostering more efficient, inclusive, gender diverse, and connected innovation ecosystems, by accelerating the development and deployment of innovation, including deep tech¹⁸ innovation and encouraging co-planning, co-implementation, and co-investments around European strategic priority areas;

¹⁷ <u>A New European Innovation Agenda, COM(2022) 332 final</u>

¹⁸ Deep tech innovation aims to provide concrete solutions to our societal problems by finding its source in a deep interaction with the most recent scientific and technological advances and by seeking to produce a profound impact in the targeted application areas.

- Ensure the inclusion of all key innovation players from across the quadruple helix¹⁹, and all EU territories;
- Mobilise policies, funding instruments (EU, national, regional) and fostering synergies between them;
- Improve public and private buyers' capacity to procure innovative solutions and enhance coordination on innovation procurement initiatives within Member States and Associated Countries;
- Promote interregional collaboration and investments with a view to improving territorial cohesion;
- Ensure openness and cross-fertilisation of the innovation ecosystem within and beyond the EU's borders.

In particular, the actions under this destination should promote the creation of links:

- Ensure inclusiveness and diversity with the involvement of varied innovation actors from the quadruple helix, for example, individual inventors, industry, startups, scaleups and SMEs investors, innovation hubs, business associations, clusters, public and private buyers of innovative solutions as well as citizens and civil society organisations.
- Among 'innovation leaders' and 'strong innovators' with 'moderate' and 'emerging innovators'²⁰ across the EU and Associated Countries²¹ to increase innovation cohesion²²;
- With networks such as National Contact Points, the European Institute of Innovation and Technology (EIT), Knowledge and Innovation Communities (KICs), and European Innovation Council (EIC) communities,

the Enterprise Europe Network (EEN), clusters and Euroclusters, European university alliances, Missions, pan-European platforms such as Startup Europe, public and private regional or local innovation actors, in particular incubators and innovation hubs (e.g. European Research Area hubs and Digital Innovation Hubs),

- InvestEU financial instruments and advisory services bridging access to finance and derisking projects beyond their upscaling phases, or
- any other EU programme that could interconnect innovators.

Where appropriate, the applicants should consider and actively seek synergies with possibilities for further funding from other relevant EU, national and/or regional innovation programmes,

¹⁹ A model of cooperation between industry, academia, civil society and public authorities, with a strong emphasis on citizens and their needs.

²⁰ References: <u>Regional Innovation Scoreboard (RIS),European Innovation Scoreboard (EIS),GlobalInnovation Index (GII).</u>

²¹ Associated countries are described in General Annex B.

²² The work programme will act in complementarity with the "Widening participation and strengthening the European Research Area" work programme

including Cohesion Policy funds, the Recovery and Resilience Fund, the EU's External Action instruments, the Economic and Investment Plans for the Western Balkans, Eastern and Southern Neighbourhoods, and other public and private funds or financial instruments.

Expected impact

Proposals for topics under this destination should set out a credible pathway to strengthening robust interconnected innovation ecosystems and creating a favourable environment to promote the scalability potential of businesses, including in the deep tech sector, and more specifically to one or several of the following impacts:

- Interconnected, inclusive, and more efficient innovation ecosystems across the EU that draw on the existing strengths of European, national, regional, and local ecosystems and engage new, less well-represented stakeholders and less advanced innovation territories, including rural areas, to set, undertake, and achieve collective ambitions tackling challenges for the benefit of society, including green, digital, and social transitions, and advancing the European Research Area and the New European Innovation Agenda;
- Enhanced cross-border network connectivity and inter-regional collaboration for better innovation performance in the EU with reinforced connections between more and less innovative regions building on strategic areas of regional strength and specialization to create and renew European value chains in areas most relevant for the sustainable green and digital transition and the EU's open strategic autonomy, including the five "burning challenges"²³ as defined in the New European Innovation Agenda;
- Enhanced capacity building, experience sharing and cooperation fostering wider implementation of innovation procurement, to shorten the time-to-market for innovative solutions that respond to concrete procurement needs and societal challenges.
- Increase innovation co-investments, fostering synergies and other funding leverages;
- Improved innovation policy coordination and networking activities of the Member States and Associated Countries through the EIC Forum.

Proposals are invited against the following topic(s):

HORIZON-EIE-2025-02-CONNECT-01: Preparatory action for setting up joint programmes among innovation ecosystems actors

Call: Interconnected Innovation Ecosystems (2025.1)

Specific conditions

Reducing the reliance on fossil fuels, increasing global food security, mastering the digital transformation (including cybersecurity), improving healthcare and achieving circularity

Expected EU contribution per project	The Commission estimates that an EU contribution of around EUR 0.50 million would allow these outcomes to be addressed appropriately. Nonetheless, this does not preclude submission and selection of a proposal requesting different amounts.
Indicative budget	TBC
Type of Action	Coordination and Support Actions
Eligibility conditions	The conditions are described in General Annex B. The following exceptions apply:
	This action requires the participation of at least three (3) independent legal entities from three (3) different Member States or Associated Countries, of which at least one (1) is established in a 'moderate' or 'emerging' innovator region and at least one (1) in a 'strong' or 'innovation leader' innovator region.
	The <u>Regional Innovation Scoreboard</u> is taken as a reference, and in the case of entities representing national authorities, the <u>European</u> <u>Innovation Scoreboard</u> . The applicants must use as a reference the latest version of the documents mentioned above at the time of the call closure. Associated Countries which are not included in the European Innovation Scoreboard and are ranked below 25 on the latest <u>Global</u> <u>Innovation Index</u> are considered as 'moderate' or 'emerging' innovators. In cases of Associated Countries not included in any of the previously mentioned references, the participation rank of the country in the Horizon Europe programme (<u>H2020 country profile</u>) will be taken as a reference and countries ranked below the average will be considered as 'moderate' or 'emerging' innovators.
Legal and financial set-up of the Grant Agreements	The rules are described in General Annex G. The following exceptions apply: Eligible costs will take the form of a lump sum as defined in the Decision of 7 July 2021 authorising the use of lump sum contributions under the Horizon Europe Programme – the Framework Programme for Research and Innovation (2021-2027) – and in actions under the Research and Training Programme of the European Atomic Energy Community (2021-2025) ²⁴ .

²⁴ This <u>decision</u> is available on the Funding and Tenders Portal, in the reference documents section for Horizon Europe, under 'Simplified costs decisions' or through this link:

Expected Outcome: Project results are expected to contribute to all of the following expected outcomes:

- Open dialogue, prepare the ground and facilitate the agreement among Member States, Associated Countries, and/or their regions, in cooperation with public and private sector and research and innovation actors, towards more dynamic, inclusive, gender diverse, and connected innovation ecosystem, via co-planning, co-implementation, and co-investments around areas outlined in the New European Innovation Agenda²⁵;
- Prepare joint long-term programmes and action plans fostering collaboration, common innovation-support activities, and the creation of common knowledge assets among EU, national, regional and/or local level innovation ecosystems, enhancing synergies and complementarities of their programmes and encouraging the alignment of their innovation policies and related policies impacting innovation, for example, innovation procurement strategies, in line with the new European Innovation Agenda, establishing, if relevant, links to the Regional Innovation Valley²⁶. ;
- Ensure the inclusion of all key innovation players from across the quadruple helix²⁷, and all EU territories;
- Foster synergies with other EU funding programmes, including Cohesion Policy instruments and any other funding leverages, including national or regional public funds, and private funds, to complement Horizon Europe support for innovation ecosystems.

<u>Scope</u>: The topic will allow national, regional and/or local authorities in charge of innovation policies and programmes from Member States, Associated Countries and/or their regions, and other research and innovation actors, to prepare joint multi-annual programmes of activities and action plans with the aim of strengthening the performance and capacity of their innovation ecosystems, their efficient interconnection and their alignment towards EU-level priorities, in line with the New European Innovation Agenda²⁸, to jointly tackle challenges at EU, national, regional, and local level.

The topic will allow applicants to prepare and agree on a common programme of activities and action plans. The applicants are encouraged to consider a project duration of 12 to 18 months and in their proposals they should:

• Identify areas and activities of cooperation to enhance the coordination and directionality of their research and innovation investments and policies and improve the efficiency and

https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/lsdecision_he_en.pdf

²⁵ <u>A New European Innovation Agenda, COM(2022) 332 final.</u>

²⁶ More information under <u>New European Innovation Agenda - Flagship 3</u>

A model of cooperation between industry, academia, civil society and public authorities, with a strong emphasis on citizens and their needs.

²⁸ <u>A New European Innovation Agenda, COM(2022) 332 final</u>.

performance of the EU's innovation ecosystems, fostering their interconnection and scaleup:

- The proposals are encouraged to focus on a thematic/technological areas of common interest in line with one or more EU priorities, including the "burning challenges" specified in the New European Innovation Agenda, as well as the Green Deal, the RePowerEU Plan²⁹, biotechnology and biomanufacturing³⁰, advanced materials³¹, circularity³² and digital transformation³³;
- o The proposals should take into account gender equality objectives³⁴.
- Explain their links to the New European Innovation Agenda and how the projects will contribute to its objectives;
- Plan their long-term action: the applicants are encouraged to consider planning of at least three (3) years towards engaging in the joint cooperation activities set out in the frame of the projects;
- Provide a justification on the need for those joint activities that should be scalable at European level and demonstrate their strong EU added value, explaining the potential for growth and competitiveness foreseen in the targeted sector
- Explain how the proposed action plans enhance synergies of EU, national and/or regional funds and programmes, and encourage the alignment of their innovation agendas;
- Explain the process that they plan to follow, with an open, clear, realistic, and impactoriented approach, including relevant guidance mechanisms and tools;
- Present what common knowledge assets are expected from the proposed action plans, and the benefit of the intended beneficiaries of the plans;
- Present the targeted milestones to be achieved.
- Ensure inclusiveness and diversity with the involvement of varied innovation actors from the quadruple helix, for example, individual inventors, industry, startups, scaleups and SMEs investors, innovation hubs, business associations, clusters, public and private buyers of innovative solutions as well as citizens and civil society organisations.

The proposals for the development of a joint long-term action plan may include the following two (2) phases:

²⁹ <u>RePowerEU Plan, COM/2022/230 final</u>

³⁰ COM(2024) 137 final

³¹ COM(2024) 98 final

³² Available online: <u>Hubs for Circularity</u>.

³³ Available online: <u>European Digital Innovation Hubs Network (europa.eu)</u>

³⁴ See for instance the <u>Horizon Europe regulation</u> for horizontal gender equality principles, the <u>ERA policy</u> <u>agenda 2022-2024</u>, and the <u>Gender Equality Strategy 2020-2025</u>.

- A first phase to foster close dialogue among key stakeholders for strategy/partnership building, mapping, and analysis of existing national and/or regional and/or local innovation agendas/strategies/policies/plans/activities. Proposals are welcome to cover a diverse range of innovation actors that are relevant for the fulfilment of their goals and to foresee ways to motivate their inclusion. Activities are encouraged to consider existing tools, knowledge and expertise, including the methodology and governance tools tested and developed in the context of the Regional Innovation Valleys or the knowledge and expertise of the EIT KICs with place-based approaches to innovation;
- A second phase dedicated to the concretising, setting up, and finalising the joint action plan(s) and allocation of the activities over a period of the proposed action plans.

The implementation of the proposed action plans is not part of this topic. For the implementation part, the successful proposals under the topic may seek further financial support from other EU programmes, including Horizon Europe and/or other public and/or private programmes.

HORIZON-EIE-2025-02-CONNECT-02: Implementing co-funded action plans for connected regional innovation valleys

Call: Interconnected Innovation Ecosystems (2025.1)	
Specific conditions	
Expected EU contribution per project	The Commission estimates that an EU contribution of between EUR 5.00 and 8.00 million would allow these outcomes to be addressed appropriately. Nonetheless, this does not preclude submission and selection of a proposal requesting different amounts.
Indicative budget	TBC
Type of Action	Programme Co-fund Action
Eligibility conditions	The conditions are described in General Annex B. The following exceptions apply:
	This action requires the participation, as beneficiaries, of at least three (3) national or regional authorities, from at least three (3) different Member States or Associated Countries, of which at least one (1) is representing a 'moderate' or 'emerging' innovator region and at least one (1) is representing a 'strong' or 'innovation leader' innovator region. "National authority" means a public authority at the level of government, including those at regional and local levels, as well as

	Member State organisations within the meaning of Article 2(42) of the Financial Regulation. Based on Article 2(42) of the Financial Regulation: 'Member State organisation' means an entity established in a Member State as a public law body, or as a body governed by private law entrusted with a public service mission and provided with adequate financial guarantees from the Member State.
	"Regional authority" is defined as a governing body or administrative entity that operates at a subnational level within a geographic region. The <u>Regional Innovation Scoreboard</u> is taken as a reference, and in the case of entities representing national authorities, the <u>European</u> <u>Innovation Scoreboard</u> . The applicants must use as a reference the latest version of the documents mentioned above at the time of the call closure. Associated Countries which are not included in the European Innovation Scoreboard and are ranked below 25 on the latest <u>Global</u> <u>Innovation Index</u> are considered as 'moderate' or 'emerging' innovators. In cases of Associated Countries not included in any of the previously mentioned references, the participation rank of the country in the Horizon Europe programme (<u>H2020 country profile</u>) will be taken as a reference and countries ranked below the average will be considered as 'moderate' or 'emerging' innovators.
	The consortium must provide single letter of intent at the moment of submission of the proposal indicating the source of the required 50% of complementary funding (e.g. national and/or regional funding, European funding, or private investments).
Land and	
Legal and financial set-up of the Grant Agreements	The rules are described in General Annex G. The following exceptions apply:
	Beneficiaries must provide financial support to third parties. The support to third parties can only be provided in the form of grants.
	The EUR 60,000 threshold provided for in Article 204 (a) of the Financial Regulation No 2018/1046 does not apply.
	The maximum amount of FSTP to be granted to an individual third party is EUR 600.000. This amount is justified since the cascading grants will support concrete interregional projects to be undertaken by research and innovation entities. Due to the nature of these projects (e.g. development or deployment of technological innovations) a threshold lower than EUR 600.000 would constitute an obstacle to establishing effective collaborations.

The consortium must allocate at least 50% of the total proposed budget to financial support to third parties.
Grants awarded under this topic will have to submit the following deliverable(s): Annual work plans subject to approval by the Commission. For the first year, the annual work plan needs to be submitted together with the respective proposal.
The funding rate is 50% of the total eligible costs.

Expected Outcome:

In line with the New European Innovation Agenda's ³⁵ flagship on accelerating and strengthening innovation in European Innovation Ecosystems across the EU and addressing the innovation divide, this action is intended to create connected regional innovation valleys across the European Union (EU), involving regions with lower innovation performances, by building on strategic areas of regional strength and specialisation (defined in their smart specialisation strategies), in support of key EU priorities. Regions represented by successful applicant national or regional authorities under this call will be recognised as "regional innovation valleys".

Projects results are expected to contribute to all of the following expected outcomes:

- Efficient, inclusive and interconnected innovation ecosystems across the EU in line with the New European Innovation Agenda, building on their diversities and complementarities, enhancing the joint definition of visions and strategies involving actors from across the quadruple helix³⁶, based notably on their respective national/regional smart specialisation strategies, and strengthening their efficiency and potential to innovate:
- Enhanced synergies, complementarities and cooperation among European innovation ecosystems around strategic areas, technologies and challenges of common European interest, build on Smart Specialisation Strategies and, where applicable, on the, participation in, for example, Excellence Hubs³⁷, Digital Innovation Hubs³⁸, Hubs for Circularity³⁹, Circular Cities and Regions Initiative⁴⁰, Climate-Neutral and Smart Cities Mission⁴¹, Hydrogen Valleys⁴², Renewable Energy Valleys⁴³;

³⁵ <u>A New European Innovation Agenda COM(2022) 332 final</u>

³⁶ Ecosystem quadruple helix model requires the collaboration of academia, business, regional government and societal actors.

³⁷ Available online: <u>Excellence Hubs - European Commission (europa.eu)</u>

³⁸ Available online: <u>European Digital Innovation Hubs Network (europa.eu)</u>

³⁹ Available online: <u>Hubs4Circularity (h4c-community.eu)</u>

⁴⁰ Available online: <u>Circular Cities and Regions Initiative (europa.eu)</u>

⁴¹ Available online: <u>Climate-neutral and smart cities - European Commission (europa.eu)</u>

⁴² Available online: <u>H2Valleys | Mission Innovation Hydrogen Valley Platform</u>

⁴³ Available online: <u>Renewable Energy Valleys to increase energy security while accelerating the green</u> <u>transition in Europe (europa.eu)</u>

- The creation of common knowledge assets within regional innovation valleys, and support to their cross- border connectedness; including, for example, competitive advantages to strengthen their capacity for enhanced quality of their R&I ecosystems⁴⁴, (e.g. biotech health security and biotech for food systems, applicability of bioeconomy sustainability principles in regional case studies, as described in the concept note on Regional Innovation Valleys for Bioeconomy and Food Systems⁴⁵);
- Increased innovation capabilities, including in deep tech, in Member States and Associated Countries, allowing innovators to bring their ideas to the market and enable innovations to be scaled up at EU level, and facilitating the link with the private sector, public and private buyers of innovative solutions and other research and innovator actors;
- Better links between innovation 'leaders' and 'strong' innovator regions with 'moderate' and 'emerging' innovator regions across the EU and Associated Countries⁴⁶;
- More innovation co-investments, mobilising other funding leverages, including European, national or regional public funds and/or other private funds, to complement Horizon Europe support;
- Increased participation of all innovation ecosystems actors across EU territories in technology and industrial value chains (existing and emerging ones) relevant to the EU twin green and digital transition to achieve broader sustainability, the EU's open strategic autonomy and competitiveness⁴⁷.

<u>Scope</u>: The aim of this topic is to foster the creation of efficient, open, inclusive and interconnected European innovation ecosystems in line with the New European Innovation Agenda, notably in thematic/technological areas (including deep tech) that will be critical for EU value chains.

It will also contribute to the twin green and digital transition and a resilient society, and to the net-zero objective⁴⁸, particularly in the areas of reducing reliance on the fossil fuels, increasing global food security, mastering the digital transformation (including cybersecurity and Artificial Intelligence), improving healthcare, and achieving circularity.

⁴⁴ Available online: <u>Advanced Materials for Industrial Leadership - European Commission (europa.eu)</u>

⁴⁵ To check at finalization: Reference to HORIZON-CL6-2025-03-GOVERNANCE-04: Operationalisation of bioeconomy sustainability principles and <u>Concept of Regional Innovation Valleys for Bioeconomy and Food Systems</u>

⁴⁶ References available online: <u>Regional Innovation Scoreboard (RIS),European Innovation Scoreboard (EIS),GlobalInnovation Index (GII).</u>

⁴⁷ Aligned with the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "The 2024 Annual Single Market and Competitiveness Report", COM(2024)77: <u>EUR-Lex - 52024DC0077 - EN - EUR-Lex (europa.eu)</u>

⁴⁸ Available online: <u>The Green Deal Industrial Plan (europa.eu)</u>

The topic will support strategically oriented long-term programmes of activities (action plans) to enable authorities in charge of public national, regional, or local innovation policies and programmes with the participation of the private sector and research and innovation actors, to implement joint activities towards innovation development and deployment, possibly including innovation procurement, aimed at tackling challenges at EU, national, regional, and local level.

The applicants are encouraged to consider a project duration of three to five (3-5) years and proposals should:

- Present the applicants' respective commitment to enhance the coordination and directionality of their research and innovation (R&I) investments and policies, their joint strategic visions, and their proposed joint innovation programme of activities; before the proposal submission the participants should have already selected a thematic/technological area and reached an agreement on what they want to achieve, in order to be able to present concrete action plans; the plans can be further detailed on an annual basis during the implementation of the projects;
- Describe the activities necessary, the process that will be followed, and the research and innovation assets that will be mobilised; activities should be open, clear, realistic, impact-oriented and ensure:
 - o Participation of private actors, either for the joint implementation of proposed activities, and/or their possible co-funding; for example, via links and cooperation with innovative SMEs, start-ups, industry, private entities supporting innovation and innovators, including clusters, associations, as well as investors and foundations;
 - o Complementarity and synergies with other funds (EU, public, and/or private) and innovation-related strategies/policies/programmes/plans at national and/or regional level, including their smart specialisation strategies, and where relevant, the participation in other relevant programmes. Applicants should outline the scope for synergies and/or additional funding, in particular, where this makes the projects more ambitious or increases their impact and expected results.
- Explain the need and the reasons for selecting the proposed action plans that should be scalable at European level and demonstrate their strong EU added value; the proposed plan should:
 - o Include clear steps: (1) capacity building activities, including information exchange and common guidelines; (2) setting common strategy and joint work/action plans;
 (3) concrete joint activities (including staff exchange, visits, etc.); leading to (4) concrete joint innovation actions (design and implementation of joint funding programmes/calls to select interregional innovation projects).
 - o Include the provisions and modalities for the competitive selection and funding (joint open calls implemented via financial support to third parties FSTP) of at least three

interregional innovation projects in the selected thematic/technological area, including deep tech, linked to key EU priorities:

- These interregional projects are expected to be similar to HE Innovation Actions or close to market actions (TRL 6-8) and should focus on the development and/or deployment of technologies and innovations, including breakthrough and disruptive, through cooperation between research and innovation actors from the participating regions;
- These interregional projects can also take the form of Pre-Commercial Procurement Actions (similar as in Horizon Europe PCP Actions, arriving also to TRL 8) or Public Procurement of Innovative solutions actions (similar as in HE PPI Actions, arriving to TRL 8) or private buyer innovation procurements. In this case the procurements should be implemented in cooperation between public and or private procurers from the participating regions.
- Each of these interregional projects should aim to deliver concrete and tangible outcomes during the project implementation, and ensure their dissemination and exploitation;
- These interregional projects should be managed in a coordinated manner, as a portfolio of projects, and should identify and establish links among the projects and with other relevant EU, national or regional projects in similar thematic/technological area (horizontal integration) or complementary areas (vertical integration) with a view to integrate into and contribute to existing or emerging value chains.
- Proposals should allocate at least 50% of the project total budget to these interregional innovation projects.
- o Include a consistent set of core collaborative activities, for example: networking and coordination structures and tools to facilitate innovation development and access to and sharing of best practices, resources, talents, markets, expertise, services and knowledge, including open and collaborative knowledge bases and common knowledge assets (methods, data, processes);
 - Support to interconnections between innovation hubs/local pockets of excellence; market analysis, development and activities towards better access to new markets and finance for innovative SMEs and start-ups;
 - Training and skills development; interconnection of open innovation infrastructures; supportive activities towards scale up, exploitation and dissemination of innovative solutions;
 - Reinforcing public and private buyers' capacity to procure innovative solutions; Networking of and assistance to public and private procurers to facilitate the implementation of joint or coordinated innovation procurement initiatives;

- Enhancing place-based social cohesion across EU territories, through networks such as European Social Economy Regions initiative⁴⁹, including social innovators and civil society integration, as interlocutors for society and important inputs to the development of innovations and promotion of gender equality and diversity⁵⁰.
- Explain the reasons for selecting the proposed strategic areas of cooperation, and how this cooperation will improve the efficiency and performance of the EU's innovation ecosystems. The joint innovation activities should focus on а specific thematic/technological area, in line with the smart specialisation strategies of the participating regions, and should highlight how it will contribute to innovation priorities of common interest, EU strategic priorities (including green, digital and social transitions, and open strategic autonomy) and, where appropriate Horizon Europe Missions. It should clarify the potential for growth and competitiveness foreseen in the targeted sector and/or expected impact on EU challenge(s);
- Present and explain how the consortium plans to design and coordinate the implementation of these joint activities (e.g. resources to be mobilised, assets to be used, involvement of innovation stakeholders, such as innovation hubs, business associations, clusters, industry, startups, scaleups and SMEs);
- Include set of Key Performance Indicators (KPIs) in line with the proposed objectives to measures/activities underpinned by verifiable indicators (e.g. referring to the Sustainable Development Goals, the EU taxonomy on sustainable finance, European Commission Gender Equality Strategy 2020-2025⁵¹, or other relevant policy frameworks);
- Ensure their long-term commitment towards engaging in the cooperation activities set up in the frame of their projects (letter of intent per beneficiary as part of the proposal).

HORIZON-EIE-2025-03-CONNECT-01: European network of national competence centers for innovation procurement

Call: Interconnected Innovation Ecosystems (2025.2)	
Specific conditions	
Expected EU contribution per project	TBC

⁴⁹ Available online : <u>The European Social Economy Regions (ESER) (europa.eu)</u>

⁵⁰ Horizon Europe guidance on gender equality plans - Publications Office of the EU (europa.eu)

⁵¹ Available online: <u>Gender equality in research and innovation - European Commission (europa.eu)</u>

Indicative budget	TBC
Type of Action	Coordination and Support Actions
Eligibility conditions	
	The conditions are described in General Annex B. The following exceptions apply:
	This action requires the participation, as beneficiaries, of at least fifteen (15) partners from at least fifteen (15) different Member States or Associated Countries.

Expected Outcome: Project results are expected to contribute to all of the following expected outcomes:

- Enhanced capacity of public procurers to carry out PCPs and PPIs
- Increased amount of PCPs and PPIs taking place at national level and across borders by transnational buyer groups
- Enhanced awareness among companies, in particular startups and SMEs, of the possibilities offered by innovation procurements to grow their business, by promoting national innovation procurement business opportunities to companies across other EU Member States and Associated Countries
- Increased amount of EU wide published preliminary market consultations and calls for tenders for PCP and PPI procurements and active promotion of those business opportunities to innovators in EU Member States and Associated Countries
- Increased recognition of the strategic importance of PCP and PPI by policy makers and in national policies, contributing to increase innovation procurement uptake
- Expansion and intensification of innovation procurement support measures implemented by innovation procurement competence centers across Europe

<u>Scope</u>: Many public buyers around Europe still lack experience on innovation procurement and need training and guidance. To tackle this challenge, several countries around Europe have setup national competence centers that cooperate with policy makers in their country to implement capacity building measures for innovation procurement. With support of Horizon 2020 funding, in the past, five new competence centers were setup and started collaborating with five existing competence centers other across borders⁵².

⁵² The procure2innovate project funded a European network for competence centers on innovation procurement between 2017 and 2021: <u>https://www.procure2innovate.eu/</u>

Europe wide benchmarking identified that there are still significant gaps in national capacity building structures for innovation procurement⁵³. This action therefore aims to support setting up one European wide network of national competence centers for innovation procurement⁵⁴, inspired by the experience and activities of the previous initiative⁵², and extend it further to additional countries and reinforce its activities.

Activities undertaken by the network are expected to include the creation of new national innovation competence centers⁵⁵ as well as enlargement and deepening of the scope of existing competence centers. The expected minimum participation is 10 existing national innovation procurement competence centers plus 5 public bodies that have the mandate to setup 5 new national innovation procurement competence centers, with at least 2 of the 5 new ones that should be representing 'emerging' or 'moderate' innovator countries⁵⁶. The network will thus start with participation from at least 15 different EU Member States or Associated Countries and it is expected to aim for EU wide participation of innovation procurement centers in the network by the end of the project.

Activities undertaken by the network should also include experience sharing on the implementation of pre-commercial procurement (PCP) and public procurement of innovative solutions (PPI) across Europe, promoting Horizon Europe funding and synergies with ESIF funding for PCP and PPI to public procurers in cooperation with NCPs as well as supporting public procurers in starting up such procurements.

Cooperation among public procurers is important because potential market size is a key decision factor for firms to participate or not in a public procurement and to help them grow their business across Europe. Scaling up the impacts of completed innovation procurements by diffusing the uptake of innovative solutions to other public buyers is also vital to mainstream

⁵³ The 30 countries analysed by the benchmarking have put in place just 27% of capacity building measures to support public buyers to mainstream innovation procurement: <u>https://research-andinnovation.ec.europa.eu/strategy/support-policy-making/shaping-eu-research-and-innovationpolicy/new-european-innovation-agenda/innovation-procurement/benchmarking-innovationprocurement-investments-and-policy-frameworks-across-europe_en</u>

⁵⁴ A competence center on Innovation Procurement is an organization/organizational structure that has been assigned the task by its government and has a mandate according to national law to encourage wider use of innovation procurement, that includes among others providing practical and/or financial assistance to public procurers in the preparation and/or implementation of PCP and PPI procurements across all sectors of public interest.

⁵⁵ New competence centers can include both entities that want to setup a competence center that does not exist yet and still need to start up during the project their first capacity building activities as well as entities that are already providing a few ad hoc innovation procurement capacity building activities but are not yet a national competence center with a systematic and more comprehensive set of capacity building activities.

⁵⁶ For the purposes of assessing which participant represents a 'moderate', 'emerging', 'strong' or 'innovation leader' country, the European Innovation Scoreboard (EIS) is the reference. The applicants must use as a reference the latest version of the documents mentioned above at the time of the call closure. Associated Countries which are not included in the European Innovation Scoreboard and are ranked below 25 on the latest <u>GlobalInnovation Index</u> are considered as 'moderate' or 'emerging' innovators. In cases of Associated Countries not included in any of the previously mentioned references, the participation rank of the country in the Horizon Europe programme (<u>H2020 country profile</u>) will be taken as a reference and countries ranked below the average will be considered as 'moderate' or 'emerging' innovators

innovation procurement. Activities undertaken by the network are therefore also expected to facilitate the creation of national and transnational buyer groups that ensure wider diffusion of innovations from innovation procurements as well as the creation of transnational buyer groups that start new joint innovation procurements on new topics. In this context, attention should be paid to reinforcing procurements that involve strategic technologies that are key for safeguarding Europe's economic security. The network is also expected to promote national innovation procurement business opportunities to companies across other EU Member States and Associated Countries.

Planned activities are also expected to include collaboration with national policy makers that are responsible for the policies that support the uptake of innovation procurement, in particular R&I and public procurement policies. The competence centers should cooperate with such policy makers to develop and coordinate policy actions to mainstream PCP and PPI across Europe such as implementing action plans, targets, monitoring and incentive schemes that encourage public procurers to undertake more PCPs and PPIs.

The network is expected to maximize synergies with national and ESIF funding and focus the budget requested from Horizon Europe on activities/partners that cannot be funded from ESIF or for which national funding is not available. The network is expected also to cooperate with other Horizon funded initiatives on innovation procurement to maximize impact and synergies where possible.

The expected duration for the action is 4 years.

Call: Interconnected Innovation Ecosystems (2025.2)	
Specific conditions	
Expected EU contribution per project	The Commission estimates that an EU contribution of around EUR 1.00 million would allow these outcomes to be addressed appropriately.
Indicative budget	TBC
Type of Action	Coordination and Support Actions
Eligibility conditions	The conditions are described in General Annex B. The following exceptions apply: Consortia must have at least three (3) independent legal entities from three (3) different countries, of which at least one (1) is established in emerging' or 'moderate' innovator region and at least one (1) in 'strong'

HORIZON-EIE-2025-03-CONNECT-02: Expanding Investment Ecosystems

	or 'innovation leader' innovator region. The Regional Innovation Scoreboard is taken as a reference, and in the case of entities representing national authorities, the European Innovation Scoreboard. The applicants must use as a reference the latest version of the documents mentioned above at the time of the call closure. Associated Countries which are not included in the European Innovation Scoreboard and are ranked below 25 on the Global Innovation Index 2020 are considered as 'moderate' or 'emerging innovators'. In cases of Associated Countries not included in any of the previously mentioned references, the participation rank of the country in the Horizon Europe programme (H2020 country profile) will be taken as a reference and countries ranked below the average will be considered as 'moderate' or 'emerging innovators'.
Legal and financial set-up of the Grant Agreements	The rules are described in General Annex G. The following exceptions apply: Eligible costs will take the form of a lump sum as defined in the Decision of 7 July 2021 authorising the use of lump sum contributions under the Horizon Europe Programme – the Framework Programme for Research and Innovation (2021-2027) – and in actions under the Research and Training Programme of the European Atomic Energy Community (2021-2025) ⁵⁷ .

<u>Expected Outcome</u>: Project results are expected to contribute to all of the following expected outcomes:

• Increased foreign⁵⁸ venture investments from funds from 'strong' or 'innovation leader' innovator regions and enabling later-stage growth for expansion to these regions of local start-ups from less connected and developed innovation ecosystems ('emerging" or 'moderate' innovator regions);

⁵⁷ This <u>decision</u> is available on the Funding and Tenders Portal, in the reference documents section for Horizon Europe, under 'Simplified costs decisions' or through this link: <u>https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/ls-</u> <u>decision_he_en.pdf</u>

⁵⁸ For the purposes of this topic, foreign should be understood as from a different EU Member State or Associated Country.

- Increased foreign investors' awareness and access to the flow of local deals from 'emerging' or 'moderate' innovator regions;
- Improved foreign investors' knowledge on regulatory frameworks and networks/syndicates to support joint cross-border venture investment in the above characterised underserved markets.
- Improved start-ups knowledge from 'emerging' or 'moderate' innovator regions on market and regulatory frameworks and networks in foreign 'strong' or 'innovation leader' innovator region to support their expansion and access to funding in these regions;
- Increased available and committed venture capital in less connected innovation ecosystems, enhancing their scale, diversity, breadth, openness and potential.

<u>Scope</u>: The lack of later-stage funding and partners for expansion to foreign markets is one of the most problematic aspects of business growth particularly for the startups from less developed innovation ecosystems. In order to scale to a leading business, startups need to expand to foreign markets beyond their region. At earlier stages start-ups are typically supported by local investors and partners. However, in order to expand inside the EU they would need access to the funding from actors with presence and knowledge in these new markets. The lack of partners for expansion to foreign markets beyond their region is harmful for local start-ups' growth and investor activity and the development of regional scale-ups, even more so for women-led companies. While the limited number of established European start-up hubs attract significant money and traction, the innovation ecosystems in other areas struggle to keep pace with fewer resources, including funds and technical expertise. In the struggle for resources, many start-ups face the choice to either forego growth and ultimately close their business or move elsewhere, while foreign investors struggle to enter new markets due to insufficient information about the market, its opportunities and regulatory frameworks.

If organised and structured, investments ecosystems should be able to attract foreign investors into "emerging' and 'moderate' innovation ecosystems by raising awareness of local innovation ecosystems and their start-ups, as well as the potential of the whole region, to capital providers from across Europe. Foreign investors should be interested to support startups from these ecosystems to expand to other markets and increase their connectivity to relevant partners and market knowledge.

The action supports co-designed programmes of activities, of at least two (2) years, proposed by business acceleration service providers and/or investor networks and clubs, and/or innovation hubs ⁵⁹ located in less developed innovation ecosystems ('emerging' and 'moderate') and more developed ones ('strong innovators' and innovation leaders'), to facilitate the entry of foreign funders from countries 'strong innovators' and innovation leaders' to less developed innovation ecosystems through activities, for example:

⁵⁹ **Innovation hubs** encompass a wide range of stakeholders, including entities from both the private and public sectors, as well as incubators and accelerators.

- market orientation/introduction programmes for foreign investors, including establishment of central points of information for foreign investors providing them with knowledge on the ecosystem's establishment conditions, incentives, tax and local legislation;
- market orientation/introduction programmes of developed markets for local startups and funds, including establishment of central point of information providing them with knowledge on the ecosystem's establishment conditions, incentives, tax and local legislation;
- assistance to foreign investors during the whole process of investment, from the pre-entry stage until the exit, by ensuring support in administrative, legal, linguistic and cultural issues;
- roadshow to leading innovation hubs to showcase the potential of the local ecosystem, its promising start-ups and active local investors;
- organisation of European international business forums, conferences and events to attract and connect foreign investors with local investors;
- establishing cooperation with public and private buyers of innovative solutions and with the innovative companies they are buying from; peer-matching of investors and business angles and other networking activities to encourage joint ventures;
- a repository of best practices of market entry facilitation for foreign investors;
- a repository of best practices of market entry facilitation for startups from 'emerging" or 'moderate' innovator regions to markets of foreign 'strong' or 'innovation leader' innovator regions;
- a list of recommendations for local authorities and European regulators to better address investors' entry challenges and facilitate cross-border deals.

All of these activities should be targeted to one of the 5 burning challenges of NEIA in order to ensure more targeted and tailored match between participants and more tailored services. The 5 burning challenges include: reducing the reliance on fossil fuels, increasing global food security, mastering the digital transformation (including cybersecurity), improving healthcare and achieving circularity.

To ensure that the impact of the action goes beyond consortium members and their respective countries, it is encouraged that the consortium works closely with innovation agencies and/or similar government organisations, supporting start-ups and development of innovation and entrepreneurship from their respective territories and beyond, and seeks for synergies with relevant EU initiatives such as the Enterprise Europe Network.

HORIZON-EIE-2025-03-CONNECT-03: Scaling up deep tech ecosystems

[Placeholder]

Destination: INNOVSMES - Partnership on Innovative SMEs

Small and medium-sized enterprises (SMEs) represent the backbone of the European economy. They represent 99.8% of all enterprises in the European Union (EU) non-financial business sector and two thirds of employment. However, SMEs in Europe face obstacles to growth, expansion and scaling up, including lack of skills, administrative burden, and access to finance. Many lack capacity for innovation and struggle to enter international markets.

Greater cooperation with partners in Europe and beyond can help to address many of these issues. However, opportunities for bottom-up, international collaborations are limited. European SMEs can struggle to find support for their internationalisation efforts. At national level, support is often limited to collaboration among partners within the same Member State. Levels of investment to support internationalisation in European innovative SMEs vary and there is suboptimal co-ordination of national schemes. Overall, these issues weaken the resilience of the European innovation ecosystem.

The objective of this call is to continue to provide support to the European Partnership of Innovative SMEs identified in the Horizon Europe Strategic Plan 2021-2024 and first implemented under the topic HORIZON-EIE-2021-INNOVSMES-01-01: European Partnership on Innovative SMEs, and in particular to fund additional activities (which may also be undertaken by additional partners) in view of its intended scope and duration, and in accordance with Article 24(2) of the Horizon Europe Regulation.

The proposal for the topic under this destination should cover a specific niche that other EU, national and regional interventions do not address for the benefit of innovative SMEs in Europe: cooperation among European and/or international partners, with at least one innovative SME as the project leader. The proposed additional activities would help innovative SMEs to increase their research and innovation (R&I) capacity and productivity and to become embedded in global value chains and new markets. It would achieve this by supporting innovative SMEs in developing products, processes and services through funding market-led, cross-border, R&I collaborative projects and providing accompanying measures. It would enable global collaboration and the commercialisation of new knowledge. It would thereby strengthen the overall resilience of the European innovation ecosystem.

In line with the Horizon Europe objectives⁶⁰ it aims to generate knowledge, support the access to and uptake of innovative solutions by SMEs (including to address global challenges), facilitate technological development, demonstration, knowledge and technology transfer, and strengthen deployment and exploitation of innovative solutions.

In line with Horizon Europe Strategic Planning, the partnership aims to contribute to global and European policies. In particular the strategic priorities of the European Commission with a special focus on the 'European Green Deal' and 'An economy that works for people' including the SME Strategy for a sustainable and digital Europe, as well actions towards tackling the COVID-19 crisis and the post-COVID era.

⁶⁰ <u>Horizon Europe Regulation</u>, Article.3.2.(b), (c).

In line with the Global Approach to Research and Innovation⁶¹ the partnership aims to facilitate the internationalisation of European SMEs by establishing win-win international innovation partnerships, such as networks of incubators and accelerators with countries that offer reciprocal openness to entrepreneurship and investment, promoting mobility of innovators in both directions. The envisaged activities will build on tools developed and experience gained and by creating synergies with other supporting mechanisms.

Expected impact

The proposal for the topic under this destination should set out a credible pathway to contributing to the following expected impact:

To help European innovative SMEs to grow and successfully access European and international markets and to embed in global value chains by:

- Contributing to the strategic priorities of the European Commission with a special focus on the 'European Green Deal' and 'An economy that works for people' including to pursue actions of the New European Innovation Agenda (NEIA) that apply to Innovative SMEs..
- Strengthening the innovation performance, output, potential and resilience of the European innovation ecosystem;
- Addressing the productivity and internationalisation gap between innovative SMEs and large companies and aiming to improve SMEs' global scale-up potential leading to increased employment and turnover;

Leveraging investment for innovative SMEs.

Proposals are invited against the following topic(s):

HORIZON-EIE-2025-03-INNOVSMES-01: European Partnership on Innovative SMEs

Call: Partnership on Innovative SMEs	
Specific conditions	
Expected EU contribution per project	TBC
Indicative budget	TBC
Type of Action	Programme Co-fund Action
Eligibility conditions	

⁶¹ <u>COM(2021) 252 final.</u>

	The conditions are described in General Annex B. The following exceptions apply:
	The proposal must be submitted by the coordinator of the consortium funded under HORIZON-EIE-2021-INNOVSMES-01-01 and HORIZON-EIE-2023-INNOVSMES-01: European Partnership on Innovative SMEs. This eligibility condition is without prejudice to the possibility to include additional partners.
Procedure	
	The procedure is described in General Annex F. The following exceptions apply:
	If the proposal is successful, the next stage of the procedure will be grant agreement amendment preparations.
	If the outcome of amendment preparations is an award decision, the coordinator of the consortium funded under HORIZON-EIE-2021-INNOVSMES-01-01 and HORIZON-EIE-2023-INNOVSMES-01: European Partnership on Innovative SMEs will be invited to submit an amendment to the grant agreement, on behalf of the beneficiaries.
Legal and	
financial set-up of the Grant	The rules are described in General Annex G. The following exceptions apply:
Agreements	This action is intended to be implemented in the form of an amendment of the grant agreement concluded pursuant to topic HORIZON-EIE- 2021-INNOVSMES-01-01: European Partnership on Innovative SMEs.
	For the additional activities covered by this action:
	• Beneficiaries may provide financial support to third parties (FSTP). The support to third parties can only be provided in the form of grants.
	• Financial support provided by the participants to third parties is one of the primary activities of this action in order to be able to achieve its objectives. The EUR 60 000 threshold provided for in Article 204(a) of the Financial Regulation No 2018/1046 does not apply.
	• The maximum amount of FSTP to be granted to an individual third party is EUR 25.000.000. This amount is justified since provision of FSTP is the primary activity of this action and it is

	based on the extensive experience under predecessors of this partnership.
	• At least two thirds (67%) of the projects supported through FSTP must involve at least two beneficiaries from Member States or Associated Countries.
	• The funding rate is 30 % of the eligible costs.
	To assure continuity of activities over the whole year of 2025 the starting date of grants awarded under this topic may be as of the submission date of the application. Applicants must justify the need for a retroactive starting date in their application. Costs incurred from the starting date of the action may be considered eligible (and will be reflected in the entry into force date of the amendment to the grant agreement.
Total indicative budget	TBC

Expected Outcome: Project results are expected to contribute to all of the following expected outcomes:

- Improved knowledge transfer in the European innovative Small and Medium-sized Enterprises (SMEs) ecosystem, through increased and sustained collaboration between SMEs, public research partners and academia;
- Mitigation of difficulties in access to finance for European innovative SMEs and thus contribute to enhanced growth and expansion of European innovative SMEs;
- Improved European innovative SME access to new international markets or value chains thus leading to improved market share and sales for European innovative SMEs increasing their employment capacity;
- Increase public research and innovation funding to European innovative SMEs, to spur more high-quality collaborations and more innovative solutions;
- Pull together national efforts to spur internationalisation and collaboration in European innovative SMEs, avoiding unnecessary duplication leading to a simplified offer to beneficiaries, achieving a more balanced geographic participation, ensuring complementarity and improved innovation ecosystems across Europe;
- Identify and better exploit existing or emerging opportunities in the global markets and establish win-win international innovation partnerships, such as networks of incubators and accelerators with the help of the Innowwide instrument and other existing support mechanisms.

<u>Scope</u>: The objective of this action is to continue to provide support to the European Partnership of Innovative SMEs identified in the Horizon Europe Strategic Plan 2021-2024 and first implemented under the topic HORIZON-EIE-2021-INNOVSMES-01-01: European Partnership on Innovative SMEs, and in particular to fund additional activities (which may also be undertaken by additional partners) in view of its intended scope and duration, and in accordance with Article 24(2) of the Horizon Europe Regulation.

The consortium which applied to and received funding under the European Partnership on Innovative SMEs topic of the European Innovation Ecosystems Work Programme 2021-2022 and 2023-2024 is uniquely placed to submit a proposal to continue the envisioned partnership. Not only did this consortium submit the proposal leading to the identification of the partnership in the Horizon Europe strategic planning 2021-2025, it has also implemented the partnership through co-funded calls in 2021-2024 based on this planning and further to the European Partnership on Innovative SMEs topic. It is also deemed relevant that the same consortium was responsible for carrying out the Horizon 2020 predecessor programme EUROSTARS 2. In this context, the current consortium has particular expertise in relation to the objectives of the Partnership, the activities to be implemented and other relevant aspects of the action. In practice, another consortium could not continue the activities of the Partnership underway without significant disruption to the ongoing activities, if at all.

The proposal should cover all the additional activities which will be implemented using the budget and in the framework of the amendment to the existing grant agreement that will result from this proposal, and which are not covered in the existing grant agreement. The proposal should address time, resources and activities building on the two main types of activities from the previous period. These are largely additional calls for proposals covering the 2025-2027 period (Eurostars and INNOWWIDE projects) resulting in international collaborative research and innovation projects. While these projects should further contribute to the results which were achieved in the previous period, the scope should in addition include the lessons learnt from all previous Eurostars calls of this partnership in the period 2021-2024 of implementation, in order to potentially improve the activities during the forthcoming period. Furthermore, it would be beneficial to analyse the results and lessons learnt from the previous Eureka-INNOWWIDE calls. These additional activities should contribute to the further development of the "Eureka-INNOWWIDE" scheme including its further possible evolution. Coordination and support activities, the creation of synergies between and synchronisation of national programmes, and a better cooperation and knowledge exchange between national intermediaries should be continued through new or repeated activities and additional events during the forthcoming period.

Collaborative research and innovation activities and a strong focus on support to the internationalisation of European innovative SMEs should drive the additional activities and calls for proposals during the period 2025 to 2027 in line with the overall call schedule until the end of the partnership. There is a clear added value and 'selling point' for the continuation and additional calls under this initiative to further address gaps towards a better alignment and increased focus on internationalisation. This reflects and recalls the definition of European

Partnerships in Horizon Europe⁶² as initiatives where the union and its partners 'commit to jointly support the development and implementation of a programme of research and innovation activities, including those related to market, regulatory or policy uptake.'

The below list of specific activities, going beyond research and innovation activities, can therefore be implemented under the period of 2025-2027 (continuation of the partnership) and are anticipated as expected outputs to:

- Support transnational near-market collaborative research and innovation addressing technological and societal challenges;
- Enhance SME readiness (absorptive capacities in all participating countries),
- Attract wide range of beneficiaries by country and SME type and age;
- Create synergies among national programmes by streamlining their execution;
- Enhance cooperation and knowledge exchange at level of national intermediaries.
- Lessons learnt concerning proposals and project implementations for future improvements.

The proposed continuation of the initiative will help innovative SMEs to further increase their research and innovation capacities and productivity, shorten the time to market of their innovations and to become embedded in global value chains and new and/or expanded markets. It will achieve this through additional support to innovative SMEs in developing products, processes and services through funding market-led, cross-border, research and innovation collaborative projects and providing accompanying measures. The initiative addresses collaboration in Europe and beyond, and the commercialisation of new knowledge to public and private sector markets. Thereby it will strengthen the overall resilience of the European innovation ecosystem.

The overall objective of the initiative, to be conducted during the full duration of Horizon Europe, is to implement a co-funded European Partnership for Innovative SMEs to stimulate economic growth and job creation by enhancing the competitiveness of innovative SMEs while contributing to deliver a positive economic, societal and environmental impact in Europe and beyond.

In order to address that objective, the initiative should:

- Enable innovative SMEs to develop all forms of innovation, including breakthrough innovation, and strengthen market deployment of innovative solutions;
- Foster the internationalisation of European innovative SMEs;
- Connect national programmes to unlock the potential of all partners.

⁶² Definition as per Article 2(47) of the <u>Horizon Europe Regulation</u>.

While the award of a grant to continue the Partnership in accordance with this call should be based on a proposal submitted by the coordinator of the consortium funded under European Partnership on Innovative SMEs and the additional activities (which may include additional partners) to be funded by the grant should be subject to an evaluation, this evaluation should take into account the existing context and the scope of the initial evaluation as relevant, and related obligations enshrined in the grant agreement.

Taking into account that the present action is a continuation of the topic HORIZON-EIE-2021-INNOVSMES-01-01 and HORIZON-EIE-2023- INNOVSMES-01: European Partnership on Innovative SMEs and foresees an amendment to an existing grant agreement, the proposal should also present as an Annex the additional activities (including additional partners) to be covered by the award in terms of amendments to the grant agreement that would result from the action.

Type and range of activities

A main activity is to run calls for proposals, organise the evaluation process and enable collaborative cross-border research and innovation projects. Beyond providing funding to innovative SMEs for cross-border research and innovation (R&I) collaboration, they should include further promotion of the programme in underrepresented Member States, including but not limited to, through dissemination events, mutual learning seminars or roadshows.

Accompanying measures such as INNOWWIDE should be included in the proposal.

Expected partner composition and geographical coverage

• National administrations and National Funding Bodies (NFBs).

The private sector and research actors would need to be mainly drawn from the activities of the national and/or regional funding organisations. The effort, networks and judgements of these organisations are key to initiate cross-border research collaborations, to help prepare applications and to fund successful participants. The success of the initiative depends largely on these organisations.

A dedicated implementation structure may notably support them through various activities and services such as to organise calls, manage funding, monitor payments and projects and implement dissemination events, roadshows, matchmaking events, webinars etc.

The initiative should have an extended geographical coverage beyond Member States and Associated Countries, and the potential to evolve towards a global programme under Horizon Europe, including through possible involvement of additional partners during the lifetime of the programme. Third countries are welcome to participate in the Partnership in line with the standard criteria related to co-funded partnerships in Horizon Europe. The initiative should promote the ambition towards more projects involving other partners than those in geographical proximity and the sufficient utilisation of the potential of the extended Eureka network.

Types and levels of contributions from partners

Proposals should mobilise the necessary financial resources from participating national (or regional) research programmes with a view to implementing joint calls for transnational proposals resulting in grants to third parties.

Member States are invited to maximise the financial support provided to innovative SMEs through increased national funding during the selection process.

International dimension

Proposals should focus on supporting international projects led by innovative SMEs. They should enable international cooperation, enabling small businesses to learn, combine and share expertise and benefit from working beyond national borders.

In line with the ambitions of the partnership to foster international collaboration and the provisions of the model grant agreement, projects involving one legal entity established in a Member State or Associated Country as beneficiary and one legal entity established in a non-associated third country as partner may be supported in the same manner as under Eurostars 2. As per Horizon Europe rules, projects with no participants from Member States or Associated Countries are not eligible for participation in the partnership. At least two thirds (67%) of the projects supported must involve at least two beneficiaries from Member States or Associated Countries.

Synergies

Focussing on helping European innovative SMEs to grow and successfully embed in international markets and value chains by developing methodologies and technologies, the partnership is expected to collaborate closely with other relevant European Partnerships missions and the European Innovation Council in order to ensure coherence and complementarity of activities. Proposals must describe the methodology for their collaboration and the aims to achieve with this kind of collaboration.

It is encouraged to collaborate closely with Regional Innovation Valleys, EIT and KICs exploring synergies along the SME innovation and development pathways, EEN supporting info-days and partner-finding for different calls.

Proposals should include the actions covering 2025-2027 but only the financial commitments for 2025 will be covered by the present work programme.

Other actions not subject to calls for proposals

1. European Assistance For Innovation Procurement

The New European Innovation Agenda highlights the need to stimulate the uptake of innovation procurement and recognizes the existing European Assistance for Innovation Procurement as a key initiative in this context⁶³. European Council Conclusions call for further improving indepth knowledge and experience of public buyers, policy makers, companies and other key stakeholders on innovation procurement ⁶⁴. The European Assistance For Innovation Procurement can contribute to achieve these goals.

This action funds a service contract for implementing the European Assistance For Innovation Procurement for the period 2026 - 2029, inspired by the activities of the existing European Assistance For Innovation Procurement and extending its scope. The tasks include updating the innovation procurement toolkit for procurers with new guidance and good practice examples, running the Q&A helpdesk, organizing workshops with procurers, policy makers, companies and other stakeholders and providing local assistance to public buyers across the EU Member States and Horizon Europe Associated Countries to kickstart new innovation procurements across all sectors in which public buyers are active.

Form of Funding: Procurement

<u>Type of Action</u>: Public procurement

Indicative timetable: Third quarter of 2025

Indicative budget: TBC

2. Benchmarking of national policy frameworks and investments on innovation procurement across Europe

European Council Conclusions call on policy makers to strengthen the policy support for innovation procurement and to encourage public buyers to increase investments in innovation procurement.⁶⁵ The New European Innovation Agenda highlights the importance of continuing the benchmarking of national policy frameworks and investments for innovation procurement across Europe. It provides a better understanding of what is the status across different countries of the implementation of policy measures that create a conducive ecosystem for innovation

⁶³ COM(2022)332 committed to establish specialist advisory services for innovation procurement and the associated SWD(2022)187 final recognised in this context the European Assistance For innovation Procurement (<u>www.eafip.eu</u>)

⁶⁴ 23 May 2024 Council Conclusions on Strengthening knowledge valorisation as a tool for a resilient and competitive industry and for strategic autonomy in an open economy in Europe: <u>https://data.consilium.europa.eu/doc/document/ST-10182-2024-INIT/en/pdf</u>

⁶⁵ 23 May 2024 Council Conclusions on Strengthening knowledge valorisation as a tool for a resilient and competitive industry and for strategic autonomy in an open economy in Europe: <u>https://data.consilium.europa.eu/doc/document/ST-10182-2024-INIT/en/pdf</u>

procurement, what are current levels of investment in innovation procurement across different sectors, what are good practices versus remaining barriers and how can they be overcome.

This action funds a service contract for implementing the benchmarking for the years 2027 and 2028. Regularly taking stock in a comparable way across Europe of the progress that different countries are making on innovation procurement, will enable policy makers to learn from each other to continue improving their performance and will help innovative companies that want to grow their business across borders to understand better the situation on innovation procurement in other countries.

Form of Funding: Procurement

Type of Action: Public procurement

Indicative timetable: Last quarter of 2025

Indicative budget: TBC

3. Use of individual experts on assisting with the monitoring of actions

This action will support the use of appointed independent experts for the monitoring of running actions (grant agreement, grant decision, public procurement actions, financial instruments) funded under Horizon Europe and previous Framework Programmes and where appropriate include ethics checks, as well as compliance checks regarding the Gender Equality Plan eligibility criterion.

A special allowance will be paid to the experts appointed in their personal capacity who act independently and in the public interest.

Form of Funding: Other budget implementation instruments

Type of Action: Expert contract action

Indicative timetable: Second quarter of 2025

Indicative budget: TBC

4. Use of individual experts in support of the EIC FORUM

The European Innovation Council (EIC) Forum facilitates an informal environment to enhance framework conditions and the exchange of information, knowledge, talent, and best practices among stakeholders in innovation ecosystems and the EIC. Its aim is to fully leverage the potential of innovation. Serving as a bridge between sections of Pillar III of Horizon Europe, it ensures coordination between the EIC and the European Institute of Innovation and Technology (EIT), along with other relevant sections of Pillars I and II. Additionally, by engaging other pertinent Directorates Generals (DGs) from the Commission, the Forum seeks to promote a cohesive and inclusive approach to the European Union's innovation ecosystems, through collaborative policy and instrument development.

Experts will provide intelligence in support of the work of the EIC Forum and/or its working groups. Their aim will be to gather new or more robust evidence and / or to produce analyses in support of policy discussions.

In those cases where individual expert contracts are used, a special allowance will be paid to the individual experts appointed in their personal capacity who act independently and in the public interest. In other cases where expertise required that goes beyond an individual expert acting in its personal capacity, a public procurement may be used.

Form of Funding: Other budget implementation instruments

Type of Action: Expert contract action

Indicative timetable: Second and third quarters of 2025

Indicative budget: TBC

5. Commission fee as EUREKA member (administrative costs)

This action will cover the Commission fee as a member of Eureka (administrative costs). This action will support coordination activities aimed at increasing complementarities and synergy between EUREKA and the Horizon Europe in areas of common interest.

EUREKA is an international network established in 1985 as an agreement between 18 countries to foster European competitiveness and integration and to encourage Research & Development cooperation. Since then, it expanded to include over 45 countries in Europe and beyond who share the same goals and have national funding available to organisations who apply through our programmes.

The European Union is a member of EUREKA and, as such, contributes to the budget of the EUREKA Secretariat.

Type of Action: Subscription action

Indicative timetable: First quarter of 2025

Indicative budget: TBC

Budget⁶⁶

TBC

The budget figures given in this table are rounded to two decimal places. The budget amounts are subject to the availability of the appropriations provided for in the general budget of the Union for 2025.